

CERTIFIED TO BE A TRUE
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Sapphire Rural Destination No. 5 Limited

(the "Company")

Written Special Resolution of the Members



We, being all those members entitled to attend and vote at meetings of the Company convened for the purpose of passing or sanctioning the following special resolutions, hereby resolve unanimously in accordance with Section 381A of the Companies Act 1985 (as amended) as follows:

It being noted that:

- (A) Greene King plc ("**GK**") has acquired the Neighbourhood Business of Laurel Pub Holdings Limited and some of its subsidiaries (including the Company) for £about 666 million today, 6 August 2004 (the "**Acquisition**").
- (B) In order for GK to continue to comply with the borrowing limits and financial covenants in respect of:
 - (i) the £86,000,000 11¼ per cent. Several Debenture Stock 2006 of PUBCO PLC as constituted and secured by a Trust Deed dated 29 July 1991 (as supplemented from time to time, the "**PUBCO Trust Deed**"); and
 - (ii) the £25,000,000 7.75 per cent. Debenture Stock 2027 of GK (formerly issued by Morland plc) as constituted and secured by a Trust Deed dated 27 May 1997 (as supplemented from time to time, the "**GK Trust Deed**"),(together, the "**Trust Deeds**"), it was proposed that the Company, together with other Laurel subsidiaries of GK, should accede to the Trust Deeds as a Charging Subsidiary (as defined therein).
- (C) The Company has provided copies of the following documents in relation to the proposal which are attached to this written resolution and initialled for the purpose of identification:
 - (i) a draft twelfth supplemental trust deed to the PUBCO Trust Deed to be made between, amongst others, GK (as borrower), the Company (as an additional charging subsidiary) and The Law Debenture Trust Corporation p.l.c. (as trustee, the "**Trustee**"); and
 - (ii) a draft third supplemental trust deed to the GK Trust Deed to be made between, amongst others, GK, the Company (as an additional charging subsidiary) and the Trustee (together, the "**Supplemental Deeds**").

Accordingly, **WE RESOLVE THAT:**

- 1** it is in the best interests of the Company to execute the Supplemental Deeds and it is to the further benefit and advantage of the Company to give the guarantees and to grant the floating charges on the terms contemplated in each of the Supplemental Deeds;
- 2** the terms of each of the Supplemental Deeds and the transactions contemplated thereby, be and are hereby approved; and

- 3 the Company and its directors be and are hereby instructed and authorised to take any action in connection with the negotiation, execution, delivery and performance of the Supplemental Deeds and each of the guarantees and floating charges on the terms contemplated in each of the Supplemental Deeds as they shall deem necessary or appropriate in their discretion.

Signed:

A handwritten signature in black ink, appearing to read 'Mah Moh', written over a dotted line.

Name:

For and on behalf of **LR Pubs Holdings E Limited**

DATED:

6

August 2004