

BREWERS AND LICENSED RETAILERS ASSOCIATION

ANNUAL GENERAL MEETING

The 96th Annual General Meeting of the Brewers and Licensed Retailers Association was held at 42 Portman Square, London W1, on Wednesday, 13th December 2000, at 12 noon, Mr Michael Foster in the Chair.

Minutes

The minutes of the Annual General Meeting held on 8th December 1999 were approved.

Annual Report and Statement of Accounts

In presenting his Annual Report, the Chairman thanked the Chief Executive and BLRA staff for the considerable cost savings made during the past year. The Association was on a financially sound footing with further savings yet to be realised, following the sale of the Portman Square building. There had been a number of significant achievements, particularly with regard to excise duty and licensing law. External communications had been strengthened and the Association was now in a better position to communicate its views effectively to Government and other opinion formers.

The Association had to keep pace with the changing face of the industry and during the forthcoming year it was hoped to focus on brewing and retail issues separately, whilst maintaining a united and strong trade association. However, Mr Foster emphasised that the Association could only be as strong and effective as the members' involvement.

On the proposal of the Chairman, Mr Michael Foster, seconded by Mr Tim Bridge (on behalf of Greene King plc), the Annual Report and Statement of Accounts for the year to 30th September 2000, together with the auditors' and Council's reports thereon, were approved and adopted.

Alteration to the Memorandum and Articles of Association

On the proposal of Mr Michael Foster, seconded by Mr Brian Stewart the following resolution was passed unanimously, as a special resolution:

THAT as from 1st January 2001 the Association's Memorandum of Association be altered as follows:

Amendment No 1 Article 6

By amending Clause (4) to read:

A company or partnership shall satisfy the requirements of this clause if, with its subsidiaries, it would be obliged to pay at least the minimum subscription reserved under sub-clause (2)(ii) of Article 11.



Amendment No 2 Article 11

By amending Clause (1) to read:

Full Members (other than subscribers to the Memorandum) and Associate Members shall pay a subscription to the Association in respect of each financial year. No subscription shall be required of Honorary members or subscribers to the Memorandum.

Amendment No 3

By amending Clause (2) to read:

Full Members shall pay a subscription in relation to their brewing, tenanted/leased outlets and managed outlets as follows:

(i) Brewing Subscription

The subscription to be paid by a Full Member in relation to its brewing activities in any financial year shall (subject to the provisions of sub-clause (7) of this Article) be determined by multiplying the Member's Beer Sales by the rate per barrel decided by the Council in respect of that financial year.

Subject to sub-clause (2) (iii) of this Article, where the total subscription to be paid in any financial year by a Full Member would be less than £1,250 or such other amount as decided by the Council in respect of that financial year, then that Member shall be liable to pay a minimum subscription of £1,250, or such other amount as decided by the Council in respect of that financial year.

(ii) Retail Subscription

a) Tenanted/leased outlets

The subscription to be paid by a Full Member in relation to its tenanted/leased outlet ownership in any financial year shall (subject to the provisions of sub-clause (7) of this Article) be determined by multiplying the Member's tenanted/leased outlet ownership by the rate per outlet decided by the Council in respect of that financial year.

b) Managed outlets

The subscription to be paid by a Full Member in relation to its managed outlets in any financial year shall (subject to the provisions of sub-clause (7) of this Article) be determined by multiplying the Member's managed outlet annual turnover (exclusive of VAT) by the percentage decided by the Council in respect of that financial year.

Subject to sub-clause (2) (iii) of this Article, where the total subscription to be paid in any financial year by a Full Member would be less than £1,250 or such other amount as decided by the Council in respect of that financial year, then that Member shall be liable to pay a minimum subscription of £1,250, or such other amount as decided by the Council in respect of that financial year.

- (iii) Where a Full Member would be liable to pay both a minimum brewing and a minimum retail subscription, then the total subscription payable in respect of both subscriptions under this sub-clause shall be £1,500, or such other amount as may be decided by the Council in respect of that financial year.

Amendment No 4 By amending Clause (3) to read:

(i) For the purposes of this Article, a Full Member's Beer Sales shall be defined as follows:-

- (a) Beer Sales means the total sales of that Member (and its subsidiaries) during the immediately preceding financial year (in bulk barrels, net of returns) of beer (including low-alcohol and alcohol free beers), which that Member (or its subsidiaries) produced in or imported into the territories, less any beer which having been produced in or imported into the territories by that Member (or its subsidiaries) was exported from the territories by that Member (or its subsidiaries) during that immediately preceding financial year.
- (b) Where a Full Member enters into any arrangement or agreement under which that Member agrees to brew beer on behalf of another producer or brand owner, (including another Full Member) the amount of beer brewed shall be deemed to be Beer Sales of the Full Member that brews the beer. For the avoidance of doubt, beer brewed on behalf of a Full Member by a person who is not a Full Member shall be included within the beer sales of the Full Member. In the event of any difference of opinion between Full Members as to the application of this clause the decision of the Council shall be final.
- (c) In calculating a Member's Beer Sales for the purposes of Clause (3) there shall be included the volume of any liquor added or intended to be added to that beer by the Member or any other person.

(ii) For the purposes of this Article a Full Member's tenanted/leased outlet ownership and managed outlet annual turnover shall be defined as follows:

Tenanted/Leased outlet ownership means the highest number of full on-licensed outlets owned under a freehold interest or a lease granted for a term of 21 years or more, by that Member (or its subsidiaries) at any time during the immediately preceding financial year.

Managed outlet annual turnover means the annual turnover of all the full on-licensed outlets directly managed or owned by that Member (or its subsidiaries) during the immediately preceding financial year. For the avoidance of doubt, annual turnover includes both wet and dry turnover (including drinks and food sales) but excludes all turnover derived from machines (including cigarette and gaming machines) and accommodation (room only) charges.

Amendment No 5 By amending Clause (4) to read:

Where a Full Member is elected to Full Membership but has :

- (i) Not produced beer regularly throughout the whole of the financial year preceding election then the relevant component of that Full Member's subscription shall be determined according to an annualised rate of production calculated by reference to the beer produced by that Full Member during the three months prior to its election, or such shorter period during which beer shall have been produced prior to election; or
- (ii) Not owned full on-licensed Tenanted/Leased outlets at any time during the financial year preceding election then the relevant component of that Full Member's subscription shall be determined according to the number of full on-licensed Tenanted/Leased outlets owned on the date of election; or
- (iii) Not directly managed full on-licensed (managed) outlets during the whole of the financial year preceding election then the relevant component of that Full Member's subscription shall be determined according to an annualised managed outlet annual turnover calculated by reference to the turnover of all the managed outlets operated by that Member in the three months prior to the election or such shorter period during which managed outlets shall have been operated by that Member prior to its election.

Amendment No 6 By amending Clause (5) to read:

Subject always to the provisions of sub-clause 3(i)(b) which take precedence over the provisions of this sub-clause, where the beneficial interest in 15% or more of the issued share capital of a body corporate which is not a Full Member of the Association (or its subsidiary) is held by a Full Member of the Association (or its subsidiary), then any beer produced or full on-licensed outlets owned or managed outlet annual turnover generated, by that body corporate shall be attributed to that Member for the purpose of calculating that Member's subscription, in the same proportion as the equity share holding in that body corporate of the Member (and its subsidiaries) bears to the issued equity share capital of that body corporate.

Amendment No 7 By amending Clause (6) to read:

Subject to the provisions of clause (7) of this Article, the Council may prescribe for any financial year the subscriptions of Associate Members according to such criteria as the Council may from time to time determine.

Amendment No 8 By amending Clause (7) to read:

The Council may modify the application of clauses (2) and (6) of this Article, by making differential provision as between Full Members whose principal place of business is outside England, Scotland and Wales and those whose principal place of business is within England, Scotland and Wales.

Amendment 9

By amending Clause (8) to read:

(i) Subscriptions shall be due on the 1st October in each financial year. The Council may allow a discount to be given to Members who pay their annual subscription in full before a date as decided by the Council in respect of each financial year. The amount of discount which may be given to Members shall be the proportion of the subscription that the Council shall at any time and from time to time decide.

(ii) Where the membership of a Full Member or an Associate Member commences after the commencement of a financial year, the subscription for that year shall be calculated at the rate of 1/12th of the full year's subscription for each unexpired month or part month of that year, measured from the date the Member's election.

Amendment No 10 Article 12

By amending Clause (4) to read:

A Member whose subscription in respect of any financial year shall be more than three months in arrears may be required by the Council to resign and if it does not so resign the Council may remove that Member's name from the register or list of Members. Such member shall be liable to pay all outstanding subscription due at the time it resigns or its name is so removed.

Amendment No 11 Article 42

By amending Clause (2) to read:

The number of members (excluding alternates) to be so nominated by any Full Member shall be determined by that Full Member's subscription expressed as a percentage of the total subscriptions received by the Association in that Financial Year, in accordance with the following table -

Not more than 2.5 %	One Member
More than 2.5% but not more than 5%	Two Members
More than 5% but not more than 10%	Three Members
More than 10%	Four Members

Election of Chairman

On the motion of Mr John Brackenbury (on behalf of Pubmaster Ltd), seconded by Mr Paul Theakston (on behalf of Black Sheep Brewery), Mr Michael Foster was unanimously re-elected as Chairman of the Association for the coming year.

Mr Brackenbury considered the Association to be fortunate in electing Mr Foster for another term, particularly following his successful management of changes within the BLRA. Mr Theakston endorsed these comments and welcomed especially Mr Foster's broad experience in dealing with large and small companies alike.

Mr Foster expressed appreciation for the kind words and the honour bestowed upon him by members.

Election of Vice-Chairman

On the motion of Mr Michael Foster (on behalf of W H Brakspear & Sons plc), seconded by Mr Giles Thorley (on behalf of the Unique Pub Co plc), Mr Timothy Clarke, in his absence, was unanimously re-elected Vice-Chairman of the Association for the coming year.

Mr Foster commented that Mr Clarke had been a strong supporter of the Association over the past two years.

Auditors

On the proposal of Mr Tom Wells (on behalf of Charles Wells Ltd), seconded by Mr Mike Clayton (on behalf of Jennings Brothers plc) the retiring auditors Pricewaterhouse-Coopers were re-appointed and the Council was authorised to fix their remuneration.

Certified true copy
[Signature]
6/6/01