

Company Number 2264251

**THE COMPANIES ACT 1985**

WEDNESDAY



LD6 01/10/2008 328  
COMPANIES HOUSE

**A PRIVATE COMPANY LIMITED BY SHARES**

**MEMORANDUM OF ASSOCIATION**

**OF**

**MAGNOX NORTH LIMITED**

1. The Company name is "MAGNOX NORTH LIMITED" <sup>1</sup>
2. The registered office of the Company will be situate in England
3. The objects<sup>2</sup> for which the Company is established are:-
  - (1) To acquire or take over such part of the property, rights and liabilities of the Central Electricity Generating Board as is prescribed for it under a scheme made under any enactment and to carry on, expand and extend the businesses and activities prescribed for it therein or any part or parts of them (including, without limitation, the business and activity of an electricity generator).
  - (2) To carry on the business of a holding company and to co-ordinate, finance and manage all or any part of the businesses and operations of any and all companies controlled directly or indirectly by the Company or in which the Company is interested, whether as a shareholder or otherwise and whether directly or indirectly
  - (3) To carry on all or any of the businesses in all or any of their branches of generating and producing electricity by means of nuclear plant or materials and of transmitting, supplying and distributing any electricity so produced and to acquire supplies of electricity from, and to provide bulk and other supplies thereof to, any person for own use, supply, transmission, distribution, or otherwise both in the United Kingdom and elsewhere
  - (4) To carry on all or any of the businesses in all or any of their branches of generating and producing electricity by means of hydro-electric plants at Maentwrog Power Station and such other fossil fuel plants and other fuel plants as are transferred to the Company pursuant to the Scheme referred to in Clause 4(1) above and of

<sup>1</sup> The Company's name was changed from "TRUSHELFCO (NO 1 305) LIMITED" to "NUCLEAR ELECTRIC LIMITED" pursuant to a special resolution passed on 27th November 1989, further changed to "NUCLEAR ELECTRIC plc" pursuant to a special resolution to re-register the Company as a public company passed on 10th January 1990, and further changed to "MAGNOX ELECTRIC plc" on 1st April 1996, further changed to "MAGNOX ELECTRIC Limited" pursuant to a special resolution to re-register the Company as a private limited company passed on 23 March 2005, and further changed to "Magnox North Limited" pursuant to a Special Resolution passed on 29 September 2008

<sup>2</sup> The objects of the Company were altered pursuant to special resolutions of the shareholders passed on 19th March 1990, 19th March 1997, 9<sup>th</sup> December 2002 and 23 March 2005

transmitting, supplying and distributing any electricity so produced and to acquire supplies of electricity from, and to provide bulk and other supplies thereof to, any person for own use, supply, transmission, distribution, or otherwise both in the United Kingdom and elsewhere

(5) To design, acquire, import or otherwise obtain, and to buy, sell, lease, manufacture, supply, deal in and otherwise acquire or dispose of any nuclear or other fuels or raw materials or sources (whether or not radioactive) or any forms of energy whether or not for use in connection with the generation of electricity or any other form of energy and to process and deal in and dispose of any such fuels raw materials or sources or forms of energy or any by-products thereof (including processing and re-processing and irradiating and storage and disposing of nuclear fuel) and to process, deal in and dispose of any by-products which may be obtained from any of the activities of the Company, including the activities of generating, producing, transmitting, supplying or distributing electricity or other forms of energy and of manufacturing, supplying or dealing in radioactive substances and the activities of shutting down, decommissioning and making safe any plant or equipment or fuel used or operated by the Company in any of its businesses<sup>3</sup>

(6) To carry on all or any of the businesses in all or any of their branches of constructing, designing, engineering, manufacturing, supplying, hiring out, installing, servicing, dealing in, shutting down, decommissioning and disposing of in a safe manner all types of buildings, plant and equipment used in connection with the generation, production, transmission, supply or distribution of electricity from any plants (whether using nuclear material or otherwise) operated by the Company (including such buildings, plant and equipment used in connection with the conservation of energy) and the provision of services by the Company in connection with nuclear fuel, fissile material, radioactive substances and nuclear reactors and other irradiation facilities

(7) To carry out design work, building, mining, engineering, exploration, research work or other operations or works and to manufacture, machine, process, supply, acquire or deal in goods or materials (including mining products and mined substances), where any such activity may in the opinion of the Directors be necessary or expedient in respect of, any of the activities or businesses being carried on by the Company, or where such activity may involve the research into and/or development, manufacture and exploitation for general commercial purposes of any product or process derived from activities of or developed by any body or organisation engaged in the nuclear industry

(8) To carry on business as inventors, researchers and developers and to conduct, promote and commission research of all kinds and research and development activities of all kinds whether related to the generation, production, transmission, supply or distribution of electricity or other forms of energy or otherwise (including such research and development activities relating to the conservation of energy) and to exploit and turn to account the results of any such research or research and development carried out by or for the Company or otherwise.

---

<sup>3</sup> This sub-clause was altered pursuant to a special resolution passed on 8 July 1992

(9) To do anything which the Company is or may be authorised to do under or pursuant to the Electricity Act 1989 and/or The Nuclear Installations Act 1965 (or any statutory modification or re-enactment thereof) or any licence granted to the Company thereunder or pursuant thereto or which the Company is required or permitted to do under or by virtue of such Act or licence.

(10) To carry on all or any of the businesses of consultants, advisers and suppliers of management, personnel and training services, whether generally or in respect of one or more of the types of business or activity which the Company has power to carry on, and to provide training and educational courses, instruction and materials, of every description, for employees of the Company and for other persons.

(11) To apply for, purchase or otherwise acquire, protect, maintain and renew any patents, patent rights, trade marks, designs, licences and other intellectual property rights of all kinds or any secret or other information as to any invention and to use, exercise, develop or grant licences in respect of, or otherwise turn to account or deal in or with, the property, rights or information so acquired and to experiment with any such rights which the Company may propose to acquire.

(12) To establish and maintain or contribute to or make any arrangements for providing pensions, superannuation funds, donations, allowances, share acquisition schemes, gratuities, emoluments or other benefits to or for the benefit of any individuals who are or were at any time in the employment or service of the Company or of any company which is its holding company or is a subsidiary of the Company or any such holding company or otherwise is allied to or associated with the Company, or who are or were at any time directors or officers of the Company or of any such other company, and the wives, widows, families and dependants of any such individuals, to establish and subsidise or subscribe to any institutions, associations, clubs or funds which may be considered likely to benefit from such persons or to further the interests of the Company or of any such other company; and to make payments for or towards the insurance of any such persons; and in particular but without prejudice to the generality of the foregoing in connection with any acquisition pursuant to sub-clause (1) of this Clause to make arrangements for the continuance or transfer to the Company of any pension arrangements of the Central Electricity Generating Board

(13) To subscribe for, or contribute (in cash or in kind) to, and to promote or sponsor, any national, charitable, benevolent, general or useful object of a public character or any object which may in the opinion of the Company be likely directly or indirectly to further the interests of the Company, its employees or its members.

(14) To pay and discharge all or any expenses, costs and disbursements, to pay commissions and to remunerate any person for services rendered or to be rendered in connection with the formation, promotion, registration and flotation of the Company and the underwriting or placing or issue at any time of any securities of the Company or of any other person.

(15) To sell, lease, grant rights over or otherwise dispose by any means of the whole or any part of the assets of the Company or of any interest therein for such consideration as the Company may think fit

(16) To acquire (whether by purchase, lease, concession, grant or otherwise), establish, develop, exploit, operate and maintain, deal in and sell land, claims, wells, mines, licences, consents, authorisations, concessions, drilling and mining rights, exploration and production rights, and/or rights and interests of all descriptions, in or relating to, the same, which may seem to the Company capable either of facilitating directly or indirectly the generation or production of electricity or of being carried on together with any of the other businesses or activities of the Company or of affording a supply of natural or other gas, petroleum or other hydrocarbons, coal or other minerals, any other sources or forms of energy, chemicals or revenue derived directly or indirectly from any of them for the purposes of any business carried on by the Company

(17) To construct, lay, maintain and remove and carry on works in respect of electric wires (including those overhead and underground), cables, lines, plant and equipment and facilities ancillary to the operation or use of a grid or distribution networks, and to acquire, operate and maintain the consents, authorisations, way-leaves, easements and other rights capable of facilitating the aforesaid in connection with the business being carried on by the Company

(18) To carry on for the purpose of any business carried on by the Company referred to above all or any of the activities of, and provide services associated with, engineers (including, without limitation, electrical, mechanical, mining, drilling, civil, chemical and telecommunications engineers), contractors, consultants, mechanics, technicians, geologists, draughtsmen, designers, surveyors, architects, builders and decorators of all kinds.

(19) To carry out such building, mining, engineering or other operations and works, and to manufacture or deal in such goods and to acquire, hold or deal with such property, as may seem directly or indirectly to advance the interests of the Company

(20) To carry on all or any of the businesses of running, operating, managing, or co-operating in projects or works designed to restore, preserve, improve or protect the environment in any manner whatsoever or to carry on any business of any kind concerned, directly or indirectly and whether or not connected with any other activity or object of the Company, with the conservation of energy.

(21) To apply for, promote and obtain any Act of Parliament, privilege, concession, licence or authorisation of any government, state or municipality, or any other department or authority, or enter into arrangements with any such body, for enabling the Company to carry any of its objects into effect or for extending any of the powers of the Company or for effecting any modification of the constitution of the Company or for any other purpose which may seem to the Company to be expedient, and to oppose any proceedings or applications which may seem calculated directly or indirectly to prejudice the interests of the Company.

(22) To enter into such financial, commercial or other transactions as may seem desirable for the purposes of the Company's affairs

(22A) To provide any guarantee or indemnity in respect of the performance or discharge of any obligation or liability by, or otherwise for the benefit of, any person.<sup>4</sup>

(23) To lend money or give credit with or without security, but not to carry on the business of a registered money lender

(24) To borrow or raise or secure the payment of money in such manner as the Directors shall approve and in particular but without prejudice to the generality of the foregoing by the issue of debentures or debenture stock, perpetual or otherwise charged upon all or any of the Company's property (both present and future), and to purchase, redeem or pay off any such securities.

(25) To enter into consortia or other collaborative joint venture arrangements which may seem to advance the interest of the Company in pursuance of international, domestic or other projects.

(26) To acquire and hold interests of any kind whatsoever in other companies which carry on any business which is similar to that which is or may be carried on by the Company and to enter into any arrangements with other companies which carry on any business which is similar to that which is or may be carried on by the Company which may seem to advance the interests of the Company

(27) To have regard to the protection of the natural environment and of buildings or other objects of historic, architectural, religious or other significance, when formulating and implementing proposals and to advise, inform and educate any persons about nuclear operations and nuclear fuels.

(28) To act as agents, brokers or trustees and to enter into any arrangement for partnership, joint working, joint venture in business or for the sharing of profits or for amalgamation with any other person who carries on objects similar to those set out above and which may seem to advance the interests of the Company

(29) To purchase or otherwise acquire and undertake all or any part of the business, property and liabilities of any person carrying on any business which the Company is authorised or empowered to carry on or possessed of any property suitable for the purposes of the Company.

(30) To do all or any of the above things in any part of the world, and either as principal, agents, trustee, contractor or otherwise, and either alone or in conjunction with others, and either by or through agents, trustees, subsidiary companies, sub-contractors or otherwise

(31) To distribute among members of the Company in specie or otherwise, by way of dividend or bonus or by way of reduction of capital, all or any of the property or assets of the Company, or any proceeds of sale or other disposal of any property or

---

<sup>4</sup> This sub-clause was inserted pursuant to a special resolution passed on 8th July 1992

assets of the Company, with and subject to any incident authorised and consent required by law

(32) To carry on any other business or activity of any nature whatsoever which may seem to the Directors to be capable of being conveniently or advantageously carried on in connection or in conjunction with any business of the Company hereinbefore authorised with a view directly or indirectly to enhancing the value of or to rendering profitable or more profitable any of the Company's assets or utilising its skills, know-how or expertise.

(33) To do all such other things as may be deemed, or as the Company considers to be, incidental or conducive to the attainment of the above objects or any of them.

AND IT IS HEREBY DECLARED that in this clause:-

(a) unless the context otherwise requires, words in the singular include the plural and vice versa,

(b) unless the context otherwise requires, a reference to a person includes a reference to a company, and a reference to a person or company (other than references to the Company) includes a reference to a firm, partnership, corporation, government or other authority (municipal, local or otherwise), undertaking, organisation, association, statutory, public or other body and any other legal entity, whether resident, domiciled or situated (in any such case) in the United Kingdom or elsewhere,

(c) the words "subsidiary" and "holding company" have the same meaning as in section 736 of the Companies Act 1985 and the phrase "subsidiary undertakings" shall have the same meaning as in the Companies Act 1989, and

(d) the objects specified in each of the foregoing paragraphs of this clause shall be separate and distinct objects of the Company and accordingly shall not be in any way limited or restricted (except so far as otherwise expressly stated in any paragraph) by reference to or inference from the terms of any other paragraph or the order in which the paragraphs occur or the name of the Company, and none of the paragraphs shall be deemed merely subsidiary or incidental to any other paragraph

5 The liability of the members is limited.

6 The share capital of the Company is £50,000 divided into 50,000 Shares of £1 each, and the Company shall have the power to divide the original or any increased capital into several classes, and to attach thereto any preferential, deferred, qualified or other special rights, privileges, restrictions or conditions.<sup>5</sup>

---

<sup>5</sup> The share capital was changed from £100 divided into 100 Shares of £1 each by resolution passed on 20th December 1989

**THE COMPANIES ACT 1985**

**PRIVATE COMPANY LIMITED BY SHARES**

**ARTICLES OF ASSOCIATION**

**-of-**

**MAGNOX NORTH LIMITED**

**PRELIMINARY**

- 1 The regulations contained in Table A in the Schedule to the Companies (Tables A to F) Regulations 1985 (SI 1985 No 805) as amended by the Companies (Tables A to F) (Amendment) Regulations 1985 (SI 1985 No 1052) and as further amended by The Companies Act 1985 (Electronic Communications) Order 2000 (SI 2000 No 3373) (such Table being hereinafter called "Table A") shall apply to the Company save in so far as they are varied or excluded by or are inconsistent with these articles, and regulation 1 shall so apply as if references to "these regulations" included references to these articles. Accordingly, in these articles "the Act" means the Companies Act 1985, including any statutory modification or re-enactment of it for the time being in force, and any reference in these articles to a provision of that Act includes a reference to any statutory modification or re-enactment of that provision for the time being in force.
- 2 Regulations 24, 57, 62, 64, 73 to 80 (inclusive), 94 to 96 (inclusive), 101 and 118 in Table A shall not apply to the Company.

**TRANSFER OF SHARES**

- 3 Regulation 23 in Table A shall apply to the Company as if the instrument of transfer of any share shown in the Memorandum of Association to have been taken by a subscriber to it need not be executed by or on behalf of the transferee, even where the share is not fully paid.
- 4 The directors may in their absolute discretion, and without giving any reason, decline to register any transfer of any share, whether or not fully paid.

**PROCEEDINGS AT GENERAL MEETINGS**

- 5 Where the Company has only one member, regulation 40 in Table A shall apply to the Company as if reference to two persons were a reference to one and the word "each" were omitted.

**DELIVERY OF PROXIES**

- 6 The appointment of a proxy and (if required by the directors) any authority under which the proxy is appointed or a copy of the authority, certified notarially or in some other manner

approved by the directors, shall be deposited or received at the office (or at such other place or address, including an address for the purpose of receiving electronic communications, or delivered to such person, as may be specified or agreed by the directors) at or before the time for holding the meeting or adjourned meeting at which the person named in the appointment of proxy proposes to act or, in the case of a poll taken subsequently to the date of the meeting or adjourned meeting, at or before the time appointed for the taking of the poll, and an appointment of proxy which is not so deposited, received or delivered shall be invalid

## **DIRECTORS**

- 7 Unless otherwise determined by ordinary resolution the number of directors (other than alternate directors) shall not be subject to any maximum but shall not be less than one

## **APPOINTMENT, RETIREMENT AND REMOVAL OF DIRECTORS**

- 8 A member or members holding a majority in nominal value of the issued ordinary shares in the Company may appoint any person who is willing to act to be a director, either to fill a vacancy or as an additional director, and may remove from office any director however appointed. Any such appointment or removal shall be effected by an instrument in writing signed by the member or members concerned or, in the case of a corporate member, signed by one of its directors on its behalf, and shall take effect on lodgement at the registered office
- 9 The Company may by ordinary resolution appoint any person who is willing to act to be a director, either to fill a vacancy or as an additional director and, without prejudice to the provisions of the Act, may by ordinary resolution remove a director from office
- 10 A person may be appointed as a director of the Company notwithstanding that such person may, at the time of appointment, be a director of British Nuclear Group Limited (company number 5245506) ("BNG") or any other Company that holds directly or indirectly a majority of the issued share capital of the Company
- 11 The removal of a director under article 8 or article 9 shall be without prejudice to any claim the director may have for breach of any contract of service between him and the Company
- 12 No person shall be disqualified from being or becoming a director by reason of his attaining or having attained the age of 70 or any other age

## **PROCEEDINGS OF DIRECTORS**

- 13 A director who has duly declared his interest (so far as he is required to do so) shall not vote at a meeting of the directors or of a committee of the directors on any resolution concerning a matter in which he is interested, directly or indirectly. If he does, his vote shall not be counted, and whether or not he does, his presence at the meeting shall not be taken into account in calculating the quorum
- 14 Where the Company has only one director, that director may exercise all the powers of the directors by regulation 70 in Table A or otherwise by virtue of these articles, notwithstanding any restriction in regulation 89 (as to quorum for the transaction of the business of directors) or regulation 90 (as to the purposes for which a sole continuing director may act)

## **ELECTRONIC COMMUNICATION BOARD MEETINGS**

- 15 A meeting of the directors may be held between directors some or all of whom are in different places provided that each director who participates in the meeting is able to communicate with each of the other participating directors whether directly or by any form of electronic communication or a combination of such methods, such that each director is able



- (a) to hear each of the other participating directors addressing the meeting; and
- (b) if he so wishes, to address each of the other participating directors simultaneously

A quorum shall be deemed to be present if those conditions are satisfied in respect of at least the number and designation of directors required to form a quorum. A director shall be regarded for all purposes as being present in person if and for so long as those conditions are satisfied in respect of him. A meeting held in this way shall be deemed to take place at the place where a majority of the directors participating in the meeting is assembled or, in default of such a majority, at the place where the Chairman of the meeting is physically present.

## **SEAL**

16

- (a) If the Company has a seal it shall only be used with the authority of the directors or of a committee of directors. The directors may determine who shall sign any instrument to which the seal is affixed and unless otherwise so determined it shall be signed by a director and by the secretary or a second director.
- (b) The obligation under regulation 6 of Table A relating to the sealing of share certificates shall apply only if the Company has a seal.
- (c) The Company may exercise the powers conferred by Section 39 of the Act with regard to having an official seal for use abroad, and such powers shall be vested in the directors.

## **INDEMNITY**

17 Subject to the provisions of the Act, the Company may

- (A) indemnify any person who is or was a director, directly or indirectly (including by funding any expenditure incurred or to be incurred by him), against any loss or liability, whether in connection with any proven or alleged negligence, default, breach of duty or breach of trust by him or otherwise, in relation to the Company or any associated company, and/or
- (B) purchase and maintain insurance for any person who is or was a director against any loss or liability or any expenditure he may incur, whether in connection with any proven or alleged negligence, default, breach of duty or breach of trust by him or otherwise, in relation to the Company or any associated company.

For the purposes of this article no person appointed or employed by the Company as an auditor is an officer of the Company.

## **RESTRICTIONS ON DIRECTORS' POWERS**

18 Notwithstanding any provision in these articles to the contrary, each of the following shall be deemed to be a variation of the rights attaching to the ordinary shares and accordingly shall occur and be effective only with the prior written consent of the holders of the ordinary shares (the "Shareholders")

- (A) appointing any directors to the board of the Company or its subsidiary Energy Sales and Trading Limited (Company number 3857761) ("ESTL"),
- (B) removing or causing the removal of any of the directors appointed by the Shareholders from the board of the Company or ESTL,
- (C) make any change to the nature of the Company's or ESTL's business,
- (D) causing or permitting the Company to undertake any activity otherwise than in fulfilment of obligations arising from any contract in respect of the management and operation of a nuclear site in respect of which the Company holds a nuclear site licence, made between the Company and the Nuclear Decommissioning Authority (a "Nuclear Site Contract"),
- (E) causing or permitting the Company or ESTL to use a nuclear site (or part thereof) other than in fulfilment of its obligations under any Nuclear Site Contract in respect of that nuclear site,
- (F) causing or permitting the Company or ESTL to dispose, let or otherwise part with the possession of the whole or any part of any nuclear site or of any business, undertaking or asset including any asset subject to a finance or operating lease,
- (G) making any change to the Company's or ESTL's accounting reference date,
- (H) making any change to the accounting policies and procedures save as required by applicable Law or UK generally accepted accounting principles;
- (I) causing or permitting the Company or ESTL to give any form of guarantee or other security,
- (J) causing or permitting the Company or ESTL to create or permit to subsist any claim, option, charge, lien, equity, encumbrance, right of pre-emption or any other third party right over any assets of the Nuclear Decommissioning Authority or give any guarantee or indemnity to or for the benefit of any person or otherwise assume liability or become obliged (actually or contingently) in respect of any obligation of any other person, in each case other than as permitted by any Nuclear Site Contract,
- (K) causing or permitting the Company or ESTL to borrow (including intra group) or make any payment under any intra-group borrowings,
- (L) causing or permitting the Company or ESTL to commence any litigation or arbitration,
- (M) creating or acquiring any subsidiary or make or have any investment in any other entity, except for the deposit of cash with a bank as approved by the Shareholders,
- (N) causing or permitting the Company or ESTL to incur any liability or financial indebtedness,
- (O) causing or permitting the Company or ESTL to make any loan or granting any credit, or having or permitting to subsist any loan or any credit, to any person;

- (P) causing or permitting the Company or ESTL to enter into any finance or operating leases,
- (Q) notwithstanding any activities permitted by a Nuclear Site Contract, cause or permit the Company or ESTL to enter into any contract other than the Nuclear Site Contract where a disproportionate element of liability, cost or benefit is likely to crystallise after the expiry of that Nuclear Site Contract,
- (R) causing or permitting the Company or ESTL to declare or pay any dividend (equity or preference), and
- (S) causing or permitting the Company or ESTL to make any payments to its Shareholders or to any of its affiliates