

2 AUGUST 2007

## THE COMPANIES ACTS 1985 AND 1990

## COMPANY LIMITED BY SHARES

## WRITTEN RESOLUTION

## OF

DIRECT GROUP INVESTMENT LIMITED  
(the "Company")TUESDAY  
THURSDAY

A26	*AKLLGSV3*	469
	11/09/2007	
	COMPANIES HOUSE	
A18	*A718TS5G*	384
	16/08/2007	
	COMPANIES HOUSE	

In accordance with section 381A of the Companies Act 1985 ("Act"), we, being all of the members of the Company who, at the date of these written resolutions are entitled to vote at general meetings of the Company and having been provided with a copy of the statutory declaration(s) sworn by the director(s) of the Company together with a copy of the auditors' report(s) annexed thereto, hereby approve the following resolutions as if they had been passed at a general meeting of the Company duly convened and held

## Special Resolutions

- 1 **THAT** the provisions (as the same may be amended, varied, supplemented or substituted from time to time) of the documents referred to below which the Company is proposing to enter into and grant in connection with the acquisition by Direct Newco Limited ("**Purchaser**") of the entire issued share capital of the Company ("**Acquisition**") be and are hereby approved and (notwithstanding any provisions of the memorandum and articles of association of the Company or any personal interest of the directors) the directors of the Company be and are hereby empowered, authorised and directed to complete and enter into such of the following documents to which the Company is or is to become a party
  - 1 1 a senior facilities agreement to be made between, inter alia, the Purchaser as borrower (1), the Company and certain other Group Companies as the Original Guarantors (2) Barclays Leveraged Finance as Arranger (3), the Original Lenders (4), Barclays Bank PLC ("**Barclays**") as Original Ancillary Lender (5), Barclays as Agent (6) Barclays as Security Trustee (7) and Barclays as Original Hedge Counterparty (8) (as each such term is defined therein) for the provision of £21,000,000 term loan facilities ("**Senior Facilities Agreement**"),
  - 1 2 a letter to be addressed to the Purchaser from Barclays Bank PLC (**Barclays**) pursuant to which Barclays agrees to provide to the Purchaser, the Company, Direct Group Investment Limited, Direct Group Holdings Limited, Direct Group Limited and Direct Group Property Services Limited (together the **Overdraft Companies**) an overdraft facility of up to £500,000 and ancillary facilities of up to £4,350,000 ("**Business Overdraft Letter**"),
  - 1 3 a letter to be addressed to the Purchaser and signed by the Overdraft Companies from Barclays which sets out the terms of the £500,000 overdraft facility which Barclays agrees to provide to the Overdraft Companies pursuant to the terms of the Business Overdraft Facility Letter ("**CAS Overdraft Facility Letter**"),
  - 1 4 a cross guarantee to be entered into by the Overdraft Companies in favour of Barclays pursuant to which each of the Overdraft Companies guarantees the obligations of the other Overdraft Companies pursuant to the CAS 2000, Business Overdraft Facility Letter and CAS Overdraft Facility Letter ("**CAS Cross Guarantee**"),
  - 1 5 a CAS 2000 master agreement to be entered into between the Overdraft Companies and Barclays which sets out certain terms relating to the provision of the overdraft facilities more

specifically detailed in the Business Overdraft Facility Letter and CAS Overdraft Facility Letter by the Bank to the Overdraft Companies ("CAS 2000"),

- 1 6 an intercreditor deed to be made between, inter alia, the Company (1) the Original Obligors (2), Barclays as Lender (3), Barclays as the Security Trustee (4) Barclays as Agent (5) Barclays as Ancillary Lender (6), and the Investors (7) (as each such term is defined therein) ("**Intercreditor Deed**"),
- 1 7 a debenture to be executed by the Purchaser, the Company and certain of its subsidiaries being Direct Group Holdings Limited, Direct Group Property Services Limited and Direct Group Limited ("**Subsidiaries**") in favour of the Security Trustee for and on behalf of the Security Beneficiaries ("**Debenture**"),
- 1 8 a key man policy deed of assignment to be given by the Company in favour of the Security Trustee pursuant to which the Company grants an assignment over its key man life insurance policy, life assured Mr Scott Hough, in order to secure the Secured Obligations (as defined in therein), ("**Insurance Assignment**"), and
- 1 9 an intra group loan agreement to be made between the Company and the Subsidiaries as lenders (1) the Purchaser, the Company and the Subsidiaries as borrowers (2) for the provision of loan facilities to be made available by the lenders to the borrowers ("**Intra-Group Loan Agreement**"),

(the above documents, together the "**Documents**" and each a "**Document**")

- 2 **THAT** the following payments be and is hereby approved and (notwithstanding any provisions of the memorandum and articles of association of the Company or any personal interest of the directors) the directors of the Company be and are hereby empowered, authorised and directed to make the following payments and complete and enter into such documentation required to effect such payment

- 2 1 a bonus to Derek Coles by the Company of an amount up to a maximum of £600,000,
- 2 2 a fee payment of £85,000 was to be made to Deloitte & Touche LLP in connection with the preparation of a commercial due diligence report in relation to the Acquisition,

(the above documents, together the "**Financial Assistance Payments**" and each a "**Financial Assistance Payment**")

- 3 **THAT** notwithstanding that the entering into and granting of certain of the Documents and the Financial Assistance Payments would constitute financial assistance within the meaning of Sections 151 to 158 (inclusive) of the Act, the Company is receiving full and fair consideration for the obligations it is undertaking in accordance with the terms thereof, and accordingly, such entry and granting, and the giving of such financial assistance, is in the best interests of the Company
- 4 **FURTHER THAT** the entering into and granting of the Senior Facilities Agreement, the Intercreditor Deed, the Debenture, the Business Overdraft Facility Letter, the CAS Overdraft Facility Letter, the CS Guarantee, the CAS 2000 and the Intra-Group Loan Agreement by Direct Group Holdings Limited, Direct Group Property Services Limited and Direct Group Limited being subsidiaries of the Company (each a "**Subsidiary**") will constitute financial assistance within the meaning of the Act by such Subsidiary for the acquisition by the Purchaser of the entire issued share capital of the Company
- 5 **THAT** the giving of such financial assistance, as set out in paragraphs 3 and 4 above, be and is hereby approved and that the Company entering into and/or granting the Documents to which it is to be a party and the Financial Assistance Payments be and are hereby approved Further, the entering into by each Subsidiary of the Senior Facilities Agreement, the Intercreditor Deed, the Debenture, the Business Overdraft Facility Letter, the CAS Overdraft Facility Letter, the CAS Guarantee, the CAS 2000 and the Intra-Group Loan Agreement be and is hereby approved with any amendments approved by the directors of the Company and/or the directors of the relevant Subsidiary

Signed by, or by its duly authorised representatives on behalf of all of the members of the Company who as at the date hereof would be entitled to attend and vote at a general meeting had the resolutions been put to such a meeting Signature of this resolution by any holders of any class of shares in the Company shall also constitute their consent as holders of that class of shares to the passing of the resolutions set out above

Nigel David Clack


Richard Murthwaite Watson


Geoffrey Woodhead


Derek Coles


Richard John Bowe

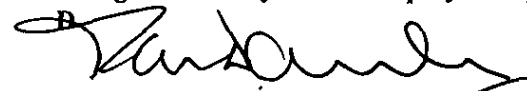
Scott William Hough


  
Signed by John Walker as duly authorised attorney of  
Barclays Private Equity Limited in its capacity as  
manager of Barclays Private Equity European  
Partners LP


  
Signed by John Walker as duly authorised attorney of  
Barclays Private Equity Limited in its capacity as  
manager of Clink Street Nominees


  
Signed by John Walker as duly authorised attorney of  
Barclays Private Equity Limited in its capacity as  
manager of Barclays Private Equity European Fund  
B

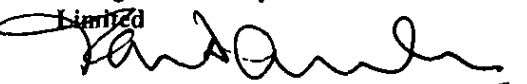
  
Signed by John Walker as duly authorised attorney of  
Barclays Private Equity Limited in its capacity as  
manager of Barclays Private Equity European Fund  
GMBH & Co KG

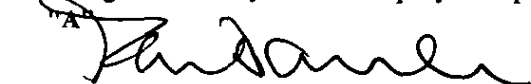
  
Signed by John Walker as duly authorised attorney of  
Barclays Private Equity Limited in its capacity as  
manager of Barclays Private Equity PVL Limited  
Partnership

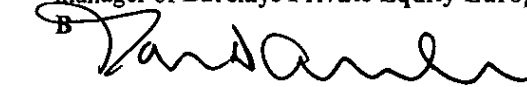
  
Signed by John Walker as duly authorised attorney of  
Barclays Private Equity Limited in its capacity as  
manager of Eurovente Société Civile

  
Signed by John Walker as duly authorised attorney of  
Barclays Private Equity Limited in its capacity as  
manager of Barclays Industrial Investments  
Limited

  
Signed by John Walker as duly authorised attorney of  
Barclays Private Equity Limited in its capacity as  
manager of Barclays Private Equity European Fund  
A

  
Signed by John Walker as duly authorised attorney of  
Barclays Private Equity Limited in its capacity as  
manager of Barclays Private Equity European Fund  
B

  
Signed by John Walker as duly authorised attorney of  
Barclays Private Equity Limited in its capacity as  
manager of Barclays Private Equity European Fund  
C

  
Signed by John Walker as duly authorised attorney of  
Barclays Private Equity Limited in its capacity as  
manager of Parallel Ventures Nominees No.2  
Limited

2 AUGUST 2007