THE COMPANIES ACT 1985

BON MARCHE LIMITED (the "Company")

(Company No. 00270937)

WRITTEN RESOLUTIONS

The undersigned, being the sole member of the Company entitled to attend and vote at general meetings of the Company makes the following resolutions as special resolutions of the Company and which will, pursuant to Section 381A of the Companies Act 1985 (as amended by the Deregulation (Resolutions of Private Companies) Order 1996), be as valid and effective for all purposes as if the same had been passed at a general meeting of the Company duly convened and held:

1. **THAT** the provisions (as the same may be amended, varied, supplemented or substituted) of the Documents referred to in the Appendix hereto which the Company is proposing to enter into and grant in connection with the acquisition (the **"Acquisition"**) by Bon Marche Group Limited (the **"Purchaser"**) of the entire issued share capital of the Company's parent Bon Marche Holdings Limited (the **"Parent"**) be and are hereby approved and (notwithstanding any provisions of the memorandum and articles of association of the Company or any personal interest of any of the directors) the directors of the Company be and are hereby empowered, authorised and directed to complete and enter into such Documents.

2. **THAT** notwithstanding that the entering into and granting of certain of the Documents and granting the security and guarantees and performing its obligations thereunder would constitute financial assistance within the meaning of sections 151-158 (inclusive) of the Companies Act 1985, such entry and granting and the giving of such financial assistance is in the best interests of the Company.

3. **THAT** the giving of such financial assistance be and is hereby approved and that the Company entering into and/or granting the Documents to which it is a party and granting the security and guarantees and performing its obligations thereunder be and is hereby approved.
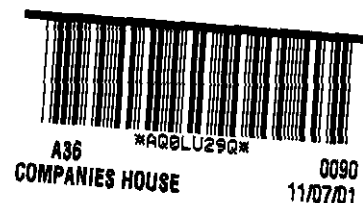
Shareholder

Bon Marché Holdings Limited

Signature

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for and on behalf of
Bon Marché Holdings Limited

Date: 6 ――July―― 2001

APPENDIX

1   a facility agreement to be made between the Purchaser (as borrower), the Purchaser, the Parent and the Company as **"Original Borrowers"**, the Purchaser, the Parent, the Company and the Company's subsidiaries, Hilton Fasions Limited (**"Hilton"**) and Inhoco 336 Limited (**"Inhoco"**) as **"Original Charging Companies"**, The Governor and Company of the Bank of Scotland (the **"Bank"**) in its capacity as working capital facility bank, arranger, agent and security trustee and the Bank and Girobank PLC as original lenders (the **"Original Lenders"**) for the provision of a £12,000,000 term loan facility, a £2,000,000 term loan facility and a £5,000,000 multicurrency revolving loan facility to the Purchaser, the Parent and the Company (the **"Facility Agreement"**);

2   a working capital facility agreement to be made between the Purchaser, the Parent, the Company and the Bank for the provision of a £15,000,000 working capital facility;

3   a debenture to be given by the Purchaser, the Parent, the Company, Inhoco and Hilton to the Bank in its capacity as security trustee (the **"Security Trustee"**) securing, among other obligations, sums due under the Facility Agreement;

4   an intra group funding agreement to be made between the Purchaser, the Parent, the Company, Inhoco and Hilton;

5   an inter creditor agreement between the Purchaser, the Parent, the Company, Inhoco, Hilton, the Security Trustee, Friends Ivory & Sime Private Equity Plc (**"Friends"**), FIS Nominees Limited, FIS Private Equity 2001 LP, The Four Winds Trust (**"Four Winds"**), the Gurchait Trust, Steven Bullas, Jonathan Fellows, David Walker, Gurnaik Chima and Gurchait Chima;

6   a guarantee to be given by the Purchaser, the Parent, the Company, Inhoco and Hilton to Friends (as security trustee);

7   a composite guarantee and debenture to be given by the Purchaser, the Parent, the Company, Inhoco and Hilton to Four Winds in its capacity as security trustee for the Beneficiaries (as defined therein);

(together the **"Documents"**).