

THE COMPANIES ACTS 1985 AND 1989

COMPANY LIMITED BY SHARES

RESOLUTION

of

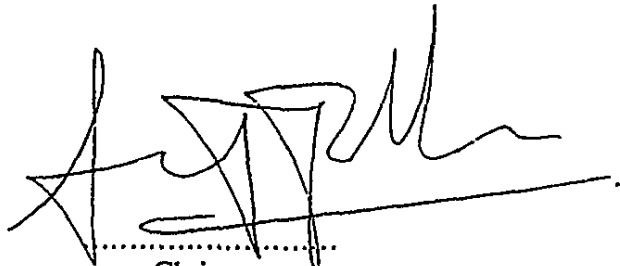
THE INDEPENDENT FAMILY BREWERS OF BRITAIN  
(the "Company")

PASSED on 11th MARCH 1998

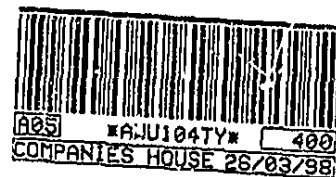
At an Extraordinary General Meeting of the Company held on 11th March 1998 the following resolution was passed as a Special Resolution:

SPECIAL RESOLUTION

THAT, the regulations contained in the printed document produced to the Meeting and for the purpose of identification signed by the Chairman thereof be and they are hereby approved and adopted as the Articles of Association of the Company in substitution for and to the exclusion of all existing Articles of Association thereof.

  
.....  
Chairman

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THE COMPANIES ACT 1985

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COMPANY LIMITED BY GUARANTEE  
AND NOT HAVING A SHARE CAPITAL

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ARTICLE 2: ASSOCIATION

OF

THE INDEPENDENT FAMILY BREWERS OF BRITAIN  
(adopted by special resolution passed on 11th March 1998)

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1 Preliminary

1.1 In these Articles:

"the "Act" means the Companies Act 1985.

"Area Group" means a group of Council Members as from time to time designated by the Executive Members under Article 3.2.

"Council Member" means an Independent Family Brewer which has been admitted to Council Membership under Articles 3.5 and 3.7.

"Independent Family Brewer" means a member of the Brewers' and Licensed Retailers' Association (as that organisation may be renamed from time to time) carrying on business in Scotland, England and Wales as a brewer of beer, whether alcoholic or not, and a licensed victualler and being a company substantially under the control, directly or indirectly, of one or more families who are actively involved in the operation of the business.

"Table A" means Table A in the Companies (Tables A to F) Regulations 1985 as amended by the Companies (Tables A to F) (Amendment) Regulations 1985. References to regulations are to regulations in Table A.



the "Statutes" means the Act and any statutory modification or re-enactment thereof for the time being in force and every other act for the time being in force concerning companies and affecting the Company.

1.2 Regulations 2 to 35 inclusive, 38, 54, 55, 57, 59, 64, 79, 101 to 108 inclusive, 110, 114, 116, 117 and 118 inclusive, shall not apply to the Company, but the Articles hereinafter contained and the remaining regulations of Table A, subject to the modifications hereinafter expressed, shall constitute the regulations of the Company.

1.3 Throughout Table A the word "Council Members" shall be substituted for the word "Member" and the words "Executive Members" shall be substituted for the word "Director".

## 2 Interpretation

2.1 In regulation 1 the definition of "the holder" shall be omitted.

## 3 Council Members

3.1 Such companies as are from time to time admitted to membership in accordance with these Articles shall be the Council Members of the Company.

3.2 The Executive Members shall divide the membership into one or more Area Groups and the Executive Members may from time to time increase or decrease the number of such groups.

3.3 The Executive Members shall on admitting a company to membership allocate that company to such Area Group as the Executive Members shall in their absolute discretion determine and the Executive Members may from time to time by notice in writing to a Council Member direct that from a date specified in such notice that Council Member shall no longer be a member of the Area Group of which it was a member at the date of such notice but shall thereafter be a member of the Area Group specified in such notice.

3.4 Every company which wishes to become a Council Member shall deliver to the Company an application for membership in such form as the Executive Members require executed by it.

3.5 No company shall be admitted to membership of the Company unless:

- (a) it is an Independent Family Brewer;
- (b) its application is approved by the Executive Members; and
- (c) its application is not rejected by the Council Members pursuant to Article 3.6.

- 3.6 Upon approval of an application for membership the Executive Members shall notify in writing all Council Members of the proposed admission of such company to membership and such company's admission shall be confirmed 21 days thereafter unless before expiry of such period the Executive Members shall have received written notice rejecting that company's admission from not less than 4 Council Members.
- 3.7 The Executive Members shall notify in writing any company whose application for membership is rejected but shall not be bound to give any reason therefor.
- 3.8 A Member shall cease to be a Council Member of the Company:
- (a) on giving at least 7 clear days' notice in writing to the Company;
  - (b) on the date which is 90 days after the date of receipt of written notice from the Executive Members that in their opinion the Council Member has ceased for whatever reason to satisfy the criteria for membership specified in paragraph (a) of Article 3.5, provided that if such cessation is as a result of the Council Member ceasing in the opinion of the Executive Members to be substantially under the control, directly or indirectly, of one or more families who are actively involved in the business its membership shall not cease if the Members in general meeting so determine;
  - (c) on an ordinary resolution of which at least 14 clear days' notice has been duly given being passed at a general meeting of the Company by not less than two-thirds of the Council Members present and voting that the membership of the Council Member be terminated;
  - (d) on a petition being presented or a meeting convened for the purpose of winding up the Member or on its entering into a composition with its creditors or having a receiver or administrative receiver appointed over all or a substantial part of its assets.
- 3.9 The Executive Members may at any time require any company whose name is entered or proposed to be entered in the register of Council Members of the Company to furnish them with any information, supported (if the Executive Members so require) by a statutory declaration, which they may consider necessary for the purpose of determining whether or not the Council Member or proposed Council Member satisfies the criteria for membership specified in paragraph (a) of Article 3.5.
- 3.10 Membership shall not be transferable.



4 General meetings

- 4.1 The Executive Members shall call not less than two general meetings in each calendar year and each such meeting shall be held on a date which is not more than seven months after the date on which the last such meeting was held. Regulation 37 shall be modified accordingly.

5 Notice of general meetings

- 5.1 An annual general meeting and an extraordinary general meeting called for the passing of a special resolution or an elective resolution or a resolution appointing a person as an Executive Member shall be called by at least 21 clear days' notice. All other extraordinary general meetings shall be called by at least 14 days' notice but a general meeting, other than one called for the passing of an elective resolution, may be called by shorter notice if it is so agreed:

- (a) in the case of an annual general meeting, by all the Council Members entitled to attend and vote thereat; and
- (b) in the case of any other meeting, by a majority in numbers of the Council Members having a right to attend and vote being a majority together holding not less than 95 per cent. of the total voting rights at the meeting of all the Council Members or such lesser percentage, not being less than 90 per cent., as may be specified in or pursuant to any elective resolution passed by the Company.

The notice shall specify the time and place of the meeting, the general nature of the business to be transacted and the terms of any resolution to be proposed at it and, in the case of an annual general meeting, shall specify the meeting as such.

The notice shall be given to all the Council Members and to the Executive Members and to such auditors (if any) as may be appointed from time to time.

6 Proceedings at general meetings

- 6.1 Regulation 41 shall be modified by the insertion at the end of that regulation of the following sentence: "If at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting the meeting shall be dissolved."
- 6.2 The words "and at any separate meeting of the holders of any class of shares in the company" shall be omitted from regulation 44.
- 6.3 Paragraph (d) of regulation 46 shall be omitted.



- 6.4 A resolution in writing executed in accordance with regulation 53 shall be deemed to be duly executed (in the case of a corporation) by a director or the secretary thereof. In the case of joint Council Members the signature of any one of such joint Council Members shall be sufficient for the purposes of that regulation. The Executive Members shall cause a record of each resolution in writing and of the signatures to it, to be entered in a book in the same way as minutes of a general meeting of the Company and to be signed by an Executive Member or secretary of the Company.

7 Votes of members

- 7.1 ~~On~~ Subject to Article 7.2, on a show of hands or a poll every Council Member present by duly appointed corporate representative shall have one vote.
- 7.2 No Council Member shall be entitled to vote at any general meeting unless all moneys presently payable by it to the Company have been paid.

8 Executive Members

- 8.1 Unless otherwise determined by ordinary resolution, the number of Executive Members (other than alternate Executive Members) shall not be subject to any minimum but shall not be more than the product of 2 and the number of Area Groups from time to time.

9 Executive Members' expenses

- 9.1 The words "of any class of shares or" shall be omitted from regulation 83.

10 Appointment, removal and disqualification of Executive Members

- 10.1 The office of an Executive Member shall be vacated if:
- (a) he is removed from office under Article 10.2; or
  - (b) if the Area Group which has appointed such Executive Member pursuant to Article 10.2 is disbanded or merged with another Area Group pursuant to Article 3.2.

Regulation 81 shall be modified accordingly.

- 10.2 Each Area Group shall be entitled from time to time to appoint two Executive Members and to remove from office any person so appointed and to appoint another person in his place. Any such appointment or removal shall be effected by an instrument in writing signed on behalf of the holder or holders for the time being of more than one half of the total voting rights of the Council Members of the relevant Area Group and deposited at the registered office of the Company or delivered to a meeting of the Executive Members.



- 10.3 The provisions of regulations 73 to 78 inclusive shall apply to the Company but so that:
- (a) they are applied separately and independently to the respective Executive Members appointed from time to time by each Area Group;
  - (b) any appointment or reappointment or other matter required to be determined thereunder shall be determined solely by the votes of the Members of the Area Group concerned; and
  - (c) in regulation 73 the words "one half of the Executive Members of each Area Group who are subject to retirement by rotation shall retire from office, but if an Area Group has only one appointee to the Executive who is subject to retirement by rotation, he shall retire." shall be substituted for the words "one third of the directors who are subject to retirement by rotation or, if their number is not three or a multiple of three, the number nearest to one third shall retire from office; but, if there is only one director who is subject to retirement by rotation, he shall retire".

## 11 Proceedings of Executive Members

- 11.1 Any Executive Member or member of a committee of the Executive may participate in a meeting of the Executive Members or such committee by means of conference telephone or similar communications equipment whereby all persons participating in the meeting can hear each other and participation in a meeting in this manner shall be deemed to constitute presence in person at such meeting.
- 11.2 The following sentence shall be inserted after the first sentence of regulation 72: "Any committee shall have power unless the Executive Members direct otherwise to co-opt as a member or members of the committee for any purpose any person or persons although not being an Executive Member of the Company.".
- 11.3 For a signed resolution under regulation 93 to be effective it shall not be necessary for it to be signed by an Executive Member who is prohibited by the Articles or by law from voting thereon. Regulation 93 shall be modified accordingly.
- 11.4 In paragraph (c) of regulation 94 the word "debentures" shall be substituted for the words "shares, debentures or other securities" in both place where they occur.

## 12 Minutes

- 12.1 The words "of the holders of any class of shares in the company" shall be omitted from regulation 100.



13 The seal

- 13.1 If the Company has a seal, it shall only be used with the authority of the Executive Members or a committee of the Executive Members. The Executive Members may determine who shall sign any instrument to which the seal is affixed and unless otherwise so determined it shall be signed by an Executive Member and by the secretary or second Executive Member.

14 Rules & bylaws

- 14.1 The Executive Members may from time to time make such rules or bylaws as they may deem necessary, expedient or convenient for the proper conduct and management of the Company and for the purposes of prescribing classes of and conditions of membership, (and may amend or revoke any such rule or bylaw previously made) and in particular but without prejudice to the generality of the foregoing, they may by such rules or bylaws regulate:

- (a) the conduct of Council Members in relation to one another;
- (b) the procedure at general meetings and meetings of the Executive Members and any committees of the Executive Members in so far as such procedure is not regulated by these Articles;
- (c) generally, all such matters as are commonly the subject matter of company rules.

provided always that no rule or bylaw shall be inconsistent with, or affect or repeal anything expressly contained in, the Company's Memorandum of Association or these Articles.

- 14.2 The Executive Members shall adopt such means as they think sufficient to bring to the notice of Council Members all such rules or bylaws, which shall be binding on all Members.

15 Use of profits and dividends

- 15.1 All the profits (if any) and other income of the Company shall be applied in promoting its objects and the Company shall not declare or pay any dividends to its Council Members.

16 Notices

- 16.1 The second sentence of regulation 112 shall be omitted.
- 16.2 The words "or of the holders of any class of shares in the company" shall be omitted from regulation 113.





16.3 Every Executive Member of the Company and every alternate Executive Member shall be entitled to receive notices of general meetings (at his usual address or such other address as he may notify to the Company) in addition to the persons so entitled under the Statutes. The third sentence of regulation 112 shall be deleted.

16.4 Any notice required by these Articles to be given by any person may be given by any visible form on paper, including telex, facsimile and electronic mail, and a notice communicated by such forms of immediate transmission shall be deemed to be given at the time it is transmitted to the person to whom it is addressed. Regulations 111 and 112 shall be amended accordingly.

17 **Indemnity**

17.1 Subject to the provisions of and so far as may be consistent with the Statutes, but without prejudice to any indemnity to which an Executive Member may be otherwise entitled, every Executive Member, auditor, secretary or other officer of the Company shall be entitled to be indemnified by the Company against all costs, charges, losses, expenses and liabilities incurred by him in the execution and/or discharge of his duties and/or the exercise of his powers and/or otherwise in relation to or in connection with his duties, powers or office including (without prejudice to the generality of the foregoing) any liability incurred by him in defending any proceedings, civil or criminal, which relate to anything done or omitted or alleged to have been done or omitted by him as an officer or employee of the Company and in which judgment is given in his favour (or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part) or in which he is acquitted or in connection with any application under any statute for relief from liability in respect of any such act or omission in which relief is granted to him by the Court.

