

Company No: 03898259

THE COMPANIES ACTS 1985 AND 1989

COMPANY LIMITED BY SHARES

WRITTEN RESOLUTION

of

THE WAREHOUSE WINE CO LIMITED

We, the undersigned, being all the members of the above company entitled to receive notice of, attend and vote at general meetings of the company hereby, pursuant to the articles of association, unanimously pass the following resolution on 10th MARCH 2004 and agree that it shall have effect as if passed as a special resolution at a general meeting of the company duly convened and held:

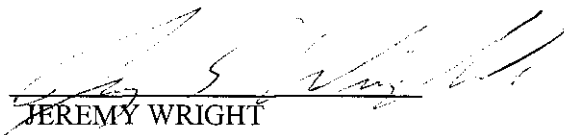
SPECIAL RESOLUTION

THAT Article 6 of the Company's articles of association be deleted in its entirety and replaced with a new Article 6 in the form annexed to this resolution.

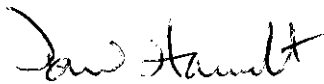
Date: 10th MARCH 2004



ANTHONY ELLIS



JEREMY WRIGHT



For and on behalf of DIRECT WINES LIMITED



1. TRANSFERS OF SHARES BY SHAREHOLDING DIRECTORS

- 6.1 If any Shareholding Director ceases for whatever reason (other than the reasons stated in **Article 6.2**) to be an employee of the Company then such Shareholding Director shall transfer the legal and beneficial interest in all of his Shares ("**Sale Shares**") to Direct Wines (or to its nominee) which shall acquire the same in accordance with the provisions set out in this **Article 6**.
- 6.2 **Article 6.1** shall not apply if the relevant Shareholding Director ceases to be an employee of the Company as a result of (i) his death, or (ii) ill health.
- 6.3 The price payable by Direct Wines to the relevant Shareholding Director for the Sale Shares shall be determined in accordance with the following provisions of this **Article 6.3**.
- 6.3.1 Subject to any deduction agreed in writing by Direct Wines and the relevant Shareholding Director, if the Shareholding Director is a Good Leaver (as defined in **Article 6.3.4**) then the price payable for the Sale Shares shall be the greater of:
- (a) the value of the Sale Shares on the date upon which the Shareholding Director ceases to be an employee of the Company as agreed between Direct Wines and the Shareholding Director concerned, or in the absence of agreement within 21 days of the date such Shareholding Director ceases to be an employee of the Company, as determined by the Auditors in accordance with **Article 6.3.3**; or
 - (b) the sum of £166,666.
- 6.3.2 Subject to any deduction agreed in writing by Direct Wines and the relevant Shareholding Director, if the Shareholding Director is a Bad Leaver (as defined in **Article 6.3.5**) then the price payable for the Sale Shares shall be £166,666.
- 6.3.3 In making the determination, if required, pursuant to **Article 6.3.1(a)**, the Auditors shall have regard to the financial performance of the Company in comparison to any financial performance targets set out in any business plan of the Company in existence at the date of adoption of these Articles. Provided that the Company's actual financial performance is substantially in keeping with its financial performance targets then the Auditors, in determining the purchase price for the Sale Shares, shall have due regard to the amount due to be paid for the Sale Shares pursuant to an option agreement dated 2004 and entered into between Direct Wines and the relevant Shareholding Director. In making their determination the Auditors shall act as experts not arbitrators and, save in the event of manifest error, the Auditors' determination shall be final and binding.
- 6.3.4 For the purposes of **Article 6.3.1** "**Good Leaver**" means a Shareholding Director who ceases to be an employee in circumstances other than those which make him a Bad Leaver.
- 6.3.5 For the purposes of **Article 6.3.2** a "**Bad Leaver**" means a Shareholding Director who ceases to be an employee because (i) he resigns as a Director with or without giving notice in accordance with his service agreement, or (ii) his employment is terminated pursuant to clause 9 of his service agreement, or (iii) the employment of the Shareholding Director by the Company is terminated by mutual agreement.

- 6.4. If a Shareholding Director who, following determination of the purchase price, has become bound to transfer his Shares to Direct Wines pursuant to this **Article 6** then fails to accept payment of the purchase price for his Sale Shares or, as the case may be, transfer his Sale Shares to Direct Wines (or to its nominee) in either case within three Business Days of the date of termination of his employment or him ceasing to be a Director (whichever is the earlier) or, if later, the date of the Auditors' determination in accordance with **Article 6.3.1**, then the secretary shall receive such purchase price and may nominate a person to execute an instrument of transfer of such Sale Shares in the name of and on behalf of such Shareholding Director and when such instrument has been duly stamped the secretary shall enter the name of Direct Wines in the register of member as the holder of such Sale Shares and, where applicable, hold the purchase money in trust without interest for such Shareholding Director pending acceptance of the Purchase Price and delivery of the certificate in respect of the Sale Shares. The receipt by the secretary for the purchase money shall be a good discharge to Direct Wines and after its name has been entered in the register of members in respect of such Sale Shares the validity of the proceedings shall not be capable of challenge by any person.
- 6.5 From the date upon which any Shareholding Director ceases to be an employee of the Company until the date upon which the relevant Shareholding Director's Shares have been registered in the name of Direct Wines (or its nominee) in the register of members the relevant Shareholding Director shall be deemed to have granted to any director of Direct Wines an irrevocable power of attorney to attend and vote at general meetings of the Company and to exercise, in such attorney's complete discretion, all rights and powers attaching to such Shares in place of such Shareholding Director. In addition, all rights attaching to such Shares to participate in a return of capital, to receive any dividend and to participate in any issue of share capital shall be deemed to have passed to Direct Wines (or its nominee) at 5pm on the date upon which the relevant Shareholding Director ceases to be an employee of the Company.