

Company no 2366633



Certified a true copy.

AFC

Company Secretary

20/9/96

**THE COMPANIES ACT 1985
COMPANY LIMITED BY SHARES**

RESOLUTIONS OF WESSEX WATER PLC

At the Annual General Meeting of the Company held at the Assembly Rooms, Bennett Street, Bath on Friday 6 September 1996 the following resolutions were passed as Special Resolutions:

RESOLUTION 9: AUTHORITY TO PURCHASE SHARES

THAT the Company be generally and unconditionally authorised to make market purchases (within the meaning of Section 163(3) of the Companies Act 1985) of ordinary shares of the Company provided that:

- (i) the maximum number of shares hereby authorised to be acquired is 21,500,000 ordinary shares of 60 pence each
- (ii) the minimum price which may be paid for any such shares is 60 pence
- (iii) the maximum price which may be paid for any such share is an amount equal to 105% of the average of the middle market quotations for an ordinary share of the Company as derived from the London Stock Exchange Daily Official List for the ten business days immediately preceding the day on which the share is contracted to be purchased; and
- (iv) the authority hereby conferred shall expire fifteen months from the date of this resolution, or if earlier, at the conclusion of the Annual General Meeting of the Company in 1997, but a contract of purchase may be made before such expiry which will or may be executed wholly or partly thereafter, and a purchase of shares may be made in pursuance of any such contract.

RESOLUTION 10: AUTHORITY TO ALLOT SHARES FOR CASH

THAT the Directors be empowered, pursuant to Section 95 of the Companies Act 1985, for a period expiring 15 months following the passing of this resolution or, if earlier, at the conclusion of the annual general meeting of the company to be held in 1997, to allot equity securities (within the meanings of Section 94(2) of the Companies Act 1985) wholly for cash pursuant to the general authority conferred by a special resolution passed on 3 September 1993 as if Section 89(1) of that Act did not apply to such allotment and the Directors shall be entitled to make at any time prior to the expiry of the power hereby conferred any offer or agreement which would or might require equity securities to be allotted after the expiry of such power provided that such power shall be limited:

- (i) to the allotment of equity securities (other than B shares and C shares) in connection with a rights issue; for the purposes of this Resolution "rights issue" means an offer or offers of equity securities open for acceptance for a period fixed by the directors whereby ordinary shares or other equity securities are offered to (a) holders on the

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register on a fixed record date of ordinary shares in proportion to their respective holdings of ordinary shares and (b) holders on the register on a fixed record date of B shares and C shares to the extent required by the rights attached to such shares and (c) holders of options issued pursuant to an option instrument dated 26 February 1991 (as amended) in accordance with their rights, but subject in all cases to such exclusions or to other arrangements as the directors may deem necessary or expedient to deal with fractional entitlements or legal or practical problems under the laws of, or the requirements of, any regulatory body or stock exchange in any territory whatsoever; and

- (ii) to the allotment (otherwise than pursuant to sub-paragraph (i) above) of equity securities (other than B Shares and C Shares) up to an aggregate nominal value of £6,450,000; and
- (iii) to the allotment of B shares to holders of B shares up to an aggregate nominal value of £906,753; and
- (iv) to the allotment of C shares to holders of C shares up to an aggregate nominal value of £28,948.

For the purpose of this resolution words and expressions defined in or for the purposes of the Articles of Association and Part IV of the Companies Act 1985 shall bear the same meanings herein.