SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of Earliest Event Reported) – May 23, 2008

CENTRAL EUROPEAN DISTRIBUTION CORPORATION
(Exact Name of Registrant as Specified in Charter)

DELAWARE	**0-24341**	**54-18652710**
(State or Other Jurisdiction of Incorporation)	**(Commission File Number)**	**(IRS Employer Identification No.)**

Two Bala Plaza, Suite 300 **Bala Cynwyd, Pennsylvania**	**19004**
(Address of Principal Executive Offices)	**(Zip Code)**

(610) 660-7817
(Registrant's telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 1.01. Entry into a Material Definitive Agreement.

On May 23, 2008, Central European Distribution Corporation (the "Company") and Polmos Bialystok S.A., a subsidiary of the Company ("Bialystok"), entered into, and closed upon, a Share Sale and Purchase Agreement (the "SPA") and certain other agreements with Barclays Wealth Trustees (Jersey) Limited (the "Trustee"), in its capacity as trustee of the First National Trust, and WHL Holdings Limited ("Whitehall"), pursuant to which Bialystok acquired from the Trustee 3,749 Class A Shares and 5,625 Class B Shares of Peulla Enterprises Limited, a private limited liability company organized under the laws of Cyprus and the parent of Whitehall ("Peulla"), representing 50% minus one vote of the voting power, and 75% of the economic interests, in Peulla. The aggregate consideration payable by the Company is (1) $200.00 million, paid in cash at the closing of the transaction (the "Closing Cash Consideration"), (2) 976,946 shares of common stock, par value $0.01, of the Company ("Common Stock") to be issued approximately 45 days after the closing (the "Share Consideration"), and (3) €16.05 million payable on the first anniversary of the closing (the "Additional Cash Consideration"). The majority voting power and 25% of economic interests in Peulla will be held by the Trustee for the benefit of the First National Trust. Mark Kaoufman, Whitehall's founder and chief executive officer, will continue to lead Whitehall and its subsidiaries (the "Whitehall Group"). The Whitehall Group is a leading importer of premium spirits and wines in Russia. The SPA contains customary representations, warranties, covenants and indemnification provisions for a transaction of this type.

The SPA includes an agreement that if the average daily closing price of the Common Stock during the 20-trading day period ending on the date that is six months after the closing date (the "Average Market Price") is less than $51.32 (a per share valuation based on an averaging formula agreed upon among the parties) (the "Minimum Share Price"), the Company will be required to pay the Trustee an amount equal to the difference between the Minimum Share Price and the Average Market Price per share multiplied by the number of shares of Common Stock constituting the Share Consideration. If during the 90-day period following the six-month anniversary of the closing date, the Trustee sells any of the Common Stock included in the Share Consideration for an average sales price that is less than the Minimum Price, the Company will be required to pay the Trustee an amount equal to the difference between the Minimum Share Price and the average market price per share multiplied by the number of shares of Common Stock sold by the Trustee.

A copy of the SPA is attached as Exhibit 2.1 to this Current Report on Form 8-K and is incorporated herein by reference, and all descriptions of the SPA herein are qualified by reference thereto.

Shareholders Agreement

Bialystok, the Trustee and Peulla entered into a Shareholders' Agreement on May 23, 2008 (the "Shareholders' Agreement"). The Shareholders Agreement will govern the future governance of Peulla and the rights and responsibilities of Bialystok and the other parties thereto as the joint owners of Peulla's share capital and certain matters relating to the business, financing, conduct and management of Peulla and the Whitehall Group. Peulla's board of directors (the "Board") will have six directors, three of whom will be appointed by Bialystok and three of whom will be appointed by the Trustee. The chairman of the Board will be elected annually, with the chair to rotate between directors selected by Bialystok and the Trustee, with the initial chairman to be elected from among the Bialystok directors. The chairman of the Board has a casting vote in the event of certain deadlock matters, other than in respect of those decisions that require unanimous

approval of all directors, which include, but are not limited to, material amendments to Peulla's charter documents, material changes to the business plan, mergers or similar corporate transactions, the issuance of equity or debt securities, certain asset dispositions and the entry into, or termination or material amendment of, certain material contracts. Mr. Kaoufman, or a management company under his sole effective control, will exercise management control over the Whitehall Group as its chief executive officer, subject to the Shareholders' Agreement and the overall supervision of the Board.

Except as expressly agreed to between Bialystok and the Trustee, the parties may not transfer any shares of Peulla capital stock unless the transferee agrees to be bound by the terms of the Shareholders' Agreement and neither Bialystok or the Trustee may transfer any shares of Peulla capital stock held by it to any unaffiliated third party. Subject to the preceding sentence, Bialystok and the Trustee may transfer shares of Peulla capital stock to certain affiliates.

The Shareholders' Agreement grants Bialystok the right to require the Trustee to sell to Bialystok all (but not less than all) of the shares of Peulla capital stock held by the Trustee (the "Call Right"). The Shareholders' Agreement also grants the Trustee the right to require Bialystok to purchase all (but not less than all) of the shares of Peulla capital stock held by the Trustee (the "Put Right"). The Put Right and the Call Right may be exercised at any time, subject, in certain circumstances, to the consent of Moët Hennessy International if the option is to be exercised while the joint venture agreement between Moët Hennessy International and Whitehall remains in effect. In addition, for so long as the joint venture agreement between Moet Hennessy International and Whitehall remains in effect, the Call Right may not be exercised unless Mr. Kaoufman consents. The exercise price of the Put Right and the Call Right is calculated as set forth in the Shareholders' Agreement as a function of the Company's financial performance during two separate periods: (1) the period from January 1, 2008 through the end of the year in which the Put Right or Call Right is exercised, and (2) the two full financial years immediately preceding the end of the year in which the Put Right or the Call Right is exercised. A copy of the Shareholders' Agreement is attached as Exhibit 10.1 to this Current Report on Form 8-K and is incorporated herein by reference, and all descriptions of the Shareholders' Agreement herein are qualified by reference thereto.

Registration Rights Agreement

The Company also agreed, upon the delivery of the Share Consideration, to grant the Trustee certain registration rights with regard to the Share Consideration substantially as set forth in a form of Registration Rights Agreement between the Company and the Trustee (the "Registration Rights Agreement") to be executed at that time. The disclosure required in connection with this agreement is included in Item 3.02 and is incorporated herein by reference.

Item 2.01. Completion of Acquisition or Disposition of Assets

To the extent required by Item 2.01 of Form 8-K, the information contained in Item 1.01 of this Current Report is hereby incorporated by reference herein.

Item 3.02 Unregistered Sale of Equity Securities

In connection with, and as consideration for, the transactions contemplated by the SPA, the Company has agreed to issue the Share Consideration to the Trustee. The Share Consideration was negotiated between the Company and the Trustee in connection with the negotiation of the SPA. The offering of the Share Consideration was made only to persons who are "accredited investors" as defined in Rule 501(a)(7) of Regulation D under the Securities Act of 1933, as amended (the "Securities Act"). The Share Consideration has not been registered

under the Securities Act or any state securities laws and may not be offered or sold in the United States in the absence of an effective registration statement or an exemption from the registration requirements of the Securities Act. The Company relied on the exemption from the registration requirements of the Securities Act set forth under Section 4(2) of the Securities Act and Regulation D thereunder.

In connection with the offering of the Share Consideration, the Company agreed to enter into the Registration Rights Agreement with the Trustee upon the issuance of the Share Consideration. Pursuant to the Registration Rights Agreement, the Trustee will agree to certain transfer restrictions on the Share Consideration, and the Company will grant the Trustee certain registration rights with respect to the Share Consideration. A copy of the form of Registration Rights Agreement is attached as Exhibit 4.1 to this Current Report on Form 8-K and is incorporated by reference herein, and all descriptions of the Registration Rights Agreement herein are qualified by reference thereto.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

Exhibit No.	Description
2.1	Share Sale and Purchase Agreement, dated May 23, 2008, by and among Barclays Wealth Trustees (Jersey) Limited (in its capacity as trustee of The First National Trust), WHL Holdings Limited, Polmos Bialystok S.A. and Central European Distribution Corporation.
4.1	Form of Registration Rights Agreement between Central European Distribution Corporation and Barclays Wealth Trustees (Jersey) Limited (as Trustee of the First National Trust).
10.1	Shareholders' Agreement, dated May 23, 2008, by and among Barclays Wealth Trustees (Jersey) Limited (as trustee of The First National Trust), Polmos Bialystok S.A. and Peulla Enterprises Limited.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, Central European Distribution Corporation has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

CENTRAL EUROPEAN DISTRIBUTION CORPORATION

By: /s/ Chris Biedermann
Chris Biedermann
Vice President and
Chief Financial Officer

Date: May 30, 2008

EXHIBIT INDEX

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Exhibit 2.1

PRIVILEGED AND CONFIDENTIAL

Execution Copy

May 23, 2008

SHARE SALE AND PURCHASE AGREEMENT

relating to the sale and purchase of
a non-controlling interest in
The Whitehall Group

by and among

Barclays Wealth Trustees (Jersey) Limited
in its capacity as trustee of
The First National Trust
(as Seller),

WHL Holdings Limited,

Polmos Bialystok S.A.
(as Purchaser),

and

Central European Distribution Corporation
(as Parent)

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SHARE SALE AND PURCHASE AGREEMENT

This **SHARE SALE AND PURCHASE AGREEMENT** (this "**Agreement**") is entered into as of May 23, 2008, by and among **BARCLAYS WEALTH TRUSTEES (JERSEY) LIMITED in its capacity as trustee of THE FIRST NATIONAL TRUST**, a trust company incorporated under the laws of Jersey, having its registered office at 39-41, Broad Street, St. Helier, JE4 5PS Jersey, Channel Islands (the "**Seller**"), **WHL HOLDINGS LIMITED**, a company incorporated under the laws of the Republic of Cyprus, whose registered office is located at Chrysanthou Mylona, 3 Street, P.C. 3030 Limassol, Cyprus ("**Whitehall**"), **POLMOS BIALYSTOK S.A.**, a joint stock company incorporated under the laws of Poland, whose registered office is located at ul. Elewatorska No. 20, 15-950 Bialystok, Poland ("**Purchaser**") and **CENTRAL EUROPEAN DISTRIBUTION CORPORATION**, a corporation incorporated under the laws of the State of Delaware in the United States of America, whose registered office is at 2 Bala Plaza, Suite 300, Bala Cynwyd, Pennsylvania 19004, U.S.A. (the "**Parent**" and together with Purchaser, the "**Purchasing Parties**"), (Seller, Whitehall, Purchaser and Parent, collectively, the "**Parties**", and each, individually, a "**Party**").

RECITALS

WHEREAS, Whitehall indirectly through its operating Subsidiaries is engaged in the business of importing, distributing, promoting, marketing and selling wines and spirits in the Russian Federation;

WHEREAS, Seller is the sole trustee of The First National Trust, a trust established under the laws of Jersey, and the legal owner of seven thousand five hundred Class A Shares (as defined herein) and seven thousand five hundred Class B Shares (as defined herein) of Peulla Entreprises Limited, a company incorporated under the laws of the Republic of Cyprus, whose registered office is located at 2 - 4 Arch. Makarios Avenue, Capital Center, 9th Floor, 1065 Nicosia, Cyprus ("**Newco**");

WHEREAS, Newco is the registered holder of one million (1,000,000) ordinary shares, par value one Euro and seventy-one Cents (EUR 1.71) per share, of Whitehall (the "**Whitehall Shares**");

WHEREAS, Parent, through its operating Subsidiaries, including Purchaser, operates the largest integrated spirits beverages business in Central Europe;

WHEREAS, Whitehall, Mark Kaoufman, the CEO of Whitehall ("**Kaoufman**") and Parent have previously entered into a binding Heads of Terms, dated February 23, 2008, setting forth the terms and conditions pursuant to which Seller would sell, and Parent would purchase, an indirect non-controlling interest in Whitehall, constituting 50% minus one vote of the voting power and 75% of the economic interests in Whitehall (the "**Transaction**");

WHEREAS, the Parties have subsequently agreed to certain additional arrangements as further set forth herein;

WHEREAS, the Purchaser and Parent and their Representatives have: (A) been provided with (i) a confidential summary Information Note concerning the

Group prepared by Rothschild & Cie and dated June 2007 and (ii) a vendor's due diligence report prepared by ZAO Deloitte & Touche CIS with respect to financial and tax due diligence undertaken with respect to Whitehall-Center, WH Import Company and Moët Hennessy; (B) had access to a physical data room in Moscow (the "**Data Room**") during the period March 11 to April 24, 2008, through which they have been provided with the documents and information of a financial, accounting, tax, employment, commercial, legal and operating nature, a complete and accurate list of which is set forth in the index thereto included as Appendix A to the Disclosure Letter (as defined below); and (C) had an opportunity to ask follow-up questions with respect to the information and documents included in the Data Room as well as to participate in face-to-face question-and-answer sessions with the management of the Group (including, Kaoufman, Sergey Yaroslavsky and Tatiana Yerushenkova (the entirety of the information and data described in this paragraph from the various foregoing sources, the "**Due Diligence Disclosures**");

WHEREAS, the Parties now desire to enter into a definitive binding agreement with respect to the Transaction;

WHEREAS, Seller has caused to be delivered to Purchaser, on the date hereof, and the Purchaser has accepted, the Disclosure Letter (the "**Disclosure Letter**");

WHEREAS, in order to induce the Seller to enter into this Agreement, Parent has agreed to guarantee the performance by the Purchaser, its Subsidiary, of its obligations under this Agreement; and

WHEREAS, in order to induce the Parent and the Purchaser to enter into this Agreement, Kaoufman has delivered, on the date hereof, a Guarantee (the "**Kaoufman Guarantee**") in favor of Purchaser guaranteeing the performance of Seller's obligations under this Agreement.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual promises and covenants set forth below and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, and intending to be legally bound, the Parties agree as follows:

ARTICLE 1
DEFINITIONS

Section 1.1 Certain Defined Terms

For the purposes of this Agreement, unless the context requires otherwise, the following terms shall have the following meanings:

"Accounting Arbitrator"	has the meaning ascribed to it in Section 4.8(c);
"Accounting Principles"	has the meaning ascribed to it in Section 4.8(a);
"Action"	has the meaning ascribed to it in Section 5.13;

"Adjustment Amount"	has the meaning ascribed to it in Section 4.8(d)(i);
"Affiliate"	means, with respect to any person (other than a natural person), any other person who directly or indirectly controls, or is under common control with, or is controlled by, such first person. As used in this definition, "**control**" (including, with its correlative meanings, "**controlled by**" and "**under common control with**") means, with respect to any person, the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a person, whether through ownership of voting securities or partnership or other ownership interests, by contract or credit arrangement, as trustee or executor or otherwise; provided that, for the avoidance of doubt, for the purposes of this Agreement, the Joint Venture shall not be deemed to be an Affiliate of Whitehall ;
"Average Market Price"	has the meaning ascribed to it in Section 7.5(a);
"Average Sales Price"	has the meaning ascribed to it in Section 7.5(b);
"Business"	means the business of the Group and/or, as the case may be, of the Joint Venture, including the import, distribution, sales, marketing and promotion of wines and spirits in the Russian Federation;
"Business Day"	means a day (other than a Saturday or Sunday) when commercial banks are open for business in Moscow, Russian Federation; Warsaw, Poland; New York, USA; and Nicosia, Cyprus;
"Cap"	has the meaning ascribed to it in Section 9.4(b)(iii);
"Cash"	means the consolidated total of amounts recorded in the nominal ledgers of each Group Company for cash and cash equivalents but only to the extent that as at the Closing Date such amounts are readily available for any Group purpose and may be lawfully distributed by way of dividend to Whitehall or remitted to Whitehall by way of a loan or loan repayment without any tax or other restriction;
"Cash Consideration"	has the meaning ascribed to it in Section 4.3(c)(i);
"CEDC Share"	means a share of common stock, par value $0.01 per share (or such other par value following any consolidation, stock split, repayment or reduction of capital or other event giving rise to any adjustment in the par value of such common stock hereafter), of Parent;

"CEDC Share Issue Price"	has the meaning ascribed to it in Section 4.2(d)(i);
"CEO"	means Chief Executive Officer;
"Claim"	means either a Direct Claim or a Third-Party Claim;
"Class A Shares"	has the meaning ascribed to it in Section 2.3(a)(i);
"Class B Shares"	has the meaning ascribed to it in Section 2.3(a)(i);
"Closing"	has the meaning ascribed to it in Section 4.1;
"Closing Date"	has the meaning ascribed to it in Section 4.1;
"Competing Proposal"	has the meaning ascribed to it in Section 7.4(a);
"Consideration"	has the meaning ascribed to it in Section 4.3(a);
"Consolidated Financial Statements"	has the meaning ascribed to it in Section 5.14(a);
"Consolidated Net Debt"	means, with respect to the Group, on a consolidated basis, (i) the consolidated total of Indebtedness *minus* (ii) the consolidated total of Cash, provided that Consolidated Net Debt may be a negative amount;
"Contract"	means any agreement, undertaking, contract, obligation, promissory note, letter of credit, indenture, financial instrument, lease, license or other instrument or document or any other arrangement or agreement (whether written or oral) by which any Group Company or any of its property or assets, or as the case may be, the Joint Venture, is bound or subject;
"Contribution"	has the meaning ascribed to it in Section 2.2(a);
"Conversion Rate"	means the spot closing mid-point rate for a transaction between the two applicable currencies on the relevant date for the conversion, as quoted by Telerate or, if no such rate is quoted on that date, on the nearest preceding date on which such rates are quoted;
"Damages"	means all actions, costs, damages, disbursements, obligations, penalties, liabilities, losses, expenses, assessments, judgments, liens, injunctions, orders, decrees, rulings, dues, fines, fees, settlements or deficiencies (including any interest, penalty, investigation, reasonable legal, accounting and other professional fees, and other costs or expenses

incurred in the investigation, collection, prosecution and defence of any action, suit, proceeding or claim and amounts paid in settlement and including any fees and expenses incurred in the enforcement of any right of indemnity to which the Indemnified Party is entitled under this Agreement) that are imposed upon or otherwise incurred by the Indemnified Party;

"Dancraig Financial Statements"	has the meaning ascribed to it in Section 5.14;
"Deductible"	has the meaning ascribed to it in Section 9.4(b)(i);
"*De Minimis* Amount"	has the meaning ascribed to it Section 9.4(b)(ii);
"Direct Claim"	has the meaning ascribed to it Section 9.3(b);
"Disclosed"	means fairly disclosed (irrespective of its language), in writing, in the Disclosure Letter or in the Due Diligence Disclosures by or on behalf of the Seller or contemplated by the Transaction Documents
"Disclosure Letter"	has the meaning ascribed to it in the Recitals;
"Dispute"	has the meaning ascribed to it in Section 10.3(a);
"Encumbrance"	means any pledge, charge, claim, lien (other than a lien arising by operation of law in the ordinary course of trading), mortgage, debenture, security interest, pre-emption right, right of first refusal, option or other third-party right, restriction or encumbrance of any nature (whether statutory, contractual or otherwise), including the interest of a vendor or lessor under any conditional sale agreement, capital lease or other title retention agreement, or an agreement, arrangement or obligation to create any of the foregoing;
"Estimated Consolidated Net Debt"	has the meaning ascribed to it in Section 10.3(a);
"Euro Exchange Rate"	has the meaning ascribed to it in Section 4.2(d)(iii);
"Final Consideration"	has the meaning ascribed to it in Section 4.3(c)(iii);
"Financial Statements"	has the meaning ascribed to it in Section 5.14;
"FOREX Adjustment Factor"	has the meaning ascribed to it in Section 4.2(d)(ii);
"Governmental Authority"	means any court or government (federal, state, local, national, foreign, provincial or supranational) or any

political subdivision thereof, including, without limitation, any department, commission, ministry, board, bureau, agency, authority, tribunal or arbitral body, exercising executive, legislative, judicial, regulatory or administrative authority, including any self-regulatory authority or quasi-governmental entity established to perform any of these functions;

"Group" means Whitehall and the Whitehall Subsidiaries and the expressions "**members of the Group**" and "**Group Company**" shall be construed accordingly to mean any of Whitehall or the Whitehall Subsidiaries;

"Group Employee" means an individual who is employed by the Group;

"Group Licensed IP" has the meaning ascribed to it in Section 5.11(a);

"Group Registered IP" has the meaning ascribed to it in Section 5.11(a);

"GWS Holdings Financial Statements" has the meaning ascribed to it in Section 5.14(a);

"IFRS" means International Financial Reporting Standards

"Improvements" means all buildings, structures, fixtures, building systems and equipment included in the Leased Real Property;

"Indebtedness" means without duplication, (i) all outstanding debt (including short-term and long-term debt but not including trade payables in respect of goods or services purchased in the ordinary course of business) for borrowed money (including principal amount, accrued interest, penalties, premium and any fees or expenses relating to such borrowed money); (ii) all obligations evidenced by a note, bond, debenture or similar instrument or which are otherwise financial in nature; and (iii) all capital lease obligations and all obligations pursuant to a lease with substantially the same economic effect as any capital lease;

"Indemnified Parties" has the meaning ascribed to it in Section 9.2;

"Indemnifying Party" has the meaning ascribed to it in Section 9.3(a);

"Intellectual Property" has the meaning ascribed to in Section 5.11(a);

"Investigation" has the meaning ascribed to in Section 5.13;

"Joint Venture" means MHWH, a private limited liability company by shares, incorporated in Cyprus, further details of which are set forth in Part 3 of Schedule 1;

"Joint Venture Agreement" means that Shareholders' and Operating Agreement, dated as of February 6, 2006, by and between Moët Hennessy International and Whitehall;

"JV Statutory Accounts" has the meaning ascribed to it in Section 5.14(a);

"Kaoufman" has the meaning ascribed to it in the Preamble;

"Kaoufman Guarantee" has the meaning ascribed to it in the Preamble;

"Lease" means any lease, sublease, license or other agreement, including all amendments, extensions and renewals thereto, pursuant to which any Group Company holds or uses any Leased Real Property;

"Leased Real Property" means all land leased or subleased by or for any Group Company as tenant, together with, to the extent leased or subleased by or for any Group Company as tenant, all buildings, structures or Improvements currently or hereafter located thereon and all fixtures thereto and all easements, licenses and other rights appurtenant thereto;

"Licences" has the meaning ascribed to it in Section 5.10;

"Material Adverse Effect" means any change, event or effect that is, individually or in the aggregate, materially adverse to the financial condition, results of operations, business, assets or liabilities of the Group (including the Group's interest in the Joint Venture), taken as a whole, other than any such change, event or effect resulting from: (A) any action, omission, change, effect, or condition contemplated by this Agreement or arising out of the signing, announcement or performance of this Agreement or the transactions contemplated by this Agreement; (B) actions or omissions relating to any Group Company taken by, or with the consent or approval of, any member of the Purchaser's Group; (C) general political, economic or business conditions or changes therein, in Russia or internationally; (D) adverse developments in economic, business or financial conditions generally affecting the wine and spirits distribution sector; (E) financial market conditions, including without limitation, interest rates, foreign currency exchange rates and stock market indices, or changes therein; (F) changes in applicable laws, rules, regulations or accounting standards, principles or interpretations of general application;

"Minimum Share Price"	has the meaning ascribed to it in Section 7.5(a);
"Newco"	has the meaning ascribed to it in the Preamble;
"Newco Articles"	has the meaning ascribed to it in Section 2.3(a);
"Newco Memorandum"	has the meaning ascribed to it in Section 2.3(a);
"Newco Shares"	has the meaning ascribed to it in Section 2.3(a)(i);
"New Management Company"	has the meaning ascribed to it in Section 7.10;
"Parent"	has the meaning ascribed to it in the Preamble;
"Parent's Group"	means Parent and its Affiliates from time to time;
"Parent Guaranteed Obligations"	has the meaning ascribed to it in Section 7.8(a);
"Parent Reports"	has the meaning ascribed to it in Section 6.9;
"Party"	has the meaning ascribed to it in the Preamble;
"Post-Closing Certificate"	has the meaning ascribed to it in Section 4.8(a);
"Protector"	means the protector under the Settlement Deed;
"Purchaser"	has the meaning ascribed to it in the Preamble;
"Purchaser Documents"	has the meaning ascribed to it in Section 6.2;
"Purchaser Indemnified Parties"	has the meaning ascribed to it in Section 9.1;
"Purchasing Parties"	has the meaning ascribed to it in the Preamble;
"Purchaser's Group"	means Purchaser and its Affiliates from time to time;
"RAS"	means Russian Accounting Standards;
"Registration Rights Agreement"	means the registration rights and lock-up agreement by and between Seller and Parent in the form attached hereto as Exhibit E to be entered into at the Closing;
"Representatives"	has the meaning ascribed to it in Section 7.4(a);
"Rouble" or "RUR"	means the lawful currency of the Russian Federation from time to time;
"Rules"	has the meaning ascribed to it in Section 10.3(b);

"Russian Subsidiaries"	means OOO Whitehall-Center, OOO WH Import Company, OOO Whitehall Severo-Zapad, OOO Whitehall Saint-Petersburg, OOO Whitehall Siberia and OOO WH Rostov-na-Donu, further details of which are set forth in Part 2 of Schedule 1;
"Russian Subsidiaries' Financial Statements"	has the meaning ascribed to it in Section 5.14;
"SEC"	has the meaning ascribed to it in Section 6.9;
"Second Closing"	has the meaning ascribed to it in Section 4.10(a);
"Securities Act"	has the meaning ascribed to it in Section 5.3(a);
"Securities Exchange Act"	has the meaning ascribed to it in Section 6.9;
"Seller Documents"	has the meaning ascribed to it in Section 5.2;
"Seller Indemnified Parties"	has the meaning ascribed to it in Section 9.2;
"Settlement Deed"	means the deed of settlement (including the regulations contained therein) between Mark Kaoufman and Walbrook Trustees (Jersey) Limited (being the former name of Barclays Wealth Trustees (Jersey) Limited) dated February 19, 2002 and any deed or instrument varying, or supplemental to, the same , in respect of the Trust.
"Shareholders' Agreement"	means the shareholders' agreement relating to their shareholdings in Newco, by and between Seller and Purchaser, in the form agreed, to be entered into at the Closing;
"Share Adjustment Amount"	has the meaning ascribed to it in Section 4.8(d)(ii);
"Share Consideration"	has the meaning ascribed to it in Section 4.3(c)(ii);
"Spot Exchange Rate"	has the meaning ascribed to it in Section 4.2(d)(iv);
"Subsidiary"	means, with respect to any person (other than a natural person), any other person (other than a natural person) in which such person has ownership or control, direct or indirect, of more than fifty percent (50%) of the securities having ordinary voting power for the election of directors or other governing body of a person or more than fifty percent (50%) of the partnership or other ownership interest therein (other than as a limited partner of such person);

"Tax", "Taxes" or "Taxation"	means any and all taxes, assessments, customs, duties, levies, tariffs and imposts of any kind whatsoever, whether of the Russian Federation or elsewhere, including any income, alternative or add-on minimum, gross receipts, sales, use, transfer, gains, value added, goods and services, ad valorem, franchise, profits, licence, withholding, payroll, direct placement, employment, excise, severance, stamp, procurement, occupation, premium, property, escheat, environmental or windfall profit tax, custom, duty or other tax, together with any interest, additions, penalties, charges or costs with respect thereto;
"Tax Return"	means any return, declaration, report, claim for refund or information return or statement filed or required to be filed with any Taxation Authority relating to Taxes, including any schedule or attachment thereto, and including any amendment thereof;
"Taxation Authority"	means any Governmental Authority competent to impose Taxation whether in the Russian Federation, Cyprus or elsewhere;
"Termination Date"	has the meaning ascribed to it in Section 8.1(c);
"Third-Party Claim"	has the meaning ascribed to it in Section 9.3(a);
"Trademark License Agreement"	means the royalty-paying trademark license agreement by and between OOO VL Enterprises and Whitehall to incorporate the principle the agreed terms set forth in Exhibit G and to be entered into as soon as practicable after the Closing;
"Transaction Documents"	means this Agreement, the Disclosure Letter, the Shareholders' Agreement, the Registration Rights Agreement and the Kaoufman Guarantee and "**Transaction Document**" means any one of them;
"Trust"	means The First National Trust established under the laws of the Island of Jersey pursuant to the Settlement Deed;
"Trust Assets"	has the meaning ascribed to it in Section 9.4(l);
"Trustee Documents"	has the meaning ascribed to it in Section 9.4(l);
"US Dollars" or "US$"	means the lawful currency of the United States of America from time to time;
"US GAAP"	means generally accepted accounting principles of the United States of America consistently applied, as in effect from time to time;

"Whitehall"	has the meaning ascribed to it in the Preamble, further details of which are set out in Part 1 of Schedule 1;
"Whitehall Shares"	has the meaning ascribed to it in the Recitals; and
"Whitehall Subsidiaries"	means the direct and indirect Subsidiaries of Whitehall, further details of which are set out in Part 2 of Schedule 1, and "Whitehall Subsidiary" means any one of them; provided that for the avoidance of doubt, the Joint Venture shall not be deemed to be a Whitehall Subsidiary.

Section 1.2 Construction; Absence of Presumption

(a) For the purposes of this Agreement, (i) any reference to "writing" or "written" means any method of reproducing words in a legible and non-transitory form (excluding, for the avoidance of doubt, e-mail); (ii) references to a "company" include any company, corporation or other body corporate wherever and however incorporated or established; (iii) references to a "person" include any natural person, company, partnership, joint venture, firm, association, trust, proprietorship, other business organization, union, and any Governmental Authority, whether incorporated or unincorporated and shall include a reference to that person's legal representative or successors; (iv) words (including capitalized terms defined herein) in the singular shall be held to include the plural and vice versa and words (including capitalized terms defined herein) of one gender shall be held to include the other gender as the context requires; (v) the terms "hereof," "herein," and "herewith" and words of similar import shall, unless otherwise stated, be construed to refer to this Agreement as a whole (including all of the Exhibits and Schedules which are incorporated into and form part of this Agreement) and not to any particular provision of this Agreement, and Article, Section, paragraph, Exhibit and Schedule references are to the Articles, Sections, paragraphs, Exhibits and Schedules to this Agreement unless otherwise specified; (vi) the word "including" and words of similar import when used in this Agreement means "including without limitation" unless the context otherwise requires or unless otherwise specified; (vii) the word "or" shall not be exclusive; (viii) "commercially reasonable efforts" shall not require waiver by any Party of any material rights or any action or omission that would be a breach of this Agreement; (ix) all references to any period of days shall be deemed to be to the relevant number of calendar days unless otherwise specified; (x) references to any statute or statutory provision include a reference to that statute or statutory provision as amended, consolidated or replaced from time to time (whether before or after the date of this Agreement) and include any subordinate regulation or rule made under the relevant statute or statutory provision, except to the extent that any amendment, consolidation or replacement would increase or extend the liability of Seller under this Agreement; (xi) references to any New York legal term for any statute, action, remedy, method of financial proceedings, legal document, legal status, court, official or any legal concept or thing shall, in respect of any jurisdiction other than New York, be deemed to include what most nearly approximates in that jurisdiction to the New York legal term; and (xii) references to "material" mean, where the context so admits, material,

individually or in the aggregate, with respect to the financial condition, results of operations, business, assets or liabilities of the Group, taken as a whole or, as the case may be, of the Joint Venture;

(b) For the purposes of this Agreement, where any statement is to the effect that any person is not aware of any matter or circumstance, or is a statement qualified by the expression "**to the Knowledge of**" such person or any similar expression, that statement shall be deemed to include an additional statement that it is the actual knowledge of such person after due and careful enquiry, and if such statement relates to Seller, or is a statement qualified by the expression "**to the Knowledge of Seller**" or any similar expression, such actual knowledge after due and careful enquiry shall be that of the persons set forth in Exhibit D;

(c) The Parties acknowledge that each Party and its counsel have reviewed and revised this Agreement and that no rule of construction to the effect that any ambiguities are to be resolved against the drafting Party shall be employed in the interpretation of this Agreement (including all of the Exhibits and Schedules) or any amendments hereto.

Section 1.3 Headings; Definitions

The Article and Section headings contained in this Agreement are inserted for convenience of reference only and shall not affect the meaning or interpretation of this Agreement.

ARTICLE 2
PRELIMINARY TRANSACTIONS; SALE AND PURCHASE

Section 2.1 Acquisition of Newco

(a) Prior to the date hereof, Seller and Purchaser have cooperated and taken all necessary steps to cause Newco, a dormant private limited liability company by shares organized under the laws of Cyprus, to be acquired by Seller.

(b) Newco was acquired as follows:

(i) Newco was acquired by Seller for cash, by Seller purchasing from A.T.S. Nominees Limited, its existing shareholder, all of the 3,000 issued shares of Newco, par value of one US Dollar ($1.00) per share, for a purchase price of one US Dollar ($1.00) per share. Immediately after such purchase, Seller subscribed for the remaining 7,000 authorized but unissued shares of Newco at par, for an aggregate subscription price of seven thousand dollars (US$7,000).

(ii) Prior to the Contribution (as defined in Section 2.2), Seller caused Newco to increase its authorized share capital, by the authorization of five thousand (5,000) additional shares, par value of one US Dollar ($1.00) per share.

(iii) The costs and expenses of the acquisition (including the reasonable fees and expenses of Cypriot transaction counsel) shall be borne 50% by Seller and 50% by Purchaser.

Section 2.2 Contribution and Exchange of Shares by Seller

(a) Immediately after the acquisition of Newco, Seller contributed to Newco all one million (1,000,000) Whitehall Shares, free and clear of all Encumbrances and with all rights attaching thereto. In exchange for the Whitehall Shares so contributed, Newco issued to Seller 5,000 shares (such transaction, the "**Contribution**"). The Newco Shares so issued were duly authorized and validly issued, fully paid and non-assessable and free and clear of all Encumbrances. As a result, immediately after the Contribution, Newco held 100% of the Whitehall Shares and Seller held 100% of the Newco Shares, in each case free and clear of any Encumbrances (except in the case of the Newco Shares, rights and obligations arising under this Agreement).

Section 2.3 Newco Memorandum and Articles

(a) Prior to the date hereof, Seller has caused the Memorandum of Association and the Articles of Association of Newco to be in the forms attached hereto as Exhibit A ("**Newco Memorandum**") and Exhibit B ("**Newco Articles**"), respectively. In particular, the Newco Memorandum and the Newco Articles provide that:

(i) Newco has authorized two classes of shares, each having the same par value of one US Dollar ($1.00) per share. One class of shares (the "**Class A Shares**") shall have voting rights (one vote per share); however, for so long as there are any Class B Shares outstanding, the Class A Shares shall have no rights to receive any dividends or any distributions in the event of the liquidation of Newco. The other class of shares (the "**Class B Shares**", and together with the Class A Shares, the "**Newco Shares**") shall have the right to receive, *pro rata* per Class B Share, all dividend distributions and any and all distributions in the event of a liquidation of Newco; however, for so long as there are any Class A Shares outstanding, the Class B Shares shall have no voting rights in matters generally submitted to the vote of shareholders; provided that any amendment to the Newco Articles or the Newco Memorandum that has a material adverse effect on the economic rights of the holders of the Class B Shares shall require the approval of the holders of a majority of the Class B Shares voting as a class; and

(ii) the Newco Memorandum provides that the authorized share capital of Newco is fifteen thousand US Dollars ($15,000), divided into seven thousand five hundred (7,500) Class A Shares and seven thousand five hundred (7,500) Class B Shares.

Section 2.4 Sale and Purchase of the Shares

Upon the terms and subject to the provisions and conditions of this Agreement, at the Closing, Seller shall sell, assign, transfer and convey to Purchaser and Purchaser shall purchase, acquire and accept from Seller (i) 3,749 Class A Shares and (ii) 5,625 Class B Shares, in each case with all rights attaching to them at Closing (including, without limitation, in the case of the Class B Shares, the right to receive all dividends or distributions declared, made or paid from and after the Closing), free and clear of all Encumbrances (other than those arising under this Agreement and the

Shareholders' Agreement). Neither Seller nor Purchaser shall be obligated to complete the sale and purchase of any of the Shares unless the sale and purchase of all the Shares is completed simultaneously.

ARTICLE 3
CONDITIONS PRECEDENT

Section 3.1 Conditions of All Parties to Closing

For the benefit of both Seller and the Purchasing Parties, the respective obligations of each Party to consummate the transactions contemplated hereby shall be subject to the fulfillment or waiver (in the sole discretion of Seller, on the one hand, and in the sole discretion of Parent, on behalf of the Purchasing Parties, on the other hand), at or prior to the Closing Date, of the following conditions:

(a) The transactions provided by Section 2.1, Section 2.2 and Section 2.3 shall have been completed.

(b) No Governmental Authority of competent jurisdiction shall have enacted, issued, promulgated, enforced or entered any statute, rule, regulation, judgment, decree, injunction or other order (whether temporary, preliminary or permanent) which remains in effect that, in each case, prohibits consummation of the transactions contemplated by this Agreement.

Section 3.2 Conditions to Obligations of Purchasing Parties to Close

For the benefit of the Purchasing Parties, the respective obligations of each Purchasing Party to effect the transactions contemplated by this Agreement are subject to the satisfaction or waiver (in Parent's sole discretion, on behalf of the Purchasing Parties), prior to or at the Closing, of each of the following conditions:

(a) Parent shall have completed its confirmatory due diligence, and shall not have discovered any events or circumstances that constitute a Material Adverse Effect, other than any Material Adverse Effect which is Disclosed in the Disclosure Letter as of the date of this Agreement.

(b) Whitehall and Seller shall have performed in all material respects all of the covenants and complied in all material respects with all of the provisions required by this Agreement to be performed or complied with by them at or before the Closing.

(c) Seller shall have delivered or caused to be delivered to Purchaser each of the documents specified in Section 4.4.

(d) Purchaser shall have received at the Closing certificates dated the Closing Date and each validly executed on behalf of Whitehall and Seller respectively certifying that the conditions specified in (b) Section 3.2(b) have been satisfied.

Section 3.3 Conditions to Obligation of Seller to Close

For the benefit of Seller, the Seller's obligation to effect the transactions contemplated by this Agreement are subject to the satisfaction or waiver (in its sole discretion), prior to or at the Closing, of each of the following conditions:

(a) Each of Purchaser and Parent shall have performed in all material respects all of the covenants and complied in all material respects with all of the provisions required by this Agreement to be performed or complied with by it at or before the Closing.

(b) Purchaser shall have delivered or caused to be delivered to Seller each of the documents and other deliverables specified in Section 4.5.

(c) Seller shall have received at the Closing a certificate dated the Closing Date and validly executed on behalf of Purchaser and Parent by an appropriate officer of Parent certifying that the conditions specified in (a) Section 3.3(a) have been satisfied.

ARTICLE 4
THE CLOSING; POST-CLOSING ADJUSTMENT

Section 4.1 Closing

The closing of the Transaction provided for in this Agreement (the "**Closing**") shall take place (i) at the offices of Dewey & LeBoeuf, 51 rue Pierre Charron, Paris 75008, France, at 10:00 a.m., local time, on May 23, 2008. The date on which the Closing is to occur is referred to herein as the "**Closing Date**".

Section 4.2 Preliminary Information

(a) The Parties have agreed that the estimated Consolidated Net Debt of the Group that shall be taken into account as of the Closing Date (the "**Estimated Consolidated Net Debt**") is US Dollars 5,500,000.

(b) The Seller has provided to Parent instructions designating the Euro-denominated account at a bank in to which the Cash Consideration shall be deposited by wire transfer in immediately available cleared funds at the Closing.

(c) Parent has informed Seller and Kaoufman by delivery of an officer's certificate, duly signed by its CEO, that (i) the CEDC Share Issue Price is US Dollars 57.02, (ii) the FOREX Adjustment Factor is 1.0502, and (iii) the Spot Exchange Rate is 1.5753.

(d) For purposes of this Agreement,

(i) the "**CEDC Share Issue Price**" shall be the average daily closing price, weighted by volume, on the NASDAQ Global Select Market for a CEDC Share during the 90-trading day period ending two (2) Business Days before the expected Closing Date;

(ii) the "**FOREX Adjustment Factor**" shall be that number (expressed to four decimal places) that is equal to (A) the Spot Exchange Rate *divided by* (B) 1.5; provided that in no event shall the FOREX Adjustment Factor be less than 1;

(iii) the "**Euro Exchange Rate**" shall be the lower of (A) the Spot Exchange Rate and (B) 1.5000; and

(iv) the "**Spot Exchange Rate**" shall be the actual Conversion Rate for one Euro into US dollars (expressed to four decimal places) prevailing on May 21, 2008.

Section 4.3 Consideration

(a) The total consideration for the sale and purchase of the Newco Shares (the "**Consideration**") shall be an amount in Euros equal to (i) an amount in US Dollars equal to (A) two hundred twenty-five million US Dollars ($225,000,000) *less* 75% of the Estimated Consolidated Net Debt *divided by* (B) the Euro Exchange Rate, *plus* (ii) fifteen million Euros (€15,000,000), *plus* (iii) sixteen million fifty thousand Euros (€16,050,000). The Parties agree that the Consideration is €178,300,000.

(b) The payment of the Consideration shall be satisfied by (i) payment of the Cash Consideration by Purchaser at Closing in accordance with Section 4.5, (ii) the payment of the Share Consideration by Purchaser at the Second Closing Date in accordance with Section 4.10; provided that the Share Consideration shall be subject to the adjustments set forth in Section 4.8(d) and (iii) the payment of Final Consideration on the first anniversary of the Closing Date.

(c) For purposes of this Agreement:

(i) the "**Cash Consideration**" means €126,960,000.

(ii) the "**Share Consideration**" means 974,946 CEDC Shares subject to further adjustment pursuant to Section 4.8(d).

(iii) The "**Final Consideration**" means sixteen million fifty thousand Euros (€16,050,000).

(d) The Parties expressly acknowledge and agree that the Exercise Price (as defined in the Shareholders Agreement) will be adjusted to take account of US Dollars 11,088,000 of foreign exchange rate protection that Purchaser provided Seller pursuant to the terms of this Agreement.

Section 4.4 Seller's Deliveries to Purchaser at Closing

Prior to or at the Closing Date, Seller shall deliver or provide to Purchaser:

(a) certified copies of Seller's resolution approving the transaction and entry into the Transaction Documents and authorizing specified persons to execute such on its behalf;

(b) confirmation of the form of the proposed amendment to the Joint Venture Agreement negotiated by Kaoufman and Moët Hennessy International;

(c) the officer's certificate required pursuant to Section 3.2(d);

(d) in respect of the Newco Shares:

(i) share certificates evidencing ownership by Seller of seven thousand five hundred (7,500) Class A Shares and seven thousand five hundred (7,500) Class B Shares in Newco for partial cancellation and reissue evidencing the balance of three thousand seven hundred fifty-one (3,751) Class A Shares and one thousand eight hundred seventy-five (1,875) Class B Shares in Newco to remain owned by Seller after the Transaction;

(ii) transfer orders in the required form set forth by applicable law duly executed by an authorized representative of Seller and duly witnessed, dated as of the Closing Date and containing the instruction to register the transfer from Seller to Purchaser of three thousand seven hundred forty-nine (3,749) Class A Shares and five thousand six hundred twenty-five (5,625) Class B Shares in Newco; and

(iii) a duly signed resolution of the board of directors of Newco approving the transfer from Seller to Purchaser of three thousand seven hundred forty-nine (3,749) Class A Shares and five thousand six hundred twenty-five (5,625) Class B Shares in Newco;

(e) two (2) original executed counterparts of the Kaoufman Guarantee, executed by Kaoufman on the date hereof;

(f) two (2) original executed counterparts of the Shareholders Agreement, executed by a duly empowered representative of the Seller and Newco;

(g) a certified copy of an instrument of consent from the Protector of the Trust; and

(h) confirmation that there has been no change to the Settlement Deed since it was last produced to the Purchaser on 22 April 2008.

Section 4.5 Purchaser's Deliveries to Seller at Closing

Prior to or at the Closing Date, Purchaser shall deliver to Seller:

(a) certified copies of the board resolutions of Parent and Purchaser, respectively, approving the transaction and entry into the Transaction Documents and authorizing specified persons to execute such on its behalf (and any powers of attorney granted to such signatory);

(b) the officer's certificate required pursuant to Section 3.3(c);

(c) the Cash Consideration to be paid by Purchaser by wire transfer of immediately available cleared funds to the account or accounts designated pursuant to Section 4.3(c)(i);

(d) in respect of the Newco Shares, transfer orders in the required form set forth by applicable law duly executed by an authorized representative of Purchaser and duly witnessed, dated as of the Closing Date and containing the instruction to register the transfer from Seller to Purchaser of three thousand seven hundred forty-nine (3,749) Class A Shares and five thousand six hundred twenty-five (5,625) Class B Shares in Newco;

(e) two (2) original executed counterparts to the Shareholders Agreement, executed by a duly empowered representative of the Purchaser;

(f) two (2) original executed counterparts of the Kaoufman Guarantee, executed by Purchaser.

Section 4.6 Proceedings at Closing

All actions to be taken and all documents to be executed and delivered by the Parties at the Closing shall be deemed to have been taken and executed simultaneously, and, except as permitted hereunder, no proceedings shall be deemed taken nor any documents executed or delivered until all have been taken, executed and delivered.

Section 4.7 Allocation of Consideration

Purchaser acknowledges that Seller intends to allocate the Consideration among the Shares purchased as set forth on Schedule 2. Seller expressly acknowledges and agrees that the allocation of Consideration as set out in Schedule 2 will not impair or otherwise adversely affect either of Parent's or Purchaser's rights under any of the Transaction Documents.

Section 4.8 Post-Closing Procedures

(a) Within thirty (30) days after the Closing Date, or as soon as practicable thereafter, Whitehall shall deliver to Purchaser, Parent and Seller (with a copy to Kaoufman) a certificate duly executed by an authorized officer (the "**Post-Closing Certificate**") setting forth the actual Consolidated Net Debt of the Group, as of the Closing Date, converted into US Dollars at the conversion rate of RUR 23.578 = $1.00. The determination of the Consolidated Net Debt set forth on the Post-Closing Certificate shall be prepared in good faith in accordance with the definitions set forth in this Agreement and otherwise in a manner consistent with the accounting principles used in preparing Whitehall's audited consolidated financial statements as of December 31, 2007 (the "**Accounting Principles**") and shall be accompanied by such supporting documentation as Purchaser may reasonably request.

(b) If Purchaser disagrees with the determination of the Consolidated Net Debt set forth on the Post-Closing Certificate, the Purchaser shall notify Seller (with a copy to Whitehall) in writing of such disagreement within the 30-day period immediately following the delivery of the Post-Closing Certificate, which notice shall describe the specific nature of any such disagreement and set forth a reasonable basis for such disagreement; provided, however, the Purchaser shall not disagree with any valuation made by Whitehall which has been made in accordance with the Accounting Principles. During the 30-day period of its review, the Purchaser and its representatives and advisors shall have reasonable access to any documents, schedules or work papers used in the preparation of the Post-Closing Certificate. Purchaser expressly agrees that any failure by it to notify Seller of any disagreement with the Consolidated Net Debt set forth on the Post-Closing Certificate on or prior to the date that is 30 days after delivery of the Post-Closing Certificate shall be deemed to be the definitive acceptance by Purchaser of the Consolidated Net Debt set forth on the Post-Closing Certificate and, except in the case of fraud or willful misconduct, shall constitute a complete and irrevocable waiver of any right of Purchaser to dispute such amount for purposes of this Agreement.

(c) Seller and Purchaser agree to negotiate in good faith to resolve any disagreement identified by Purchaser pursuant to Section 4.8(b) regarding the determination of the Consolidated Net Debt as of the Closing Date, and any resolution of such disagreement agreed to in writing by Seller and Purchaser shall be final, non-appealable and binding upon the Parties and their successors and assigns. If Seller and Purchaser are unable to resolve such disagreement identified by Purchaser pursuant to Section 4.8(b) within 30 days after delivery to Seller of written notice of such disagreement by Purchaser, then the disputed matters shall be referred for final determination to PricewaterhouseCoopers. If PricewaterhouseCoopers is unable or unwilling to serve, Seller and Purchaser shall jointly select an arbitrator from an internationally recognized accounting firm that is not the independent auditor for any of the Parties; provided, however, that if Seller and Purchaser are unable to select such an accounting firm within 45 days after delivery of written notice of a disagreement, the Center for Public Resources shall make such selection. PricewaterhouseCoopers or the internationally recognized accounting firm so selected shall be referred to herein as the "**Accounting Arbitrator**". The Accounting Arbitrator shall only consider those items and amounts as to which Seller and Purchaser have disagreed within the time periods and on the terms specified above and shall resolve the matter in accordance with the terms and provisions of this Agreement and in application of the Accounting Principles. The Accounting Arbitrator is expressly limited to the selection of either Seller's or Purchaser's position on a disputed item (or a position in between the positions of Seller and Purchaser) and it shall thus select as a resolution for each disputed matter the position of either Seller or Purchaser (or a position in between the positions of Seller and Purchaser) (based solely on presentations and supporting material provided by the such Parties and not pursuant to any independent review) and the Accounting Arbitrator may not impose an alternative resolution outside those bounds. The Parties and their Representatives shall cooperate in good faith with the Accounting Arbitrator and shall furnish such accounting data reasonably requested by the Accounting Arbitrator for the purposes of fulfilling its mandate hereunder, including providing their work papers and files. The Accounting Arbitrator shall deliver to Seller and Purchaser, as promptly as practicable and in any event within 45 days after its appointment, a written report setting forth the resolution of each disputed matter and its determination of the Consolidated Net Debt determined in accordance with the terms of this Agreement. Absent manifest error, such determination shall be final, non-appealable and binding upon the Parties to the fullest extent permitted by applicable law and may be enforced in any court having competent jurisdiction. The 45-day period for delivering the written report may be extended for up to 30 days for good cause by the mutual written consent of Seller and Purchaser or by the Accounting Arbitrator at its sole discretion. The fees, expenses and costs of the Accounting Arbitrator shall be borne one-half by Seller and one-half by Purchaser.

(d) If the Consolidated Net Debt, as finally determined pursuant to the procedures set forth in this Section 4.8, is greater than the Estimated Consolidated Net Debt, then the Consideration shall be decreased by the Adjustment Amount and the Share Consideration shall be decreased by the Share Adjustment Amount. If the Consolidated Net Debt, as finally determined pursuant to the procedures set forth in

this Section 4.8, is less than the Estimated Consolidated Net Debt, the Consideration shall be increased by the Adjustment Amount and the Share Consideration shall be increased by the Share Adjustment Amount. For purposes of this Agreement

(i) the "**Adjustment Amount**" means that amount in Euros equal to (A) 75% of the amount of the absolute value of the difference between (1) the Consolidated Net Debt, as finally determined pursuant to the procedures set forth in this Section 4.8 and (2) the Estimated Consolidated Net Debt *divided by* (B) the Euro Exchange Rate; and

(ii) the "**Share Adjustment Amount**" means that number of CEDC Shares (rounded upwards to the nearest integer) equal to (A) the Adjustment Amount *divided by* (B) the CEDC Share Issue Price.

Section 4.9 Appointment of Board

Immediately after the Closing, Seller and Purchaser shall take all such actions as may be required to elect Seller's and Purchaser's representatives to the Board of Directors of Newco, as provided in the Shareholders' Agreement.

Section 4.10 Second Closing; Delivery of Share Consideration

(a) The delivery by Purchaser to Seller of the Share Consideration, as adjusted pursuant to Section 4.8(d) (such event, the "**Second Closing**"), shall take place no later than the second Business Day following the date on which the Consolidated Net Debt is finally determined pursuant to the procedures set forth in Section 4.8(d) and at such place and time as Parent and Kaoufman shall agree.

(b) At the Second Closing, Purchaser shall deliver to Seller:

(i) a share certificate for the account of Seller evidencing the issuance of a number of CEDC Shares to Seller equal to the Share Consideration, as adjusted pursuant to Section 4.8(d), and an extract from the register of shareholders of Parent confirming the issuance of a number of CEDC Shares to Seller equal to the Share Consideration, as adjusted pursuant to Section 4.8(d), duly signed by the transfer agent of Parent;

(ii) a copy, certified by an officer of Parent, of the board resolutions of Parent approving the issuance of CEDC Shares to Seller equal to the Share Consideration, as adjusted pursuant to Section 4.8(d); and

(iii) two (2) original executed counterparts of the Registration Rights Agreement, executed by a duly empowered representative of Parent.

(c) At the Second Closing, Seller shall deliver to Purchaser two (2) original executed counterparts of the Registration Rights Agreement, executed by a duly empowered representative of Seller.

Section 4.11 Delivery of Final Consideration

Purchaser shall pay the Final Consideration to Seller, no later than the second Business Day following the first anniversary of the Closing, by deposit by wire

transfer in immediately available cleared funds to the Euro-denominated account at a bank Seller shall have specified in advance to Parent (with a copy to Purchaser). Purchaser shall have no right to set-off all or part of the Final Consideration against any amount that Seller owes or may owe to Purchaser, whether as a result of a Claim or otherwise, without the Seller's prior consent.

Section 4.12 Adjustments to Consideration

(a) If any payment is made by Seller to Purchaser or to Parent pursuant to Article 9 hereof, such payment(s) shall be considered for all Tax purposes as a reduction of the Consideration paid by the Purchaser and the Consideration shall be deemed to have been reduced by the amount of such payment.

(b) If any payment is made by Purchaser or Parent to Seller pursuant to Article 9 hereof, such payment(s) shall be considered for all Tax purposes as an increase in the Consideration paid by the Purchaser and the Consideration shall be deemed to have been increased by the amount of such payment.

ARTICLE 5
REPRESENTATIONS AND WARRANTIES OF SELLER

Except as expressly Disclosed in the Disclosure Letter, Seller hereby represents and warrants to Parent and Purchaser, as of the date hereof and as of the Closing Date (or as of such other date as may be expressly provided in any representation or warranty), as set forth below. Information Disclosed in any section of the Disclosure Letter (whether provided therein or made by reference in the Disclosure Letter to specific written Due Diligence Disclosures) shall be deemed to be Disclosed with respect to such representations and warranties to which such disclosure would reasonably pertain in the light of the form and substance of the disclosure made; provided, however, that such disclosures shall be deemed made only in respect of representations and warranties that are qualified by the words "**except as Disclosed**".

Section 5.1 Organization; Qualification; Solvency

(a) Seller is a company duly organized and validly existing under the laws of the Island of Jersey. Seller has all requisite power and authority to own the Whitehall Shares and, as and when issued, the Newco Shares and to carry on its business, as currently conducted.

(i) All registrations and official or governmental consents, licences or authorisations required under applicable law and regulation have been made or obtained and are in full force and effect and the Seller has at all times complied with all conditions attached to such consents, licences or authorisations.

(ii) No application for the Seller's property to be declared *en désastre* in the Island of Jersey has been made by the Seller or, to the Knowledge of Seller, by any other person, nor has any other procedure or proceeding referred to in Article 8 ("Meaning of bankruptcy") of the Interpretation (Jersey) Law, 1954, or Article 125 ("Power of company to compromise with creditors and members") of the Companies Law, been instituted.

(b) Each Group Company is a company duly organized and registered and validly existing under the laws of the jurisdiction of its organization identified on Schedule 1. Each Group Company has all requisite corporate power and authority to own or lease its property or assets and to carry on its business, as currently conducted. No order has been made, petition presented or resolution passed for the winding up of any Group Company. No administrator or any receiver or manager has been appointed by any person in respect of any Group Company or all or any of its respective assets and no voluntary arrangement has been proposed by any Group Company with respect to such appointment and, to the Knowledge of Seller, no steps have been taken by any other person to initiate any such appointment.

(c) The Joint Venture is a company duly organized and registered and validly existing under the laws of the Republic of Cyprus. The Joint Venture has all requisite corporate power and authority to own or lease its property or assets and to carry on its business, as currently conducted. No order has been made, petition presented or resolution passed for the winding up of the Joint Venture. No administrator or any receiver or manager has been appointed by any person in respect of the Joint Venture or all or any of its respective assets and no voluntary arrangement has been proposed by the Joint Venture with respect to such appointment and, to the Knowledge of Seller, no steps have been taken by any other person to initiate any such appointment.

Section 5.2 Authorization; Binding Obligations

Each of Seller and Whitehall has all necessary power and authority to make, execute and deliver this Agreement, the other Transaction Documents to which it is a party and all other documents executed by it which are to be delivered at Closing (together, the "**Seller Documents**") and to perform all of the obligations to be performed by it hereunder and thereunder. The making, execution, delivery and performance of this Agreement and the other Seller Documents and the consummation by Seller and Whitehall of the transactions contemplated hereby and thereby have been duly and validly authorized by all necessary corporate and other action on the part of Seller and Whitehall. This Agreement and the Transaction Documents to which they are a Party have been, and, as of the Closing Date the other Seller Documents will be, duly and validly executed and delivered by Seller and Whitehall, and assuming the due authorization, execution and delivery by Purchaser and Parent (and each other party thereto), each of this Agreement and the other Seller Documents constitute the valid, legal and binding obligation of Seller and Whitehall, enforceable against each of them in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium and similar laws affecting creditors' rights and remedies generally, and subject, as to enforceability, to general principles of equity (regardless of whether enforcement is sought in a proceeding at law or in equity).

Section 5.3 Securities Law Matters

As of the date hereof and as of the date of the Second Closing, Seller warrants and covenants as set out below with respect to the CEDC Shares constituting the Share Consideration.

(a) Seller is an "accredited investor" within the specific definition of such term set forth in Rule 501(a)(7) of Regulation D under the United States Securities Act of 1933, as amended (the "**Securities Act**").

(b) Seller is acquiring the CEDC Shares constituting the Share Consideration for its own account (as trustee of the Trust) for the purpose of investment and not with a view to, or for sale in connection with, any distribution thereof in violation of the Securities Act;

(c) Seller understands, acknowledges and agrees that:

(i) on delivery at the Second Closing, the CEDC Shares constituting the Share Consideration will not have been registered under the Securities Act;

(ii) the delivery of the CEDC Shares constituting the Share Consideration is intended as a transaction qualifying under Section 4(2) of the Securities Act and Rule 506 of Regulation D promulgated thereunder;

(iii) the CEDC Shares constituting the Share Consideration may not be transferred or resold except pursuant to an effective registration statement or pursuant to an exemption from registration or pursuant to Regulation S (and, in either such case (A) in accordance with all United States federal or state, European Union and other applicable state and foreign securities laws and (B) the transferor/seller shall (1) have notified Parent of the proposed transfer/sale and shall have furnished Parent with a detailed statement of the circumstances surrounding the proposed transfer/sale, provided that such detailed statement is kept confidential and is not disclosed to any other person until prior written consent from Seller is given which explicitly authorizes the disclosure of the information in such detailed statement, or (2) provide Parent and Parent's transfer agent with a legal opinion from independent internationally recognized legal counsel experienced in such matters, which legal opinion shall be in customary form reasonably acceptable to Parent and shall state that such transfer/sale is eligible under Rule 144 or is otherwise made in accordance with applicable securities laws);

(iv) the CEDC Shares constituting the Share Consideration will be endorsed with the following legends:

(A) "THE SECURITIES REPRESENTED BY THIS CERTIFICATE HAVE BEEN OFFERED AND SOLD TO ACCREDITED INVESTORS (AS DEFINED IN REGULATION D UNDER THE SECURITIES ACT OF 1933, AS AMENDED ("THE

SECURITIES ACT")) AND WITHOUT REGISTRATION WITH THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION UNDER THE SECURITIES ACT IN RELIANCE UPON REGULATION D PROMULGATED UNDER THE SECURITIES ACT. THE SECURITIES REPRESENTED BY THIS CERTIFICATE MAY NOT BE SOLD OR TRANSFERRED EXCEPT PURSUANT TO REGISTRATION UNDER THE SECURITIES ACT, OR PURSUANT TO AN AVAILABLE EXEMPTION FROM REGISTRATION. HEDGING TRANSACTIONS WITH REGARD TO THESE SECURITIES MAY NOT BE CONDUCTED UNLESS IN COMPLIANCE WITH THE SECURITIES ACT."; and

(B) any other legend agreed to be placed thereon pursuant to the Shareholders Agreement.

(d) Seller did not learn of the investment in the CEDC Shares constituting the Share Consideration by means of any form of general or public solicitation or general advertising, or publicly disseminated advertisements or sales literature, including (i) any advertisement, article, notice or other communication published in any newspaper, magazine, or similar media, or broadcast over television or radio, or (ii) any seminar or meeting to which Seller was invited by any of the foregoing means of communications.

(e) Seller acknowledges that the Purchasing Parties are relying on the representations, warranties and agreements contained in this Section 5.3 in delivering the CEDC Shares constituting the Share Consideration to Seller and would not engage in such transaction in the absence of the representations, warranties and agreements contained herein. Seller further acknowledges and agrees that any obligation of the Purchasing Parties herein to deliver the Share Consideration to Seller is conditioned upon the accuracy of the representations, warranties and agreements in this Section 5.3 and Seller agrees to notify the Purchasing Parties promptly in writing if any representation or warranty in this Section 5.3 ceases to be accurate and complete prior to the Second Closing.

Section 5.4 Group Structure and Ownership

(a) As of the date hereof Seller is, and through the date of the Contribution will be, the sole legal owner of all the Whitehall Shares (together with all rights attaching thereto, including voting rights) and, from and after the Contribution until the Closing Date Seller will be the sole legal owner of all the Newco Shares. The Whitehall Shares constitute the entire issued and outstanding share capital of Whitehall and, as and when issued, the Newco Shares will constitute entire issued and outstanding share capital of Newco. The Whitehall Shares have been duly authorized and validly issued and are fully paid and non-assessable. As of the date hereof and as

of the date of the Contribution, Seller holds legal title to the Whitehall Shares free and clear of any Encumbrances, and as a result of the Contribution will transfer legal title to the Whitehall Shares (together with all rights attaching thereto, including voting rights) to Newco, free and clear of any Encumbrances. From and after the Contribution, Seller will hold legal title to the Newco Shares free and clear of any Encumbrances, and at the Closing will transfer title to the 3,749 Class A Shares and the 5,625 Class B Shares Newco Shares (together with all rights attaching thereto) to Purchaser, free and clear of any Encumbrances.

(b) Part 2 of Schedule 1 sets out a true and accurate list of all the Whitehall Subsidiaries, each of which is wholly owned, directly or indirectly (through another Group Company) by Whitehall, except to the extent of the minority interests disclosed on Schedule 1. The equity interests in each of the Whitehall Subsidiaries have been duly authorized and validly issued and are fully paid and non-assessable and all requirements to invest or maintain any minimum or specified amount of share capital or other capital or capital ratio have been met with respect to each Whitehall Subsidiary.

(c) Part 3 of Schedule 1 sets forth the Joint Venture, in which Whitehall holds a 50% equity interest. The equity interests in the Joint Venture have been duly authorized and validly issued and are fully paid and non-assessable and all requirements to invest or maintain any minimum or specified amount of share capital or other capital or capital ratio have been met with respect to such Joint Venture.

(d) Except for such shares of capital stock and other participatory interests set forth in Schedule 1, none of the Group Companies or the Joint Venture (i) has issued any shares of its capital stock or any other voting securities or other participatory interests, (ii) is bound by any outstanding subscriptions, options, warrants, calls, convertible or exchangeable securities, rights or other commitments or agreements providing for the issuance or disposition of any shares of its capital stock, voting securities or other participatory interests, or (iii) has any outstanding obligation (x) to repurchase, redeem or otherwise acquire any shares of its capital stock, voting securities or participatory interests (or any options, warrants or other securities convertible into or exercisable or exchangeable for any shares of its capital stock, voting securities or equity interests) or (y) to vote or dispose of any securities of any other Group Company or the Joint Venture (except, with respect to the Joint Venture, in the case of (ii) and (iii) such obligations and agreements pursuant to the Joint Venture Agreement).

(e) No Group Company has any interest in the share capital of or equivalent equity participation in any other company which is not a Group Company, except for the Joint Venture. The Joint Venture has no interest in the share capital of, or equivalent equity participation in, any other person, except for its 100% participation in OOO Moët Hennessy Whitehall Rus, the details of which are set forth in Part 3 of Schedule 1.

Section 5.5 No Conflicts

Assuming the consents and approvals referred to in Section 5.6 are obtained, neither the execution and delivery of this Agreement or other Seller Documents by Seller and/or Whitehall, nor the consummation of the transactions contemplated

hereby or thereby, will (i) in any material respect violate, conflict with, result in the breach of, constitute a default under, be prohibited by, require any additional approval under, accelerate the performance provided by, require the assumption of, give any third party the right to terminate or result in any other change in right or obligation or the loss of a benefit under (x) any term, condition or provision of the organizational documents of Seller, any Group Company, the Joint Venture or Newco, (y) any material mortgage, indenture, deed of trust (including but not limited to the Settlement Deed), loan or credit agreement or other agreement or instrument to which Seller, any Group Company is now a party or by which it is bound, or (z) any law applicable to Seller, any Group Company, the Joint Venture or Newco; or (ii) except as set forth in the Disclosure Letter, result in the creation or imposition of any Encumbrance upon the Newco Shares, the Whitehall Shares, Whitehall's equity interest in the Joint Venture or any share of capital stock or participatory interest in any Group Company.

Section 5.6 Approvals

No notices, approvals, reports or other filings are required to be made by Seller or Whitehall with, nor are there any consents, registrations, approvals, waivers, permits or other authorizations required to be obtained by Seller or Whitehall from, any Governmental Authority or other third party (save for the instrument of consent from the Protector of the Trust to be delivered in accordance with Section 4.4(g) hereof) in order for Seller to execute or deliver this Agreement or the other Seller Documents or to consummate the transactions contemplated hereby or thereby except as set forth in the Disclosure Letter or where the failure to obtain such consents and approvals, would not have a Material Adverse Effect.

Section 5.7 Compliance with Laws

Except as Disclosed, each of Seller, each Group Company and the Joint Venture is in compliance in all material respects with all material laws applicable to it relating to the Business. Except as would not reasonably be expected to result in a Material Adverse Effect, since January 1, 2007, none of Seller, any Group Company or the Joint Venture has (i) violated any laws relating to the Business or (ii) received any written notice from (and otherwise does not have any Knowledge of) any Governmental Authority that alleges any material noncompliance (or that Seller, any Group Company or the Joint Venture is under investigation by any such Governmental Authority for such alleged noncompliance) with any applicable law relating to the Business.

Section 5.8 Anti-Monopoly Matters

All previous transactions involving any transfer of interests in any Russian Subsidiary were, where applicable, conducted in all material respects pursuant to applicable laws of the Russian Federation and such transactions were properly approved by or notified to the relevant Governmental Authorities, including, where applicable, the antimonopoly authorities, except where the failure to obtain such approval or, as the case may be, to notify such a transaction, has not had, and is not reasonably likely to result in, a material adverse effect on such Russian Subsidiary. To the Knowledge of Seller, none of the Group Companies governed by the laws of the Russian Federation has received any notice, letter, notification or any other correspondence from any competent Governmental Authority that challenges or threatens the validity or results of such previous transactions.

Section 5.9 Financial Facilities and Debt Obligations

The Disclosure Letter sets forth a complete and accurate list of all overdrafts, loans or other financial facilities outstanding or available to the Group, as well as of any debt obligations outstanding thereunder as of a date no later than the month end prior to the date hereof. True and correct copies of all material documents relating to such financial facilities have been made available to the Parent or its Representatives in the Data Room or are annexed to the Disclosure Letter. As of the date hereof: (i) all such facilities remain in full force and effect; and (ii) to the Knowledge of Seller, there exist no events or circumstances that with or without notice or the passage of time would constitute a default or event of default thereunder.

Section 5.10 Licences

Except as Disclosed: (i) each Group Company as well as the Joint Venture owns, holds or possesses all material permits, licenses, approvals, certifications, registrations, franchises, variances and consents issued or granted by a Governmental Authority (collectively, "**Licences**") necessary to maintain and establish its existence and to conduct the Business as it is currently conducted; (ii) all such Licences are valid and in full force and effect; (iii) none of the Group Companies or the Joint Venture has received written notice that it is in default under or in violation of any such License, and, to the Knowledge of Seller, each Group Company and the Joint Venture conducts its activities in compliance in all material respects with such Licences and there are no grounds for the valid revocation of any such License; (iv) all applications required to have been filed for the renewal of such Licences have been timely filed (after giving effect to any grace periods and extensions) with the appropriate Governmental Authority; and (v) none of the Licences shall be terminated or impaired or become terminable, in whole or in part, as a result of the transactions contemplated by this Agreement.

Section 5.11 Intellectual Property

(a) All material trademarks, signs and service marks, trade or business names, domain names, patents and copyrights (collectively, "**Intellectual Property**") used by the Group Companies and the Joint Venture in conducting the Business as currently conducted are either owned by a Group Company or by the Joint Venture, or are used by the applicable Group Company or the Joint Venture pursuant to, as the case may be, a valid and enforceable license agreement, sub-license agreement or distribution agreement. The Disclosure Letter sets forth a complete and accurate list of (i) all Intellectual Property registered in the name of any Group Company (the "**Group Registered IP**") and (ii) all license agreements, sub-license agreements and distribution agreements relating to the use of Intellectual Property by the Group to which any Group Company is a party (the "**Group Licensed IP**").

(b) Except as Disclosed: (i) a Group Company is the registered owner of the Group Registered IP, (ii) the Group Registered IP is not subject to any Encumbrance; (iii) to the Knowledge of Seller, no Group Company has received written notice that any Group Registered IP is currently the subject of any

reexamination, opposition, cancellation or invalidation proceeding before any Governmental Authority, and no such proceeding is threatened; and (iv) all material application, registration, maintenance and renewal fees have been paid to, and all material documents and certificates have been filed with, the applicable Governmental Authority as necessary for the purposes of maintaining any Group Registered IP.

(c) To the Knowledge of Seller, none of the Group Companies or the Joint Venture has interfered with, infringed upon, misappropriated or violated any intellectual property right of any third party and, none of the Group Companies or the Joint Venture has received written notice from any third party alleging any such interference, infringement or violation. To the Knowledge of Seller, no third party has interfered with, infringed upon, misappropriated or violated any Group Registered IP.

Section 5.12 Assets

(a) Except as would not adversely affect in any material respect the conduct of the Business by any Group Company, the relevant Group Company and, where applicable, the Joint Venture is the legal owner, free and clear of all Encumbrances, or otherwise has the legal right to use (in the manner they are currently used) all of the assets and properties used or held for use by it in the conduct of the Business as currently conducted and as the Business will be conducted by the Group and the Joint Venture on the Closing Date.

(b) All assets and properties used or held for use by each Group Company as well as, where applicable, the Joint Venture in the conduct of the Business are in all material respects in reasonably good condition of use, maintenance and repair, subject to reasonable wear and tear, and are sufficient in all material respects for the conduct of the Business as currently conducted and as the Business will be conducted on the Closing Date.

Section 5.13 Litigation and Investigations

Except as Disclosed, there is no action, suit, proceeding, claim, arbitration, grievance or other litigation (each, an "**Action**") brought by any third party against any Group Company or pending before any Governmental Authority or arbitrator, or any audit, investigation or inspection (each, an "**Investigation**") of any Group Company by any Governmental Authority pending, nor to the Knowledge of Seller is any such Action or Investigation threatened, that if resolved in a manner adverse to the Group Company would reasonably be expected to result in (i) a liability of the Group Company (including in respect of any fine, award of damages, legal fees and costs or interest) to any third person or group of persons in excess of two hundred fifty thousand US Dollars (US$250,000) or (ii) any injunction, order, judgment, writ or decree binding on any Group Company that would adversely affect in any material respect the conduct of the Business by such Group Company.

Section 5.14 Financial Statements

(a) Purchaser has previously been provided with true and complete copies of (i) audited financial statements of the Group, on a consolidated basis for the twelve-month period ended and as at March 31, 2006 (the "**Consolidated Financial**

Statements"); (ii) the audited financial statements for Global Wine & Spirits Holdings Limited for the twelve-month period ended and as at December 31, 2006 (the "**GWS Holdings Financial Statements**"); (iii) the audited financial statements for Dancraig Wine & Spirit Trading Limited for the twelve-month period ended and as at December 31, 2006 (the "**Dancraig Financial Statements**"); (iv) the audited statutory financial statements for each of the Russian Subsidiaries, on a stand-alone basis, for the twelve-month periods ended and as at December 31, 2007 (the "**Russian Subsidiaries' Financial Statements**"); and (v) the audited statutory accounts of the Joint Venture for the twelve-month period ended and as at December 31, 2007 (the "**JV Statutory Accounts**" and together with the Consolidated Financial Statements, the GWS Holdings Financial Statements, the Dancraig Financial Statements, and the Russian Subsidiaries' Financial Statements, the "**Financial Statements**").

(b) The Financial Statements, other than the Russian Subsidiaries' Financial Statements and the JV Statutory Accounts, have been prepared in accordance with IFRS applied on a consistent basis (except as may be noted therein) across the periods presented and the Russian Subsidiaries' Financial Statements and the JV Statutory Accounts have been prepared in accordance with RAS applied on a consistent basis (except as may be noted therein) across the periods presented, and the Financial Statements give a true and fair view of, (x) in the case of the Consolidated Financial Statements, the consolidated financial position of the Group as at, and the consolidated financial performance of the Group for the twelve-month periods ended March 31, 2006, (y) in the case of the GWS Holdings Financial Statements and the Dancraig Financial Statements, the financial position of the applicable reporting entity as at, and the financial performance and cash flows for the applicable reporting entity for the twelve-month period ended, December 31, 2006 and (z) in the case of the Russian Subsidiaries' Financial Statements and the JV Statutory Accounts, the financial position of the applicable reporting entity as at, and the financial performance for the applicable reporting entity for the twelve-month period ended, December 31, 2007.

(c) No Group Company has any material liabilities or material obligations (whether accrued, contingent, absolute or otherwise) and whether or not required to be disclosed, including, without limitation, any off-balance sheet liabilities, except (i) liabilities or obligations as and to the extent (x) reflected or reserved against on the relevant Financial Statements, as at December 31, 2006 or December 31, 2007, as applicable (y) readily apparent in the notes thereto, (ii) incurred in the ordinary course of business consistent with past practice after December 31, 2006 or December 31, 2007, as the case may be, or (iii) as Disclosed in the Disclosure Letter.

(d) The Joint Venture has no material liabilities or material obligations (whether accrued, contingent, absolute or otherwise) and whether or not required to be disclosed, including, without limitation, any off-balance sheet liabilities, except (i) liabilities or obligations as and to the extent (x) reflected or reserved against in the JV Statutory Accounts, as at December 31, 2007, or (y) readily apparent in the notes thereto, (ii) incurred in the ordinary course of business consistent with past practice after December 31, 2007, or (iii) as Disclosed in the Disclosure Letter.

(e) Each Group Company and the Joint Venture (i) maintains books and records that in reasonable detail accurately and fairly reflect the transactions of such Group Company or the Joint Venture, as the case may be, and (ii) has in place policies

and procedures with respect to financial reporting that are sufficient to provide reasonable assurances that transactions are recorded as necessary to permit preparation of its financial statements in accordance with RAS and IFRS. Since January 1, 2007, no Group Company or the Joint Venture has received or otherwise obtained knowledge of any material complaint or allegation regarding the accounting or auditing practices, policies or procedures of such Group Company or the Joint Venture or its respective internal accounting controls.

Section 5.15 Events Since December 31, 2007

To the Knowledge of Seller, since December 31, 2007 (i) there have not been any events, changes or occurrences that, individually or in the aggregate, have had or would be reasonably expected to have a Material Adverse Effect; (ii) each Group Company and the Joint Venture has conducted its business only in the ordinary course, consistent with past practice; and (iii) except as Disclosed in the Disclosure Letter, no Group Company or the Joint Venture has taken any action that if taken after the date of this Agreement and prior to the Closing without the prior written consent of Purchaser would violate Section 7.1(b).

Section 5.16 Taxation

(a) All material Tax Returns required to be filed by any Group Company or the Joint Venture, or with respect to the Business, have been filed on a timely basis (after taking into account any applicable extensions), and all Taxes shown to be due from any Group Company or the Joint Venture on such Tax Returns have been paid or provisioned or reserved for in full in the applicable the Financial Statements. All such Tax Returns are true, correct and complete in all material respects, and prepared in compliance in all material respects with applicable laws.

(b) Except as Disclosed: (i) no written notice has been received of any deficiencies for Taxes claimed, proposed or assessed by any Taxation Authority with respect to the Business for which any Group Company or the Joint Venture may have any liability; (ii) there are no pending, current or, to the Knowledge of Seller, threatened audits, suits, proceedings, investigations, claims or administrative proceedings for or relating to any liability in respect of any such Taxes; (iii) there are no outstanding written agreements or waivers extending the statutory period of limitations applicable to any Tax Returns required to be filed by any Group Company or the Joint Venture, nor is any written request for any such agreement or waiver pending; (iv) no Group Company or the Joint Venture is a party to or bound by any Tax sharing agreement, Tax indemnification agreement or similar agreement, whether written or unwritten, providing for payment of Taxes, Tax losses, entitlement to refunds or similar Tax matters; and (v) no Group Company or the Joint Venture has received a material ruling from any Taxation Authority relating to Taxes.

(c) To the Knowledge of Seller, each Group Company and the Joint Venture is and always has been resident for Tax purposes only in the jurisdiction in which it is incorporated. No claim or assertion has been made by any Taxation Authority against any Group Company or the Joint Venture in any jurisdiction where such Group Company or the Joint Venture does not currently file a Tax Return that it is or may be subject to Tax by such jurisdiction, nor, to the Knowledge of Seller, is any such claim or assertion threatened.

Section 5.17 Real Property

(a) The Disclosure Letter sets forth a complete and accurate list of all Leased Real Property. The Leased Real Property comprises all the land and buildings occupied by the Group or the Joint Venture in connection with the Business. No Group Company or the Joint Venture owns any real property in fee.

(b) Each parcel of Leased Real Property is held and/or used by the applicable Group Company or the Joint Venture pursuant to a valid, binding and enforceable Lease and one or more of the Group Companies or the Joint Venture is in exclusive possession of each such parcel of Leased Real Property. The Lease under which the premises are held by each Group Company and the Joint Venture is valid and subsisting against all persons, including any person in whom any superior estate or interest is vested, and no notice of any breach or termination thereof has been received, or to the Knowledge of Seller, is likely to be received. No Group Company or the Joint Venture is in material default under any Lease, nor, to the Knowledge of Seller, is any other party thereto in material default thereunder. In particular, Leases entered into by any of the Russian Subsidiaries are in full force and any necessary action has been taken so as to ensure the same. Whitehall has provided, and has caused the Whitehall Subsidiaries to provide, Purchaser with access to true, correct and complete copies of all Leases within their custody or control relating to any material Leased Real Property. There are no Contracts relating to the Leased Real Property to which a Group Company is a party that have not been provided to Purchaser which would materially increase the obligations or materially decrease the rights of the Group Companies in respect of the Leased Real Property, or which would entitle any other party thereto to withhold its consent to the Transaction contemplated hereby or otherwise have provisions triggering rights or obligations upon the consummation of the Transaction contemplated hereby.

(c) To the Knowledge of Seller; none of the Leased Real Property, nor the conduct of the Business by the Group Companies or the Joint Venture thereon, is in material violation of any building line or use or occupancy restriction, limitation, condition or covenant of record or any zoning or building law, code, or ordinance or easement or other applicable law or regulation, nor has any Group Company or the Joint Venture received any notice alleging any such violation.

Section 5.18 Joint Venture

As of the date hereof, the Joint Venture has at all times been managed and operated in compliance in all material respects with the Joint Venture Agreement.

Section 5.19 Brokers

Seller or one of its Affiliates (other than the Group or the Joint Venture) shall be solely responsible for payment of any brokerage, finder's or other fee or commission and related expenses to which any broker, finder, financial adviser or investment banker may be entitled in connection with this Agreement on the basis of arrangements made by or on behalf of Seller or Whitehall or their Affiliates.

Section 5.20 All Material Matters Disclosed

All information contained or referred to in the Disclosure Letter or in anything annexed to it or which has otherwise been Disclosed by or on behalf of Seller to each of Parent and Purchaser on or prior to the date of this Agreement is true and accurate in all material respects.

Section 5.21 Own Investigations; No Reliance

Each of Seller and Whitehall expressly acknowledges and agrees that it (i) has made its own inquiry and investigation into, and, based thereon, has formed an independent judgment concerning, the Parent, the Purchaser and the CEDC Shares to be issued as the Share Consideration, and (ii) has conducted such investigations as it deems necessary to satisfy itself as to the status, operations and conditions thereof, and will rely solely on such investigations and inquiries and the express representations and warranties of the Purchaser and Parent set out in Article 6.

Section 5.22 Warranties Limited

Each of Purchaser and Parent expressly agrees and acknowledges that none of Seller or Whitehall, nor any of their respective Representatives, has made any representation or given any warranty, expressed or implied, of any nature whatsoever relating to the Business or any Group Company or the Joint Venture or otherwise in connection with the Transaction contemplated hereby other than those representations and warranties expressly set forth in this Article 5. Each of Purchaser and Parent expressly agrees and acknowledges that (except for the representations and warranties expressly set forth in this Article 5) no person has been authorized by Seller or any Group Company to make any representation or give any warranty regarding the Group, the Joint Venture, the Business, the assets or operations of any Group Company or the Joint Venture or otherwise in connection with the transactions contemplated hereby and, if made or give, such representation or warranty may not be relied upon as having been authorized by Seller or any Group Company. To the fullest extent permitted by applicable law, and except in the case of fraud or willful misconduct, each of Purchaser and Parent agrees and acknowledges that its only right and remedy in relation to any representation, warranty or undertaking made or given in connection with the Transaction Documents shall be for a breach of the express terms of the Transaction Documents to the exclusion of all other rights and remedies (including those in tort or arising under statute).

ARTICLE 6
REPRESENTATIONS AND WARRANTIES OF PURCHASER AND PARENT

Parent and Purchaser hereby represent and warrant to Seller, as of the date hereof and as of the Closing Date (or as of such other date as may be expressly provided in any representation or warranty), as set forth below.

Section 6.1 Organization; Qualification; Solvency

Parent is a company duly incorporated and validly existing under the laws of the State of Delaware in the United States of America. Purchaser is a joint stock company duly incorporated and validly existing under the laws of Poland. Purchaser

has all requisite corporate power and authority to carry on its business, as currently conducted. No order has been made, petition presented or resolution passed for the winding up of Purchaser or Parent. No administrator or any receiver or manager has been appointed by any person in respect of Purchaser or Parent or all or any of their respective assets and no voluntary arrangement has been proposed by Purchaser or Parent with respect to such appointment and, to the knowledge of Purchaser and Parent, no steps have been taken by any other person to initiate any such appointment.

Section 6.2 Authorization; Binding Obligations

Each of Parent and Purchaser has all necessary power and authority to make, execute and deliver this Agreement, the other Transaction Documents to which it is a party and all other documents executed by it which are to be delivered at Closing (together, the "**Purchaser Documents**") and to perform all of the obligations to be performed by it hereunder and thereunder. The making, execution, delivery and performance of this Agreement and the other Purchaser Documents and the consummation by Purchaser and Parent of the transactions contemplated hereby and thereby have been duly and validly authorized by all necessary corporate action on the part of Purchaser and Parent, respectively. This Agreement and the Transaction Documents have been and, as of the Closing Date the other Purchaser Documents to which they are a party will be, duly and validly executed and delivered by Purchaser and Parent, and assuming the due authorization, execution and delivery by the other parties hereto and thereto, each of this Agreement and the other Purchaser Documents constitutes the valid, legal and binding obligation of each of Purchaser and Parent, enforceable against it in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium and similar laws affecting creditors' rights and remedies generally, and subject, as to enforceability, to general principles of equity (regardless of whether enforcement is sought in a proceeding at law or in equity).

Section 6.3 No Conflicts

Assuming the consents and approvals referred to in Section 6.4 are obtained, neither the execution and delivery of this Agreement or other Purchaser Documents by Purchaser and Parent, nor the consummation of the transactions contemplated hereby or thereby, will in any material respect violate, conflict with, result in the breach of, constitute a default under, be prohibited by, require any additional approval under, accelerate the performance provided by, require the assumption of, give any third party the right to terminate or result in any other change in right or obligation or the loss of a benefit under (x) any term, condition or provision of the constitutional documents of Purchaser or Parent, respectively, (y) any material mortgage, indenture, deed of trust, loan or credit agreement or other agreement or instrument to which Purchaser or Parent is now a party or by which it is bound, or (z) any law applicable to Purchaser or Parent, except in the case of (y) and (z), as would not prevent or materially delay the Closing.

Section 6.4 Approvals

No notices, approvals, reports or other filings are required to be made by Purchaser or Parent with, nor are there any consents, registrations, approvals, permits or other authorizations required to be obtained by Purchaser or Parent from, any

Governmental Authority or other third party in order for Purchaser or Parent to execute or deliver this Agreement or the other Purchaser Documents or to consummate the transactions contemplated hereby or thereby, including the issuance of the Share Consideration except where the failure to make such notices, approvals, reports or other filings, or to obtain such consents, registrations, approvals, permits or other authorizations would not prevent or materially delay the Closing.

Section 6.5 Available Funds

As of the Closing, Purchaser will have immediately available on an unconditional basis (subject only to the Closing) the cash resources required to meet in full its obligations to make the payment to Seller at the Closing of the Cash Consideration.

Section 6.6 Acting as Principal; Investment Purpose

Purchaser is purchasing the legal and beneficial title to the Newco Shares for its own account and is not acting as agent, nominee, trustee or otherwise for any third party. Purchaser is acquiring the Newco Shares solely for the purposes of investment and not with a view to, or for offer or sale in connection with, any distribution thereof.

Section 6.7 Litigation

As of the date hereof, no Action or Investigation is pending, or to the knowledge of Purchaser threatened, that seeks to delay or prevent the consummation of, or that would be reasonably expected to materially adversely affect the ability of Purchaser to consummate, the transactions contemplated by this agreement.

Section 6.8 Parent Shares

(a) The authorized capital stock of Parent, as of the date of this Agreement consists of (i) 80,000,000 shares of common stock, par value $0.01 per share, of which, as of May 19, 2008, 42,595,601 were issued and outstanding, and (ii) 1,000,000 shares of preferred stock, par value $0.01 per share, none of which are issued and outstanding.

(b) All of the CEDC Shares comprising the Share Consideration as and when issued will at the time of such issuance be duly authorized, validly issued, fully paid and non-assessable and free of preemption rights, will rank *pari passu* with existing CEDC Shares and will have the right to receive all dividends and other distributions declared or paid after the Closing Date. At the Second Closing, Purchaser will deliver to Seller good and valid title to all Share Consideration, free and clear of all Encumbrances.

Section 6.9 Parent Reports; Financial Statements

Parent has filed or furnished all forms, statements, reports and documents required to be filed or furnished by it with the United States Securities and Exchange Commission ("**SEC**") pursuant to applicable securities statutes, regulations, policies and rules since December 31, 2005 (the forms, statements, reports and documents filed or furnished with the SEC since December 31, 2005 and those filed with or furnished to the SEC subsequent to the date of this Agreement, if any, including any

amendments thereto, the "**Parent Reports**"). Each of the Parent Reports, at the time of its filing, complied or will comply in all material respects with the applicable requirements of the United States Securities Exchange Act of 1934 (the "**Securities Exchange Act**") and the rules and regulations thereunder and complied in all material respects with the then applicable accounting standards. As of their respective dates (or, if amended, as of the date of such amendment), the Parent Reports did not, and any Parent Reports filed with the SEC subsequent to the date hereof will not, contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements made therein, in light of the circumstances in which they were made, not misleading, except to the extent corrected by a document subsequently filed with the SEC.

Section 6.10 Brokers

Parent or Purchaser or one of their respective Affiliates shall be solely responsible for payment of any brokerage, finder's or other fee or commission and related expenses to which any broker, finder, financial adviser or investment banker may be entitled in connection with this Agreement on the basis of arrangements made by or on behalf of Purchaser or Parent or their Affiliates.

Section 6.11 Own Investigations; No Reliance

Each of Parent and Purchaser expressly acknowledges and agrees that it (i) has made its own inquiry and investigation into, and, based thereon, has formed an independent judgment concerning, the Business, the Group and each Group Company, and (ii) has conducted such investigations of the Group, any Group Company and the Business as it deems necessary to satisfy itself as to the status, operations and conditions thereof, and will rely solely on such investigations and inquiries and the express representations and warranties of the Seller set out in Article 5.

Section 6.12 Warranties Limited

Each of Seller and Whitehall expressly agrees and acknowledges that none of Purchaser and Parent, nor any of their respective Representatives, has made any representation or given any warranty, expressed or implied, of any nature whatsoever in connection with the Transaction contemplated hereby other than those representations and warranties expressly set forth in this Article 6. Each of Seller and Whitehall expressly agrees and acknowledges that (except for the representations and warranties expressly set forth in this Article 5) no person has been authorized by Parent or Purchaser to make any representation or give any warranty, express or implied, of any nature whatsoever, regarding them or otherwise in connection with the transactions contemplated hereby and, if made or given, such representation or warranty may not be relied upon as having been authorized by Parent or Purchaser. To the fullest extent permitted by applicable law, and except in the case of fraud or willful misconduct, each of Seller and Whitehall agrees and acknowledges that its only right and remedy in relation to any representation, warranty or undertaking made or given in connection with the Transaction Documents shall be for a breach of the express terms of the Transaction Documents to the exclusion of all other rights and remedies (including those in tort or arising under statute).

ARTICLE 7
COVENANTS

Section 7.1 Conduct of Business

(a) Except as otherwise expressly contemplated hereby, and except to the extent required by applicable law or as set forth in the Disclosure Letter, from the date hereof to the Closing Date, Whitehall agrees to conduct, and to cause the Group Companies and (to the extent of its powers as shareholder and to the extent consistent with the Joint Venture Agreement) the Joint Venture to conduct, the Business only in the ordinary course of business in accordance with past practices and to use their respective commercially reasonable efforts (i) to preserve intact the business organizations and relationships with third parties relating to the Business, (ii) to maintain and keep current the Licences of the Group Companies and of the Joint Venture, (iii) to keep available the services of the employees of the Group Companies and of the Joint Venture, and (iv) to preserve existing beneficial relationships with creditors, suppliers, customers and clients of the Group Companies and of the Joint Venture, following substantially the same practices and standards, including practices with respect to trade receivables and trade payables.

(b) In furtherance and without limitation of Section 7.1(a), except as otherwise expressly permitted hereby or required by applicable law, from the date hereof to the Closing Date, without the prior written consent of Purchaser, such consent not to be unreasonably withheld or delayed, Whitehall shall cause each Group Company, and (to the extent of its powers as shareholder and to the extent consistent with the Joint Venture Agreement) the Joint Venture, not to:

(i) create, issue or amend the terms of any shares of capital stock (including the Whitehall Shares, the Whitehall equity interest in the Joint Venture and Newco Shares), quotas, bonds, options, warrants, loan capital or any other securities or any options or rights to subscribe for the same;

(ii) repay, redeem, repurchase or otherwise acquire any of its shares of capital stock (including the Whitehall Shares the Whitehall equity interest in the Joint Venture and Newco Shares), quotas, bonds, options, warrants, loan capital or any other securities or any option or right to subscribe for the same;

(iii) (x) fail to use its commercially reasonable efforts to renew any License necessary for the conduct of the Business or (y) formulate any request to any Governmental Authority which implies the assignment, transfer, forfeiture, abandonment, modification or revocation of any such License;

(iv) sell, assign or otherwise dispose of or encumber any of its tangible or intangible assets, other than assets held for sale in the ordinary course of business consistent with past practice, in an aggregate amount exceeding two hundred fifty thousand US Dollars (US$250,000);

(v) amend its organizational documents;

(vi) incorporate any Subsidiary or take any steps to dissolve and/or wind-up of any of the Group Companies or the Joint Venture;

(vii) (x) accelerate or delay the collection of receivables, grant volume rebates or discounts to customers or factor receivables, in each case outside the ordinary course of business or inconsistent with past practice or (y) make any payments other than in a manner consistent with previous dealings with the recipients of such payments;

(viii) fail to settle in accordance with the payment procedures and timescales normally observed by the relevant Group Company or the Joint Venture any debts or liabilities (including trade payables) incurred by Group Company or by the Joint Venture in the normal course of trading;

(ix) (x) make, change or revoke, or permit to be made, changed or revoked, any material Tax election, or change any of its material methods of accounting or reporting for Tax purposes, except as required by applicable laws; (y) settle any material Tax audit; or (z) make any change to its accounting bases, practices, policies or procedures, except as required by applicable law or by changes in RAS or IFRS or other applicable generally accepted accounting policies;

(x) enter into any Contract (or amend or waive its rights or obligations in relation to any such existing Contract) with Seller, Kaoufman, Moët Hennessy International or any of their respective Affiliates (other than another Group Company or the Joint Venture);

(xi) except in the ordinary course of business, enter into any loan or financing arrangements or incur any indebtedness for borrowed money or guarantee any such indebtedness of any other person;

(xii) except as required by applicable law or to comply with contractual obligations existing on the date hereof and Disclosed in the Disclosure Letter: (x) make any material amendment to the remuneration, or terms and conditions of employment, of any Group Employee or any director or officer, or (y) dismiss, or give notice to dismiss, any director or officer or other member of senior management other than for cause;

(xiii) (x) enter into any employment, change in control, severance, retention, deferred compensation or any other similar Employment Agreement (or any amendment to any such existing agreement or otherwise increase or accelerate the vesting of benefits or severance), (y) adopt or announce any new benefit plan or arrangement, or (z) take any action that gives rise to severance benefits payable to any director, officer, employee or consultant as a result of the consummation of the transactions contemplated by this Agreement;

(xiv) enter into any new Contract or amend or modify any existing Contract with any trade union, works council or similar body of employee representatives; or

(xv) resolve, agree, commit or enter into any agreement or understanding to do any of the foregoing.

Section 7.2 Settlement Deed

If the Seller shall cease to be a trustee of the Trust by whatever means then it shall procure that any successor trustee (a "**New Trustee**") shall prior to its appointment have delivered to the Purchaser a deed of adherence duly executed by the New Trustee containing a direct covenant and undertaking in favor of the Purchaser (on terms approved by the Purchaser such approval not to be unreasonably withheld or delayed) to observe and be bound by the provisions of this Agreement (including this section regarding the appointment of New Trustees).

Section 7.3 Efforts

Subject to the terms and conditions of this Agreement, each of Seller and Whitehall, on the one hand, and Purchaser and Parent, on the other hand, shall act in good faith and use its respective commercially reasonable efforts to take, agree to take or cause to be taken, any and all actions and to do, or cause to be done, any and all things necessary, proper or advisable so as to, as promptly as practicable (and in any event prior to the Termination Date) satisfy the conditions set forth in Article 3 and to permit consummation of the transactions contemplated by this Agreement, and each shall, and shall cause its respective Affiliates to, cooperate fully to that end.

Section 7.4 No Solicitation; Exclusivity

(a) From and after the date of this Agreement, Seller and Whitehall shall not, and shall cause each of their respective directors, officers, agents, or advisers (including, without limitation, financial advisers, consultants, attorneys and accountants) (collectively, "**Representatives**") not to: (i) directly or indirectly, initiate, solicit or knowingly encourage or facilitate any inquiry, proposal or offer by any person other than Parent and Purchaser with respect to any direct or indirect sale of the businesses and/or assets of the Group or the Joint Venture (whether by merger, reorganization, share exchange, consolidation or similar transaction involving any entity of the Group or the Joint Venture or by a tender or exchange offer for any equity interests in any member of the Group or the Joint Venture or any sale and purchase of any significant portion of the consolidated assets of the Group) or the Joint Venture to such other person (any such inquiry, proposal or offer, a "**Competing Proposal**") or (ii) directly or indirectly, have any discussions with, or provide any confidential information or data to, or engage in negotiations with any person, other than Parent or Purchaser with respect to any Competing Proposal.

(b) Each of Seller and Whitehall shall, and shall cause its respective Representatives to terminate immediately any existing discussions or negotiations with any person other than Parent and Purchaser, conducted prior to the date of this Agreement with respect to any Competing Proposal. Seller and Whitehall shall take all necessary steps promptly to inform its respective Representatives of the obligations undertaken in this Section 7.4.

Section 7.5 CEDC Share Price Guarantee

(a) If the average daily closing share price, weighted by volume, on the NASDAQ Global Select Market for a CEDC Share during the 20-trading day period ending on the date that is six months after the Closing Date (the "**Average Market**

Price") is less than 90% of the CEDC Share Issue Price (such price the "**Minimum Share Price**"), the Purchaser shall within 90 days after the date that is six months after the Closing Date pay or cause Parent to pay to Seller (or its designee) an amount in US dollars in immediately available funds equal to (i) the number of CEDC Shares constituting the Share Consideration *multiplied* by (ii) the difference between (A) the Average Market Price and (B) the Minimum Share Price.

(b) Further, in addition to, but without duplication of, the payment provided under Section 7.5(a), if during the 90-day period following the date that is six months after the Closing Date, Seller (or any Affiliate of Kaoufman to which Seller has transferred such CEDC Shares) sells any CEDC Shares that Seller received as Share Consideration at the Closing in one or more transactions for an average sales price per share, weighted by volume (the "**Average Sales Price**") that is less than the Minimum Share Price, the Purchaser shall within 90 days after the date that is six months after the Closing Date pay or cause Parent to pay to Seller (or its designee) an amount in US dollars in immediately available funds equal to (i) the number of CEDC Shares received as Share Consideration actually sold during such 90-day period multiplied by (ii) the difference between (A) the Minimum Share Price and (B) the Average Sales Price; provided that, for the avoidance of doubt, in calculating the Average Sales Price hereunder all the sales of CEDC Shares received as Share Consideration sold by Seller (or any Affiliate of Kaoufman to which Seller has transferred the Share Consideration) during such 90-day period shall be taken into account (whether at a price above or below the Average Market Price); and, provided, further, no sales shall be taken into account unless such sales were in arms-length transactions (including through the NASD automated quotation system) concluded with a *bona fide* unaffiliated purchaser.

(c) Notwithstanding the foregoing, Purchaser's aggregate liability under the price guarantee set forth in this Section 7.5 shall be limited to an amount in US dollars equal to (i) the product of (A) the number of CEDC Shares constituting the Share Consideration *multiplied* by (B) the Minimum Share Price *minus* (ii) the product of (A) the aggregate number of CEDC Shares actually sold by Seller *multiplied by* (B) the Average Sales Price.

Section 7.6 Financial Statements

Each of Whitehall and Kaoufman and their respective Representatives, on the one hand, and Parent and its Representatives, on the other hand, shall cooperate in good faith and shall use their respective commercially reasonable efforts to cause to be prepared, in accordance with IFRS: (i) no later than 15 days from the Closing Date, the audited Consolidated Financial Statements of the Group for the twelve-month period ended as at December 31, 2006; and (ii) no later than 60 days from the Closing Date, (x) the audited Consolidated Financial Statements of the Group for the twelve-month period ended as at December 31, 2007 and (y) the unaudited Consolidated Financial Statements of the Group for the three-month period ended as at March 31, 2008.

Section 7.7 Confidentiality

(a) Seller and Whitehall shall, and shall cause its Affiliates and Kaoufman and its and their Representatives to, at all times treat as confidential the provisions of the Transaction Documents and all information that it has received or obtained about the Parent's Group.

(b) Purchaser shall, and shall procure that each member of the Purchaser's Group shall, treat as confidential the provisions of the Transaction Documents and all information it has received or obtained about Seller, Whitehall or Kaoufman as a result of entering into the Transaction Documents.

(c) A Party may disclose information which would otherwise be confidential if and to the extent:

(i) permitted pursuant to Section 10.9 hereof;

(ii) required by applicable law or any Taxation Authority or other Governmental Authority, provided that prior written notice of any such confidential information to be disclosed shall (wherever it is reasonably practicable to do so) be given to the other Party;

(iii) disclosed to its Representatives, provided that such Representatives are required to treat such information as confidential and, provided, further, that the disclosing Party shall remain liable to the other Party hereunder for any breach of confidentiality by any such Representative;

(iv) it comes into the public domain other than as a result of a breach by the disclosing Party or any of its Representatives of this Section 7.7; or

(v) disclosed to its equity investors or lenders, if and to the extent required as part of required reports under its constituent documents, provided that such recipients are bound by a similar duty of confidentiality and, provided, further, that the disclosing Party shall remain liable to the other Party hereunder for any breach of confidentiality by any such recipient.

(d) For the avoidance of doubt, the confidentiality restrictions in this Section 7.7 shall survive the termination of this Agreement pursuant to Article 8 without limit in time.

Section 7.8 Parent Guarantee

(a) Parent irrevocably, absolutely and unconditionally guarantees to Seller, as a primary obligor and not merely as a surety, the full and timely performance, payment and observation by Purchaser of all its obligations, commitments, undertakings, covenants, warranties and indemnities under this Agreement and any of the Transaction Documents (the "**Parent Guaranteed Obligations**") to the extent of any limit on the liability of Purchaser or Parent pursuant to this Agreement or any of the Transaction Documents. This guarantee is a guarantee of payment, and not merely of collection, and Parent hereby acknowledges and agrees that this guarantee is full and unconditional.

(b) If and whenever Purchaser defaults for any reason whatsoever in the performance of any of the Parent Guaranteed Obligations, Parent shall immediately on demand unconditionally perform (or cause the performance of) and satisfy (or

cause the satisfaction of) such Parent Guaranteed Obligation with respect to which Purchaser has defaulted in the manner prescribed by this Agreement or the applicable Transaction Document such that Seller shall receive the same benefit as if the Parent Guaranteed Obligation had been duly and timely performed and satisfied by Purchaser.

(c) This guarantee shall be a continuing guarantee and accordingly it shall remain in full force and effect and shall be binding on Parent, its successor and permitted assigns, until all of the Parent Guaranteed Obligations have been indefeasibly paid or performed in full. Notwithstanding the foregoing, this guarantee shall be null and void and of no further effect, and the Parent shall have no further obligations under this guarantee as of: (x) the termination of this Agreement according to terms, and (y) with respect to Parent Guaranteed Obligations required to be paid or performed by Purchaser at or before Closing, immediately following the Closing. This guarantee is in addition to any rights or security which Seller may now or hereafter have or hold for the performance and satisfaction of the Parent Guaranteed Obligations.

(d) If for any reason Purchaser ceases to have any legal existence or if any of the Parent Guaranteed Obligations have become irrecoverable from Purchaser by reason of Purchaser's bankruptcy, insolvency or reorganization or by other operation of law, this guarantee shall remain binding on the Parent to the same extent as if the Parent had at all times been the primary and sole obligor on all such Parent Guaranteed Obligations.

(e) To the fullest extent permitted by law, Parent hereby waives, for the benefit of Seller (a) any right to require Seller, as the case may be, as a condition of payment or performance by Parent, to proceed against Purchaser or pursue any other remedy whatsoever, (b) any "suretyship defense" or other defenses or benefit that may arise under any law intended to limit the liability of or exonerate guarantors or sureties, (c) notice of acceptance of this guarantee and notice of the existence, creation or incurrence of any new or additional liability to which it may apply, (d) promptness, diligence, presentment, demand of payment, demand for performance, protest, notice of dishonor or non-payment of any such liabilities, suit or taking of other action by Seller, and the Parent Guaranteed Obligations shall conclusively be deemed to have been created, contracted or incurred or renewed, extended, amended, modified, supplemented or waived in reliance upon this guarantee.

(f) Without limiting in any way this guarantee, subject to applicable law and regulations, Parent covenants and agrees to take all actions within its power to cause Purchaser to fully and timely perform or pay each of the Parent Guaranteed Obligations.

Section 7.9 Dividends

(a) The Parties expressly agree and acknowledge that from the date hereof until the Closing, to the extent permitted by applicable law, Whitehall may continue to declare and pay dividends (including interim dividends) in respect of the Whitehall Shares to the Seller as holder thereof; provided that any such dividends must be paid in cash prior to the Closing and, as a result, the Consolidated Net Debt of the Group, as of the Closing, shall take into account the payment of such dividends.

(b) Notwithstanding the foregoing, the Parties expressly acknowledge and agree that within ten (10) Business Days of receipt by Whitehall of the dividends paid by the Joint Venture on the Whitehall equity interest in the Joint Venture in respect of the financial results of the Joint Venture for 2007 pursuant to and in accordance with the dividend policy under the Joint Venture Agreement, Whitehall shall remit all such dividends to Seller net of any tax impact on Whitehall.

Section 7.10 New Management Company

As promptly as practicable after Closing, and in any event, no later than June 1, 2008, Kaoufman shall cause a new management company to be organized in Russia for the purposes of providing management services to the Group ("**New Management Company**").

Section 7.11 Trademark License Agreement

As promptly as practicable after Closing, and in any event, no later than June 15, 2008, Whitehall shall enter into the Trademark License Agreement.

Section 7.12 Further Assurances

Each of Seller and Purchaser shall (whether before, at or after the Closing Date) do, execute and deliver, or cause to be done, executed and delivered, all such further actions, documents and instruments as may be reasonably required by the other Party to give full effect to this Agreement and the other Transaction Documents and the transactions contemplated hereby or thereby. For the avoidance of doubt, the obligations of Seller and Purchaser under this Section shall survive the Closing.

ARTICLE 8
TERMINATION

Section 8.1 Termination

This Agreement may be terminated and the transactions contemplated hereby may be abandoned at any time before the Closing Date only:

(a) By the mutual written consent of Parent, on behalf of itself and Purchaser, on the one hand, and Seller, on behalf of itself and Whitehall, on the other hand.

(b) By either Parent, on behalf of itself and Purchaser, or Seller, on behalf of itself and Whitehall, upon notification of the non-terminating Party by the terminating Party, if any permanent injunction or action by any Governmental Authority of competent jurisdiction prohibiting consummation of the transactions contemplated by this Agreement shall have been issued or taken and shall have become final and non-appealable.

(c) By either Parent, on behalf of itself and Purchaser, or Seller, on behalf of itself and Whitehall, if the Closing contemplated by this Agreement has not occurred by September 30, 2008 (the "**Termination Date**"), except to the extent that such failure arises out of, or results from, a material breach by the Party seeking to terminate this Agreement of any representation, warranty or covenant of such Party contained herein.

(d) By Seller, (i) if Purchaser or Parent shall have breached or failed to perform in any material respect any of its representations, warranties, covenants or other agreements contained in this Agreement, which breach or failure to perform would render any condition to Seller's obligations under Section 3.1 or Section 3.3 incapable of being satisfied; provided, that if such breach or failure to perform is curable by Purchaser or Parent, as the case may be, through the exercise of its commercially reasonable efforts, and for so long as Purchaser or Parent, as applicable, continues to exercise such commercially reasonable efforts, Seller may not terminate this Agreement under this Section 8.1(d); provided, further, that the preceding proviso shall not in any event be deemed to extend the date set forth in Section 8.1(c), or (ii) if a condition under Section 3.1 to Seller's obligations hereunder has been rendered incapable of being satisfied.

(e) By Parent, (i) if Seller shall have breached or failed to perform in any material respect any of its representations, warranties, covenants or other agreements contained in this Agreement, which breach or failure to perform would render any condition to Purchaser's obligations under Section 3.1 or Section 3.2 incapable of being satisfied; provided, that if such breach or failure to perform is curable by Seller, as the case may be, through the exercise of its commercially reasonable efforts, and for so long as Seller, as applicable continues to exercise such commercially reasonable efforts, Parent may not terminate this Agreement under this Section 8.1(e); provided, further, that the preceding proviso shall not in any event be deemed to extend the date set forth in Section 8.1(c) or (ii) if a condition under Section 3.1 to Purchaser's obligations hereunder has been rendered incapable of being satisfied.

Section 8.2 Effect of Termination

If this Agreement is terminated, no Party hereto (or any of its Representatives) will have any liability or further obligation under this Agreement to any other Party to this Agreement, except for (i) any liability that shall have accrued prior to such termination, (ii) any liability arising out of any knowing, willful or fraudulent breach of this Agreement prior to such termination and (iii) the obligations set forth in Section 7.7 and Article 10, which shall survive termination.

ARTICLE 9
INDEMNIFICATION

Section 9.1 Indemnification of Purchaser

Subject to the terms of this Article 9, from and after the Closing Date and subject to the Closing, Seller hereby agrees to indemnify, defend, save and hold harmless Purchaser and its Affiliates (including Parent), each of their respective Representatives, and each of the heirs, executors, successors and assigns of the foregoing (collectively, the "**Purchaser Indemnified Parties**"), from and against (whether in connection with a Third-Party Claim or a Direct Claim) any and all Damages, resulting from, arising out of or related to:

(a) any breach by Seller or Whitehall of any representation or warranty under this Agreement; or

(b) the failure by Seller timely to perform any of its material covenants or agreements contained in this Agreement required to be performed before or after the Closing Date including, without limitation, those set forth in Section 7.7 and in Section 7.11.

Section 9.2 Indemnification of Seller

Subject to the terms of this Article 9, from and after the Closing Date and subject to the Closing, Purchaser hereby agrees to indemnify, defend, save and hold harmless Seller and its Affiliates (other than Whitehall or any other member of the Group), each of their respective Representatives, and each of the heirs, executors, successors and assigns of the foregoing (collectively, the "**Seller Indemnified Parties**" and together with Purchaser Indemnified Parties, the "**Indemnified Parties**") from and against (whether in connection with a Third-Party Claim or a Direct Claim) any and all Damages resulting from, arising out of or related to:

(a) any breach by Purchaser or Parent of any representation or warranty under this Agreement; or

(b) the failure by Purchaser or Parent timely to perform any of its material covenants or agreements contained in this Agreement required to be performed before or after the Closing Date.

Section 9.3 Claims

(a) Third-Party Claims

Upon receipt by an Indemnified Party of notice of any action, suit, proceedings, audit, claim, demand, investigation or assessment made or brought by an unaffiliated third party (a "**Third-Party Claim**") with respect to a matter for which such Indemnified Party is indemnified under this Article 9 which has or is expected to give rise to a claim for Damages, the Indemnified Party shall promptly (but in any event within twenty (20) days of receipt of such Third-Party Claim), in the case of a Purchaser Indemnified Party, notify Seller, and in the case of a Seller Indemnified Party, notify Purchaser (Seller or Purchaser, as the case may be, the "**Indemnifying Party**"), in writing, indicating the nature of such Third-Party Claim and the basis therefor; provided, that any delay or failure by the Indemnified Party to give notice to the Indemnifying Party shall relieve the Indemnifying Party of its obligations hereunder only to the extent, if at all, that it is materially prejudiced by reason of such delay or failure. Such written notice shall describe such Third-Party Claim in reasonable detail including the Sections of this Agreement which form the basis for indemnification, copies of all material written evidence thereof and the estimated amount of the Damages that have been or may be sustained by an Indemnified Party. The Indemnifying Party shall have thirty (30) days after receipt of such notice to elect, at its option, to assume and control the defense of, at its own expense and by its own counsel, any such Third-Party Claim and shall be entitled to assert any and all defenses available to the Indemnified Party to the fullest extent permitted by applicable law. If the Indemnifying Party shall undertake to compromise or defend

any such Third-Party Claim, it shall promptly notify the Indemnified Party of its intention to do so, and the Indemnified Party agrees to cooperate fully with the Indemnifying Party and its counsel in the compromise of, or defense against, any such Third-Party Claim; provided, that the Indemnifying Party shall not settle, compromise or discharge, or admit any liability with respect to, any such Third-Party Claim without the prior written consent of the Indemnified Party (which consent will not be unreasonably withheld or delayed) unless the relief consists solely of money damages and includes a provision whereby the plaintiff or claimant in the matter releases the Indemnified Parties, as applicable, from all liability with respect thereto. Notwithstanding an election to assume the defense of such action or proceeding, the Indemnified Party shall have the right to employ separate counsel and to participate in the defense of such action or proceeding, and the Indemnifying Party shall bear the reasonable fees, costs and expenses of such separate counsel if (i) the Indemnified Party shall have determined in good faith that an actual or potential conflict of interest makes representation by the same counsel or the counsel selected by the Indemnifying Party inappropriate or (ii) the Indemnifying Party shall have authorized the Indemnified Party to employ separate counsel at the Indemnifying Party's expense. In any event, the Indemnified Party and Indemnifying Party and their counsel shall cooperate in the defense of any Third-Party Claim subject to this Article 9 and keep such persons informed of all developments relating to any such Third-Party Claims, and provide copies of all relevant correspondence and documentation relating thereto. All costs and expenses incurred in connection with the Indemnified Party's cooperation shall be borne by the Indemnifying Party. In any event, the Indemnified Party shall have the right at its own expense to participate in the defense of such asserted liability. If the Indemnifying Party receiving such notice of Third-Party Claim does not elect to defend such Third-Party Claim or does not defend such Third-Party Claim in good faith, the Indemnified Party shall have the right, in addition to any other right or remedy it may have hereunder, at the Indemnifying Party's expense, to defend such Third-Party Claim; provided, that (i) the Indemnified Party shall not have any obligation to participate in the defense of, or defend, any such Third-Party Claim; (ii) the Indemnified Party's defense of or participation in the defense of any such Claim shall not in any way diminish or lessen the obligations of the Indemnifying Party under this Article 9; and (iii) the Indemnified Party shall not settle, compromise or discharge, or admit any liability with respect to, any such Third-Party Claim without the written consent of the Indemnifying Party (which consent will not be unreasonably withheld or delayed).

(b) Direct Claims

Each Party hereto also agrees that any direct claim which such Party may bring against any other Party hereto under the provisions of this Agreement (a "**Direct Claim**") shall be governed exclusively by the provisions of this Article 9, other than (a).

Section 9.4 Limitations on Liability

(a) Time Limits

No Indemnified Party shall be entitled to indemnification under this Agreement, unless written notice setting forth in reasonable detail (including a reasonable specification of the legal and factual basis for such Claim), is given to the

Indemnifying Party before the date that is twelve (12) months after the Closing Date, provided that Claims (i) arising from a breach of any representation or warranty related to title to the Whitehall Shares or the ownership of any member of the Group or the Joint Venture may be validly notified by Purchaser at any time before the date that is thirty-six (36) months after the Closing Date, (ii) arising from a breach of any representation or warranty related to Taxes may be validly notified by Purchaser at any time before the date that is thirty-six (36) months after the Closing Date, and (iii) pursuant to Section 9.1(b) or Section 9.2(b) may be validly notified at any time so long as they are notified within sixty (60) days of the knowledge of the Seller Indemnified Party or the Purchaser Indemnified Party, as the case may be, of the existence of such Claim. Notwithstanding the time limitations set forth above, the obligation of the Indemnifying Party to indemnify any Indemnified Party pursuant to and in accordance with this Article 9 with respect to any bona fide Claim filed within the applicable time limitation shall continue until final resolution of such Claim.

(b) Limitations on Amount

(i) No indemnification shall be due from Seller to any Purchaser Indemnified Party unless and until the aggregate amount of the indemnification owed by Seller but for this Section 9.4(b)(i) exceeds two million US Dollars (US$2,000,000) (the "**Deductible**"), whereupon, indemnification shall then become due from Seller only to the extent of the excess of the amount over the Deductible; provided, however, that the Deductible shall not apply to any Claims arising from a breach of any representation or warranty related to title to the Whitehall Shares or the ownership of any member of the Group or the Joint Venture.

(ii) In respect of any Claim for indemnification or series of related Claims based on the same facts and circumstances, no indemnification shall be due from Seller to any Purchaser Indemnified Party unless and until the aggregate amount of Damages in respect of such related Claims exceeds two hundred fifty thousand US Dollars (US$250,000) (the "***De Minimis* Amount**"), and any aggregate amount of Damages in respect of any related Claims that does not exceed such *De Minimis* Amount shall not be counted toward the calculation of the Deductible.

(iii) The total liability due from Seller to all Purchaser Indemnified Parties shall not exceed in the aggregate twenty million US Dollars (US$20,000,000) (the "**Cap**"); provided, however, that the Cap shall not apply to any Claims arising from a breach of any representation or warranty related to title to the Whitehall Shares or the ownership of any member of the Group or the Joint Venture.

(iv) The total liability due from Purchaser to all Seller Indemnified Parties shall not exceed in the aggregate twenty million US Dollars (US$20,000,000).

(c) No Contingent Liability

Subject to the other limitations herein, the Indemnifying Party shall have no indemnification obligation hereunder except to the extent actual Damages have been

sustained by the Indemnified Party; and no Indemnifying Party shall have any indemnification obligation in respect of any contingent liability, unless and until such liability becomes due and payable by the Indemnified Party within the applicable time limit set forth in Section 9.4(a).

(d) Purchaser's Knowledge

Seller shall have no indemnification obligation hereunder in respect of any Claim, other than Claims relating to Taxes or title to the Whitehall Shares or the ownership of any member of the Group or the Joint Venture (subject to Section 9.4(i)), to the extent that the circumstances, facts or events giving rise to the applicable Claim were Disclosed to Parent or Purchaser and/or their respective Representatives prior to the execution of this Agreement or were actually known prior to the date hereof by William Carey or Christopher Biederman or their legal, accounting or financial advisers, as evidenced irrebutably by the due diligence reports addressed to the Purchaser and/or Parent by their legal, accounting or financial advisers involved in negotiating and/or performing due diligence with respect to the Transaction.

(e) Provisions

Seller shall have no indemnification obligation hereunder in respect of any Claim, if and to the extent that proper allowance, provision or reserve is made in the applicable Financial Statements for the matter giving rise to the Claim.

(f) No Duplication

Any indemnification due by the Indemnifying Party shall be limited to the actual amount of the Damages sustained by the Indemnified Party, notwithstanding the fact that the Indemnifying Party's obligation may result from a set of facts constituting a breach of more than one representation, warranty, covenant or agreement under this Agreement.

(g) Subsequent or Retroactive Legislation

No Indemnifying Party shall be obligated to make any indemnification for Damages to the extent that they arise or are increased as the result of the adoption or imposition of any law not in force as of the date of this Agreement or as a result any Tax-related law imposed after the Closing Date with retroactive effect.

(h) No Special Damages

Except in connection with a Third-Party Claim in which such damages are awarded against an Indemnified Party by a court of competent jurisdiction, the Parties agree to waive any claim to consequential, incidental, special, indirect, exemplary or punitive damages relating to claims against each other.

(i) No Liability for Certain Claims under the JV Agreement

Notwithstanding anything in this Agreement to the contrary, in no event shall Seller be obligated to indemnify any Purchaser Indemnified Party otherwise entitled to indemnity hereunder in respect of any Damages that result from any Claim brought

by Moët Hennessy International (or any of its Affiliates) for any alleged breach of the Joint Venture Agreement or the exercise of any termination or call right thereunder in each case arising in connection with the Transaction; provided, however, that nothing in this section shall affect the liability of the Seller for any other breach of the Joint Venture Agreement occurring prior to the Closing Date.

(j) Gross Negligence

Notwithstanding anything in this Agreement to the contrary, in no event shall any Indemnifying Party be obligated to indemnify any person otherwise entitled to indemnity hereunder in respect of any Damages that result from the willful misconduct, bad faith or grossly negligent acts or omissions of such persons.

(k) Fraud and Wilful Misconduct

None of the limitations contained in this Section 9.4 shall apply to limit any Claim that arises as a result of fraud or willful misconduct by any Indemnifying Party.

(l) Limited Recourse

Purchaser and Parent expressly acknowledge and agree that: (i) Seller is entering into this Agreement and the other Transaction Documents to which it is a party (such agreements, the "**Trustee Documents**") solely in its capacity as trustee of the First National Trust and solely with the intention of binding the net assets of the First National Trust held by Seller from time to time on trust for the First National Trust (the "**Trust Assets**"); (ii) that any liability of Seller arising under the Trustee Documents (including without limitation any liability pursuant to Article 9 hereof) shall be limited to the Trust Assets and in no event shall the Seller have any liability whatsoever under any Trustee Document in its personal capacity or its capacity as trustee of any other trust or in any other capacity.

Section 9.5 Pro Rata Indemnification

In respect of any Direct Claim by a Purchaser Indemnified Party for Damages arising out of a breach of any representation or warranty with respect to any Group Company given by Seller, subject to the limitations set forth in Section 9.4 above, Seller shall only be liable to Purchaser Indemnified Party to the extent of 75% of the Damages suffered by the affected Group Company; provided that such percentage shall not apply to any Direct Claim in relation to title to the Whitehall Shares or ownership of any member of the Group. In respect of any Direct Claim by a Purchaser Indemnified Party for Damages arising out of a breach of any representation or warranty with respect to the Joint Venture given by Seller, subject to the limitations set forth in Section 9.4 above, Seller shall only be liable to Purchaser Indemnified Party to the extent of 75% of 50% the Damages sustained by the Joint Venture; provided that such percentage shall not apply to any Direct Claim in relation to Whitehall's ownership of its interest in the Joint Venture.

Section 9.6 Insurance; Tax Benefits; Subrogation

(a) Notwithstanding anything herein to the contrary, Damages shall be net of any insurance or other recoveries form third parties actually received by the Indemnified Party or its Affiliates in connection with the facts giving rise to the right of indemnification.

(b) Notwithstanding anything herein to the contrary, Damages shall be increased by the increased Tax cost incurred by the Indemnified Party in respect of any indemnity payment received, and shall be net of the Tax benefit to the Indemnified Party of any loss, deduction or credit arising from the incurrence or payment of the Damages, so that the Indemnified Party shall be in the same position as it would have been had the Damages not occurred.

(c) Upon the payment in full of any Claim, the Indemnifying Party shall be subrogated to the rights of the Indemnified Party against any person with respect to the subject matter of such Claim.

Section 9.7 Remedies Exclusive

Except in cases of common law fraud or as otherwise specifically provided herein, the remedies provided in this Article 9 shall be the exclusive monetary remedies (including equitable remedies that involve monetary payment, such as restitution or disgorgement, other than specific performance to enforce any payment or performance due hereunder) of the Parties from and after the Closing in connection with any breach of a representation or warranty, or non-performance, partial or total, of any covenant or agreement contained in this Agreement.

Section 9.8 Mitigation

Each Indemnified Party shall use its commercially reasonable efforts to mitigate any claim or liability that an Indemnified Party asserts or is reasonably likely to assert under this Article 9. In the event that an Indemnified Party shall fail to make such commercially reasonable efforts to mitigate any such claim or liability, then notwithstanding anything else to the contrary contained herein, neither Seller nor Purchaser, as the case may be, shall be required to indemnify any Indemnified Party for that portion of any Damages that could reasonably be expected to have been avoided if the Indemnified Party had made such efforts.

Section 9.9 Recovery from Third Parties

Where an Indemnified Party is entitled to recover from any other person an amount in respect of any matter relating to a Claim, the Indemnified Party shall immediately notify the Indemnifying Party in writing and take all steps as the Indemnifying Party may reasonably require to enforce recovery of such amount. The Indemnified Party Purchaser shall keep the Indemnifying Party fully informed of the progress of such recovery and shall provide copies of all relevant correspondence and documentation. Upon recovery of such amount, the Indemnified Party shall:

(a) deduct the full amount from the Claim (if the entitlement of the Indemnified Party to recover arose before payment is made by the Indemnifying Party under the Claim); or

(b) repay to the Indemnifying Party the lesser of such amount paid by the Indemnifying Party to the Indemnified Party under the Claim or the full amount recovered by the Indemnified Party (if the entitlement to recover arose after payment had been made by the Indemnifying Party under the Claim).

ARTICLE 10
MISCELLANEOUS

Section 10.1 Notices

(a) Any notice or other communications required or permitted to be given to any Party under or in connection with this Agreement (each a "**Notice**") shall be in writing in the English language and signed on or on behalf of the Party giving the Notice and marked for the attention of the relevant Party. A Notice may be delivered personally or sent by fax (with telephone confirmation), pre-paid recorded delivery or pre-paid registered airmail to the address or fax number set out below (or at such other address or facsimile number as the Party shall furnish the other parties by Notice in accordance with this Section 10.1):

(b) If to Seller:

Barclays Wealth Trustees (Jersey) Limited
39-41, Broad Street
St. Helier, JE4 5PS Jersey
Channel Islands

Attn: Robert Kerley

Facsimile: +44 (0)1534 873 526
Telephone confirmation: +44 (0)1534 711 146

With a copy to:

Darrois Villey Maillot Brochier
69 avenue Victor Hugo
75116 PARIS
FRANCE

Attn: Ben Burman / Alain Maillot

Facsimile: + 33 1 45 02 49 59
Telephone confirmation: + 33 1 45 02 19 19

(c) If to Whitehall

WHL Holdings Ltd
The Whitehall Group
Attn: Mark Kaoufman
33, bld.5, Dmitrovskoye Shosse
Moscow, 127550
Russian Federation

Facsimile: + 7 495 786 7600
Telephone confirmation: + 7 495 977 7000

With a copy to:

Darrois Villey Maillot Brochier
69 avenue Victor Hugo
75116 PARIS
FRANCE

Attn: Ben Burman / Alain Maillot

Facsimile: + 33 1 45 02 49 59
Telephone confirmation: + 33 1 45 02 19 19

(d) If to Purchaser:

Polmos Bialystok S.A.
ul. Elewatorska No. 20
15-950 Bialystok
Poland

Attn: President of the Management Board

Facsimile: +48 85 662 7307
Telephone confirmation: + 48 85 651 0496

With a copy to:

Central European Distribution Corporation
ul. Bobrowiecka 6
00-728 Warszawa
Poland

Attn: William V. Carey

Facsimile: +48 22 455 1810
Telephone confirmation: +48 22 488 3400

With a copy to:

Dewey & LeBoeuf
No.1 Minster Court
Mincing Lane
London EC3R 7YL
England

Attn: Stephen J. Horvath

Facsimile: +44 20 7459 5099
Telephone confirmation: +44 20 7459 5000

(e) If to Parent:

Central European Distribution Corporation
2 Bala Plaza, Suite 300
Bala Cynwyd, Pennsylvania 19004
U.S.A

Attn: Chief Executive Officer

Facsimile: +1 610 667 3308
Telephone confirmation: +1 610 660 7817

With a copy to:

Central European Distribution Corporation
ul. Bobrowiecka 6
00-728 Warszawa
Poland

Attn: William V. Carey

Facsimile: +48 22 455 1810
Telephone confirmation: +48 22 488 3400

And a copy to:

Dewey & LeBoeuf
No.1 Minster Court
Mincing Lane
London EC3R 7YL
England

Attn: Stephen J. Horvath

Facsimile: +44 20 7459 5900
Telephone confirmation: +44 20 7459 5000

(f) A Notice shall be deemed to have been received:

(i) at the time of delivery if delivered personally;

(ii) at the time of transmission (if such transmission is confirmed) if sent by fax;

(iii) two (2) Business Days after the time and date of mailing if sent by pre-paid inland registered mail; or

(iv) five (5) Business Days after the time and date of mailing if sent by pre-paid registered airmail;

(v) provided that if deemed receipt of any Notice occurs after 6:00 p.m. or is not on a Business Day, deemed receipt of the Notice shall be 9:00 a.m. on the next Business Day. References to time in this Section 10.1 are to local time in the country of the addressee.

Section 10.2 Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the State of New York applicable to agreements made and to be performed entirely within such State, without regard to the conflict of laws principles of such State.

Section 10.3 Dispute Resolution; Consent to Arbitration

(a) If any dispute, controversy or claim arises out of or in connection with this Agreement or any other Transaction Document, including any question regarding its existence, validity, termination or interpretation or any dispute regarding the validity, amount or liability for a Claim (a "**Dispute**") the Parties shall use all commercially reasonable efforts to resolve the matter amicably. If one Party gives the other notice that a Dispute has arisen and the Parties are unable to resolve the Dispute within thirty (30) days of service of such notice then the Dispute shall be referred to Kaoufman and the CEO of Parent who shall attempt to resolve the Dispute. No Party shall be entitled to resort to arbitration against another under this Agreement until thirty (30) days after such referral.

(b) All Disputes, which are unresolved pursuant to Section 10.3(a) and which a Party wishes to have resolved, shall be referred upon the application of any Party to and finally settled under the Rules of Arbitration of the International Chamber of Commerce (the "**Rules**") in force at the date of this Agreement, which Rules are deemed to be incorporated by reference in this Section 10.3. The number of arbitrators shall be three (3), appointed in accordance with the Rules. The seat of the arbitration shall be Paris, France. The language of the arbitration shall be English.

(c) The arbitrators shall have the power to grant any legal or equitable remedy or relief available under law, including but not limited to injunctive relief, whether interim and/or final, and specific performance, and any measures ordered by the arbitrators may be specifically enforced by any court of competent jurisdiction. Each Party retains the right to seek interim or provisional measures, including but not limited to injunctive relief and including but not limited to pre-arbitral attachments or injunctions, from any court of competent jurisdiction, and any such request shall not be deemed incompatible with the agreement to arbitrate or a waiver of the right to arbitrate.

(d) The Parties agree that any arbitral proceedings under this Agreement and any arbitral proceedings under any of the other Transaction Documents (including as amended from time to time) may (to the extent the arbitral tribunal considers appropriate given the subject matter of the particular dispute) be consolidated or be heard together concurrently before the same arbitral tribunal. The Parties further agree that any arbitral tribunal constituted under this Agreement shall have the power to order consolidation of proceedings or concurrent hearings.

Section 10.4 Counterparts

This Agreement may be executed by the Parties in counterparts which may be delivered by facsimile transmission. Each counterpart when so executed and delivered shall be deemed an original, and all such counterparts taken together shall constitute one and the same instrument.

Section 10.5 Entire Agreement

This Agreement, together with the Transaction Documents, and all annexes, exhibits and schedules hereto and thereto, constitute the entire agreement of the Parties with respect to the subject matter hereof and supersede in their entirety all prior agreements (written or oral) with respect thereto including the Heads of Terms, dated February 23, 2008. The Parties intend that this Agreement shall constitute the complete and exclusive statement of its terms and that no extrinsic evidence whatsoever may be introduced in any judicial proceeding involving this Agreement.

Section 10.6 Amendment, Modification and Waiver

No amendment to or modification of this Agreement shall be effective unless it shall be in writing and signed by each Party. Any failure of a Party to comply with any obligation, covenant, agreement or condition contained in this Agreement may be waived by the Party entitled to the benefits thereof only by a written instrument duly executed and delivered by the Party granting such waiver, but such waiver or failure to insist upon strict compliance with such obligation, covenant, agreement or condition shall not operate as a waiver of, or estoppel with respect to, any subsequent or other failure of compliance.

Section 10.7 Severability

If any term, provision, agreement, covenant or restriction of this Agreement is held by a court of competent jurisdiction or other authority to be invalid, void or unenforceable, the remainder of the terms, provisions, agreements, covenants and restrictions of this Agreement shall remain in full force and effect and shall in no way be affected, impaired or invalidated so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any Party. Upon such a determination, the Parties shall negotiate in good faith to modify this Agreement so as to effect the original intent of the Parties as closely as possible in a reasonably acceptable manner in order that the transactions contemplated hereby may be consummated as originally contemplated to the fullest extent possible.

Section 10.8 Successors and Assigns; No Third-Party Beneficiaries

This Agreement and all its provisions shall be binding upon and inure to the benefit of the Parties and their respective permitted successors and assigns. Nothing in this Agreement, whether expressed or implied, will confer on any person, other than the Parties hereto or their respective permitted successors and assigns, any rights, remedies or obligations; provided that the provisions of Article 9 will inure to the benefit of the Indemnified Parties. No Party may assign its rights or obligations under this Agreement without the prior written consent of the other Parties hereto (which consent may not be unreasonably withheld) and any purported assignment without

such consent shall be void; provided that Purchaser may, without the consent of Seller, assign any or all of its rights or obligations hereunder to any of its Affiliates (although no such assignment shall relieve Purchaser of its obligations to Seller or any Seller Indemnified Party hereunder).

Section 10.9 Publicity

Except for any notice which is required by applicable law or regulation or by a Governmental Authority, Seller and Purchaser each agree that neither it nor any of its Affiliates will issue a press release or make any other public statement with respect to this Agreement or the other Transaction Documents or the transactions contemplated hereby or thereby without the prior written consent of the other, which consent will not be unreasonably withheld or delayed. Purchaser and Seller agree, to the extent possible and legally permissible, to notify and consult with the other at least twenty-four (24) hours in advance of issuing any press release or making any other public statement.

Section 10.10 Expenses

Except as otherwise expressly stated in this Agreement (including Section 2.1(a) and Section 4.8(c)) any costs, expenses, or charges incurred by any of the Parties in connection with the negotiation, preparation and performance of this Agreement and the other Transaction Documents shall be borne by the Party incurring such cost, expense or charge whether or not the series of transactions contemplated hereby or thereby shall be consummated.

Section 10.11 Specific Performance and Other Equitable Relief

The Parties hereby expressly recognize and acknowledge that immediate, extensive and irreparable damage would result, no adequate remedy at law would exist and damages would be difficult to determine in the event that any provision of this Agreement is not performed in accordance with its specific terms or otherwise breached. Therefore, in addition to, and not in limitation of, any other remedy available to the Parties, an aggrieved Party under this Agreement would be entitled to specific performance of the terms hereof and immediate injunctive relief, without the necessity of proving the inadequacy of money damages as a remedy. Such remedies and any and all other remedies provided for in this Agreement shall, however, be cumulative in nature and not exclusive and shall be in addition to any other remedies whatsoever which any Party may otherwise have.

IN WITNESS WHEREOF, each party hereto has caused this Agreement to be duly executed on its behalf as of the day and year first above written.

BARCLAYS WEALTH TRUSTEES (JERSEY) LIMITED in its capacity as Trustee of THE FIRST NATIONAL TRUST

By: /s/ Paul Sinel
Name: Paul Sinel
Title: Director

WHL HOLDINGS LIMITED

By: /s/ Mark Kaoufman
Name: Mark Kaoufman
Title: Director

POLMOS BIALYSTOK S.A.

By: /s/ Christopher Biederman
Name: Christopher Biederman
Title: Member of the Management Board

By: /s/ Evangelos Evangelou
Name: Evangelos Evangelou
Title: Member of the Management Board

CENTRAL EUROPEAN DISTRIBUTION CORPORATION

By: /s/ William Carey
Name: William Carey
Title: President

Schedule 1

The Group

Part 1: Details of Whitehall

Whitehall

Full name:	WHL Holdings Limited
Jurisdiction of Organization:	Republic of Cyprus
Type of company:	Limited Liability Company by Shares
Company registration number:	HE 126539
Date and place of incorporation:	31 December 2001, Nicosia, Republic of Cyprus
Registered Office:	Chrysanthou Mylona, 3, P.C. 3030, Limassol, Republic of Cyprus
Authorised and registered charter capital:	1,710,000 EUR
Registered owner:	First National Trust (Jersey) - 100%
Subsidiary interests:	1. Dancraig Wine & Spirit Trading Limited (Isle of Man) (100%) 2. Global Wine & Spirit Holding Limited (Cyprus) (100%) 3. Tisifoni Wines & Spirits Limited (100%) 4. OOO Whitehall-Center (Russia) (100%) 5. OOO WH Import Company (Russia) (100%) 6. OOO Whitehall Severo-Zapad (Russia) (100%) 7. OOO Whitehall-Saint-Petersburg (Russia) (90%) 8. MHWH Limited (Cyprus) (50%)

Part 2: Details of the Subsidiaries

Dancraig Wine & Spirits Trading Limited

Full name:	Dancraig Wine & Spirits Trading Limited
Type of company:	Limited Liability Company by Shares
Jurisdiction of Organization:	Isle of Man
Company registration number:	104825C
Date and place of registration:	16 January 2002, Isle of Man
Registered Office:	Ballastrang Offices, Douglas Road, Santon, Isle of Man, IM4 1EU
Charter capital:	100,000 shares of Stg£1.00 each
Registered owner:	100% WHL Holding Limited
Subsidiary interests:	None

Global Wine & Spirit Holdings Limited

Full name:	Global Wine & Spirit Holdings Limited
Type of company:	Limited Liability Company by Shares
Jurisdiction of Organization:	Republic of Cyprus
Company registration number:	127225
Date and place of registration:	18 January 2002, Nicosia, Republic of Cyprus
Registered Office:	Chrysanthou Mylona, 3, P.C. 3030, Limassol, Republic of Cyprus
Charter capital:	1,710 EUR
Registered owner:	100% WHL Holding Limited
Subsidiary interests:	None

Tisifoni Wines & Spirits Limited

Full name:	Tisifoni Wines & Spirits Limited
Type of company:	Limited Liability Company by Shares
Jurisdiction of Organization:	Republic of Cyprus
Company registration number:	148861
Date and place of registration:	27 May 2004, Cyprus
Registered Office:	3, Chrysanthou Mylona, CY-3030, Limassol, Cyprus
Charter capital:	1,000 shares of C£1.00 each
Registered owner:	100% WHL Holding Limited
Subsidiary interests:	None

OOO Whitehall-Center

Full name:	OOO Whitehall-Center
Type of company:	Limited Liability Company (*Общество с ограниченной ответственностью*)
Jurisdiction of Organization:	Russian Federation
Company registration number:	1027739426318
Date and place of registration:	22 October 2002, Moscow, Russian Federation
Registered Office:	Dmitrovskoye shosse, 33/5, P.C. 127550, Moscow, Russian Federation
Charter capital:	15,000,000 RUR
Registered owner:	100% WHL Holding Limited
Subsidiary interests:	None

OOO WH Import Company

Full name:	OOO WH Import Company
Type of company:	Limited Liability Company (*Общество с ограниченной ответственностью*)
Jurisdiction of Organization:	Russian Federation
Company registration number:	1027739354400
Date and place of registration:	10 October 2002, Moscow, Russia
Registered Office:	Pyatnitskaya Street, 2/38, building 3, P.C. 113035, Moscow, Russian Federation
Charter capital:	37,000,000 RUR
Registered owner:	100% WHL Holding Limited
Subsidiary interests:	1 OOO WH Rostov-na-Donu (85%) 2. OOO Whitehall-Siberia (90%)

OOO Whitehall Severo-Zapad

Full name:	OOO Whitehall Severo-Zapad
Type of company:	Limited Liability Company (*Общество с ограниченной ответственностью*)
Jurisdiction of Organization:	Russian Federation
Company registration number:	1037832010512
Date and place of registration:	28 January 2003, St. Petersburg, Russian Federation
Registered Office:	Serdobolskaya Street, 7, P.C. 197343, St. Petersburg, Russian Federation
Charter capital:	500,000 RUR
Registered owner:	100% WHL Holding Limited
Subsidiary interests:	None

OOO Whitehall-Saint-Petersburg

Full name:	OOO Whitehall-Saint-Petersburg
Type of company:	Limited Liability Company (*Общество с ограниченной ответственностью*)
Jurisdiction of Organization:	Russian Federation
Company registration number:	1037843073795
Date and place of registration:	27 March 2003, St. Petersburg, Russian Federation
Registered Office:	Serdobolskaya Street, 7, P.C. 197343, St. Petersburg, Russian Federation
Charter capital:	10,000,000 RUR
Registered owner:	90% WHL Holding Limited
10% P.P. Kolegov	
Subsidiary interests:	None

OOO Whitehall-Siberia

Full name:	OOO Whitehall-Siberia
Type of company:	Limited Liability Company (*Общество с ограниченной ответственностью*)
Jurisdiction of Organization:	Russian Federation
Company registration number:	1055410053511
Date and place of registration:	12 September 2005, Novosibirsk, Russian Federation
Registered Office:	A. Nevskogo Street, 1/23, P.C. 630075, Novosibirsk, Russian Federation
Charter capital:	10,000,000 RUR
Registered owner:	90% OOO WH Import Company 10% Svetlana Kovaleva
Subsidiary interests:	None

OOO WH Rostov-na-Donu

Full name:	OOO WH Rostov-na-Donu
Type of company:	Limited Liability Company (*Общество с ограниченной ответственностью*)
Jurisdiction of Organization:	Russian Federation
Company registration number:	1056165033902
Date and place of registration:	24 March 2005, Rostov-on-Don, Russian Federation
Registered Office:	Nansena Street, 105-109, building 7, P.C. 344038, Rostov-on-Don, Russian Federation
Charter capital:	10,000,000 RUR
Registered owner:	85% OOO WH Import Company 15% Stefan Kulyaginov
Subsidiary interests:	None

Part 3: Details of the Joint Venture

MHWH Limited

Full name:	MHWH Limited
Type of company:	Limited Liability Company by Shares
Jurisdiction of Organization:	Republic of Cyprus
Company registration number:	HE 174328 HE 44
Date and place of registration:	28 March 2006, Limassol, Republic of Cyprus
Registered Office:	Chrysanthou Mylona, 3, P.C. 3030, Limassol, Republic of Cyprus
Charter capital:	400,000 EUR
Registered owner:	50% WHL Holdings Limited 50% Moët Hennessy International
Subsidiary interests:	OOO Moët Hennessy Whitehall Rus (Russia) (100%)

MHWR

Full name:	OOO Moët Hennessy Whitehall Rus
Type of company:	Limited Liability Company (*Общество с ограниченной ответственностью*)
Jurisdiction of Organization:	Russian Federation
Company registration number:	1067746428694
Date and place of registration:	30 March 2006, Moscow, Russian Federation
Registered Office:	Pravda Street, 26 P.C. 127137, Moscow, Russian Federation
Charter capital:	17,500,000 RUR
Registered owner:	100% MHWH Limited
Subsidiary interests:	None

Schedule 2

Allocation of Consideration

After any and all adjustments, the Consideration shall be allocated among the Newco Shares in the same proportion as the allocation of the Consideration set forth below:

Shares	Allocation of Consideration (Percentage)
Class A Shares	40%
Class B Shares	60%
Total	**100%**

EXHIBIT A

Form of Memorandum of Association of Newco

EXHIBIT B

Form of Articles of Association of Newco

EXHIBIT C

[Intentionally Omitted]

EXHIBIT D

Seller Knowledge Persons

- Mark Kaoufman
- Sergey Yaroslavsky
- Tatiana Yerushenkova

EXHIBIT E

Form of Registration Rights Agreement

EXHIBIT F

[Intentionally Omitted]

EXHIBIT G

Principle Agreed Terms for Trademark License Agreement

- Agreement to cover "Kauffman" trademark and related trade dress and intellectual property (*e.g.*, shape of bottle, packaging, etc.)
- Royalties to be 5% of Revenues of products sold under the "Kauffman" trademark
- License to be exclusive to Whitehall Group, to cover all existing uses and geographical markets
- License to terminate December 31, 2013
- Full Agreement to be negotiated and entered into no later than June 15, 2008

Exhibit 4.1

Agreed Form

REGISTRATION RIGHTS AGREEMENT

This REGISTRATION RIGHTS AGREEMENT dated as of _____, 2008 (this "**Agreement**"), is between (i) CENTRAL EUROPEAN DISTRIBUTION CORPORATION, a Delaware corporation (the "**Company**"), and (ii) BARCLAYS WEALTH TRUSTEES (JERSEY) LIMITED as Trustee of The First National Trust (the "**Initial Shareholder**").

WHEREAS, on the date hereof, the Initial Shareholder has been issued the number of shares of common stock, par value $0.01 per share, of the Company ("**Common Stock**") set forth on Schedule A attached hereto, in connection with the Company's purchase from the Initial Shareholder of 50% minus one vote of the voting power of Peulla Enterprises Limited, a private limited liability company by shares organized under the laws of Cyprus (the "**SPV**") and 75% of the economic interest in the SPV pursuant to that certain Share Sale and Purchase Agreement dated as of May 23, 2008 by and between the Company, the Initial Shareholder and certain other parties thereto (the "**Purchase Agreement**");

WHEREAS, the shares of Common Stock issued (and to be issued) to the Shareholder have not been registered under the Securities Act (as hereinafter defined) or any state securities laws; and the certificates representing such shares of Common Stock bear a legend restricting their transfer; and

WHEREAS, in connection with the foregoing, the Company has agreed, subject to the terms, conditions and limitations set forth in this Agreement, to provide the Shareholder with certain registration rights in respect of shares of Common Stock.

NOW, THEREFORE, in consideration of the mutual covenants and promises contained herein, the parties hereto agree as follows:

ARTICLE I

DEFINITIONS

1.1 Definitions. Capitalized words and phrases used and not otherwise defined in this Agreement shall have the following meanings:

"**100% Affiliate**" means, with respect to the Initial Shareholder, either Mark Kaoufman or any direct or indirect Affiliate of Mark Kaoufman one hundred per cent. of whose securities are directly or indirectly owned by Mark Kaoufman and with respect to any other Shareholder means an Affiliate (i) that directly or indirectly owns one hundred per cent. of the securities of such Shareholder, (ii) one hundred per cent. of whose securities are directly or indirectly owned by such Shareholder, or (iii) one hundred per cent. of whose securities are directly or indirectly owned by an Affiliate that directly or indirectly owns one hundred per cent. of the securities of such Shareholder.

"**Affiliate**" means, with respect to any party, any other party that, directly or indirectly through one or more intermediaries, Controls, is Controlled by or is under common Control with such first party; provided that solely for purposes of this Agreement, Mark Kaoufman shall be deemed an Affiliate of the Initial Shareholder.

"**Commission**" means the Securities and Exchange Commission or any other federal agency at the time administering the Securities Act.

"**Control**" means, as to any party, the power to direct or cause the direction of the management and policies of such party, whether through the ownership of voting securities, by contract or otherwise. The terms "Controlled" and "under common Control with" shall be construed accordingly.

"**Demand Registration**" has the meaning set forth in Section 2.1.

"**Equity Interest**" means:

(a) with respect to a company, any and all shares of capital stock;

(b) with respect to a partnership, limited liability company, trust, or similar Person, any and all units, interests or other partnership or limited liability company interests; and

(c) any other direct equity ownership or participation in a Person.

"**Exchange Act**" means the Securities Exchange Act of 1934, as amended.

"**Known Competitor**" means a Person who, at the time of such transfer, the Shareholder knows is a competitor of the Company.

"**Lock–Up Period**" means the period starting on the date hereof and ending on November 23, 2008.

"**Losses**" has the meaning set forth in Section 6.1.

"**Misstatement/Omission**" has the meaning set forth in Section 6.1.

"**Non-Registration Expenses**" means (a) all overhead and compensation expenses relating to officers, directors, and employees of the Company performing legal or accounting duties, and (b) qualification, filing, printing, messenger and delivery fees and expenses and all reasonable fees and disbursements of legal counsel, accountants, management and other advisors relating to any filings of the Company made with the Commission prior to and following the filing of a registration statement pursuant to this Agreement, whether or not filed in connection with causing the registration of Registrable Securities pursuant to this Agreement, or causing any such registration to be declared effective pursuant to this Agreement, other than such fees and expenses directly relating to supplements or amendments to registration statements filed in connection herewith.

"**Parent**" means, with respect to any Person, any such other Person that owns, directly or indirectly, fifty per cent. or more of the outstanding capital stock or other Equity Interests of such Person, and in the case of the Shareholder, any of the direct or indirect ultimate beneficial holders of shares of the Shareholder and any immediate family member thereof.

"**Person**" means any individual, corporation, partnership, trust or other entity of any nature whatsoever.

"**Piggyback Registration**" has the meaning set forth in Section 3.1.

"**register**", "**registered**", and "**registration**", when used with respect to the capital stock of the Company, mean a registration effected by preparing and filing a registration statement or similar document in compliance with the Securities Act which has been declared or ordered effective, or is automatically effective on filing, in accordance with the Securities Act.

"**Registrable Securities**" means (i) the shares of Common Stock issued to the Shareholder in connection with the Purchase Agreement, (ii) any Common Stock issued (or issuable upon the conversion or exercise of any warrant, right, option or other convertible security which is issued) as a dividend or other distribution with respect to, or in exchange for, or in replacement of, the Common Stock referred to in clause (i) above, and (iii) any Common Stock issued by way of a stock split of the Common Stock referred to in clauses (i) or (ii) above. Shares of Common Stock shall cease to be Registrable Securities when (A) a registration statement with respect to the sale of such shares of Common Stock shall have become effective under the Securities Act pursuant to Section 2.1 or 3.1 of this Agreement, (B) such shares of Common Stock shall have been sold or otherwise distributed pursuant to Rule 144 (or any successor provision) under the Securities Act, (C) the one year anniversary of the issuance of the shares of Common Stock issued pursuant to the Purchase Agreement occurs, (D) such shares of Common Stock are Transferred in accordance with Section 9.1(b) or are otherwise no longer held by the Shareholders, or (E) such shares of Common Stock shall have ceased to be outstanding.

"**Registration Expenses**" means all registration, qualification, filing, printing, messenger and delivery fees and expenses and all reasonable fees and disbursements of legal counsel, accountants and other advisors relating to the registration of Registrable Securities pursuant to this Agreement, relating to causing such registration to become effective pursuant to this Agreement, and relating to causing such registration to remain effective for the time periods set forth in this Agreement, but excluding all underwriting discounts and selling commissions applicable to the registration and sale of Registrable Securities pursuant to this Agreement.

"**Securities Act**" means the Securities Act of 1933, as amended, and the rules and regulations of the Commission promulgated thereunder.

"**Shareholder**" or "**Shareholders**" means individually or collectively, as applicable: (i) the Initial Shareholder; (ii) a Person who owns Registrable Securities pursuant to a transfer of such Registrable Securities that meets the terms and conditions set forth in ARTICLE IX hereof and who has agreed to be bound by the terms of this Agreement; (iii) upon the death of any natural Shareholder, the executor of such Shareholder or such Shareholder's heirs, devisees, legatees or assigns; or (iv) upon the disability of any natural Shareholder, any guardian or conservator of such Shareholder.

"**Shareholder Indemnified Parties**" has the meaning set forth in Section 6.1.

"**Transfer**" means any transfer, sale, gift, assignment, distribution, conveyance, pledge, hypothecation, encumbrance or other voluntary or involuntary transfer of title or beneficial interest, whether or not for value, including, without limitation, any disposition by operation of law or any grant of a derivative or economic interest therein.

"**Ultimate Parent**" means, in relation to any Person, any Parent of such Person who is not a Subsidiary of another Person.

ARTICLE II

DEMAND REGISTRATION

2.1 Demand Registration. If, at any time after the expiration of the Lock–Up Period, the Shareholders make a written request to the Company requesting that the Company register under the Securities Act all or any part of the issued and outstanding Registrable Securities (a "**Demand Registration**"), then, subject to the restrictions contained herein, the Company shall file a registration statement under the Securities Act with the Commission, and use commercially reasonable efforts to cause such Registrable Securities to be registered under the Securities Act, in accordance with Article V below.

2.2 Number of Demand Registrations. The Shareholders shall be entitled to request one (1) Demand Registration.

2.3 Expenses. With respect to the Demand Registration, the Company shall bear sole responsibility for all Registration Expenses and Non-Registration Expenses incurred in connection with such Demand Registration.

2.4 Underwriting. If the Shareholders intend to distribute the Registrable Securities covered by their request by means of an underwriting, then they shall so advise the Company as a part of their request. In such case, the Shareholders shall negotiate with an underwriter selected by them and approved by the Company, which approval shall not be unreasonably withheld, with regard to the underwriting of such requested registration. The right of the Shareholders to include Registrable Securities in such registration shall be conditioned upon (i) the Shareholders' participation in such underwriting and the inclusion of such Shareholder's Registrable Securities in the underwriting (unless otherwise agreed by a majority in interest of the Shareholders requesting such registration), (ii) the entry of the participating Shareholders (together with the Company and other holders distributing their securities through such underwriting) into an underwriting agreement in customary form with the underwriter or underwriters selected for such underwriting, and (iii) the completion and execution by the participating Shareholders of all questionnaires, powers of attorney, indemnities and other documents required under the terms of such underwriting arrangements. If any Shareholder of Registrable Securities disapproves of the terms of the underwriting, such Shareholder may elect to withdraw all of its Registrable Securities by written notice to the Company, the managing underwriter and the other Shareholders; provided, that, subject to Section 2.5 hereof, such registration shall be counted as a Demand Registration for the purposes of calculating the remaining number of Demand Registrations to which the Shareholders are entitled pursuant to this Section 2.4. The securities so withdrawn shall also be withdrawn from registration.

2.5 Shareholder Withdrawal. Shareholders may, at any time prior to the effective date of the registration statement in respect of a Demand Registration, revoke such Demand Registration by providing a written notice to the Company to such effect, and such revoked Demand Registration shall not be deemed to be a Demand Registration pursuant to this ARTICLE II; provided, that only one Demand Registration may be revoked pursuant to this Section 2.5.

2.6 Registration on Form S–3. If, at the time of delivery of a request to the Company pursuant to Section 2.1, the Company is a registrant entitled to use Form S–3 or any successor thereto to register shares of Common Stock, then the Company shall use its commercially reasonable efforts to effect the Demand Registration on Form S–3 or any successor thereto.

2.7 Priority for Demand Registrations. Notwithstanding any other provision of this ARTICLE II, if the managing underwriter (which managing underwriter shall be an internationally recognized financial institution experienced in securities offerings registered under the Securities Act, selected by the Shareholder subject to the Company's reasonable approval) advises the Company that the marketability of the offering would be adversely affected by the number of securities included in such offering, then the Company shall so advise all Shareholders, and the number of shares of Registrable Securities that may be included in the registration and underwriting shall be reduced as required by the underwriter(s), and the Company shall include in such registration the maximum number of Registrable Securities permitted by the underwriter to be included therein, pro rata among the respective Shareholders thereof on the basis of the amount of Registrable Securities requested to be included in such registration by each such Shareholder; provided that no Shareholder shall be subject to any such pro rata reduction

unless and until any securities proposed by the Company to be registered for its own account and any securities proposed to be registered, pursuant to the exercise of their piggyback registration rights or otherwise, by other holders shall first have been required to withdraw all such securities from the registration. The first time the Shareholders are prohibited from registering all of the Registrable Securities requested to be included in such registration because of reductions required by this Section 2.7, the Shareholders shall not be deemed to have exercised a Demand Registration. Any other Demand Registration that is required to be reduced pursuant to this Section 2.6 will, however, be deemed to be a properly exercised Demand Registration.

ARTICLE III

PIGGYBACK REGISTRATION

3.1 Right to Piggyback Registrations. At any time after the receipt by the Shareholders of the shares of Common Stock issued to the Shareholders pursuant to the Purchase Agreement, whenever the Company or another party having registration rights proposes that the Company register any of the Company's equity securities under the Securities Act for any reason (other than a registration on Form S-4 or Form S-8 or any successor forms thereto), whether or not for sale for the Company's own account, the Company will give written notice of such proposed registration to all Shareholders at least 30 days before the anticipated filing date. Such notice shall offer such Shareholders the opportunity to register such amount of Registrable Securities as they shall request (a "**Piggyback Registration**"). The Company shall use commercially reasonable efforts to include in each such Piggyback Registration all Registrable Securities with respect to which the Company has received written requests for inclusion therein within 20 days after notice has been given by the Company to the Shareholders. If the registration statement relating to the Piggyback Registration is for an underwritten offering, such Registrable Securities shall be included in the underwriting on the same terms and conditions as the securities otherwise being sold through the underwriters. The Shareholder shall be permitted to withdraw all or part of the Registrable Securities from a Piggyback Registration prior to the effective time of such Piggyback Registration on one occasion and in exercising such Piggyback Registration the Shareholder shall not be deemed to have exercised its rights under this Section 3.1. The right of any Shareholder to a Piggyback Registration shall be conditioned upon such Shareholder entering into an underwriting agreement in customary form with the managing underwriter or underwriters for such registered offering. No registration pursuant to this ARTICLE III will relieve the Company of its obligations to register Registrable Securities pursuant to a Demand Registration contemplated by ARTICLE II hereof. The rights to Piggyback Registration may be exercised an unlimited number of occasions.

3.2 Priority for Piggyback Registrations. If the underwriter of a Piggyback Registration advises the Company that, in its opinion, the amount of Registrable Securities requested to be included in such Piggyback Registration exceeds the amount which can be sold in such offering without adversely affecting the distribution of the securities being offered, then the Company will allocate the securities to be included in such registration as follows:

(i) first, pro rata among (A) the Company, to the extent the Company proposes to register any securities for its own account, and (B) another party having registration rights causing the Company to effect a registration, to the extent such party proposes to register any securities; and

(ii) second, pro rata to the Shareholders and any others requesting registration of securities of the Company.

ARTICLE IV

PERMITTED DELAYS IN REGISTRATION

4.1 Suspension of Company Obligations. Notwithstanding anything to the contrary set forth in this Agreement, the Company's obligation under ARTICLE II of this Agreement to file any registration statement and to cause Registrable Securities to be registered as provided therein shall be suspended in the event that (i) the Company is currently engaged in an underwritten primary offering, or (ii) a registration statement for a public offering of the Company's securities was declared effective within the previous 180 days. In addition, the Company's obligation under ARTICLE II of this Agreement to file any registration statement, to cause Registrable Securities to be registered, and to maintain the effectiveness of such registration statement shall be suspended (and, to the extent applicable, the Shareholders shall suspend the disposition of any Registrable Securities pursuant to a then currently effective registration statement) for a period not to exceed 90 days in the event that, in the good faith opinion of the Company's Board of Directors, effecting or maintaining the effectiveness of the registration of Registrable Securities would be detrimental to any financing, acquisition, merger, disposition of assets, disposition of stock or other comparable transaction then being pursued by the Company or would require the Company to make public disclosure of information which could have an adverse effect upon the Company. The Company shall notify the Shareholders in writing of the existence of any suspension event set forth in this Section 4.1, and such notice and all facts and circumstances relating to such suspension event shall be kept confidential by the Shareholders.

ARTICLE V

REGISTRATION PROCEDURES

5.1 Registration Procedures. Whenever the Company is obligated to register the Registrable Securities pursuant to this Agreement, the Company shall use its commercially reasonable efforts to:

(a) prepare and file with the Commission a registration statement with respect to such Shareholder's Registrable Securities in a reasonable amount of time after receiving the appropriate request from the Shareholders, and to include in such registration statement the Registrable Securities which the Company has been requested to register;

(b) cause all such Registrable Securities to be registered under the Securities Act in a reasonable amount of time and, subject to Section 4.1, to cause such registration statement to remain effective until the earlier of (i) the one year anniversary of the issuance of the shares of Common stock issued pursuant to the Purchase Agreement, and (ii) the completion of the distribution described in the registration statement relating thereto;

(c) furnish the Shareholders, their underwriters, if any, and their respective counsel, at such times so as to permit their reasonable review, the opportunity to review the registration statement, each prospectus included therein or filed with the Commission, and each amendment thereof or supplement thereto, and to consider in good faith incorporating any comments reasonably requested by the Shareholders, their underwriters, if any, and their respective counsel, provided that the Shareholders', the underwriters', if any, and their respective counsels' review of such documents shall not delay the filing of the registration statement so long as such parties have been provided a reasonable time to review the same;

(d) make available for reasonable inspection by, or give reasonable access to, any underwriter participating in any disposition of Registrable Securities all pertinent financial and other records, pertinent corporate documents and properties of the Company, and to cause its senior management to participate in such management presentations and one roadshow as such underwriters may reasonably request (provided that such managers are given reasonable advanced notice of such presentations and roadshow and that such managers shall only be obligated to participate in one roadshow of reasonably customary duration) and to cause the Company's directors, officers and employees to supply all information reasonably requested by any such underwriter in connection with the offering thereunder;

(e) furnish, without charge, to the Shareholders and to the underwriters of the securities being registered such number of copies of the registration statement, preliminary prospectus, final prospectus and other documents incident thereto as such underwriters and the Shareholders from time to time may reasonably request;

(f) prepare and file with the Commission such amendments and supplements to such registration statement and the prospectus used in connection with such registration statement as may be necessary to comply with the provisions of the Securities Act with respect to the disposition of all securities covered by such registration statement;

(g) register or qualify the Registrable Securities covered by such registration statement under such other securities laws or state blue sky laws of such U.S. jurisdictions as shall be reasonably requested by the Shareholders for the distribution of the Registrable Securities covered by the registration statement; provided that the Company shall not be required to qualify to do business or to file a general consent to service of process in any such states or jurisdictions or to subject itself to taxation in any such states or jurisdictions wherein it would not but for the requirements of this paragraph (g) be required to do so;

(h) enter into customary agreements in form and substance reasonably satisfactory to the Company (including a customary underwriting agreement in form and substance reasonably satisfactory to the Company, if the offering is to be underwritten, in whole or in part);

(i) notify the Shareholders at any time when a prospectus relating thereto covered by such registration statement is required to be delivered under the Securities Act, of the happening of any event as a result of which the prospectus included in such registration statement, as then in effect, includes an untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein not misleading in light of the circumstances then existing and, at the request of any Shareholder, promptly prepare and furnish to such Shareholder a reasonable number of copies of a supplement to or an amendment of such prospectus as may be necessary so that, as thereafter delivered to the purchasers of such securities, such prospectus shall not include an untrue statement of material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading in light of the circumstances then existing; provided that, upon receipt of such notice from the Company, the Shareholders will forthwith discontinue disposition of their Registrable Securities pursuant to the registration statement covering such Registrable Securities until the Shareholders receive the copies of the supplemented or amended prospectus covering such Registrable Securities (and the Shareholders shall return to the Company all copies of the unsupplemented or unamended prospectus covering such Registrable Securities);

(j) list all Registrable Securities covered by such registration statement on the NASDAQ or on such other securities exchange on which shares of Common Stock are then currently listed;

(k) prevent the issuance of any order suspending the effectiveness of a registration statement or suspending the qualification (or exemption from qualification) of any of the Registrable Securities included therein for sale in any U.S. jurisdiction, and, in the event of the issuance of any stop order suspending the effectiveness of a registration statement, or of any order suspending the qualification of any Registrable Securities included in such registration statement for sale in any U.S. jurisdiction, the Company will use commercially reasonable efforts to promptly obtain the withdrawal of such order;

(l) obtain "cold comfort" letters and updates thereof reasonably satisfactory to the managing underwriters from the independent certified public accountants of the Company, addressed to each of the underwriters, such letters to be in customary form and covering matters of the type customarily covered in "cold comfort" letters in connection with underwritten offerings; and

(m) obtain opinions of independent counsel to the Company reasonably satisfactory to the managing underwriters, addressed to each of the underwriters covering the matters customarily covered in opinions of issuer's counsel requested in underwritten offerings.

ARTICLE VI

INDEMNIFICATION

6.1 Indemnification by the Company. In the event of any registration of any Registrable Securities pursuant to this Agreement under the Securities Act, the Company will indemnify, hold harmless and reimburse each participating Shareholder, each of the directors, officers, employees, managers, stockholders, partners, members, counsel, agents, trustees or representatives of such Shareholder and its Affiliates and each Person who controls any such Person, if any, and each other Person who participates as an underwriter for the Shareholders in the offering or sale of such securities and each other Person (including its officers and directors) who controls any such underwriter within the meaning of the Securities Act (collectively, "**Shareholder Indemnified Parties**"), against any Registration Expenses, Non-Registration Expenses losses, claims, damages or liabilities, joint or several, to which such participating Shareholder or any such Person, underwriter or controlling person may become subject under the Securities Act or otherwise (collectively "**Losses**"), insofar as such Losses arise out of or are based on any untrue statement or alleged untrue statement of any material fact contained in the registration statement, or any omission or alleged omission of a material fact required to be stated therein or necessary to make the statements therein not misleading (a "**Misstatement/Omission**"), under which such Registrable Securities were registered under the Securities Act, in any preliminary prospectus, final prospectus or summary prospectus contained therein, or in any amendment or supplement thereto, and shall reimburse such Shareholder Indemnified Parties, such Person participating as an underwriter for the Shareholders in the offering or sale of such securities and each other Person (including its officers and directors) who controls any such underwriter within the meaning of the Securities Act for any legal or other expenses reasonably incurred by them in connection with investigating or defending any such Losses; provided, however, that the Company shall not be liable in any such case to the extent that any such Losses or expense arises out of or is based upon a Misstatement/Omission made in such registration statement, preliminary prospectus, final prospectus, summary prospectus, amendment or supplement in reliance upon and in conformity with information furnished to the Company by any participating Shareholder or any other Person who participates as an underwriter in the offering or sale of such securities or any of their controlling persons. Such indemnity shall remain in full force and effect regardless of any investigation made by or on behalf of any such participating Shareholder or any such underwriter or controlling person and shall survive the transfer of such securities by the Shareholder.

6.2 Indemnification by Participating Shareholders. Each of the participating Shareholders whose Registrable Securities are included or are to be included in any registration statement, as a

condition to including Registrable Securities in such registration statement, hereby agrees to indemnify, hold harmless and reimburse (in the same manner and to the same extent as set forth in Section 6.1) the Company, each of its directors, officers, employees, managers, stockholders, counsel, agents or representatives and the Company's Affiliates and each Person who controls any such Person within the meaning of the Securities Act, and each other Person who participates as an underwriter in the offering or sale of such securities and each other Person who controls any such underwriter within the meaning of the Securities Act with respect to any Losses that arise out of or are based on any Misstatement/Omission, from such registration statement, preliminary prospectus, final prospectus or summary prospectus, or any amendment or supplement thereto, if such untrue statement or alleged untrue statement or omission or alleged omission was made in reliance upon and in conformity with information furnished to the Company by any participating Shareholder. Notwithstanding the foregoing, the obligation to indemnify will be individual (several and not joint) to each Shareholder and will be limited to the net amount of proceeds received by such Shareholder from the sale of Registrable Securities pursuant to such registration statement giving rise to such indemnification obligation. Such indemnity shall remain in full force and effect regardless of any investigation made by or on behalf of the Company or any such director, officer, or any such underwriter or controlling person and shall survive the transfer of such securities by any participating Shareholder.

6.3 Notices of Claims. Promptly after receipt by an indemnified party of notice of the commencement of any action or proceeding involving a claim referred to in Section 6.1 or 6.2, such indemnified party will, if a claim in respect thereof is to be made against an indemnifying party, give written notice to the latter of the commencement of such action; provided, however, that the failure of any indemnified party to give notice as provided herein shall not relieve the indemnifying party of its obligations under Section 6.1 or 6.2, except to the extent that the indemnifying party is actually prejudiced by such failure to give notice. In case any such action is brought against an indemnified party, unless in such indemnified party's reasonable judgment a conflict of interest between such indemnified and indemnifying parties may exist in respect of such claim, the indemnifying party shall be entitled to participate in and to assume the defense of such action, jointly with any other indemnifying party similarly notified to the extent that it may wish, with counsel reasonably satisfactory to such indemnified party, and after notice from the indemnifying party to such indemnified party of its election so to assume the defense thereof, the indemnifying party shall not be liable to the indemnified party for any legal or other expenses subsequently incurred by the indemnified party in connection with the defense thereof other than reasonable costs of investigation; provided, that the indemnified party may participate in such defense at the indemnified party's expense and provided, further, that all indemnified parties shall have the right to employ one counsel to represent them if, in the reasonable judgment of such indemnified parties, it is advisable for them to be represented by separate counsel by reason of having legal defenses which are different from or in addition to those available to the indemnifying party, and in that event the reasonable fees and expenses of such one counsel shall be paid by the indemnifying party. If the indemnifying party is not entitled to, or elects not to, assume the defense of a claim, it will not be obligated to pay the fees and expenses of more than one counsel for the indemnified parties with respect to such claim, unless in the reasonable judgment of any indemnified party a conflict of interest may exist between such indemnified party and any other indemnified parties with respect to such claim, in which event the indemnifying party shall be obligated to pay the fees and expenses of such additional counsel for the indemnified parties. No indemnifying party shall consent to entry of any judgment or enter into any settlement without the consent of the indemnified party which does not include as an unconditional term thereof the giving by the claimant or plaintiff to such indemnified party of a release from all liability in respect to such claim or litigation. No indemnifying party shall be subject to any liability for any settlement made without its written consent. The indemnifying party's liability to any such indemnified party hereunder shall not be extinguished solely because any other indemnified party is not entitled to indemnity hereunder.

6.4 Survival. The indemnification provided for under this Agreement will (i) remain in full force and effect regardless of any investigation made by or on behalf of the indemnified party or any officer, director or controlling Person of such indemnified party, (ii) survive the transfer of securities and (iii) survive the termination of this Agreement.

6.5 Contribution. If, for any reason, the foregoing indemnity is unavailable, or is insufficient to hold harmless an indemnified party, then the indemnifying party shall contribute to the amount paid or payable by the indemnified party as a result of the expense, loss, claim, damage or liability in such proportion as is appropriate to reflect the relative fault of the indemnifying party on the one hand and the indemnified party on the other (determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or omission or alleged omission relates to information supplied by the indemnifying party or the indemnified party and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such untrue statement or omission), as well as any other relevant equitable considerations. The amount paid or payable by a party as a result of the expense, loss, claim, damage or liability referred to above shall be deemed to include any legal or other fees or expenses reasonably incurred by such party in connection with any investigation or proceeding. The parties hereto agree that it would not be just or equitable if contribution pursuant to this Section 6.5 were determined by pro rata allocation or by any other means of allocation, unless such contribution takes into account the equitable considerations referred to in this paragraph. Notwithstanding the provisions of this Section 6.5, a Shareholder shall not be required to contribute any amount in excess of the amount by which (i) the amount at which the securities that were sold by such Shareholder and distributed to the public were offered to the public exceeds (ii) the amount of any damages which such Shareholder has otherwise been required to pay by reason of such Misstatement/Omission or violation. No indemnified party guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any indemnifying party who was not guilty of such fraudulent misrepresentation.

ARTICLE VII

INFORMATION BY PARTICIPATING SHAREHOLDERS

7.1 Information Regarding Participating Shareholders. If any Registrable Securities are to be included in any registration, each participating Shareholder shall promptly furnish to the Company and any applicable underwriter such information regarding such Shareholder and the distribution proposed by such Shareholder as the Company or such underwriter reasonably believes is required in connection with any registration, qualification or compliance referred to in this Agreement.

ARTICLE VIII

RULE 144 SALES

8.1 Reporting. With a view to making available to the Shareholders the benefits of certain rules and regulations of the Commission which may permit the sale of Registrable Securities to the public without registration or through short form registration forms, the Company agrees to use its commercially reasonable efforts to:

(a) make and keep public information available, as those terms are understood and defined in Rule 144 under the Securities Act; and

(b) file with the Commission in a timely manner all reports and other documents required of the Company under the Securities Act and the Exchange Act.

ARTICLE IX

RESTRICTIONS ON TRANSFER

9.1 Restrictions on Transferability.

(a) During the Lock–Up Period, the Registrable Securities held by the Shareholders may not be Transferred without the prior written consent of CEDC, in whole or in part, except in accordance with Section 9.1(b). After the Lock–Up Period, the Registrable Securities held by the Shareholders may be Transferred, in whole or in part, to any Person provided, that:

(i) there is in effect a registration statement under the Securities Act covering such proposed Transfer and such Transfer is made in accordance with such registration statement; or

(ii) such Transfer is eligible under Rule 144 or such Transfer is otherwise made in accordance with applicable securities law, and (A) the Shareholders shall have notified the Company of the proposed Transfer and shall have furnished the Company with a detailed statement of the circumstances surrounding the proposed Transfer, provided that such detailed statement is kept confidential and is not disclosed to any other Person until prior written consent from the Shareholder is given which explicitly authorizes the disclosure of the information in such detailed statement, or (B) the Shareholders provide the Company and the Company's transfer agent with a legal opinion from independent internationally recognized legal counsel experienced in such matters, which legal opinion shall be in customary form reasonably acceptable to the Company and shall state that such Transfer is eligible under Rule 144 or is otherwise made in accordance with applicable securities laws.

(b) The Registrable Securities held by the Shareholders may be transferred at any time, in whole or in part, (i) to any Person that is a 100% Affiliate of an Ultimate Parent, so long as such Person (A) remains a 100% Affiliate of such Ultimate Parent and (B) agrees in writing to be bound by the terms and conditions of this Agreement, (ii) pursuant to a tender offer within the meaning of the Exchange Act for any or all of the shares of Common Stock of the Company, (iii) in connection with any plan of reorganization, restructuring, bankruptcy, insolvency, merger or consolidation, reclassification, recapitalization, or, in each case, similar corporate event of the Company, or (iv) an involuntary transfer pursuant to operation of law.

(c) Any proposed Transfer of any Registrable Securities held by any Shareholder to a Known Competitor of the Company, including the circumstances surrounding such proposed Transfer, shall be disclosed in writing to the Company 10 days before such proposed Transfer is effected.

(d) Each Shareholder is aware of the following Telephone Interpretation in the SEC Manual of Publicly Available Telephone Interpretations (July 1997):

A.65. Section 5

An issuer filed a Form S-3 registration statement for a secondary offering of common stock which is not yet effective. One of the selling shareholders wanted to do a short sale of common stock "against the box" and cover the short sale with registered shares after the effective date. The issuer was advised that the short sale could not be made before the registration statement

becomes effective, because the shares underlying the short sale are deemed to be sold at the time such sale is made. There would, therefore, be a violation of Section 5 if the shares were effectively sold prior to the effective date.

(e) The Company is required to refuse to register any transfer of the Shares which is not made in accordance with Regulation S under the Securities Act, pursuant to a registration statement under the Securities Act or pursuant to an available exemption therefrom.

9.2 Restrictions on Sales During Registration Periods. In addition to the restrictions set forth in Section 9.1, each Shareholder agrees not to, except with respect to a 100% Affiliate of an Ultimate Parent that (a) remains a 100% Affiliate of such Ultimate Parent and (b) agrees in writing to be bound by the terms and conditions of this Agreement, offer, sell (including pursuant to Rule 144), distribute, sell short, loan, grant an option for the purchase of, enter into any swap or hedge agreement in connection with, or otherwise Transfer any Common Stock or any securities convertible into or exchangeable or exercisable for Common Stock, during the 15 days prior to and the 180 days after the effective date of any underwritten public offering of the Company's securities, unless the Company's Board of Directors and the underwriters managing such public offering otherwise agree. The Shareholders shall not take any action with respect to any distribution deemed to be made pursuant to any Demand Registration that would constitute a violation of Regulation M under the Exchange Act.

9.3 No Participation in Other Securities Offerings. The rights granted by the Company hereunder shall be the exclusive rights granted to Shareholders with respect to Registrable Securities. Except as otherwise provided herein, the Shareholders shall have no rights to participate in any offering of securities by the Company to third parties, whether such offering is effected pursuant to registration under the Securities Act or pursuant to an exemption from registration thereunder.

ARTICLE X

COVENANTS

10.1 Shareholders. Each Shareholder hereby agrees (i) to cooperate with the Company and to furnish to the Company all such information regarding such Shareholder, its ownership of Registrable Securities and the disposition of such securities in connection with the preparation of the registration statement and any filings with any state securities commissions as the Company may reasonably request, (ii) to the extent required by the Securities Act, to deliver or cause delivery of the Prospectus contained in the registration statement, any amendment or supplement thereto, to any purchaser of the Registrable Securities covered by the registration statement from the Shareholder, (iii) if requested by the Company, to notify the Company of any sale of Registrable Securities by such Shareholder and (iv) not to sell any of its Registrable Securities held by such holder for a period of six months following the Closing Date.

ARTICLE XI

TERMINATION

11.1 Termination. This Agreement and the rights provided hereunder shall terminate and be of no further force and effect with respect to each Shareholder on the date the Registrable Securities held by such Shareholder cease to be Registrable Securities pursuant to the terms of this Agreement. This Section 11.1 shall not, however, apply to the provisions of ARTICLE VI of this Agreement, which shall survive the termination of this Agreement.

ARTICLE XII

MISCELLANEOUS

12.1 Decisions or Actions of the Shareholders. For the purposes of this Agreement, an action or decision shall be deemed to have taken by all of the Shareholders if such action or decision shall have been made by Shareholders holding a majority of the Registrable Securities.

12.2 Successors and Assigns. Subject to the provisions of Section 9.1, the terms and conditions of this Agreement shall inure to the benefit of and be binding upon the respective successors, assigns and transferees of the parties. If any successor, assignee or transferee of any Shareholder shall acquire Registrable Securities, in any manner, whether by operation of law or otherwise, such Registrable Securities shall be held subject to all of the terms of this Agreement, and by taking and holding such Registrable Securities such Person shall be conclusively deemed to have agreed to be bound by all of the terms and provisions hereof.

12.3 Notices. All notices and other communications provided for hereunder shall be in writing and sent by registered or certified mail, return receipt requested, postage prepaid or delivered in person or by courier, telecopier or electronic mail, and shall be deemed to have been duly given on the date on which personally delivered to, or actually received by, the party to whom such notice is to be given at its address set forth below, or at such other address for the party as shall be specified by notice given pursuant hereto:

(a) If to the Company, to:

Central European Distribution Company
Two Bala Plaza
Suite #300
Bala Cynwyd, Pennsylvania 19004
United States of America
Attn: William V. Carey, President

with a copy (which shall not constitute notice) to:

Dewey & LeBoeuf LLP
1301 Avenue of the Americas
New York, New York 10019
United States of America
Attn: Frank R. Adams, Esq.

(b) If to the Shareholders, to:

Barclays Wealth Trustees (Jersey) Limited as Trustee
of The First National Trust
39-41 Broad Street,
St Helier
Jersey JE4 5PS
The Channel Islands
Attn: Robert Kerley

with a copy (which shall not constitute notice) to:

Darrois Villey Maillot Brochier
69 avenue Victor Hugo
75116 Paris
France
Attn: Ben Burman

12.4 Governing Law. This Agreement and any controversy or claim arising out of or relating to this Agreement shall be governed by the laws of the State of New York, without giving effect to the principles of conflicts of laws.

12.5 Entire Agreement; Amendments and Waivers. This Agreement constitutes the entire agreement among the parties pertaining to the subject matter hereof and supersedes all prior agreements, understandings, negotiations and discussions whether oral or written, of the parties. No supplement, modification or waiver of this Agreement shall be binding unless executed in writing by all parties. No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provision hereof (whether or not similar), nor shall such waiver constitute a continuing waiver unless otherwise expressly provided.

12.6 Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Copies of executed counterparts transmitted by telecopy or other electronic transmission service shall be considered original executed counterparts.

12.7 Severability. In the event that any one or more of the provisions contained in this Agreement shall, for any reason, be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision of this Agreement.

12.8 Headings. The headings of the Articles and Sections herein are inserted for convenience of reference only and are not intended to be part of or to affect the meaning or interpretation of this Agreement.

12.9 Gender and Other References. Unless the context clearly indicates otherwise, the use of any gender pronoun in this Agreement shall be deemed to include all other genders, and singular references shall include the plural and vice versa.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

CENTRAL EUROPEAN DISTRIBUTION CORPORATION

By: _____
Name:
Title:

BARCLAYS WEALTH TRUSTEES (JERSEY) LIMITED
as Trustee of The First National Trust

By: _____
Name:
Title:

Schedule A

Name of Shareholder	Number of Shares of Common Stock
BARCLAYS WEALTH TRUSTEES (JERSEY) LIMITED as Trustee of The First National Trust	974,946

Exhibit 10.1

PRIVILEGED AND CONFIDENTIAL

Execution Copy

May 23, 2008

SHAREHOLDERS' AGREEMENT

by and among

Barclays Wealth Trustees (Jersey) Limited
as Trustee of the First National Trust,

Polmos Bialystok S.A.,

and

Peulla Enterprises Limited

relating to the Shareholders'
investments in
Peulla Enterprises Limited

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SHAREHOLDERS' AGREEMENT

This **SHAREHOLDERS' AGREEMENT** (this "**Agreement**") is entered into as of May 23, 2008, by and among **BARCLAYS WEALTH TRUSTEES (JERSEY) LIMITED** as Trustee of the **FIRST NATIONAL TRUST**, a trust company incorporated under the laws of Jersey, having its registered office at 39-41, Broad Street, St. Helier, JE4 5PS Jersey, Channel Islands ("**Seller**"), **PEULLA ENTERPRISES LIMITED**, a private limited liability company by shares incorporated under the laws of the Republic of Cyprus, whose registered office is located at 9th Floor, Capital Center, 2-4 Arch. Makarios Avenue, Nicosia 1065, Cyprus ("**Company**"), and **POLMOS BIALYSTOK S.A.**, a joint stock company incorporated under the laws of Poland, whose registered office is located at ul. Elewatorska No. 20, 15-950 Bialystok, Poland ("**Purchaser**"), (the Company, together with Seller and Purchaser, collectively, the "**Parties**", and each, individually, a "**Party**").

RECITALS

WHEREAS, Seller, Purchaser and the Company, among other parties, have entered into that Share Purchase Agreement, dated as of May 23, 2008 (the "**Share Purchase Agreement**"), pursuant to the terms, and subject to the conditions, of which, among other things Seller has agreed to sell to Purchaser, and Purchaser has agreed to purchase from Seller, (i) 3,749 Class A Shares and (ii) 5,625 Class B Shares, in each case with all rights attaching to them at Closing (such sale and purchase, the "**Investment**");

WHEREAS, immediately following the consummation of the Investment, (i) Seller will own an aggregate of 3,751 Class A Shares, representing 50.01 per cent. of the issued and outstanding Class A Shares and 1,875 Class B Shares, representing 25.00 per cent. of the issued and outstanding Class B Shares and (ii) Purchaser will own an aggregate of 3,749 Class A Shares, representing 49.99 per cent. of the issued and outstanding Class A Shares and 5,625 Class B Shares, representing 75.00 per cent. of the issued and outstanding Class B Shares;

WHEREAS, pursuant to the Share Purchase Agreement, the execution and delivery of this Agreement is a condition precedent to the respective obligations of Seller and Purchaser to consummate the Investment;

WHEREAS, Seller, Purchaser and the Company desire to enter into this Agreement to set forth certain terms and conditions concerning the relationship between Seller, on the one hand, and Purchaser, on the other hand, as the shareholders in the Company and to provide for the orderly governance and management of the Company and the Group (as defined herein) following the consummation of the Investment.

AGREEMENT

NOW, **THEREFORE**, in consideration of the premises and covenants set forth below and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, and intending to be legally bound, the Parties agree as follows:

ARTICLE I
DEFINITIONS

Section 1.1 Certain Defined Terms. For the purposes of this Agreement, unless the context requires otherwise, the following terms shall have the following meanings; provided that capitalized terms not otherwise defined in this Agreement shall have the meanings ascribed thereto in the Share Purchase Agreement:

"**Affiliate**" shall mean, with respect to any person, any other person who directly or indirectly controls, or is under common control with, or is controlled by, such first person. As used in this definition, "**control**" (including, with its correlative meanings, "**controlled by**" and "**under common control with**") means, with respect to any person, the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a person, whether through ownership of voting securities or partnership or other ownership interests, by contract or credit arrangement, as trustee or executor or otherwise; provided that, solely for purposes of this Agreement, Mark Kaoufman shall be deemed to be an Affiliate of Seller Shareholder.

"**Affiliated Transferee**" shall mean (i) with respect to Seller Shareholder, Mark Kaoufman and/or any Person that is, directly or indirectly, controlled by Mark Kaoufman and (ii) with respect to Purchaser Shareholder, CEDC any Affiliate thereof.

"**Agreement**" shall have the meaning ascribed to it in the Preamble.

"**Annual Budget**" shall have the meaning ascribed to it in Section 8.1(a).

"**beneficial ownership**" with respect to any security, shall mean possession, indirectly or directly, through ownership, contract, arrangement, understanding, relationship or otherwise, of the sole or shared power (i) to vote, or direct the voting of, such security or (ii) to dispose, or direct the disposition of, such security, and the correlative terms "**beneficially owns**", "**beneficially own**" and "**beneficially owned**" shall be construed accordingly.

"**Board**" shall have the meaning ascribed to it in Section 3.2(b).

"**Budget Vote**" shall have the meaning ascribed to it in Section 8.2(b).

"**Business**" shall have the meaning ascribed to it in Section 3.1.

"**Business Day**" shall mean any day other than a Saturday, Sunday or day on which banking institutions in (i) Warsaw, Poland, (ii) Moscow, Russia or (iii) Nicosia, Cyprus are authorized or obligated by law to be closed; provided, however, that for purposes of counting Business Days elapsed in this Agreement, only Russian Business Days shall be taken into account, but provided further, that any performance or payment that is required to be made on a Business Day after the lapse of a certain number of days shall be made on the next day that is Business Day taking into account all of the foregoing jurisdictions.

"**Business Plan**" shall mean that business plan for the Group that has been agreed between Mark Kaoufman and CEDC as of the date hereof.

"**Call Closing**" shall have the meaning ascribed to it in Section 6.2(e).

"**Call Notice**" shall have the meaning ascribed to it in Section 6.2(d).

"**Call Option**" shall have the meaning ascribed to it in Section 6.2(a).

"**Call Shares**" shall have the meaning ascribed to it in Section 6.2(a).

"**Chairman**" shall have the meaning ascribed to it in Section 3.4.

"**Class A Shares**" shall have the meaning ascribed to it in the Share Purchase Agreement.

"**Class B Shares**" shall have the meaning ascribed to it in the Share Purchase Agreement.

"**Cause**" shall mean the removal of a Director or the CEO or the Financial Controller because of such person's (i) willful and continued failure to perform his or her duties as a director or officer of the Company, (ii) willful misconduct, fraud or gross negligence that results in a material financial injury to the Company or that could expose the Company or the Group to civil or criminal penalties or fines, or (iii) conviction of any crime or felony.

"**CEDC**" shall mean Central European Distribution Corporation, a corporation incorporated under the laws of the State of Delaware in the United States of America, whose principal office is at 2 Bala Plaza, Suite 300, Bala Cynwyd, Pennsylvania 19004, U.S.A. and the ultimate parent undertaking of Purchaser Shareholder.

"**CEDC Directors**" shall have the meaning ascribed to it in Section 3.3(a)(i).

"**CEDC Permitted Pledge**" shall mean a pledge by Purchaser Shareholder or CEDC or any of its Affiliates of any or all the Shares held by Purchaser Shareholder (or any Affiliate Transferee thereof) in favor of a financing party; provided (A) that the pledge does not trigger any call option or termination right in favor of Moët Hennessy International under the Joint Venture Agreement and (B) that the terms of any such pledge shall provide that in the event of an enforcement of such pledge, (i) CEDC or one of its Affiliates would be entitled, but not obligated, to acquire such pledged Shares; and (ii) to the extent that neither CEDC nor any of its Affiliates acquires all such pledged Shares, Mark Kaoufman or any of his Affiliates would be entitled, but not obligated, to acquire such pledged Shares, at a price per Share not to exceed the price at which the Call Option would be exercised for the Seller Shareholder's Shares, if it were exercised at the time of the enforcement of the pledge, and (iii) to the extent that any of such pledged Shares are not acquired pursuant to either (i) or (ii) above, as a condition precedent to the vesting of title in any such pledged Shares, the acquirer thereof shall adhere to the Agreement pursuant to Section 5.1(b).

"**CEO**" shall have the meaning ascribed to it in Section 4.2(a).

"**Closing**" and "**Closing Date**" shall have the respective meanings ascribed thereto in the Share Purchase Agreement.

"**Company Subsidiaries**" means the direct and indirect Subsidiaries of the Company and "**Company Subsidiary**" means any one of them; provided that for the avoidance of doubt, the Joint Venture shall not be deemed to be a Company Subsidiary.

"**Confidential Information**" shall have the meaning ascribed to it in Section 9.1(b).

"**Directors**" shall have the meaning ascribed to it in Section 3.3(a)(ii).

"**Dispute**" shall have the meaning ascribed to it in Section 12.3.

"**EBIT**" shall mean earnings before interest and tax.

"**Exercise Price**" shall have the meaning ascribed to it in Section 6.1(c).

"**Exit Options**" shall mean (i) the Put Option and (ii) the Call Option and "**Exit Option**" shall mean either one of them.

"**Financial Controller**" shall have the meaning ascribed to it in Section 4.3(a).

"**First Notice**" shall have the meaning ascribed to it in Section 6.4(b).

"**Governance Deadlock**" shall have the meaning ascribed to it in Section 3.8.

"**Governmental Authority**" shall mean any national, local, or international government, regulatory agency, court, tribunal, commission or other governmental regulatory or self-regulatory entity.

"**Group**" shall mean the Company and the Company Subsidiaries and the expressions "**members of the Group**" and "**Group Company**" shall be construed accordingly to mean any of the Company or the Company Subsidiaries.

"**Group Confidential Information**" shall have the meaning ascribed to it in Section 9.1(b).

"**Investment**" shall have the meaning ascribed to it in the Recitals.

"**Joint Venture**" shall mean MHWH Ltd., a private limited liability company by shares, incorporated in Cyprus, and its Subsidiaries.

"**Joint Venture Agreement**" shall mean that Shareholder and Operating Agreement, dated as of February 6, 2006, by and between Moët Hennessy International and Whitehall, as amended, waived or otherwise modified, relating to their participation in the Joint Venture.

"**Key Decision**" shall have the meaning ascribed to it in Section 3.5.

"**Management Agreement**" have the meaning ascribed to it in Section 4.1(c).

"**Management Fee**" shall have the meaning ascribed to it in Section 4.1(b).

"**MK Directors**" shall have the meaning ascribed to it in Section 3.3(a)(ii).

"**MK Permitted Pledge**" shall mean a pledge by Seller Shareholder or Mark Kaoufman or any of his Affiliates of any or all the Shares held by Seller Shareholder (or any Affiliate Transferee thereof) in favor of a financing party; provided (A) that the pledge does not trigger any call option or termination right in favor of Moët Hennessy International under the Joint Venture Agreement and (B) that the terms of any such pledge shall provide that in the event of an enforcement of such pledge, (i) Mark Kaoufman or any of his Affiliates would be entitled, but not obligated, to acquire such pledged Shares; and (ii) to the extent that neither Mark Kaoufman nor any of his Affiliates acquires all of such pledged Shares, CEDC or any of its Affiliates would be entitled, but not obligated, to acquire such pledged Shares at a price not to exceed the price at which the Call Option would be exercised, if it were exercised at the time of the enforcement of the Pledge, and (iii) to the extent that any of such pledged Shares are not acquired pursuant to either (i) or (ii) above, as a condition precedent to the vesting of title in any such pledged Shares, the acquirer thereof shall adhere to the Agreement pursuant to Section 5.1(b).

"**New Management Co**" shall have the meaning ascribed to it in Section 4.1(a).

"**Notice**" shall have the meaning ascribed to it in Section 12.1(a).

"**Offer**" shall have the meaning ascribed to it in Section 6.4(c).

"**Offer Notice**" shall have the meaning ascribed to it in Section 6.4(c).

"**Other Party Confidential Information**" shall have the meaning ascribed to it in Section 9.1(a).

"**Party**" shall have the meaning ascribed to it in the Preamble.

"**Permitted Transfer**" shall mean any Transfer permitted pursuant to this Agreement.

"**Permitted Transferee**" shall mean any transferee pursuant to a Permitted Transfer.

"**Proportionate Share**" shall have the meaning ascribed to it in Section 11.5(b).

"**Purchaser Shareholder**" shall mean Purchaser or any Permitted Transferee thereof (or any subsequent Permitted Transferee of such Person) or any successors thereto; in each case for so long as such Person continues to beneficially own any Shares.

"**Put Closing**" shall have the meaning ascribed to it in Section 6.1(e).

"**Put Notice**" shall have the meaning ascribed to it in Section 6.1(d).

"**Put Option**" shall have the meaning ascribed to it in Section 6.1(a).

"**Put Shares**" shall have the meaning ascribed to it in Section 6.1(a).

"**Related Party Transaction**" shall mean any transaction, agreement or arrangement with the Company in which any Shareholder or any of its Affiliates has a direct or indirect material or pecuniary interest.

"**Representative**" shall mean, with respect to any Person, its officers, directors, managers, employees, agents or other representatives (including any investment banker, attorney or accountant retained by such Person).

"**Requirements of Law**" shall mean, with respect to any Person, any national, federal, local or supranational law, ordinance, judgment, order, decree, injunction, permit, statute, treaty, rule or regulation or determination of (or an agreement with) an arbitrator, in each case binding on that Person or any amount of its property or assets.

"**Rules**" shall have the meaning ascribed to it in Section 12.3(b).

"**Securities Exchange Act**" shall mean the United States Securities Exchange Act of 1934, as amended.

"**Seller Shareholder**" shall mean Seller or any Permitted Transferee thereof (or any subsequent Permitted Transferee of such Person); in each case for so long as such Person continues to beneficially own any Shares, provided that, and insofar as such Person continues to be at all times under the effective control of Mark Kaoufman unless otherwise agreed in writing by CEDC.

"**Shareholder**" shall mean any of (i) the Purchaser Shareholder and (ii) the Seller Shareholder.

"**Shares**" shall mean the Class A Shares and the Class B Shares and "**Share**" shall mean any Class A Share or Class B Share.

"**Share Purchase Agreement**" shall have the meaning ascribed to it in the Recitals.

"**Subsidiary**" shall mean, with respect to any person (other than a natural person), any other person (other than a natural person) in which such person has ownership or control, direct or indirect, of more than fifty percent (50%) of the securities having ordinary voting power for the election of directors or other governing body of a person or more than fifty percent (50%) of the partnership or other ownership interest therein (other than as a limited partner of such person).

"**Territory**" shall have the meaning ascribed to it in Section 3.1.

"**Third Party**" with respect to any Shareholder shall mean any Person that is not a Party to this Agreement nor an Affiliate of such Shareholder.

"**Transaction Documents**" shall have the meaning ascribed thereto in the Share Purchase Agreement.

"**Transfer**" shall mean, with respect to any Shares, (i) when used as a verb, to sell, hypothecate, give, bequeath, transfer, exchange, assign, pledge or in any other

way whatsoever encumber or dispose of such Shares or any participation or interest therein, whether directly or indirectly (including by way of the Transfer of such Shares to any Subsidiary of any Person that is subsequently Transferred in whole or in part to any other Person), or to enter into any contract, option, or other arrangement, commitment or understanding to do any of the foregoing actions, and (ii) when used as a noun, any indirect or direct sale, hypothecation, gift, bequest, transfer, exchange, assignment, pledge or any other encumbrance or disposal whatsoever of such Shares or any participation or interest therein or any contract, option, or other arrangement, commitment or understanding to effect any of the foregoing.

"**Transferee**" shall have the meaning ascribed to it in Section 5.1(a).

"**US GAAP**" shall mean generally accepted accounting principles in the United States.

"**Vodka Interests**" shall have the meaning ascribed to it in Section 6.4(b).

"**WH Import**" shall mean WH Import Company, a company incorporated under the laws of Russia, whose registered office is located at 2/38, bld. 3, ulitsa Pyatnitskaya, Moscow 113035, Russia, registered on October 10, 2001 with the Moscow Registration Chamber under number 001.408.707.

"**Whitehall**" shall mean WHL Holdings Limited, a company incorporated under the laws of the Republic of Cyprus, whose registered office is located at Chrysanthou Mylona, 3 Street, P.C. 3030 Limassol, Cyprus and which is a wholly-owned Subsidiary of the Company.

ARTICLE II
CONSTRUCTION

Section 2.1 Construction. For the purposes of this Agreement: (i) any reference to "**writing**" or "**written**" means any method of reproducing words in a legible and non-transitory form (excluding, for the avoidance of doubt, e-mail); (ii) references to a "**company**" include any company, corporation or other body corporate wherever and however incorporated or established; (iii) references to a "**Person**" include any natural person, company, partnership, joint venture, firm, association, trust, proprietorship, other business organization, union, and any Governmental Authority, whether incorporated or unincorporated and shall include a reference to that Person's legal representative or successors; (iv) words (including capitalized terms defined herein) in the singular shall be held to include the plural and *vice versa* and words (including capitalized terms defined herein) of one gender shall be held to include the other gender as the context requires; (v) the terms "**hereof**," "**herein**," and "**herewith**" and words of similar import shall, unless otherwise stated, be construed to refer to this Agreement as a whole (including all of the Exhibits and Schedules which are incorporated into and form part of this Agreement) and not to any particular provision of this Agreement, and Article, Section, paragraph, Exhibit and Schedule references are to the Articles, Sections, paragraphs, Exhibits and Schedules to this Agreement unless otherwise specified; (vi) the word "**including**" and words of similar import when used in this Agreement means "**including without limitation**" unless the context otherwise requires or unless otherwise specified; (vii) the word "**or**" shall not be exclusive; (viii) "**commercially reasonable efforts**" shall not require waiver by any Party of any material rights or any action or omission that would be a breach of this Agreement; (ix) all

references to any period of days shall be deemed to be to the relevant number of calendar days unless otherwise specified; (x) references to any statute or statutory provision include a reference to that statute or statutory provision as amended, consolidated or replaced from time to time (whether before or after the date of this Agreement) and include any subordinate regulation or rule made under the relevant statute or statutory provision, except to the extent that any amendment, consolidation or replacement would increase or extend the liability of Seller under this Agreement; and (xi) references to any New York legal term for any statute, action, remedy, method of financial proceedings, legal document, legal status, court, official or any legal concept or thing shall, in respect of any jurisdiction other than New York, be deemed to include what most nearly approximates in that jurisdiction to the New York legal term.

Section 2.2 Absence of Presumption. The Parties acknowledge that each Party and its counsel have reviewed and revised this Agreement and that no rule of construction to the effect that any ambiguities are to be resolved against the drafting Party shall be employed in the interpretation of this Agreement (including all of the Exhibits and Schedules) or any amendments hereto.

Section 2.3 Headings; Definitions. The Article and Section headings contained in this Agreement are inserted for convenience of reference only and shall not affect the meaning or interpretation of this Agreement.

ARTICLE III
GOVERNANCE AND MANAGEMENT OF THE COMPANY

Section 3.1 General Principles and Purpose. The Parties covenant and agree that from and after the Closing, the Company and the Group shall be run with the objective of maximizing the profitability and value of the Company and the Group to the Shareholders. The purpose of the Company is to hold, indirectly, through its Subsidiaries, the assets of the Group and to hold, indirectly, its interest in the Joint Venture, and, indirectly, through its Subsidiaries and the Joint Venture, to conduct the business of the production, importation, distribution, marketing, promotion, and sale of alcoholic beverages in the Russian Federation (the "**Territory**") and matters incidental to or in support of such activities (collectively, the "**Business**"); provided that with respect to the Joint Venture, the Parties acknowledge and agree that the conduct of the Business is subject at all times to the terms and conditions of the Joint Venture Agreement.

Section 3.2 Effective Management Control.

(a) The Company and the Group shall be under the sole effective management control of Mark Kaoufman or one of his wholly-owned Affiliates, acting in the capacity of CEO pursuant to Section 4.2 hereof; provided that if Mark Kaoufman proposes to vest management of the Company in any Affiliate other than New Management Co, the designation of such Affiliate shall constitute a Key Decision.

(b) Mark Kaoufman (or such designated Affiliate) shall be responsible for the management and operation of the Group's Business, including the holding of the Company's interest in the Joint Venture, consistent with the objectives stated in Section 3.1, the terms of this Agreement, and, in the case of the Joint Venture, the Joint Venture Agreement, and the implementation of the Business Plan, all subject to the overall direction and supervision of the Company by a Board of Directors (the "**Board**").

Section 3.3 The Board of Directors. The Shareholders shall take, or cause to be taken, all necessary action as may be required under and permitted by applicable Requirements of Law (including, voting all Shares or executing proxies or written consents, causing the Company to call a meeting of Shareholders, and, to the extent permitted by applicable Requirements of Law, directing the Directors designated by them to act) to cause the Board to have, and shall refrain from taking, or causing to be taken, any action that would cause the Board not to have, from and after the Closing, the size, composition and procedures set forth in this Section 3.3.

(a) Size and Composition. The Board shall be composed of six (6) directors, each of whom shall hold office for a renewable one year term and one of whom shall be elected the Chairman, provided:

(i) three (3) directors (two of whom shall be a resident of Cyprus) shall be appointed as designated by the Purchaser Shareholder (such directors, the "**CEDC Directors**"), provided that William V. Carey, or his successor as Chief Executive Officer of CEDC shall be among the CEDC Directors; and

(ii) three (3) directors (two of whom shall be a resident of Cyprus) shall be appointed as designated by the Seller Shareholder (such directors, the "**MK Directors**" and collectively with the CEDC Directors, the "**Directors**") provided that Mark Kaoufman shall be among the MK Directors.

(b) Removal. Each Shareholder agrees that, if at any time it is entitled to vote for the removal of any Director, including any Director then serving as the Chairman, it shall not vote any of its Class A Shares in favor of the removal of any Director designated pursuant to Section 3.3(a), unless (i) such removal shall be for Cause or (ii) the Shareholder entitled to designate such Director shall have consented to such removal in writing; provided, however, that the Seller Shareholder shall have the right to cause any MK Director to be removed from the Board at any time and the Purchaser Shareholder shall have the right to cause any CEDC Director to be removed from the Board at any time, in each case with or without Cause and in the applicable Shareholder's sole discretion.

(c) Vacancies. If a vacancy on the Board occurs at any time as a result of the death, disability, resignation, retirement, or removal of any Director, the Shareholder that designated the Director whose death, disability, resignation, retirement or removal caused the vacancy shall have the right to designate a replacement Director for appointment or election and the vacancy shall be filled within twenty (20) Business Days of its occurrence. At any time there is a vacancy, the Board shall not conduct any further business until a replacement Director has been appointed or elected to the Board in accordance with this Section; provided, however, that the foregoing restriction shall not apply, and the Board may continue to conduct business, in the event that a vacancy has continued for longer than twenty (20) Business Days after the event giving rise to such vacancy.

(d) Board Meetings. Subject to applicable Requirements of Law, the Board shall meet as often as required by the operations and affairs of the Company and no less than once per calendar quarter. Board meetings shall be convened by the Chairman, either acting in its sole initiative or upon the request of any Shareholder, by notice to each Director (either by mail, facsimile or other electronic transmission) to be received not later than forty-eight (48) hours before the meeting, stating the date, time and place of such meeting and the agenda of business to be conducted thereat. A Board meeting may be held without

the foregoing notice thereof, if all Directors are present and unanimously agree to hold a meeting and to waive the notice requirement. Subject to applicable Requirements of Law, all Board meetings shall take place at a location mutually convenient to the Board as the Board may from time to time agree. All Board meetings shall be conducted in English.

(e) Quorum. At all meetings of the Board, the presence of at least four (4) Directors shall constitute a quorum for the transaction of business, provided that at least one MK Director and at least one CEDC Director shall be present. To the extent permitted by applicable Requirements of Law, a Director may participate in any meeting of the Board by means of an audio or video conference or other communications equipment that allows all Directors participating in such meeting to hear each other; participation in any such meeting by such means shall constitute presence in person for all purposes (including the satisfaction of any quorum requirement) of this Agreement. Notwithstanding the foregoing, if such quorum is not present at any duly-convened meeting of the Board, the Directors present thereat may adjourn such meeting until another time not earlier than five (5) Business Days nor later than ten (10) Business Days thereafter. At any such adjourned meeting no quorum requirement shall apply, provided that (i) no business shall be conducted thereat that was not included in the agenda for the meeting that was adjourned and (ii) in no event shall any action be taken at such adjourned meeting with respect to any matter set forth in Section 3.5 unless at least one MK Director and one CEDC Director are present thereat, except if (without reasonable cause) no such MK Director or CEDC Director, as the case may be, has been present at three consecutive, duly convened meetings of the Board (including adjournments thereof).

(f) Action by the Board. Except as provided in Section 3.5, all actions of the Board shall require the affirmative vote of at least a majority of the Directors present at a duly-convened meeting of the Board held in accordance with Section 3.3(d) and Section 3.3(e), provided that in the event of a deadlocked vote, other than with respect to matters required to be approved pursuant to Section 3.5, the Chairman shall have the casting vote.

(g) Action by Written Consent. A written resolution signed by each of the Directors comprising the entire Board (which may be signed in facsimile and in multiple counterparts) shall be as valid and effective as if it had been adopted at a duly convened meeting of the Board.

Section 3.4 Chairman. The Chairman of the Board (the "**Chairman**") shall be elected from among the Directors on an annual basis, provided that the Chairman shall alternate each year between a CEDC Director and an MK Director. The first Chairman shall be a CEDC Director. In the event of a deadlocked vote, other than with respect to matters required to be approved pursuant to Section 3.5, the Chairman shall have a casting vote.

Section 3.5 Key Decisions. From and after the Closing Date, (A) the Company shall take no action (including any action by the Board or by any officer of the Company) and (B) the Shareholders shall take no action in their capacity as Shareholders (including voting any of their Shares) with respect to any of the following matters (and, to the full extent within the power of the Company, the Company shall cause the Subsidiaries of the Company not to take any action with respect to any of the following matters), (x) without such first action being submitted to a duly-convened meeting of the Board held in accordance with Section 3.3 and (y) if at any such meeting any of the Directors votes against such action (each of the following matters a "**Key Decision**"):

(a) the adoption of any business plan other than the Business Plan, or any material departures from or amendment or revision to, the Business Plan;

(b) subject to the provisions of Section 8.2, the approval and adoption of any Annual Budget for a given financial year, if the proposed Annual Budget does not provide for a targeted EBIT at least equal to the EBIT set forth in the Business Plan for the applicable financial year;

(c) any merger, statutory share exchange, consolidation, spin-off or similar corporate transaction, or sale of all or substantially all of its assets, other than any transaction involving only the Company and/or its wholly-owned Subsidiaries and no other Person;

(d) the issuance of any debt or equity securities;

(e) other than transactions involving only the Company and/or its wholly-owned Subsidiaries: (i) the incurrence of any indebtedness for borrowed money if, as a result, the consolidated indebtedness of the Group would exceed (x) €10 million in any of the first three quarters of any calendar year or (y) €15 million in the fourth quarter of any calendar year; provided that the foregoing levels of indebtedness shall be increased proportionately with the growth in the revenue of the Business relative to FY 2007, (ii) the grant of any loan or credit to any other person (other than trade credit on customary terms in the ordinary course of business), and (iii) the grant of any guarantee or other surety with respect to the debt obligations or other liabilities of any person; except for any guarantee or other surety granted in connection with the obtaining of banderols by WH Import or any other import company;

(f) the sale or other disposition, or purchase, directly or indirectly, of any assets in excess of €500,000 in the aggregate in any financial year, other than the purchase and sale of inventory held for sale in the ordinary course of business;

(g) the grant of any lien or other security interest of any kind on any material assets used in the conduct of the Business, other than liens arising in the ordinary course of business or under applicable Requirements of Law or in connection with the obtaining of banderols by WH Import or any other import company;

(h) the acquisition of the stock of or other investment in the equity interests of any other Person, or the organization of any new, or the dissolution and winding up of any existing, Subsidiary or the entry into any form of joint venture or partnership with any Person;

(i) the entry into, termination (other than in accordance with its terms) of, any material amendment or revision to, or the granting of any material waiver under, any of the following contracts, provided that neither the renewal, extension or replacement of any such existing contract on substantially similar terms nor the granting of any waiver under any such existing contract in the ordinary course of business consistent with past practice shall constitute a Key Decision:

(i) any distribution agreement;

(ii) any contract (including any real estate or financial lease commitment) requiring payments in excess of €250,000 in any financial year;

(iii) any Related Party Transaction (including for the avoidance of doubt the Management Agreement); or

(iv) any agreement providing for any form of employee compensation, which, individually or in the aggregate, would result in employee compensation in excess of the amount agreed in the most recent approved Annual Budget, except for any such increase in compensation that is required under applicable Requirements of Law or pursuant to the terms of any contract as in effect on the date hereof;

(j) the removal of the existing, and the appointment of new, auditors of the Company or any Company Subsidiary;

(k) any material change in any method of accounting or accounting practice or policy, other than such changes that are required by RAS or IFRS, as the case may be, or by applicable Requirements of Law;

(l) the making or the revocation of any material tax election;

(m) the initiation (other than routine debt collection) of any suit, claim, action or proceeding or the settlement of any of the same for an amount in excess of €250,000, or which contains injunctive, equitable or other provisions that would be reasonably likely to adversely affect the ongoing conduct of the Business in any material respect;

(n) any amendment to the Joint Venture Agreement as well as any decision extending or otherwise terminating the Joint Venture; provided, however, that any decision to extend the term of the Joint Venture Agreement shall be subject to the unanimous approval of the Shareholders (voting in their sole discretion);

(o) any material amendment to the memorandum of association or the articles of association of the Company (or any Subsidiary thereof or the Joint Venture (or the analogous foundational or organizational documents)), including any increase or decrease in the share capital of the Company or the authorization of any new class or series of share capital;

(p) subject to Section 11.4, any appropriations of retained profits and any distributions made by the Company; or

(q) any voluntary winding up, dissolution or liquidation or reduction in the share capital of the Company or any arrangement having the same economic effect as the foregoing.

Section 3.6 Foundational Documents. To the fullest extent not prohibited by applicable Requirements of Law, the Shareholders and the Company shall take, or cause to be taken, all necessary action as may be required (including, voting all Shares or executing proxies or written consents, causing the Company to call a meeting of Shareholders, and, to the extent permitted by applicable Requirements of Law, directing the Directors designated by them to act) to cause the memorandum of association and articles of association of the Company to be amended, as necessary, so that they do not at any time conflict with any provision of this Agreement and they permit each Shareholder to receive the benefits to

which each such Shareholder is entitled under this Agreement. As between Shareholders and their Affiliates, in the event of any conflict between this Agreement and memorandum of association and articles of association of the Company, this Agreement shall control. Notwithstanding any other provision in this Agreement, nothing in the Agreement shall constitute an unlawful restriction or fetter of the Company's statutory powers, and if any provision of this Agreement is found to constitute such restriction or fetter or is otherwise unlawful and/or unenforceable against the Company, such term shall, as against the Company only, be severed from the rest of the Agreement and treated as void.

Section 3.7 No Conflicting Agreements. No Shareholder shall grant any proxy or enter into or agree to be bound by any stockholder agreement or like arrangements of any kind (including any arrangement or agreement with respect to the acquisition, disposition or voting of any Shares) with any Person (including another Shareholder) that is inconsistent with any of the provisions of this Agreement; provided that nothing herein is intended to supersede or derogate from the terms and conditions of the Joint Venture Agreement.

Section 3.8 Deadlock. In the event that the MK Directors and the CEDC Directors cannot agree on any matter set forth in Section 3.5 and the dispute is material to the Business or the assets, results of operations or financial condition or prospects of the Group on a consolidated basis (a "**Governance Deadlock**"), the Seller Shareholder agrees that it shall refer the matter to Mark Kaoufman, and the Purchaser Shareholder agrees that it shall refer the matter to William V. Carey, or his successor as the chief executive officer of CEDC, each of whom shall negotiate in good faith to resolve the Governance Deadlock.

ARTICLE IV
CHIEF EXECUTIVE AND CHIEF FINANCIAL OFFICERS

Section 4.1 New Management Company.

(a) As promptly as practicable after the Closing, Mark Kaoufman shall cause a new management company to be organized in Russia for the purposes of providing management services to the Company and the Group ("**New Management Co**"). At all times, New Management Co shall be under the sole effective management control of Mark Kaoufman.

(b) New Management Co shall be compensated for its services by an annual fee ("**Management Fee**") in the amount set forth in the Business Plan for each applicable year, provided that in any year the aggregate overhead expenses for the Group on a consolidated basis shall not exceed the targets for such expenses set forth for the applicable year in the Business Plan (except that in the event that the overall revenue of the Business exceeds the amount set forth in the Business Plan for any applicable year, Mark Kaoufman and CEDC shall negotiate in good faith to determine whether the aggregate target overhead expenses for the Group should be increased).

(c) No later than June 1, 2008, OOO Whitehall-Center and New Management Co shall enter into a management agreement, which shall comply in all respects with the requirements of the Russian tax authorities, shall incorporate the key terms and conditions set forth in the term sheet attached hereto as Exhibit A, and shall otherwise be based on the form of agreement previously provided by Whitehall to CEDC (the "**Management Agreement**"). In all matters related to any Management Agreement, the Company shall be represented by one or more of the CEDC Directors, and the terms and conditions of such agreement shall constitute a Key Decision pursuant to Section 3.5(i)(iii).

Section 4.2 Chief Executive Officer.

(a) The Chief Executive Officer of the Group (the "**CEO**") shall be New Management Co or Mark Kaoufman.

(b) If Mark Kaoufman, for any reason whatsoever, ceases or becomes unable to hold (directly or through New Management Co) the position of CEO, the Chief Executive Officer of CEDC, or a senior executive of CEDC designated by the Chief Executive Officer of CEDC, or an Affiliate of CEDC designated by the Chief Executive Officer of CEDC shall be appointed the CEO.

(c) Subject to the applicable Requirements of Law, and the powers reserved to the Board in the articles of association of the Company (and the like foundational documents of its Subsidiaries), and the terms of this Agreement, the CEO shall be responsible for the day-to-day management of the Group in accordance with the decisions of the Board. In general, the CEO shall at all times act in accordance with the highest standard of professional care and, in particular, shall use its best endeavors to deliver the Business Plan and the Annual Budgets.

(d) Except in the event of the death or disability of Mark Kaoufman, the CEO shall not be removed except following a non-appealable decision entered by a Russian court of competent jurisdiction, it being understood that any Director shall have the right, at any time, to ask for such removal for any reason whatsoever, including but not limited to any reasons referred to in the definition of "**Cause**" hereabove.

Section 4.3 Financial Controller.

(a) Purchaser Shareholder shall be entitled to propose to the Board the candidate for appointment as the Financial Controller of the Group (the "**Financial Controller**") (including, for the avoidance of doubt, any candidate to fill any subsequent vacancy in such office, however arising); provided that the appointment of the Financial Controller shall be subject to the final approval of the CEO, not to be unreasonably withheld, delayed or conditioned.

(b) The duties and responsibilities of the Financial Controller shall be those customarily performed by such an officer, it being understood that the CEO shall have direct responsibility for communications with the Russian authorities with respect to accounting and taxation matters and relationships with Russian banks, the Financial Controller being nevertheless kept fully informed by the CEO on all these matters.

(c) The CEO shall ensure that the Financial Controller has full and unrestricted access to all financial, tax and accounting records of the Company and the Group, and to the extent permitted by the Joint Venture Agreement, all such records of the Joint Venture, all on a permanent basis.

(d) The Financial Controller shall report to the CEO; provided that, to the extent permitted by applicable Requirements of Law, for purposes of ensuring CEDC's compliance with its reporting obligations under applicable Requirements of Law, including, without

limitation, the requirements of the Securities Exchange Act, CEDC may communicate directly with, and request information directly from, the Financial Controller; provided, further, that the CEO is copied on all such written communication (or furnished with a full, fair and accurate summary of any oral communications) and any responses thereto. The Parties agree that the Financial Controller, and not the CEO or the New Management Co, shall be responsible for ensuring that information is timely reported according to CEDC's reporting standards, but this shall not relieve the CEO or New Management Co from preparing and maintaining accounting records for the Company and the Group, or from providing the Financial Controller full access to such records.

(e) Except as otherwise agreed by the CEO and the Purchaser Shareholder, and subject to Requirements of Law, the employment of the Financial Controller may only be terminated for Cause.

ARTICLE V
RESTRICTIONS ON TRANSFER

Section 5.1 General Restrictions on Transfer.

(a) Each Shareholder agrees that such Shareholder shall not Transfer any Shares now or at any time hereafter owned by such Shareholder (or any interest therein) to any Person (each, a "**Transferee**"), except as expressly permitted by and in accordance with the terms and conditions of this Agreement.

(b) Except as expressly agreed between the Shareholders in writing, no Transfer of any Shares by any Shareholder shall be permitted unless the Transferee shall have executed and delivered to each Party other than the transferring Shareholder, as a condition precedent to such Transfer, an agreement in writing to be bound by the terms of this Agreement.

(c) Notwithstanding any other provision of this Agreement, no Transfer of any Shares to any Transferee shall be permitted unless such Transfer complies with all applicable Requirements of Law, including the securities laws of any applicable jurisdiction.

(d) Except as expressly permitted under Section 5.2, in no event shall any Shareholder at any time Transfer to any non-affiliated Third Party less than all the Shares beneficially owned by it and its Affiliates.

(e) Any attempt to Transfer any Shares not in compliance with this Agreement shall be null and void ab initio and of no effect and the Company shall not, and shall cause its transfer agent, if any, not to, record any such purported Transfer upon the stock register of the Company.

Section 5.2 Affiliate Transfers. Subject to Section 5.1, any Shareholder shall have the right at any time to Transfer any or all of the Shares that it holds to any of its Affiliated Transferees; provided that the other Shareholder shall have consented to such Transfer (which consent shall not be withheld or delayed except if such other Shareholder reasonably concludes that such Transfer would be materially detrimental to its interests); provided, further, such Transfer shall be subject to the condition that in the event that, at any time after such Transfer, either the Shareholder effecting such Transfer or its Affiliated Transferee wishes to take or to permit any action that could result in such Affiliated Transferee ceasing

to be an Affiliated Transferee of such transferring Shareholder, then, prior to taking or permitting such action, the transferring Shareholder or the Affiliated Transferee, shall cause the Transfer of any Shares that the Affiliated Transferee continues to hold at such time to the transferring Shareholder or to another Affiliated Transferee of such transferring Shareholder; provided, further, that no Affiliated Transferee that takes Shares pursuant to this Section 5.2 shall have the right to Transfer those Shares in any manner whatsoever other than in a further Transfer pursuant to this Section 5.2 or pursuant to a Transfer initiated by the Seller Shareholder or the Purchaser Shareholder pursuant to an Exit Option.

Section 5.3 No Other Transfers. Other than pursuant to Section 5.2, except with the prior written consent of the other Shareholder, which may be withheld in its absolute discretion, neither Shareholder shall be permitted to Transfer any Shares to any Third Party.

Section 5.4 Permitted Pledges. Notwithstanding anything to the contrary in this Agreement, nothing herein shall prohibit (a) the Seller Shareholder, Mark Kaoufman or any of his Affiliates from entering into an MK Permitted Pledge or (b) the Purchaser Shareholder, CEDC or any of its Affiliates form entering into a CEDC Permitted Pledge.

ARTICLE VI
EXIT OPTIONS

Section 6.1 Put Option.

(a) The Purchaser Shareholder hereby irrevocably grants to the Seller Shareholder (and any Permitted Transferee thereof that acquires Shares pursuant to and in compliance with Article V) the right, but not the obligation (the "**Put Option**"), subject to the terms and conditions set forth in this Section 6.1, to sell to Purchaser Shareholder (or its successor or Permitted Transferee) and to require Purchaser Shareholder (or its successor or Permitted Transferee) to purchase, all (but not less than all) of the Shares beneficially owned by Seller Shareholder and/or its Affiliates and Permitted Transferees (the "**Put Shares**").

(b) The Put Option may be exercised at any time; provided that if at such time the Joint Venture Agreement remains in full force and effect, the Put Option shall not be exercised by Seller Shareholder unless Moët Hennessy International shall have given its prior written consent to such exercise and shall have irrevocably waived any call option or termination rights arising under the Joint Venture Agreement or any right of first refusal over the Put Shares.

(c) The price at which the Put Option shall be exercised and the Purchaser Shareholder shall be obligated to purchase the Put Shares (the "**Exercise Price**") shall be calculated in the manner set forth on Schedule 1.

(d) The Put Option shall be exercised, if at all, by the delivery by Seller Shareholder of a written notice (the "**Put Notice**") to Purchaser Shareholder, provided that if the Put Option is being exercised at any time the Joint Venture Agreement remains in full force and effect, the Seller Shareholder shall attach evidence in a form reasonably satisfactory to Purchaser Shareholder that Moët Hennessy International has waived its call option, termination rights and rights of first refusal under the Joint Venture Agreement.

(e) The closing of the sale and purchase of the Put Shares (the "**Put Closing")** shall be subject to the receipt by Purchaser Shareholder of any material regulatory approvals from any Governmental Authority of competent jurisdiction, including, without limitation, the Russian Federal Antimonopoly Service.

(f) The Put Closing shall take place as soon as practicable after the delivery of the Put Notice, but in any event no earlier than December 31 of the year in which the Put Option is exercised and the Put Notice delivered.

(g) At the Put Closing:

(i) the Purchaser Shareholder shall pay, or cause to be paid, to Seller Shareholder by wire transfer of immediately available funds an amount in U.S. dollars equal to the Exercise Price; and

(ii) Seller Shareholder shall transfer to Purchaser Shareholder, or its designee, the Put Shares, free and clear of all liens, and shall deliver to Purchaser Shareholder, or its designee, all documentation that Purchaser Shareholder may reasonably request in order to perfect the transfer of such title.

Section 6.2 Call Option.

(a) The Seller Shareholder hereby irrevocably grants to the Purchaser Shareholder (and any Permitted Transferee thereof that acquires Shares pursuant to and in compliance with Article V) the right, but not the obligation (the "**Call Option**"), subject to the terms and conditions set forth in this Section 6.2, to purchase from Seller Shareholder (or its successor or Permitted Transferee) and to require Seller Shareholder (or its successor or Permitted Transferee) to sell, all (but not less than all) of the Shares beneficially owned by Seller Shareholder and/or its Affiliates and Permitted Transferees (the "**Call Shares**").

(b) The Call Option may be exercised at any time; provided that, if at such time the Joint Venture Agreement remains in full force and effect, the Call Option shall not be exercised by Purchaser Shareholder unless (i) Moët Hennessy International shall have given its prior written consent to such exercise and shall have irrevocably waived any call option or termination rights arising under the Joint Venture Agreement or any right of first refusal over the Call Shares and (ii) Mark Kaoufman shall have given his prior written consent to such exercise.

(c) The Exercise Price at which the Call Option shall be exercised and the Seller Shareholder shall be obligated to sell the Call Shares shall be calculated in the manner set forth on Schedule 1.

(d) The Call Option shall be exercised, if at all, by the delivery by Purchaser Shareholder of a written notice (the "**Call Notice**") to Seller Shareholder, with a copy to Mark Kaoufman, provided that if the Call Option is being exercised at any time the Joint Venture Agreement remains in full force and effect, the Purchaser Shareholder shall attach evidence in a form reasonably satisfactory to Seller Shareholder that Moët Hennessy International has waived its call option, termination rights and rights of first refusal under the Joint Venture Agreement and that Mark Kaoufman has consented to the exercise of the Call Option.

(e) The closing of the sale and purchase of the Call Shares (the "**Call Closing**") shall be subject to the receipt by Purchaser Shareholder of any material regulatory approvals from any Governmental Authority of competent jurisdiction, including, without limitation, the Russian Federal Antimonopoly Service.

(f) The Call Closing shall take place as soon as practicable after the delivery of the Call Notice, but in any event no earlier than December 31 of the year in which the Call Option is exercised and the Call Notice delivered.

(g) At the Call Closing:

(i) the Purchaser Shareholder shall pay, or cause to be paid, to Seller Shareholder by wire transfer of immediately available funds an amount in U.S. dollars equal to the Exercise Price; and

(ii) Seller Shareholder shall transfer to Purchaser Shareholder, or its designee, the Call Shares, free and clear of all liens, and shall deliver to Purchaser Shareholder, or its designee, all documentation that Purchaser Shareholder may reasonably request in order to perfect the transfer of such title.

Section 6.3 Option to Acquire New Management Co.

(a) In the event that Purchaser Shareholder acquires the Put Shares or the Call Shares pursuant to the exercise of an Exit Option, Purchaser Shareholder (or its designated Affiliate) shall have the further option to acquire from Mark Kaoufman the entire share capital of the New Management Co (which transaction must be completed at the same time as the closing of the Exit Option transadtion) for a purchase price equal to its net asset value (determined on the basis of the most recent statutory financial statements), which shall include at no additional cost the right to continue to employ the staff of such management company that are primarily involved in the management of the Group; provided that Mark Kaoufman (or any of his Affiliates that are not members of the Group) will not be prevented from soliciting or employing any member of staff of New Management Co not primarily involved in the management of the Group subject to, and insofar as, Purchaser Shareholder shall not have objected in writing that the relevant staff member is primarily involved in the management of the Group.

(b) In the event that Purchaser Shareholder does not elect to acquire the New Management Co pursuant to this Section 6.3, for a period of 2 years following the exercise of the Exit Option, Purchaser Shareholder shall not, and shall cause its Affiliates (including the members of the Group) not to, solicit or employ any person who is employed by New Management Co at the time of the exercise of the Exit Option (or the six months prior thereto) other than any such person whose employment was terminated by New Management Co (other than for cause).

Section 6.4 Right to Acquire “Kauffman” Brand or “Kauffman” Vodka.

(a) For the avoidance of doubt, at no time, including after the exercise of the Exit Option, shall Purchaser Shareholder or any of its Affiliates (including the members of the Group) have any right to acquire any intellectual property interest in the “Kauffman” brand or related trademarks except with the consent of Mark Kaoufman, in his absolute discretion, or as provided in Section 6.4(b).

(b) Notwithstanding the foregoing, in the event that Seller Shareholder or any of its Affiliates (including Mark Kaoufman or VL Enterprises LLC), desires to dispose of any of its interests in "Kauffman" Vodka (the "**Vodka Interests**") to a Third Party, the Seller Shareholder shall, or shall cause its applicable Affiliate (including Mark Kaoufman), first to send to Purchaser Shareholder (or its designated Affiliate) a written notice setting forth its intention to sell the Vodka Interests (the "**First Notice**").

(c) Upon receipt of the First Notice, Purchaser Shareholder (or its designated Affiliate) may elect to make an offer to acquire the Vodka Interests by way of a written notice (the "**Offer Notice**"), setting out the price and conditions at which it would be prepared to acquire the Vodka Interests (the "**Offer**"), addressed to Seller Shareholder (or its applicable Affiliate) within 30 days following receipt of the First Notice.

(d) If, within 30 days following the Offer Notice, Seller Shareholder (or its applicable Affiliate) notifies Purchaser Shareholder (or its designated Affiliate) that it accepts such Offer, the parties shall negotiate in good faith to conclude definitive terms and conditions for the sale of the Vodka Interests and to close such sale, subject to customary closing conditions (including receipt of any necessary approvals from any Governmental Authority), as soon as practicable after the date of the First Notice.

(e) If Seller Shareholder (or its applicable Affiliate) declines the Offer in writing or fails to respond within 30 days from the date of the Offer Notice, Seller Shareholder (or its applicable Affiliate) shall have the right to dispose of the Vodka Interests to a Third Party, provided that such sale is consummated on terms (including the price) which are, in aggregate, more favorable to Seller Shareholder, or its relevant Affiliate, than those set forth in the Offer Notice; provided, further, that such sale shall be consummated no later than the first anniversary of the date of the Offer Notice. If the sale of the Vodka Interests is not consummated on or before the first anniversary of the Offer Notice, the Seller Shareholder shall be obligated to repeat the procedures set forth in this Section 6.4 and no sale of the Vodka Interests shall be consummated without the sending of a First Notice to the Purchaser Shareholder.

(f) For the avoidance of doubt, nothing in this Section 6.4 shall prevent Seller Shareholder (or any of its Affiliates) from Transferring the Vodka Interests to any of its Affiliates and the right of first offer set forth herein shall not apply to such Transfer, provided only that it shall be a condition of such Transfer that any Transferee of the Vodka Interests shall be obligated to comply with the procedures set forth in this Section 6.4 in the event of any eventual disposition of the Vodka Interests to any Third Party.

ARTICLE VII
NON-COMPETE;
COMPETING INVESTMENT OPPORTUNITIES

Section 7.1 Non-Compete.

(a) During the term of this Agreement, for so long as the Joint Venture Agreement remains in effect, without the prior written consent of Mark Kaoufman, except for agreements in effect as of February 23, 2008, neither Purchaser Shareholder nor any of its Affiliates in which CEDC has a controlling stake shall import, market, promote or distribute in the Territory: (i) any cognacs (or similar brandy), including, without limitation, Martell, Remy Martin, Courvoisier or Otard; (ii) Chivas Regal or Johnnie Walker whiskies; (iii) champagnes (or any other premium sparkling wine) having an import price greater than 60% of the Moët & Chandon champagne FOB price paid by the Joint Venture).

(b) During the term of this Agreement, for so long as the Joint Venture Agreement remains in effect, without the prior written consent of Mark Kaoufman, neither Purchaser Shareholder nor any of its Affiliates will enter into or amend (other than to reduce the scope of the arrangement) any agreement with or provide any services whatsoever (importation, distribution, marketing, promotion, etc) in the Territory to Maxxium and/or Remy Cointreau or any of their related companies.

Section 7.2 Future Opportunities. Mark Kaoufman and CEDC undertake to discuss in good faith any opportunity brought to them, or otherwise available to them, individually or jointly, with a view to contributing to the Group any new brand or distribution contract in the Territory.

Section 7.3 Post-Termination Non-Compete.

(a) From and after the closing of the acquisition of the Call Shares or the Put Shares, as the case may be, pursuant to the valid exercise of an Exit Option, until the second anniversary of the closing of such sale, neither Seller Shareholder nor any of its Affiliates (including, for the avoidance of doubt, Mark Kaoufman and his Affiliates) shall own or conduct any business that produces, imports, markets, promotes or distributes (except at the retail level) in the Territory any wine or spirit that competes with the category of products imported, marketed, promoted or distributed by the Group (including the Joint Venture) at the date of the exercise of the Exit Option; provided that, for the avoidance of doubt, nothing in the foregoing shall prohibit Mark Kaoufman or any of his Affiliates from producing, importing, marketing, promoting, distributing and/or selling any product under the “Kauffman” brand, including, without limitation, Kauffman Vodka and the Kauffman Collection.

(b) Notwithstanding the foregoing, nothing herein shall prevent or limit Mark Kaoufman at any time after the exercise of the Exit Option from providing consulting services (with respect to any part of the value chain) to any Third Party involved in the production, importation, distribution, marketing, promotion or sales of any wines or spirits in the Territory or elsewhere, subject to Mark Kaoufman adhering to the confidentiality restrictions set forth herein.

ARTICLE VIII
ANNUAL BUDGET; INFORMATION AND ACCESS RIGHTS

Section 8.1 Financial and Management Reporting.

(a) The CEO shall cause the Company and the Group on a regular and timely basis to prepare and submit to the Board by November 1 of each calendar year, a proposed annual operating budget for the Group for the next succeeding fiscal year (the "**Annual Budget**"). The Annual Budget shall include product prices and discounts, analysis of days sales outstanding, cash flow and working capital, detailed overheads, distribution channels and shall be prepared in a form to be agreed between the Parties.

(b) The CEO shall cause monthly management reports to be prepared that shall include statements on the sales, cost items and the cash position of the Group, setting forth in each case in comparative form the corresponding figures for the corresponding period (A) of the preceding fiscal year and (B) in the Annual Budget for such period, all in reasonable detail and accompanied by a succinct narrative discussion of the results of operations compared against the Annual Budget of the Group.

(c) In addition, as promptly as practicable after the Company has Knowledge thereof, the Company shall inform (including by facsimile or other electronic transmission) the Shareholders of the following:

(i) the occurrence of any circumstance or event likely to result in a material adverse change in the results of operations or financial condition or prospects of the Group; and

(ii) the commencement of all actions, suits and proceedings before any Governmental Authority affecting the Group.

(d) In addition, the CEO shall cause to be prepared and delivered to the Shareholders (x) monthly financial information on the Company and its Subsidiaries in form and content agreed between the CEO and the Financial Controller sufficient to allow CEDC to prepare US GAAP consolidated financial statements, (y) quarterly financial statements within 10 days following the term of each calendar quarter and (z) such financial and other management reports as either Shareholder may reasonably request.

Section 8.2 Approval of Annual Budget.

(a) The proposed Annual Budget presented to the Board pursuant to Section 8.1, shall be discussed by the Board, which shall have the opportunity to propose changes. In such a case, the CEO shall submit a revised Annual Budget taking into account the proposals and discussions of the Board.

(b) The Board, shall take a final vote on the proposed Annual Budget (as it may have been revised by the CEO) no later than December 1st of each year (the "**Budget Vote**").

(c) In the event that the proposed Annual Budget (in the form presented at the time of the Budget Vote) provides for EBIT at least equal to the target EBIT set forth in the Business Plan for the relevant financial year, no MK Director and no CEDC Director shall have the right to vote against the approval of such proposed Annual Budget in the Budget

Vote (except to the extent that such director determines in good faith, after consulting with outside counsel, that not voting against the approval would conflict with such director's fiduciary obligations imposed by applicable Requirements of Law) and, for the avoidance of doubt, the approval of such an Annual Budget shall not constitute a Key Decision.

(d) In the event that the proposed Annual Budget for a given financial year (in the form presented at the time of the Budget Vote) does not provide for EBIT at least equal to the target EBIT set forth in the Business Plan for the relevant financial year, the approval of such Annual Budget shall constitute a Key Decision requiring unanimous approval of all Directors pursuant to Section 3.5 (c); for the avoidance of doubt, in such case, each Director shall have the right to vote against such proposed Annual Budget in the Budget Vote.

(e) In the event that the Board has not accepted and approved the Annual Budget for any financial year on or before December 1st of the preceding financial year, (i) such failure to approve and accept the Annual Budget shall constitute a Governance Deadlock subject to the provisions of Section 3.8, and (ii) pending resolution of such Governance Deadlock, the Annual Budget to be applied for such financial year shall be the Annual Budget for the previous financial year, adjusted for inflation in accordance with the CPI.

Section 8.3 Access. The Company shall permit each Shareholder and their respective authorized Representatives reasonable access, during regular business hours and upon reasonable advance notice, to the premises, employees and books and records of the Company for purposes consistent with this Agreement, including the purposes of auditing and verification.

ARTICLE IX
CONFIDENTIALITY

Section 9.1 Confidential Information.

(a) Except as otherwise provided by this Agreement, each Party agrees that all information relating to any other Party or its Affiliates obtained by such Party (whether before or after the date hereof) in connection with this Agreement, or in the course of negotiations or investigations leading up to the execution of this Agreement (all such information "**Other Party Confidential Information**"), shall be kept confidential by such Party.

(b) Except as otherwise provided by this Agreement, each Party agrees that all information relating to the Group or its Business obtained by such Party (whether before or after the date hereof) (all such information "**Group Confidential Information**", and together with Other Party Confidential Information, "**Confidential Information**"), shall be kept confidential by such Party.

(c) In addition, each Party agrees (i) to use such Confidential Information solely for the purposes contemplated by this Agreement, or as necessary to carry out the transactions contemplated hereby, and not to use it for any other purpose; (ii) not to disclose to any Person such Confidential Information, except that any Party may disclose such Confidential Information to its Representatives who need to know such Confidential Information for purposes contemplated by this Agreement or as necessary to carry out the obligations of such Party hereunder, (iii) not to disclose to any Person that such Confidential Information has been made available to it and (iv) not to disclose to any Person the

existence of this Agreement or any of the terms, conditions, or other facts with respect to this Agreement, without the prior written consent of the other Parties. Each Party will inform its Representatives of the confidential nature of the Confidential Information and each Party agrees to be responsible for any breach of this Section 9.1 by its respective Representatives (and for such purposes, Mark Kaoufman and New Management Co shall be considered Representatives of Seller Shareholder).

(d) Notwithstanding anything to the contrary herein or in the Confidentiality Agreement, (x) the term "**Other Party Confidential Information**" shall not include any information that (i) at the time of disclosure or thereafter is generally available to and known by the public (other than as a result of a disclosure directly or indirectly by the Party relying on this exception or any of its Representative); (ii) was available to any Party on a non-confidential basis from a source other than any other Party or its Affiliates or any Representative of the foregoing (acting in its capacity as Representative), provided that such source was not known by the Party relying on this exception to be in breach of any obligation of confidentiality to any other Party; or (iii) has been independently acquired or developed by any Party without the use of, and is not derived from, any Other Party Confidential Information and (y) the term "**Group Confidential Information**" shall not include any information that at the time of disclosure or thereafter is generally available to and known by the public (other than as a result of a disclosure directly or indirectly by the Party relying on this exception or any of its Representatives).

Section 9.2 Required Disclosure.

(a) Notwithstanding Section 9.1, if any Party or any of its Affiliates or any of their respective Representatives becomes legally compelled (by deposition, interrogatory, request for documents, subpoena, civil investigative demand or similar process) to disclose any Confidential Information, to the extent allowed by Requirements of Law such Party or Affiliate shall provide the relevant other Party with prompt prior written notice of such requirement (but in any event within 24 hours) to enable the relevant other Party to seek a protective order or other appropriate remedy or waive compliance with the terms of this Section 9.2. In the event that such protective order or other remedy is not obtained, or that the relevant other Party waives compliance with the provisions hereof, the Party subject to the legal compulsion agrees to, and to cause their Affiliates and Representatives to, furnish only that portion of the Other Party Confidential Information which such compelled Party is advised by counsel is legally required and to exercise its best efforts to obtain assurance that confidential treatment will be accorded such Other Party Confidential Information.

(b) Notwithstanding clause (iv) of Section 9.1(c), any Party may disclose the existence and the terms and conditions of this Agreement, to the extent that such disclosure, on the advice of counsel, is required under applicable Requirements of Law; provided that such Party provide all other Parties with prior written notice of, and (if reasonably practicable) Purchaser and Mark Kaoufman will consult with each other on the form and content of such disclosure; it being agreed and understood that CEDC shall report the entry into this Agreement in a Current Report filed on Form 8-K with the SEC and this Agreement shall be filed as an exhibit thereto.

ARTICLE X
TERM

Section 10.1 Effectiveness; Termination. Subject to the Closing, this Agreement shall become effective on the Closing Date, and unless terminated at an earlier date by the mutual agreement of all Parties (including Persons that become Shareholders hereafter), this Agreement shall continue in full force and effect until the consummation of a purchase and sale of the Put Shares pursuant to the exercise of the Put Option in accordance with Section 6.1 or of the Call Shares pursuant to the exercise of the Call Option pursuant to Section 6.2.

Section 10.2 Partial Termination. Except as expressly set forth herein, no Shareholder (including Persons that become Shareholders hereafter) shall have any further rights or obligations under this Agreement from the time that such Shareholder and its Affiliates ceases to beneficially own any Shares.

Section 10.3 Effect of Termination; Survival. The obligations set forth in (i) this Article X, Article IX (Confidentiality) and Article XI (Miscellaneous) and (ii) Section 6.3, Section 6.4 and Section 7.3 shall survive termination according to their terms.

ARTICLE XI
FINANCING AND DIVIDEND POLICY;
COOPERATION; RELATED PARTY TRANSACTIONS

Section 11.1 General Assistance. The Shareholders covenant and agree that each shall make available to the Group its respective general assistance and know-how with respect to the geographical and product markets in which the Group operates the Business so as to further the best interests of the Group.

Section 11.2 Arm's Length Agreements. The Shareholders covenant and agree that any future relations between the any member of the Group and any Shareholder or any Affiliate thereof shall be on an arm's length basis.

Section 11.3 License Agreement. After the Closing, the Group shall retain the right to use the Kauffman trademark pursuant to terms and conditions of the Trademark License Agreement to be entered into at the Closing.

Section 11.4 Dividends. Subject to applicable Requirements of Law, the Shareholders and the Company shall take, or cause to be taken, all necessary action (including, voting all Shares or executing proxies or written consents, causing the Company to call a meeting of Shareholders, and, to the extent permitted by applicable Requirements of Law, directing the Directors designated by them to act) to cause: (i) each Subsidiary within the Group to distribute annually to its shareholder(s) at least 90% of its legally distributable profits, (ii) Whitehall to distribute annually to the Company all its legally distributable profits, and (iii) the Company to distribute annually to the Shareholders all its legally distributable profits.

Section 11.5 Future Funding.

(a) Prior to arranging for any equity funding or Third Party debt financing, the Company shall seek debt financing from CEDC and Purchaser Shareholder under reasonable market terms and at commercially reasonable rates.

(b) If the Board and the Shareholders determine that funding for the implementation of decisions of the Board taken in accordance with Section 3.5 shall be provided by the Shareholders in the form of additional capital contributions, unless the Shareholders agree otherwise, such contributions shall be made by the Shareholders in proportion to their beneficial ownership of Class B Shares (i.e., 25.00 per cent. by Seller Shareholder and 75.00% per cent. by Purchaser Shareholder, such percentage its "**Proportionate Share**"). If a Shareholder fails to provide the Company with its Proportionate Share of such required equity funding, then the other Shareholders shall have the right to provide 100 per cent of the necessary equity funding and the non-participating Shareholder will be diluted accordingly, based on the initial valuation of the Group set forth in the Share Purchase Agreement.

(c) To the extent required under the applicable terms, the Shareholders agree that any Third Party debt funding shall be guaranteed, severally and not jointly, by the Shareholders pro rata to their Proportionate Share.

Section 11.6 Shareholder Loans.

(a) Notwithstanding the foregoing, if the Board decides that the Shareholders shall provide additional capital to the Group in the form of shareholder loans, unless the Shareholders agree otherwise, no Shareholder shall be required to loan the Company more than an amount equal to its Proportionate Share of the total amount of additional financing required.

(b) Unless the Shareholders agree otherwise, any loans to the Company granted from time to time by either Shareholder shall bear interest at an equal rate for each Shareholder if such loans are otherwise provided on the same terms and conditions; provided, however, that any such loan shall be made at an interest rate that allows the Company to deduct the interest expense for tax purposes.

Section 11.7 Revised Business Plan. The Shareholders undertake that they shall negotiate in good faith to develop a mutually acceptable revised Business Plan no later than the third (3rd) anniversary of the date of this Agreement; provided that, for the avoidance of doubt, in no event shall the adoption of a revised Business Plan adversely affect the calculation of the Exercise Price to be paid to Seller Shareholder on consummation of the sale and purchase of its Shares in connection with the exercise of the Put Option or Call Option.

ARTICLE XII
MISCELLANEOUS

Section 12.1 Notices.

(a) Any notice or other communications required or permitted to be given to any Party under or in connection with this Agreement (each a "**Notice**") shall be in writing in the English language and signed on or on behalf of the Party giving the Notice and marked for the attention of the relevant Party. A Notice may be delivered personally or sent by fax (with telephone confirmation), pre-paid recorded delivery or pre-paid registered airmail to the address or fax number set out below (or at such other address or facsimile number as the Party shall furnish the other parties by Notice in accordance with this Section 12.1):

If to Seller Shareholder:

Barclays Wealth Trustees (Jersey) Limited as Trustee
of The First National Trust
39-41 Broad Street
St Helier
Jersey JE4 5PS
The Channel Islands

Attn: Robert Kerley

Facsimile: + 44 1534 873 526
Telephone confirmation: + 44 1534 711 146

With a copy to:

Darrois Villey Maillot Brochier
69 avenue Victor Hugo
75116 Paris
FRANCE
Attn: Alain Maillot / Ben Burman

Facsimile: + 33 (0)1 45 02 49 59
Telephone confirmation: + 33 (0)1 45 02 19 19

If to Purchaser Shareholder:

Polmos Bialystok S.A.
ul. Elewatorska No. 20
15-950 Bialystok
Poland

Attn: President of the Management Board

Facsimile: +48 85 662 7307
Telephone confirmation: + 48 85 651 0496

With a copy to:

Central European Distribution Corporation
ul. Bobrowiecka 6
00-728 Warszawa
Poland

Attn: William V. Carey

Facsimile: +48 22 455 1810
Telephone confirmation: +48 22 488 3400

With a copy to:

Dewey & LeBoeuf
No.1 Minster Court
Mincing Lane
London EC3R 7YL
England

Attn: Stephen J. Horvath

Facsimile: +44 20 7459 5099
Telephone confirmation: +44 20 7459 5000

If to the Company:

Peulla Enterprises Limited
9th Floor
Capital Center
2-4 Makarios Avenue
Nicosia 1065
Cyprus

Attn: Corporate Secretary

With a copy to:

Darrois Villey Maillot Brochier
69 avenue Victor Hugo
75116 Paris
FRANCE
Attn: Alain Maillot / Ben Burman

Facsimile: + 33 (0)1 45 02 49 59
Telephone confirmation: + 33 (0)1 45 02 19 19

With a further copy to:

Central European Distribution Corporation
ul. Bobrowiecka 6
00-728 Warszawa
Poland

Attn: William V. Carey

Facsimile: +48 22 455 1810
Telephone confirmation: +48 22 488 3400

(b) A Notice shall be deemed to have been received:

(i) at the time of delivery if delivered personally;

(ii) at the time of transmission (if such transmission is confirmed) if sent by fax;

(iii) two (2) Business Days after the time and date of mailing if sent by pre-paid inland registered mail; or

(iv) five (5) Business Days after the time and date of mailing if sent by pre-paid registered airmail;

provided that if deemed receipt of any Notice occurs after 6:00 p.m. or is not on a Business Day, deemed receipt of the Notice shall be 9:00 a.m. on the next Business Day. References to time in this Section 12.1 are to local time in the country of the addressee.

Section 12.2 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of New York applicable to agreements made and to be performed entirely within such State, without regard to the conflict of laws principles of such State.

Section 12.3 Dispute Resolution; Consent to Arbitration.

(a) If any dispute, controversy or claim arises out of or in connection with this Agreement, including any question regarding its existence, validity, termination or interpretation or any dispute regarding the validity, amount or liability for a Claim (a "**Dispute**") the Parties shall use all commercially reasonable efforts to resolve the matter amicably. If one Party gives the other notice that a Dispute has arisen and the Parties are unable to resolve the Dispute within thirty (30) days of service of such notice then the Dispute shall be referred to Mark Kaoufman and William V. Carey, or his successor as chief executive officer of CEDC, who shall attempt to resolve the Dispute. No Party shall resort to arbitration against another under this Agreement until thirty (30) days after such referral.

(b) All Disputes, which are unresolved pursuant to Section 12.3(a) and which a Party wishes to have resolved, shall be referred upon the application of any Party to and finally settled under the Rules of Arbitration of the International Chamber of Commerce (the "**Rules**") in force at the date of this Agreement, which Rules are deemed to be incorporated by reference in this Section 12.3. The number of arbitrators shall be three (3), appointed in accordance with the Rules. The seat of the arbitration shall be Paris, France. The language of this arbitration shall be English.

(c) The arbitrators shall have the power to grant any legal or equitable remedy or relief available under law, including but not limited to injunctive relief, whether interim and/or final, and specific performance, and any measures ordered by the arbitrators may be specifically enforced by any court of competent jurisdiction. Each Party retains the right to seek interim or provisional measures, including but not limited to injunctive relief and including but not limited to pre-arbitral attachments or injunctions, from any court of competent jurisdiction, and any such request shall not be deemed incompatible with the agreement to arbitrate or a waiver of the right to arbitrate.

(d) The Parties agree that any arbitral proceedings under this Agreement and any arbitral proceedings under any of the other Transaction Documents (including as amended from time to time) may (to the extent the arbitral tribunal considers appropriate given the

subject matter of the particular dispute) be consolidated or be heard together concurrently before the same arbitral tribunal. The Parties further agree that any arbitral tribunal constituted under this Agreement shall have the power to order consolidation of proceedings or concurrent hearings.

(e) Notwithstanding the agreement to arbitrate set forth in this Section 12.3, the Parties hereby expressly acknowledge and agree that the adjudication of "cause" with respect to the removal of Mark Kaoufman or New Management Co from the office of CEO shall be determined by a Russian court of competent jurisdiction.

(f) Each Party irrevocably consents to service of process in the manner provided for the giving of notices pursuant to Section 12.1 of this Agreement. Nothing in this Section 12.3 shall affect the right of any Party to serve process in any other manner permitted by law.

Section 12.4 Counterparts. This Agreement may be executed by the Parties in counterparts which may be delivered by facsimile transmission. Each counterpart when so executed and delivered shall be deemed an original, and all such counterparts taken together shall constitute one and the same instrument.

Section 12.5 Entire Agreement. This Agreement, together with the other Transaction Documents, and all annexes, exhibits and schedules hereto and thereto, constitute the entire agreement of the Parties with respect to the subject matter hereof and supersede in their entirety all prior agreements (written or oral) with respect thereto including the Heads of Terms, dated February 23, 2008. The Parties intend that this Agreement shall constitute the complete and exclusive statement of its terms and that no extrinsic evidence whatsoever may be introduced in any judicial proceeding involving this Agreement.

Section 12.6 Amendment, Modification and Waiver. No amendment to or modification of this Agreement shall be effective unless it shall be in writing and signed by each Party. Any failure of a Party to comply with any obligation, covenant, agreement or condition contained in this Agreement may be waived by the Party entitled to the benefits thereof only by a written instrument duly executed and delivered by the Party granting such waiver, but such waiver or failure to insist upon strict compliance with such obligation, covenant, agreement or condition shall not operate as a waiver of, or estoppel with respect to, any subsequent or other failure of compliance.

Section 12.7 Severability. If any term, provision, agreement, covenant or restriction of this Agreement is held by a court of competent jurisdiction or other authority to be invalid, void or unenforceable, the remainder of the terms, provisions, agreements, covenants and restrictions of this Agreement shall remain in full force and effect and shall in no way be affected, impaired or invalidated so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any Party. Upon such a determination, the Parties shall negotiate in good faith to modify this Agreement so as to effect the original intent of the Parties as closely as possible in a reasonably acceptable manner in order that the transactions contemplated hereby may be consummated as originally contemplated to the fullest extent possible.

Section 12.8 Successors and Assigns; No Third-Party Beneficiaries. This Agreement and all its provisions shall be binding upon and inure to the benefit of the Parties and their respective permitted successors and assigns. Nothing in this Agreement, whether

expressed or implied, will confer on any person, other than the Parties hereto or their respective permitted successors and assigns, any rights, remedies or obligations. No Party may assign its rights or obligations under this Agreement without the prior written consent of the other Parties hereto (which consent may not be unreasonably withheld) and any purported assignment without such consent shall be void.

Section 12.9 Publicity. Except for any notice which is required by applicable law or regulation or by a Governmental Authority, Seller Shareholder and Purchaser Shareholder each agree that neither it nor any of its Affiliates will issue a press release or make any other public statement with respect to this Agreement or the other Transaction Documents or the transactions contemplated hereby or thereby without the prior written consent of the other, which consent will not be unreasonably withheld or delayed. Seller Shareholder and Purchaser Shareholder agree, to the extent possible and legally permissible, to notify and consult with the other at least twenty-four (24) hours in advance of issuing a press release or making any other public statement.

Section 12.10 Expenses. Except as otherwise expressly stated in this Agreement or the other Transaction Documents, any costs, expenses, or charges incurred by any of the Parties in connection with the negotiation, preparation and performance of this Agreement and the other Transaction Documents shall be borne by the Party incurring such cost, expense or charge whether or not the series of transactions contemplated hereby or thereby shall be consummated.

Section 12.11 Specific Performance. The Parties hereby expressly recognize and acknowledge that immediate, extensive and irreparable damage would result, no adequate remedy at law would exist and damages would be difficult to determine in the event that any provision of this Agreement is not performed in accordance with its specific terms or otherwise breached. Therefore, in addition to, and not in limitation of, any other remedy available to the Parties, an aggrieved Party under this Agreement would be entitled to specific performance of the terms hereof and immediate injunctive relief, without the necessity of proving the inadequacy of money damages as a remedy. Such remedies and any and all other remedies provided for in this Agreement shall, however, be cumulative in nature and not exclusive and shall be in addition to any other remedies whatsoever which any Party may otherwise have.

[The remainder of this page left intentionally blank; signature page follows]

IN WITNESS WHEREOF, each Party hereto has caused this Agreement to be duly executed on its behalf as of the day and year first above written.

BARCLAYS WEALTH TRUSTEES (JERSEY) LIMITED as Trustee of the FIRST NATIONAL TRUST

By: /s/ Paul Sinel
Name: Paul Sinel
Title: Director

POLMOS BIALYSTOK S.A.

By: /s/ Christopher Biederman
Name: Christopher Biederman
Title: Member of the Management Board

By: /s/ Evangelos Evangelou
Name: Evangelos Evangelou
Title: Member of the Management Board

PEULLA ENTERPRISES LIMITED

By: /s/ Arta Antoniou
Name: Arta Antoniou
Title: Director

Schedule 1

Calculation of Exercise Price

A. Assumptions

The Exercise Price will be calculated based on the relevant measure of the Company's financial performance during two separate periods: (A) the period from January 1, 2008 through the end of the year in which the date of exercise of the relevant Exit Option occurs (*e.g.*, if the Call Option is exercised on June 30, 2013, December 31, 2013) (the "**First Period**") and (B) the two full financial years immediately preceding the end of the year in which the date of exercise of the relevant Exit Option occurs (*e.g.*, if the Call Option is exercised on June 30, 2013, the financial years ending December 31, 2012 and December 31, 2013) (the "**Second Period**").

The Exercise Price will be calculated on the basis of the Company's financial performance during these two periods in the following manner:

1. **The First Period**

- $\mathbf{X_{actual}}$ represents the average actual annual Reference Operating Profit of the Company and the Group, based on the audited consolidated financial statements of the Company during the First Period;
- $\mathbf{X_{target}}$ represents the average target annual Reference Operating Profit of the Group set forth in the Exit Price Target Plan for the First Period;
- The "**Reference Operating Profit**" during this First Period shall be calculated as the consolidated EBIT for the Group (which, for the avoidance of doubt, will include the EBIT of the Whitehall Subsidiaries but exclude the EBIT of the Joint Venture) *plus* 50% of the EBIT of the Joint Venture;
- The "**Exit Price Target Plan**" means the target plan agreed between the Parties as of the date hereof.

2. **The Second Period**

- $\mathbf{Y_{actual}}$ represents the actual aggregate total of Reference Operating Profit of the Company and the Group, based on the audited consolidated financial statements of the Company during the Second Period;
- $\mathbf{Y_{target}}$ represents the target aggregate total of Reference Operating Profit of the Group for the Second Period set forth in the Exit Price Target Plan;
- The "**Reference Operating Profit**" during this Second Period shall be calculated as the consolidated EBIT for the Group (which, for the avoidance of doubt, will include the EBIT of the Whitehall Subsidiaries but exclude the EBIT of the Joint Venture) *minus* the EBIT attributable to Kauffman Vodka.

B. Formula For Calculating Exercise Price

The "**Exercise Price"** will be an amount in U.S. dollars calculated according to the following formula:

Exercise Price = $(K_1*0.40 + K_2*0.60)*(\$75 \text{ million} - \text{NetDebt}*0.25) * (1.12)^Q - \text{FOREX}*(1.12)^Q$

Where:

Q represents the number of years (including any fractional year) in the period from the Closing Date through the end of the year in which the date of the exercise of the Exit Option Occurs;

NetDebt represents the Consolidated Net Debt of the Group as of the Closing; and

FOREX is $11,088,000.

It being understood that:

If $(0.75 * \mathbf{X}_{\text{target}}) < \mathbf{X}_{\text{actual}} < (1.25 * \mathbf{X}_{\text{target}})$ *then* $K_1 = (1.6* \mathbf{X}_{\text{actual}} / \mathbf{X}_{\text{target}}) - 0.6$
If $\mathbf{X}_{\text{actual}} < (0.75 * \mathbf{X}_{\text{target}})$ *then* $K_1 = 0.6$
If $\mathbf{X}_{\text{actual}} > (1.25 * \mathbf{X}_{\text{target}})$ *then* $K_1 = 1.4$

If $(0.75 * \mathbf{Y}_{\text{target}}) < \mathbf{Y}_{\text{actual}} < (1.25 * \mathbf{Y}_{\text{target}})$ *then* $K_2 = (1.6* \mathbf{Y}_{\text{actual}} / \mathbf{Y}_{\text{target}}) - 0.6$
If $\mathbf{Y}_{\text{actual}} < (0.75 * \mathbf{Y}_{\text{target}})$ *then* $K_2 = 0.6$
If $\mathbf{Y}_{\text{actual}} > (1.25 * \mathbf{Y}_{\text{target}})$ *then* $K_2 = 1.4$

provided, however, that, in the event of either of the following there shall be no effective floor to the value of the Exit Price and the lower limit of 0.6 to the values of K1 and K2 shall not apply:

(1) As a result of the Investment, Moët Hennessy International exercises a call right over Whitehall's shares in the Joint Venture under the Joint Venture Agreement within 60 days of the Closing (and prevails in any Legal Dispute (as such term is defined in the Joint Venture Agreement) arising out of the exercise of the call right) with the result that the Joint Venture Agreement is terminated.

(2) In the event of Mark Kaoufman's death or permanent disability (as determined by a competent Russian court) Moët Hennessy International exercises a call right over Whitehall's shares in the Joint Venture under the Joint Venture Agreement on the grounds that MK Management is no longer under the effective control of Mark Kaoufman with the result that the Joint Venture Agreement is terminated.

EXHIBIT A

Term Sheet for Management Agreement

Parties:

- New Management Co (**"NMC"**)
- OOO Whitehall-Center (**"Whitehall"**)

Scope: Powers and Obligations

- NMC will be delegated the powers granted to the CEO of Whitehall, pursuant to its articles, applicable Russian Law and the Shareholders Agreement. NMC will exercise those powers on behalf of and to the benefit of the Group as a whole.
- NMC to exercise all powers of CEO and to cause those management and support services to be provided to Group, which when taken with other resources available to the Group Companies, are sufficient for Group to satisfy its corporate purposes and achieve its corporate objectives, including the Business Plan.
- NMC shall act at all times in the interests of Whitehall and the Group in good faith and shall take all reasonable steps necessary or desirable to achieve the corporate purposes and maximize profits of Group

Fees:

- As set out and agreed in the Business Plan, the Management Fees to be paid to NMC shall be as follows:

Period	Amount (RUR million)
2008 (June 1 – Dec. 31)	110
2009	201
2010	215
2011	230
2012	246
2013	264

- These amounts have been taken into account in determining the target EBIT set forth in the Business Plan
- Management fees shall be paid monthly in arrears, no later than 10 days following each month end on receipt of invoice
- Management fees shall be paid in Roubles by wire transfer to NMC account
- Fees set forth above are ex-VAT. In addition, Whitehall will be invoiced and will pay VAT in accordance with applicable Russian regulations.

Term:	June 1, 2008 to December 31, 2013
Governing Law	Russian law
Dispute Resolution	Moscow court of arbitration
Other	• Customary mutual indemnities