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THE COMPANIES ACT 1985
COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

of

DROM INTERNATIONAL UK LIMITED

PRELIMINARY

SATURDAY



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COMPANIES HOUSE

1 The Company is a Private Company and, subject as hereinafter provided and except where the same are varied or excluded by or are inconsistent with these Articles, the regulations contained in Table A in the Schedule to the Companies (Tables A to F) Regulations 1985 as amended by the Companies (Tables A to F) (Amendment) Regulations 1985 (such regulations being hereinafter called "Table A") shall apply to the Company and shall be deemed to form part of these Articles. References herein to Regulations are to regulations in Table A unless otherwise stated.

DEFINITIONS

2 In these Articles unless the context otherwise requires

"the Act"	means the Companies Act 1985 but so that any reference in these Articles to any provision of the Act shall be deemed to include a reference to any statutory modification or re-enactment of that provision for the time being in force,
"the Articles"	means these Articles of Association in their present form or as from time to time altered,
"Director"	means a Director of the Company,
"the Holding Company"	means Drom Dr O Martens Nachf KG,
"the Board"	means the Board of Directors of the Company or a duly authorised committee thereof or the Directors present at a meeting of the board of Directors of the Company or a duly authorised committee thereof, in each case at which a quorum is present,
"Member"	means a member of the Company,

"paid up"

means paid up or credited as paid up,

"subsidiary"

means a company which is a subsidiary of another within the meaning of Section 736 of the Act

SHARE CAPITAL

3 The share capital of the Company at the date of adoption of these Articles is £30,000 divided into 3,000 Ordinary Shares of £10 00 each

SHARES

- 4 (a) The Board is generally and unconditionally authorised for the purposes of Section 80 of the Act to exercise any power of the Company to allot relevant securities (as defined in that Section) to such persons, on such terms and in such manner as it thinks fit, up to an aggregate nominal amount of £30,000 at any time or times during the period of five years from the date of the Company's incorporation
- (b) The authority contained in paragraph (a) above shall enable the Board to allot relevant securities after the expiry of the said period of five years pursuant to an offer or agreement made by the Company before the expiry of the said period
- (c) All unissued shares or securities of the Company not comprising relevant securities shall be at the disposal of the Board who may allot, grant options over or otherwise dispose of them to such persons, at such times, and on such terms as it thinks proper

LIEN

5 The lien conferred by Regulation 8 shall also attach to fully paid shares and the Company shall also have a first and paramount lien on all shares, whether fully paid or not, standing registered in the name of any person, whether he shall be the sole registered holder thereof or shall be one of two or more joint holders for all moneys presently payable by him or his estate to the Company Regulation 8 shall be modified accordingly

FORFEITURE

6 The liability of any Member in default of payment of a call shall, if the Board so directs, also include any costs and expenses suffered or incurred by the Company in respect of such non-payment and the powers conferred on the Board by Regulation 18 and the provisions of Regulation 21 shall be extended accordingly

TRANSFER OF SHARES

7 The Board may, in its absolute discretion, and without giving any reason therefor, decline to register a transfer of any share, whether or not it is a fully paid share
Regulation 24 shall not apply to the Company

TRANSMISSION OF SHARES

8 The Board may at any time give notice requiring any person entitled to a share by reason of the death or bankruptcy of the holder thereof to elect either to be registered himself in respect of the share or to transfer the share and if the notice is not complied with within sixty days the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the share until the requirements of the notice have been complied with
Regulation 31 shall be modified accordingly

PROCEEDINGS AT GENERAL MEETINGS

9 (a) No business shall be transacted at any meeting unless a quorum is present at the time when the meeting proceeds to business Subject to paragraph (b), two persons entitled to vote upon the business to be transacted, each being a member or a proxy for a member or a duly authorised representative of a corporation, shall be a quorum

(b) If the company has only one member, that sole member present in person or by proxy will constitute a quorum

(c) If within half an hour from the time appointed for a general meeting, a quorum is not present, the meeting, if convened upon the requisition of members, shall be dissolved, in any other case, it shall stand adjourned to the same day in the next week at the same time and place or to such time and place as the Board may determine If a quorum is not present at any such adjourned meeting within half an hour from the time appointed for that meeting, the meeting shall be dissolved

(d) Regulations 40 and 41 shall not apply to the Company

10 A poll may be demanded at any general meeting by any member present in person or by proxy and entitled to vote
Regulation 46 shall be modified accordingly

VOTES OF MEMBERS

11 Regulation 62 shall apply to the Company but with the deletion of "within the United Kingdom" at sub-paragraph (a) thereof

DELEGATION OF DIRECTORS' POWERS

12 Any committee of the Board may consist of one or more co-opted persons other than Directors on whom voting rights may be conferred as members of the committee but so that

(a) the number of co-opted members shall be less than one-half of the total number of members of the committee, and

- (b) no resolution of the committee shall be effective unless a majority of the members of the committee present at the meeting are Directors

Regulation 72 shall be modified accordingly

APPOINTMENT AND RETIREMENT OF DIRECTORS

14 The Directors shall not be subject to retirement by rotation and accordingly

(a) Regulations 73 to 75 inclusive, Regulation 80 and the last sentence of Regulation 84 shall not apply to the Company,

(b) Regulation 76 shall apply but with the deletion of the words "other than a director retiring by rotation",

(c) Regulation 77 shall apply but with the deletion of the words in brackets "(other than a director retiring by rotation at the meeting)",

(d) Regulation 78 shall apply but with the deletion of the words "and may also determine the rotation in which any additional directors are to retire", and

(e) Regulation 79 shall apply but with the deletion of the second and third sentences thereof

DIRECTORS

15 The Directors shall be entitled to such remuneration (if any) by way of fee as shall from time to time be determined by the Company in General Meeting. Unless and until so determined, remuneration shall be at such rate, not exceeding £10,000 per annum for each Director, as the Board shall from time to time determine. Such remuneration shall be deemed to accrue from day to day. An alternate Director may be paid by the Company such part (if any) of remuneration otherwise payable to his appointor as his appointor may by notice in writing to the Company from time to time direct. The Directors (including alternate Directors) shall also be entitled to be paid their reasonable travelling, hotel and other expenses of attending and returning from meetings of the Company or otherwise incurred while engaged on the business of the Company or in the discharge of their duties. The end of the first sentence of Regulation 66 shall be modified accordingly and Regulations 82 and 83 shall not apply to the Company.

16 An alternate Director shall be entitled to receive notice of all meetings of Directors notwithstanding that he is absent from the United Kingdom. Regulation 66 shall be modified accordingly.

17 Any Director who, by request, performs special services for any purposes of the Company or who otherwise performs service which, in the opinion of the Board, are outside the scope of the ordinary duties of a Director shall receive such extra remuneration by way of salary, percentage of profits or otherwise as the Board may determine, which shall be charged as part of the Company's ordinary working expenses.

18 Subject to the provisions of the Act and provided that he has disclosed to the Directors the nature and extent of any material interest of his, a Director notwithstanding his office

(a) may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is in any way interested,

(b) may be a director or other office of, or employed by, or a party to any transaction or arrangement with, or otherwise interested in, any body corporate promoted by the Company or in which the Company is in any way interested,

(c) may, or any firm or company of which he is a member or director may, act in a professional capacity for the Company or any body corporate in which the Company is in any way interested,

(d) shall not, by reason of his office, be accountable to the Company for any benefit which he derives from such office, service or employment or from any such transaction or arrangement or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit, and

(e) shall be entitled to vote and be counted in the quorum on any matter concerning paragraphs (a) to (d) above

For the purpose of this Article

(i) a general notice to the Directors that a Director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the Director has an interest in any such transaction of the nature and extent so specified,

(ii) an interest of which a Director has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his, and

(iii) an interest of person who is, for any purpose of the Act (excluding any statutory modification not in force when this Article becomes binding on the Company), connected with a Director shall be treated as an interest of his appointor shall be treated as an interest of the alternate director without prejudice to any interest which the alternate director has otherwise

Regulations 85, 86 and 94 to 97 inclusive shall not apply to the Company

PROCEEDINGS OF DIRECTORS

19 No business shall be transacted at any meeting of the Directors unless a quorum is present at the time when the meeting proceeds to business Two Directors present in person shall be a quorum

20 An alternate director who is himself a director and/or who acts as an alternate director for more than one director shall be entitled, in the absence of his appointor(s), to a separate vote or votes on behalf of his appointor(s) in addition (if he is himself a director) to his own vote. The third sentence of Regulation 88 shall not apply to the company. Regulation 88 shall be modified accordingly.

21 A notice of a meeting of the Directors shall be given to a Director who is absent from the United Kingdom. Regulation 88 shall be modified accordingly.

22 A meeting of the Directors or of a committee of the Directors may consist of a conference between Directors or committee members, as the case may be, who are not all in one place, but of whom each is able (directly or by telephonic communication) to speak to each of the others, and to be heard by each of the others simultaneously. A Director or committee member taking part in such a conference shall be deemed to be present in person at the meeting and shall be entitled to vote or be counted in a quorum accordingly. Such a meeting shall be deemed to take place where the largest group of those participating in the conference is assembled, or, if there is no such group, where the chairman of the meeting then is. The word "meeting" in these Articles shall be construed accordingly.

NOTICES

23 A member whose registered address is not within the United Kingdom shall be entitled to have notices given to him at that address. The third sentence of Regulation 112 shall not apply to the Company.

24 A notice served by post shall be deemed to be given at the expiration of forty-eight hours in the case of an address in the United Kingdom, and ninety-six hours for any other address after the time when the cover containing the same is posted. The second sentence of Regulation 115 shall not apply to the Company.

25 Regulation 116 shall apply to the Company but with the deletion of the words "within the United Kingdom".

INDEMNITY

26 Subject to the provisions of the Act but without prejudice to any indemnity to which a Director may otherwise be entitled, every Director or other officer or auditor of the Company shall be indemnified out of the assets of the Company against all costs, charges, losses, expenses and liabilities incurred by him in the execution of his duties or in relation thereto, including any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part or in connection with any application in which relief is granted to him by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Company. Regulation 118 shall not apply to the Company.

OVERRIDING PROVISION

27 For so long as the Company shall be a subsidiary of the Holding Company, the following provisions shall apply and to the extent of any inconsistency shall have overriding effect as against all other provisions of these Articles

(a) the Holding Company may at any time and from time to time appoint any person to be a Director or remove from office any Director howsoever appointed but so that his removal from office shall be deemed an act of the Company and shall have effect without prejudice to any claim for damages for breach of any contract of service between him and the Company,

(b) any or all powers of the Directors shall be restricted in such respects and to such extent as the Holding Company may by notice to the Company from time to time prescribe,

(c) no unissued shares or securities shall be issued or agreed to be issued or put under option without the prior consent of the Holding Company,

(d) no transfer of any share of the Company shall be registered or approved for registration without the prior consent of the Holding Company

Any such appointment, removal, consent or notice shall be in writing served on the Company and signed on behalf of the Holding Company by any two of its Directors or by any one of its Directors and its Secretary or some other person duly authorised for the purpose. No person dealing with the Company shall be concerned to see or enquire as to whether the powers of the Directors have been in any way restricted hereunder or as to whether any requisite consent of the Holding Company has been obtained and no obligation incurred or security given or transaction effected by the Company to or with any third party shall be invalid or invalid or ineffectual unless the third party had at the time express notice that the incurring of such obligation or the giving of such security or the effecting of such transaction was in excess of the powers of the Directors

NAME AND ADDRESS OF SUBSCRIBER

Herr Doktor Bruno Strop
for and on behalf of
DROM DR O MARTENS NACHF KG

DATED the 6th day of October 1995

WITNESS to the above Signature

Dipl Kfm Roland Thurmayr
Personnel & Administration Manager