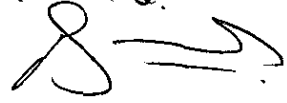


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THE COMPANIES ACT 1985  
COMPANY LIMITED BY SHARES  
NEW ARTICLES OF ASSOCIATION  
of

PUB ENTERPRISES LIMITED  
(Adopted by Special Resolution passed on 27<sup>th</sup> September, 2000)

25/11/00  
These are the Regulations  
proposed as the New Articles  
of Association of the Company  
referred to in the Special  
Resolution to be considered  
at the G.M. of the Company  
of even date.  


PREAMBLE

1. (a) The Regulations contained in or made applicable by Table A of the Schedule to the Companies (Tables A to F) Regulations 1985 (hereinafter called "Table A") shall apply to the Company except in so far as they are hereinafter excluded, modified or varied, and such Regulations (save as so excluded modified or varied) and the Articles hereinafter contained shall be the Regulations of the Company.
- (b) In these Articles the expression "the Act" means the Companies Act 1985 including any statutory modification or re-enactment thereof for the time being in force.
- (c) Unless otherwise required by the context of these Articles and the Regulations contained in Table A in so far as not excluded, modified or varied, words importing the singular number shall include the plural and vice versa, words importing the masculine gender shall include the feminine, and words importing persons shall include corporations, firms, companies, trustees, executors and administrators.

SHARE CAPITAL

2. Clause 5 in Table A shall not apply to the Company.
3. Clause 32 (a) in Table A shall not apply to the Company.
4. The Company may from time to time be Special Resolution increase its authorised share capital by new shares of such amount as the Resolution shall prescribe.

ALLOTMENT OF SHARES

5. (a) Shares which are comprised in the authorised share capital of the Company at the date of adoption of these Articles (£100.00) shall be under the control of the Directors who may (subject to Section 80 of the Act and to paragraph (d) below) allot, grant options over or otherwise dispose of the same to such persons on such terms and in such manner as they think fit.



- (b) All shares which are not comprised in the authorised share capital with which the Company is incorporated and which the Directors propose to issue shall first be offered to the Members in proportion as nearly as may be to the number of the existing shares held by them respectively unless the Company in General Meeting shall be Special Resolution otherwise direct. The offer shall be made by notice specifying the number of shares offered and limiting a period (not being less than fourteen days) within which the offer if not accepted will be deemed to be declined. After the expiration of that period, those shares so deemed to be declined shall be offered in the proportion aforesaid to the persons who have, within the said period, accepted all the shares offered to them; such further offer shall be made in like terms in the same manner and limited by a like period as the original offer. Any shares not accepted pursuant to such offer or further offer as aforesaid or not capable of being offered as aforesaid except by way of fractions and any shares released from the provision of this Article by any such Special Resolution as aforesaid shall be under the control of the Directors who may allot grant options over or otherwise dispose of the same to such persons, on such terms, and in such manner as they think fit provided that in the case of shares not accepted as aforesaid, such shares shall not be disposed of on terms which are more favourable to the subscribers therefor than the terms on which they were offered to the Members. The foregoing provisions of this paragraph (b) shall have effect subject to Section 80 of the Act.
- (c) In accordance with Section 91(1) of the Act Sections 89(1) and 90(1) to (6) inclusive of the Act shall not apply to the Company.
- (d) The directors are generally and unconditionally authorised for the purposes of Section 80 of the Act to exercise any power of the Company to allot and grant rights to subscribe for or convert securities into shares of the Company up to the amount of the authorised share capital with which the Company is incorporated at any time or times during the period of five years from the date of incorporation and the Directors may after that period allot any shares or grant any such rights under this authority in pursuance of an offer or agreement so to do made by the Company within that period. The authority hereby given may at any time (subject to the said Section 80) be renewed, revoked or varied by Ordinary Resolution of the Company in General Meeting.

## SHARES

- 6. The lien conferred by Clause 8 in Table A shall attach also to fully paid-up shares and the Company shall also have a first and paramount lien on all shares, whether fully paid or not standing registered in the name of any person indebted or under liability to the Company whether he shall be the sole registered holder thereof or shall be one of two or more joint holders for all moneys presently payable by him or his estate to the Company. Clause 8 in Table A shall be modified accordingly.

7. The liability of any Member in default in respect of a call shall be increased by the addition at the end of the first sentence of Clause 18 in Table A of the words "and all expenses that may have been incurred by the Company by reason of such non-payment".

#### GENERAL MEETINGS AND RESOLUTIONS

8.
  - (a) A notice convening a General Meeting shall be required to specify the general nature of the business to be transacted only in the case of special business and Clause 38 in Table A shall be modified accordingly.
  - (b) All business shall be deemed special that it is transacted at an Extraordinary General Meeting and also all that is transacted at an Annual General Meeting with the exception of declaring a dividend, the consideration of the accounts, balance sheets, and the reports of the Directors and Auditors, and the appointment of, and the fixing of the remuneration of, the Auditors and the Directors.
  - (c) Every notice convening a General Meeting shall comply with the provisions of Section 372(3) of the Act as to giving information to Members in regard to their right to appoint proxies; and notices off and other communications relation to any General Meeting which any Member is entitled to receive shall be sent to the Directors and to the Auditors for the time being of the Company.
9.
  - (a) Clause 40 in Table A shall be read and construed as if the words "at the time when the Meeting proceeds to business" were added at the end of the first sentence.
  - (b) If a quorum is not present within half an hour from the time appointed for a General Meeting the General Meeting shall stand adjourned to the same day in the next week at the same time and place or to such other day and at such other time and place as the Directors may determine; and if at the adjourned General Meeting a quorum is not present within half an hour from the time appointed therefor such adjourned General Meeting shall be dissolved.
  - (c) Clause 41 in Table A shall not apply to the Company.
10. Clause 46 in Table A shall be read and construed as if the words "one Member" were substituted for the words "two Members" in sub paragraph (b) thereof, as if the word "or" were removed from the end of sub paragraph (b) thereof, and as if sub paragraphs (c) and (d) thereof were delete.
11. On a Resolution being proposed at any General Meeting of the Company for the removal from office of a Director that Director shall, on a show of hands and/or on a poll in respect of such Resolution have the right to two votes for every share of which he is the holder, and Clause 54 in Table A shall be modified accordingly.

#### DIRECTORS' APPOINTMENTS AND INTERESTS

12. (a) Clause 64 in Table A shall not apply to the Company.
  - (b) The maximum number and minimum number respectively of the Directors may be determined from time to time by Ordinary Resolution in General Meeting of the Company. Subject to and in default of any such determination there shall be no maximum number of Directors and the minimum number of Directors shall be one.
  - (c) The Directors shall not be required to retire by rotation and Clauses 73 to 80 inclusive in Table A shall not apply to the Company.
  - (d) No person shall be appointed a Director at any General Meeting unless either:-
    - (i) he is recommended by the Directors; or
    - (ii) not less than fourteen nor more than thirty five clear days before the date appointed for the General Meeting notice executed by a Member qualified to vote at the General Meeting has been given to the Company of the intention to propose that person for appointment together with notice executed by that person of his willingness to be appointed.
  - (e) Subject to paragraph (d) above, the Company may by Ordinary Resolution in General Meeting appoint any person who is willing to act to be a Director, either to fill a vacancy or as an additional Director.
  - (f) The Directors may appoint a person who is willing to act to be a Director, either to fill a vacancy or as an additional Director, provided that the appointment does not cause the number of Directors to exceed any number determined in accordance with paragraph (b) above as the maximum number of Directors and for the time being in force.
13. If any Director shall be called upon to perform extra services or to make any special exertions for any of the purposes of the Company or the business thereof, the Company shall remunerate the Director or Directors so doing either by a fixed sum or otherwise as may be determined and such remuneration may be either in addition to or in substitution for his or their ordinary remuneration.
  14. A Director may hold any other office or place of profit under the Company (other than the office of Auditor) in conjunction with his office of Director for such period and on such terms as to remuneration and otherwise as the directors may determine and no Director or intending Director shall be disqualified by his office from contracting with the Company either with regard to his tenure of such other office or place of profit or as vendor, purchaser or otherwise nor shall any such

contract or any contract or arrangement entered into by or on behalf of the company in which any Director is in any way interested be liable to be avoided nor shall any Director so contracting or being so interested be liable to account to the Company for any profit realised by any such contract or arrangement, by reason of such Director holding that office or of the fiduciary relation thereby established.

15. A Director may act by himself or his firm in a professional capacity for the Company and he or his firm shall be entitled to remuneration for professional services as if he were not a Director, providing that nothing herein contained shall authorise a Director or his firm to act as Auditor to the Company.

#### BORROWING POWERS

16. The Directors may exercise all the powers of the Company to borrow money without limit as to amount and upon such terms and in such manner as they think fit and subject (in the case of any security convertible into shares) to Section 80 of the Act to grant any mortgage, charge or standard security over its undertaking, property and uncalled capital, or any part thereof, and to issue debentures, debenture stock, and other securities whether outright or as security for any debt, liability or obligation of the Company or of any third party.

#### ALTERNATE DIRECTORS

17. (a) An alternate Director shall not be entitled as such to receive any remuneration from the Company, save that he may be paid by the Company such part (if any) of the remuneration otherwise payable to his appointor as such appointor may by notice in writing to the Company from time to time direct and the first sentence of Clause 66 in the Table A shall be modified accordingly.
- (b) A Director or any such other person as is mentioned in Clause 65 in Table A may act as an alternate Director to represent more than one Director and an alternate Director shall be entitled at any meeting of the Directors or of any committee of the Directors to one vote for every Director whom he represents in addition to his own vote (if any) as a Director but he shall count as only one for the purpose of determining whether a quorum is present.

#### DISQUALIFICATION OF DIRECTORS

18. Clause 81 in Table A shall be read and construed as if there were added a new sub paragraph (f) as follows:- "he becomes incapable by reason of illness or injury of managing and administering his property and affairs."

19. Clause 81(e) in Table A shall be read and construed as if the word "twelve" were substituted for the word "six", and as if the word "or" were added at the end thereof.

#### GRATUITIES AND PENSIONS

20. (a) The Directors may exercise the powers of the Company conferred by Clause 3(10) of the Memorandum of Association of the Company and shall be entitled to retain any benefits received by them or any of them by reason of the exercise of any such powers.
- (b) Clause 87 in Table A shall not apply to the Company.

#### PROCEEDINGS OF DIRECTORS

21. (a) A Director may vote at any meeting of the Directors or of any committee of the Directors on any resolution notwithstanding that it in any way concerns or relates to a matter in which he has directly or indirectly any kind of interest whatsoever and if he shall vote on any such resolution as aforesaid his vote shall be counted; and in relation to any such resolution as aforesaid he shall (whether or not he shall vote on the same) be taken into account in calculating the quorum present at the meeting.
- (b) Clauses 94 and 97 inclusive in Table A shall not apply to the Company.
22. Whensoever the minimum number of the Directors shall be one, a sole Director shall have authority to exercise all the powers and discretions by Table A and by these Articles expressed to be vested in the Directors generally, and Clause 89 in Table A shall be modified accordingly.

#### INDEMNITY

23. (a) Every Director or other officer of the company shall be indemnified out of the assets of the Company against all losses or liabilities which he may sustain or incur in or about the execution of the duties of his office or otherwise in relation thereto, including any liability incurred by him in defending any proceedings whether civil or criminal in which judgment is given in his favour or in which he is acquitted or in connection with any application under Section 144 or Section 727 of the Act in which relief is granted to him by the Court and no Director or other officer shall be liable for any loss damage or misfortune which may happen to or be incurred by the Company in the execution of the duties of his office or in relation thereto. But this Article shall only have effect in so far as its provisions are not voided by Section 310 of the Act.
- (b) Clause 118 in Table A shall not apply to the Company.

#### TRANSFER AND TRANSMISSION OF SHARES

24. (a) The Directors may in their absolute discretion and without assigning any reason therefor decline to register any transfer of a share whether or not it is a fully paid share.
- (b) Clause 24 in Table A shall not apply to the Company.
- (c) It shall not be competent for a Member to transfer beneficial ownership of a share whether or not it is a fully paid share without the written consent of the Directors.
25. (a) A person becoming entitled to a share or shares in consequence of the death, insanity or bankruptcy of a Member or liquidation of a corporate Member may, upon such evidence being produced as the Directors may properly require, apply either to become the holder of the share or shares or to have some person nominated by him registered as the transferee. If he applies to become the holder he shall give notice to the Company to that effect. If he applies to have another person registered he shall execute an Instrument of Transfer of the share or shares to that person. All the Articles of the Company relating to the transfer of shares shall apply to said Notice or said Instrument of Transfer as if it were an Instrument of Transfer executed by the Member and as if the death, insanity, bankruptcy or liquidation of the Member had not occurred and accordingly the Directors may decline to register said Notice or said Instrument of Transfer in their absolute discretion and without assigning any reason therefor. In the event of a person becoming entitled to a share or shares as aforesaid the Directors shall be entitled, but not bound, at any time between the date on which that person becomes entitled and the date which is two months after the date of receipt by the Company of said Notice or said Instrument of Transfer, to give written notice to that person requiring that person to sell said share or shares to any person or persons whom the Directors may select including any one or more of themselves at a price to be fixed, failing agreement, as the fair value thereof as at the date of said written notice, by the Auditor of the Company, or, in the event of his failing to act, by an Arbiter to be nominated (failing agreement) by the President for the time being of the Institute of Chartered Accountants in Scotland and the Certificate of said Auditor or said Arbiter as to such value shall be final and binding on all parties. The price shall be paid by the purchaser within seven days of the value being so fixed and in the event of any default by the person under obligation to sell as aforesaid, the Directors may receive the purchase price and authorise one of themselves to execute an Instrument of Transfer in respect of the share or shares in favour of the purchaser and on that being done the Directors shall cause such transfer to be registered and the name of the purchaser to be entered in the Register of Members as the holder of the share or shares and shall hold the purchase price in trust for

the person who was under obligation to sell as aforesaid. The receipt of the Directors or any of them for the purchase price shall be a good discharge to the purchaser and after his name has been entered in the Register of Members in exercise or purported exercise of the foregoing power, the validity of the proceedings shall not be challengeable by any person.

- (b) Clause 30 in Table A shall not apply to the Company.
26. Notwithstanding the terms of Article 25(a) hereof, the Directors shall be obliged, provided that it has been lodged at the office or at such other place as the Directors may appoint and has been accompanied by the Certificate or Certificates for the share or shares to which it relates and by such other evidence as the Directors may reasonably require to show not only the right of the transferor to make the transfer, but also the right of the transferee to be registered as a Member, to register any transfer of a share or shares by a person becoming entitled thereto in consequence of the death of a Member in favour of that member's spouse and/or lawful issue, and Clause 29 in Table A shall be modified accordingly.
27. (a) A person becoming entitled to a share or shares in consequence of the death, insanity or bankruptcy of a Member or liquidation of a corporate member shall have the rights to which he would be entitled if he were the holder of the share or shares, except that he shall not, before being registered as the holder of the share or shares, be entitled in respect of it or them to attend or vote at any meeting of the Company or at any separate meeting of the holders of the class of shares in the Company.
- (b) Clause 31 in Table A shall not apply to the Company.