



**THE COMPANIES ACT 1985**

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**PRIVATE COMPANY LIMITED BY SHARES**

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**MEMORANDUM OF ASSOCIATION**

**OF**

**HARRODS HOLDINGS LIMITED**

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1. 'The Company's name is Harrods Holdings Limited.
  2. The Company's registered office is to be situated in England and Wales.
  3. The Company's objects are:-
    - (A) To carry on the business of an investment company and for that purpose to acquire and hold either in the name of the Company or in that of any nominee shares, stocks, debentures, debenture stock, bonds, notes, obligations and securities issued or guaranteed by any company wherever incorporated or carrying on business and debentures, debenture stock, bonds, notes, obligations and securities issued or guaranteed by any government, sovereign ruler, commissioners, public body or authority, supreme, dependent, municipal, local or otherwise in any part of the world.
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- <sup>1</sup> The name of the Company was changed from Precis (317) Limited to Alfayed Investment and Trust (UK) Limited by Special Resolution passed on 19<sup>th</sup> November 1984.
- The Company was re-registered as a public company on 20<sup>th</sup> March 1985.
- The name of the Company was changed from Alfayed Investment and Trust (UK) plc to House of Fraser Holdings Plc by Special Resolution passed on 9<sup>th</sup> December 1985.
- The name of the Company was changed from House of Fraser Holdings Plc to Harrods Investments plc by Special Resolution passed on 17<sup>th</sup> January 1994.
- The name of the Company was changed from Harrods Investments plc to Harrods Holdings plc by Special Resolution passed on 25<sup>th</sup> July 1996.
- The Company was re-registered as a private company on 24<sup>th</sup> March 2000.
- The name of the Company was changed from Harrods Holdings plc to Harrods Holdings Limited by Special Resolution passed on 24<sup>th</sup> March 2000.

- (B) To acquire any shares, stock, debentures, debenture stock, bonds, notes, obligations, or securities by original subscription, contract, tender, purchase, exchange underwriting, participation in syndicates or otherwise, and whether or not fully paid up, and to subscribe for the same subject to such terms and conditions (if any) as may be thought fit.
- (C) To exercise and enforce all rights and powers conferred by or incident to the ownership of any shares, stock, obligations or other securities including without prejudice to the generality of the foregoing all such powers of veto or control as may be conferred by virtue of the holding by the Company of some special proportion of the issued or nominal amount thereof and to provide managerial and other executive supervisory and consultant services for or in relation to any company in which the Company is interested upon such terms as may be thought fit.
- (D) To acquire by any means any real or personal property or rights whatsoever.
- (E) To carry on any other business which may seem to the Company capable of being conducted directly or indirectly for the benefit of the Company.
- (F) To make experiments in connection with any business or proposed business of the Company, and to apply for or otherwise acquire in any part of the world any patents, patent rights, brevets d'invention, licences, protections and concessions which may appear likely to be advantageous or useful to the company, and to use and manufacture under or grant licences or privileges in respect of the same, and to expend money in experimenting upon and testing and in improving or seeking to improve any patents, inventions or rights which the Company may acquire or propose to acquire.
- (G) To acquire by any means the whole or any part of the assets, and to undertake the whole or any part of the liabilities, of any person carrying on or proposing to carry on any business which the Company is authorised to carry on or which can be carried on in connection therewith, or to acquire an interest in, amalgamate or enter into any arrangement for sharing profits, or for co-operation, or for limiting competition, for mutual assistance, with any such person and to give or attempt, by way of consideration for any of the acts or things aforesaid or property acquired, any shares, whether fully or partly paid up, debentures, or other securities or rights that may be agreed upon.
- (H) To acquire and hold shares or other interests in or securities of any other company and otherwise invest and deal with the moneys of the Company.
- (I) To lend money or give credit to such persons on such terms as may seem expedient.
- (J) To borrow money and to secure by mortgage, charge or lien upon the whole or any part of the Company's property or assets (whether present or future), including its uncalled capital, the discharge by the Company or any other person of any obligation or liability.
- (K) To guarantee the performance of any obligation by any person whatsoever.

- (L) To draw, make, accept, endorse, discount, execute and issue promissory notes, bills of exchange, bills of lading, warrants, debentures and other negotiable or transferable instruments
- (M) To apply for, promote and obtain any Act of Parliament, charters, privileges, concessions, licences or authorisations of any government, state municipality, or other authority for enabling the Company to carry any of its objects into effect or for extending any of the Company's powers or for effecting any modification of the Company's constitution, or for any other purpose which may seem expedient, and to oppose any actions, steps, proceedings, or applications which may seem calculated directly or indirectly to prejudice the interests of the Company or of its Members.
- (N) To enter into any arrangement with any governments or authorities (supreme, municipal, local or otherwise), or any corporation, companies, or persons that may seem conducive to the Company's objects or any of them, and to obtain from any such government, authority, corporation, company or person any charters, contracts, decrees, rights, privileges and concessions which the Company may think desirable, and to carry out, exercise and comply with any such charters, contracts, decrees, rights, privileges and concessions.
- (O) To establish and maintain, or procure the establishment and maintenance of, any pension or superannuation funds (whether contributory or otherwise) for the benefit of, and to give or procure the giving of donations, gratuities, pensions, allowances and emoluments to any persons who are or were at any time in the employment or service of the Company, or of any company which is a subsidiary of the Company or is allied to or associated with the Company, or any such subsidiary of the Company or is allied to or associated with the Company, or any such subsidiary or of any of the predecessors of the Company or any such other company as aforesaid, or who may be or have been Directors or officers of the company, or of any such other company as aforesaid, and the wives, widows, families and dependants of any such persons, and to establish, subsidise and subscribe to any institutions, associations, societies, trusts, clubs or funds calculated to be for the benefit of, or to advance the interests and well-being of, the Company or of any other company as aforesaid, or of any such persons as aforesaid, and to make payments for or towards the insurance of any such persons as aforesaid, and to subscribe or guarantee money for charitable or benevolent objects, or for any exhibition or for any public, general or useful object, and to do any of the matters aforesaid either alone or in conjunction with any such other company as aforesaid.
- (P) To procure the Company to be registered or recognised in any part of the world.
- (Q) To promote any other company for the purpose of acquiring all or any of the property and/or undertaking any of the liabilities of the Company, or of undertaking any business or operations which may appear likely to assist or benefit the Company, and to place or guarantee the placing of, underwrite, subscribe for or otherwise acquire all of any part of the shares, debentures or other securities of any such company as aforesaid.

- (R) To dispose by any means of the whole or any part of the assets of the Company.
- (S) To do all or any of the above things in any part of the world, and either as principal, agent, trustee, contractor or otherwise, and either alone or in conjunction with others, and either by or through agents, trustees, sub-contractors or otherwise.
- (T) To do all such other things as may be deemed incidental or conducive to the attainment of the above objects or any of them.

**AND IT IS HEREBY DECLARED** that in this clause:

- (a) unless the context otherwise requires, words in the singular include the plural and vice versa;
- (b) unless the context otherwise requires, a reference to a person includes a reference to a body corporate (including, without prejudice to the generality of that term, any company which is a parent company of the Company, or is a subsidiary undertaking of the Company or any such parent company, or is associated in any way with the Company) and to an unincorporated body of persons;
- (c) a reference to any property, right or asset includes a reference to any interest in it, and a reference to any liability includes a reference to any loss;
- (d) references to "other" and "otherwise" shall not be construed *eiusdem generis* where a wider construction is possible;
- (e) a reference to anything which the Company thinks fit or desirable or considers or which may seem (whether to the Company or at large) expedient, conducive, calculated or capable, or to any similar expression connoting opinion or perception, includes, in relation to any power exercisable by or matter within the responsibility of the directors of the Company, a reference to any such thing which the directors so think or consider or which may so seem to the directors or which is in the opinion or perception of the directors;
- (f) nothing in any of the foregoing paragraphs of this clause is to be taken (unless otherwise expressly stated) as requiring or permitting the Company to exercise any power only for the benefit of the Company or only in furtherance of any of its objects;
- (g) the objects specified in each of the foregoing paragraphs of this clause shall be separate and distinct objects of the Company and accordingly shall not be in any way limited or restricted (except so far as otherwise expressly stated in any paragraph) by reference to or inference from the terms of any other paragraph or the order in which the paragraphs occur or the name of the Company, and none of the paragraphs shall be deemed merely subsidiary or incidental to any other paragraph.

4. The liability of the Members is limited.

5. The share capital of the Company is £50,000,002 divided into 50,000,000 shares of £1 each, one "A" special rights redeemable preference share of £1 and one "B" special rights redeemable preference share of £1.<sup>2</sup>

WE, the several persons whose names and addresses are subscribed are desirous of being formed into a Company in pursuance of this Memorandum of Association and we respectively agree to take the number of shares in the capital of the Company set opposite our respective names.

<b>Names, addresses and descriptions of Subscribers</b>	<b>Number of shares taken by each Subscriber</b>
Bernd Ratzke 12 Regency Drive West Byfleet Surrey KT14 6EN  Solicitor	One
Leon Neal 34 Hill Crest, Tonbridge Wells Kent	One
Accountant	

Dated 20<sup>th</sup> August 1984

Witnesses to the above Signatures:

Zena Robinson  
19 Perpins Road  
Eltham  
SE9 2LF

Secretary

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<sup>2</sup> The share capital of the Company was increased from £100 to £1,000,000 on 5<sup>th</sup> December 1984 by the creation of 999,900 shares of £1 each.

The share capital of the Company was increased from £1,000,000 to £50,000,000 on 30<sup>th</sup> April 1985 by the creation of 49,000,000 shares of £1 each.

The share capital of the company was increased from £50,000,000 to £50,000,002 on 4<sup>th</sup> March 1997 by the creation of one "A" special rights redeemable preference share of £1 and one "B" special rights redeemable preference share of £1.

*David E. Newman*

No. 1848143

## **ARTICLES OF ASSOCIATION**

of

### **HARRODS HOLDINGS LIMITED**

#### **PRELIMINARY**

1.

- (1) The regulations contained in Table A in the schedule to the Companies (Tables A to F) Regulations 1985 (hereinafter called "Table A") shall apply to the Company save in so far as they are varied or excluded by or are inconsistent with these articles.
- (2) Regulation 1 of Table A shall apply to the Company as if references in it to 'these regulations' included references to these articles; and these articles shall also be interpreted as if the Interpretation Act 1978 applied to them in the same manner as, and to the same extent to which, it applies to Table A.
- (3) In these articles -
  - (a) references to a power are to a power of any kind, whether administrative, discretionary or otherwise; and
  - (b) references to the seal are to the common seal (if any) of the Company and an official seal (if any) kept by the Company by virtue of Section 40 of the Act, or either of them as the case may require.

2. Regulations 2, 24, 54, 64, 65, and 94 to 97 (inclusive), in Table A shall not apply to the Company.

#### **ALLOTMENT OF SHARES**

3. Subject to the provisions of the Companies Act 1985:-

- (1) The unissued shares for the time being in the capital of the Company shall be at the disposal of the Directors, who may allot, grant options over or otherwise dispose of the same to such persons and on such terms as they think fit;
- (2) Shares, including securities of any nature, may be issued on the terms that they are, or are to be, liable, to be redeemed at the option of the Company or the holder on such terms and in such manner as the Company may before the issue of the shares by special resolution determine;

- (3) The Company may purchase in any manner the Board considers appropriate any of its own shares (including any redeemable shares).
4. Sections 89(1) and 90(1) to (6) (inclusive) of the Act, in their application to allotments by the Company of equity securities, are hereby excluded.

#### **SHARE CERTIFICATES**

5. Regulation 6 in Table A shall apply to the Company as if the words "shall be sealed with the seal and" were omitted.

#### **TRANSFER OF SHARES**

6. The directors may in their absolute discretion, and without giving any reason, decline to register any transfer of any share, whether or not fully paid.

#### **NOTICE OF GENERAL MEETINGS**

7. Notice of every general meeting shall be given to all members (other than any who, under the provisions of these articles or any restrictions attached to any shares, are not entitled to receive such notice) and to the Directors and Auditors. The last sentence of Regulation 38 in Table A shall not apply to the Company.

#### **PROCEEDINGS AT GENERAL MEETINGS**

8. Where the Company has only one member, Regulation 40 in Table A shall apply to the Company as if the reference to two persons were a reference to one, and the word "each" were omitted.

#### **VOTES OF THE MEMBERS**

9. Subject to any rights or restrictions attached to any shares, on a show of hands every member who is present in person or by proxy or (being a corporation) by a duly authorised representative shall have one vote (provided that if he is present in more than one capacity he shall not have more than one vote on a show of hands), and on a poll every member shall have one vote for every share of which he is the holder.

#### **DELIVERY OF PROXIES**

10. Regulation 62 in Table A shall apply to the Company as if, after the words "in a manner so permitted", there were inserted the words "or in such other manner as the directors may determine".

#### **DIRECTORS**

11. Unless otherwise determined by ordinary resolution the number of directors (other than alternate directors) shall not be subject to any maximum but, except where the Company has only one member, shall not be less than two.

#### **ALTERNATE DIRECTORS**

12. Any Director (other than an alternate director) may appoint, with the approval of the Board of Directors, any person willing to act to be an alternate director and may remove from office an alternate director so appointed by him.

13. Regulation 66 in Table A shall take effect as if the words "but shall not be entitled to receive remuneration from the Company for his services as an alternate director" were removed and replaced with the words "and the remuneration of an alternate director shall be payable out of the remuneration payable to the Director appointing him, and shall consist of such part (if any) of the last mentioned remuneration as shall be agreed between the alternate director and the Director appointing him".
14. An alternate director shall cease to be an alternate director if his appointor ceases to be a Director, accordingly Regulation 67 in Table A shall not apply.
15. Regulation 68 in Table A shall take effect as if, after the words "signed by the Director making or revoking the appointment" the words "and shall take effect on delivery of the said notice to the registered office of the Company," were inserted.

#### **APPOINTMENT RETIREMENT AND REMOVAL OF DIRECTORS**

16. Regulations 73 to 80 (inclusive) and the last sentence of Regulation 84 in Table A shall not apply to the Company.
17. A member or members holding a majority in nominal value of the issued shares in the Company may appoint any person who is willing to act to be a director, either to fill a vacancy or as an additional director, and may remove from office any director however appointed. Any such appointment or removal shall be effected by an instrument in writing signed by the member or members concerned or, in the case of a corporate member, by its duly authorised representative, and delivered to the office or tendered at a meeting of the directors or a general meeting of the Company.
18. The directors may appoint any person who is willing to act to be a director, either to fill a vacancy or as an additional director.
19. The Company may by ordinary resolution appoint any person who is willing to act to be a director, either to fill a vacancy or as an additional director and, without prejudice to the provisions of the Act, may by ordinary resolution remove a director from office.
20. The removal of a director under these articles shall be without prejudice to any claim the director may have for breach of any contract of service between him and the Company.
21. No person shall be disqualified from being or becoming a director by reason of his attaining or having attained the age of 70 or any other age, nor shall it be necessary by reason of his age to give special notice under the Act of any resolution appointing, reappointing or approving the appointment of a director.

#### **PROCEEDINGS OF DIRECTORS**

22. Regulation 93 shall only take effect in so far as the expressions "director" and "alternate director" used in that regulation do not include an alternate director unless he has been appointed by a Director who is for the time being absent from the United Kingdom.
23. A director (including an alternate director) who has duly declared his interest (so far as he is required to do so) may vote at a meeting of the directors or of a committee of



the directors on any resolution concerning a matter in which he is interested, directly or indirectly. If he does, his vote shall be counted; and whether or not he does, his presence at the meeting shall be taken into account in calculating the quorum.

24. Where the Company has only one member and only one director, that director may exercise all the powers conferred on the directors by Regulation 70 in Table A or otherwise by virtue of these articles, notwithstanding any restriction in Regulation 89 (as to the quorum for the transaction of the business of the directors) or Regulation 90 (as to the purposes for which a sole continuing director may act).
25. A meeting of the directors may consist of a conference between directors some or all of whom are in different places provided that each director who participates in the meeting is able:
  - (A) Up to the amount of the share capital to hear of the other participating directors addressing the meeting; and
  - (B) if he so wishes, to address each of the other participating directors simultaneously,

whether directly, by conference telephone or by any other form of communication equipment (whether in use when this Article is adopted or developed subsequently) or by a combination of such methods. A quorum shall be deemed to be present if those conditions are satisfied in respect of at least the number and designation of directors required to form quorum. A meeting held in this way shall be deemed to take place at the place where the largest group of directors is assembled or, if no such group is readily identifiable, at the place from where the chairman of the meeting participates at the start of the meeting.

## **DIVIDENDS**

26. Regulation 106 in Table A shall apply to the Company as if, after the words "to the order of", there were inserted the words "or to".

## **SPECIAL RIGHTS REDEEMABLE PREFERENCE SHARES**

27.
  - (1) In this Article, "'A' Special Share" means the 'A' special rights redeemable preference share of £1.00 in the capital of the Company and "'B' Special Share" means the 'B' special rights redeemable preference share of £1.00 in the capital of the Company, each being a "Special Share" and the holder of either being the "'A' Special Shareholder" or the "'B' Special Shareholder" (as appropriate) and a "Special Shareholder".
  - (2) A Special Share may only be issued to, held by and transferred to a Relevant Trustee or a person wholly owned, directly or indirectly, by a Relevant Trustee. "Relevant Trustee" means the trustee(s) for the time being of an Approved Trust, acting in such capacity. "Approved Trust" means a trust approved by the Board of Directors as the original holder (through its trustees or a person wholly owned, directly or indirectly, by them) of a Special Share. No restrictions relating to the transfer of any share (including any right of the

directors to refuse to register any transfer) set out in these Articles of Association, other than the restrictions set out in this Article 27, shall apply to any transfer of any Special Share.

- (3) The Company shall only create or issue one 'A' Special Share and one 'B' Special Share.
- (4) Notwithstanding any provision in these Articles to the contrary, the rights attaching to the 'A' Special Share and the rights attaching to the 'B' Special Share shall include the right to approve or disapprove of each of the following matters:
  - (a) the amendment removal or alteration of the effect of (which for the avoidance of doubt, shall be taken to include the ratification of any breach of) this Article 27;
  - (b) any disposal or transfer of any shares in the Company or of any interest in any such shares, other than a disposal or transfer to a Permitted Person in circumstances where the whole of the beneficial interest so disposed of or transferred is acquired by such person. A "Permitted Person" means Alfayed Investment and Trust Pvt L.P. (an exempted limited partnership formed under the laws of Bermuda) ("AIT") or any company or body corporate which is wholly owned by AIT or any wholly owned subsidiary of such a company or body corporate and which has itself issued to the Relevant Trustee of each Approved Trust a special rights share having substantially the same rights as the rights under these Articles attaching to the 'A' Special Share and the 'B' Special Share;
  - (c) any issue of any shares in the Company, other than an issue to a Permitted Person in circumstances where the whole of the beneficial interest in the Shares will be vested in such person;
  - (d) a proposal for the voluntary winding-up or dissolution of the Company;
  - (e) a proposal for a voluntary arrangement of the Company pursuant to Section 1 of the Insolvency Act 1986;
  - (f) any disposal by the Company of any shares in the capital of any Relevant Subsidiary, or of any interest in any such shares, or the entering into of any agreement or arrangement by the Company which at any time requires or would on satisfaction of any condition require the disposal by it of any such shares or any such interest, save in any such case for a disposal to a Permitted Person acquiring the whole of the beneficial interest so disposed of. "Relevant Subsidiary" means any person which is wholly owned by AIT or by a subsidiary of such a person and which owns or carries on the Harrods Business, or any substantial part of such business or which owns, directly or indirectly (including through any other person) any shares in any company which owns or carries on such business or any substantial part of it. "Harrods

Business” means the business of owning and operating the Harrods department store in Knightsbridge, London, SW1;

- (g) any disposal of, or of any substantial part of, the Harrods Business or assets forming part of the Harrods Business other than the disposal of trading assets in the ordinary course of business;
- (h) the termination or cessation of the appointment of any Senior Executive of the Company or the Harrods Business (other than by resignation, death or retirement on reaching the Company’s normal retirement age). A “Senior Executive” means any executive director or person holding any position of equivalent or greater executive importance, whether or not a director; and
- (i) the appointment of any person as a Senior Executive of the Company or the Harrods Business;

and in the event that, in respect of any such matter, the approval of the A Special Shareholder and the B Special Shareholder shall not be forthcoming and evidenced by prior written consent, there shall be deemed to be a variation of the rights attaching to the A Special Share and of the rights attaching to the B Special Share and the matter shall not be effective.

- (5) The ‘A’ Special Shareholder and the ‘B’ Special Shareholder shall each be entitled to receive notice of and to attend and to speak at any general or other meeting of the Company and any meeting of the holders of any class of shares of the Company (other than of the other Special Shares), but the Special Shares shall not carry any entitlement to vote at any such meeting.
- (6) On any distribution of capital on a winding-up of the Company, the holder of the ‘A’ Special Share and the holder of the ‘B’ Special Share shall each be entitled to be paid a sum equal to an amount paid up or treated for the purposes of the Act as paid up on the Special Share held by it, in priority to any distribution of capital to any other member. Neither Special Share confers any other right to participate in the capital or profits of the Company.
- (7) Subject to the provisions of the Act, a Special Shareholder may require the Company to redeem the Special Share held by it at par at any time by serving written notice upon the Company. The Company shall have no right to redeem a Special Share.

Dated: 24<sup>th</sup> March 2000