

40 - 03 - 97

Company No: 1848143

THE COMPANIES ACT 1985  
and  
THE COMPANIES ACT 1989

COMPANY LIMITED BY SHARES

---

RESOLUTIONS  
OF  
HARRODS HOLDINGS PLC  
(passed on 4th March 1997)

---



At an Extraordinary General Meeting of the Company held at 87/135 Brompton Road,  
London SW1X 7XL the following resolutions were duly passed:-

SPECIAL RESOLUTIONS

1. THAT the articles of association of the Company be amended as follows:

(a) by inserting the following sub-clauses:

"1A. In these articles, except where the context otherwise requires, words denoting the singular number only shall include the plural number also and vice versa, words denoting a particular gender shall include either gender and words denoting a person shall include any body of persons, either corporate or unincorporate.

1B. In these articles, reference to shares shall include securities of any nature."

(b) by inserting the following clause:

"21.1 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".

- 21.2 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 21, shall apply to any transfer of any Special Share.
- 21.3 The Company shall only create or issue one 'A' Special Share and one 'B' Special Share.
- 21.4 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 21;
  - (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 Alfyed 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.

- 21.5 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.
- 21.6 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.

21.7 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."

2. THAT the Company be permitted to create and issue one 'A' Special Share and one 'B' Special Share to be redeemed on the terms and in the manner set out in article 21 of the Company's articles of association (as amended by the above mentioned special resolution).

ORDINARY RESOLUTIONS

1. THAT the authorised share capital of the Company be increased from £50,000,000 to £50,000,002 by the creation of one 'A' special rights redeemable preference share of £1 (the "A' Special Share") and one 'B' special rights redeemable preference share of £1 (the "B' Special Share"), such shares having attached thereto the respective rights and being subject to the respective limitations set out in article 21 of the Company's articles of association (as amended by the above mentioned special resolution).
2. THAT the directors of the Company be authorised to allot one 'A' Special Share to Genpar S.A. and one 'B' Special Share to Altrafin Investments, Inc. in accordance with the Company's articles of association (as amended by the above mentioned special resolution), and this authority shall (unless previously revoked or varied) expire on 31st December 1997.



Date: 4th March 1997