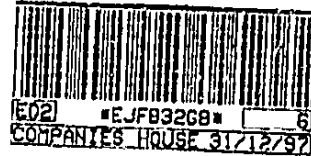


No. 3427512

VIRGIN DIRECT (2) LIMITED

WRITTEN RESOLUTIONS



We, the undersigned, being all the members of the Company who (at the date hercof) would have been entitled to vote upon the resolutions set out below if they had been proposed at a general meeting or at a class meeting at which we were present, hereby agree:-

- (a) pursuant to regulation 53 of Table A (adopted by the Company's articles of association) to the resolutions set out below (of which resolutions (1), (2) and (3) would otherwise be required to be passed as ordinary resolutions and resolutions (4), (5), (6) and (7) as special resolutions); and
- (b) to every variation or abrogation of the rights attaching to any class of shares of which we are a holder involved in or requisite to give effect to such resolutions.

ORDINARY RESOLUTIONS

THAT:-

- (1) the authorised share capital of the Company be increased from £16,000 to £183,500 by the creation of
 - (a) 64,969,232 AMP A ordinary shares of 0.1p each (having the rights as set out in the articles of association attached to these resolutions and to be adopted as the new articles of association of the Company);
 - (b) 50,000,000 Virgin B ordinary shares of 0.1p each (having the rights as set out in the articles of association attached to these resolutions and to be adopted as the new articles of association of the Company);
 - (c) 50,000,000 AMP B ordinary shares of 0.1p each (having the rights as set out in the articles of association attached to these resolutions and to be adopted as the new articles of association of the Company); and
 - (d) 2,530,768 Deferred Shares of 0.1p each (having the rights as set out in the articles of association attached to these resolutions and to be adopted as the new articles of association of the Company).
- (2)
 - (a) all of the issued Virgin ordinary shares (being 14,030,768) be redesignated as Virgin A ordinary shares and their rights amended in accordance with the articles of association attached to these resolutions and to be adopted as the new articles of association of the Company;
 - (b) the 30,768 unissued Virgin ordinary shares be redesignated as AMP A ordinary shares and their rights amended in accordance with the articles of association attached to these

resolutions and to be adopted as the new articles of association of the Company;

(c) the rights attaching to the existing Virgin convertible shares (being 969,232) and Executive convertible shares (being 969,232) be amended in accordance with the articles of association attached to these resolutions and to be adopted as the new articles of association of the Company.

(3) the directors be and are hereby generally and unconditionally authorised for the purposes of section 80 of the Companies Act 1985, to exercise all the powers of the Company to allot relevant securities (within the meaning of section 80(2) of the said Act) up to an aggregate nominal amount of £167,500 authority to expire on 31 October 2002 save that the Company may before such expiry make any offer or agreement which would or might require relevant securities to be allotted after such expiry and the directors may allot relevant securities in pursuance of any such offer or agreement as if the authority conferred hereby had not expired. This authority shall be in substitution for and shall replace any existing authority pursuant to the said section 80 to the extent not utilised at the date this resolution is passed.

SPECIAL RESOLUTIONS


THAT:-

- (4) subject to the passing of resolution 3 above, the directors be and are hereby empowered to allot equity securities (as defined in section 94(2) of the Companies Act 1985) for cash pursuant to the authority conferred by resolution 3 above as if section 89(1) of the said Act did not apply to any such allotment and this power shall expire on 31 October 2002, save that the Company may before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry and the directors may allot equity securities in pursuance of such offer or agreement as if the power had not expired.
- (5) the memorandum of association of the Company be amended by:-
 - (a) the replacement of clause 5 with the wording attached to these resolutions and marked "A" for the purposes of identification; and
 - (b) the insertion of a footnote explaining the increase of authorised share capital pursuant to resolution 1 above and the reclassification of share capital pursuant to resolution 2 above.
- (6) The articles of association attached to these resolutions and marked "B" for the purposes of identification be adopted as the new articles of association of the Company.
- (7) All documents tabled to and business conducted and resolutions passed at the meeting of the directors of the Company as set out in the board minutes attached to these resolutions and marked "C" for the purposes of identification be confirmed, approved, authorised and ratified in all respects.

08 - 01 - 98

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duly authorised for and on behalf of Sterling
Securities Limited


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Stephen Murphy


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Richard Branson


.....
Gordon McCallum

.....
duly authorised for and on behalf of Abacus
Trustees (Jersey) Limited in its capacity as trustee
of the R Gormley Trust

.....
duly authorised for and on behalf of
Morgan Grenfell Trustee Services
(Guernsey) Limited in its capacity as
trustee of the Virgo, Libra, Jupiter, Mars,
Venus, Leo and Gemini Trust

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duly authorised for and on behalf of Abacus (CI)
Limited in its capacity as trustee of the Capricorn,
Aquarius, Pisces, Aries and Saturn Trust

Date: 21 November 1997