

Registered No. 2366949

**NORWEB plc**

In accordance with Section 381A of the Companies Act 1985 ("the Act") we the undersigned, all the members for the time being entitled to attend and vote at a general meeting of the company, hereby resolve as a SPECIAL RESOLUTION:-

**Adoption of new Articles of Association**

THAT the new Articles of Association (attached as Appendix A) be adopted as the company's Articles of Association in substitution for the existing articles of association.

*T. J. H. H. H.*  
.....

For and on behalf of  
United Utilities PLC  
Dated: 20 January 1998

*PNA*  
*P. N. A.*  
.....

For and on behalf of  
United Utilities Nominees Ltd  
Dated: 20 January 1998



Company No: 2366949

**THE COMPANIES ACTS 1985 AND 1989**

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**PRIVATE COMPANY LIMITED BY SHARES**

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**ARTICLES OF ASSOCIATION**

**OF**

**NORWEB plc**

**(adopted by special resolution passed on 20 January 1999)**

Company No: 2366949

THE COMPANIES ACTS 1985 AND 1989

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PRIVATE COMPANY LIMITED BY SHARES

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ARTICLES OF ASSOCIATION

OF

NORWEB plc

(adopted by special resolution passed on 20 January 1999)

1 **Preliminary and Interpretation**

1.1 In these articles:

“Table A” means Table A of The Companies (Tables A to F) Regulations 1985, as amended by The Companies (Tables A to F) (Amendment) Regulations 1985;

references to a “regulation” are to a regulation in Table A;

references to an “article” are to a provision of these articles;

references to the “Act” are to the Companies Act 1985 and any statutory modification or re-enactment thereof for the time being in force; and

words and phrases used in these articles shall have the meanings ascribed to them in or by virtue of Table A.

- 1.2 The regulations in Table A shall apply to the Company, except where they are excluded or modified by these articles or are otherwise inconsistent with these articles and, together with these articles, they shall constitute the articles of the Company.

2 **Lien**

- 2.1 The lien conferred by regulation 8 shall attach also to fully paid 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 member, whether he is their sole registered holder or is one of two or more joint holders, for all money presently payable by him or his estate to the Company. Regulation 8 shall be modified accordingly.

3     **Notice of general meetings**

- 3.1     Subject to the Act, notice of any general meeting need not be given to any director in that capacity. Regulation 38 shall be modified accordingly.

4     **Proceedings at general meetings**

- 4.1     No business shall be transacted at any meeting unless a quorum is present. Two persons entitled to vote upon the business to be transacted, each being a member or a proxy for a member or a duly authorised representative of a corporate member, shall be a quorum. Regulation 40 shall not apply to the Company.

- 4.2     If within half an hour from the time appointed for a general meeting, a quorum is not present or, if during a meeting a quorum ceases to be present, the meeting, if convened upon the requisition of the members, shall be dissolved; in any other case, it shall stand adjourned to the same day in the next week at the same time and place or to such time and place as the directors may determine. If a quorum is not present at any such adjourned meeting within half an hour from the time appointed for that meeting, the meeting shall be dissolved. Regulation 41 shall not apply to the Company.

- 4.3     A poll may be demanded at any general meeting by any member entitled to vote at the meeting. Regulation 46 shall be modified accordingly.

5     **Votes of members**

- 5.1     A proxy shall be entitled to vote on a show of hands and regulation 54 shall be modified accordingly.

6     **Number of directors**

- 6.1     Unless and until the Company in general meeting shall otherwise determine, the number of directors shall not be subject to any maximum but shall not be less than two. Regulation 89 shall be modified accordingly.

7     **Delegation of directors' powers**

- 7.1     The directors may delegate any of their powers to committees consisting of such persons, whether directors or not, as they think fit. Regulation 72 shall be modified accordingly.

8     **Appointment and retirement of directors**

- 8.1     The directors shall not be subject to retirement by rotation and accordingly:
- (a)     regulations 73 to 77 inclusive, the last two sentences of regulation 79, regulation 80 and the last sentence of regulation 84 shall not apply to the Company; and

- (b) regulation 78 shall apply but with the deletion of the words "subject as aforesaid" and of the words "and may also determine the rotation in which additional directors are to retire".

8.2 A member or members holding the whole or a majority in nominal value of the issued ordinary share capital for the time being of the Company shall have power from time to time and at any time to appoint any person as a director or directors either as an additional director or to fill any vacancy and to remove from office any director howsoever appointed. Any such appointment or removal shall be effected by an instrument in writing signed by the member or members making the same, or in the case of a member being a body corporate signed by one of its directors or other officers on its behalf, and shall take effect upon lodgement at the registered office of the Company or such later date as may be specified in the instrument.

8.3 No person shall be disqualified from becoming a director by reason of his attaining or having attained the age of 70 or any other age.

## **9 Gratuities and pensions**

9.1 The directors may, on behalf of the Company, exercise all the powers of the Company to provide benefits, whether by the payment of gratuities or pensions or by insurance or in any other manner (whether similar to the foregoing or not), for any director or former director or any relation, connection or dependant of any director or former director who holds or has held any executive office or employment with the Company or with any company which is or has been the Company's holding company, parent undertaking, subsidiary or subsidiary undertaking or a subsidiary or subsidiary undertaking of the Company's holding company or parent undertaking or with a predecessor in business of the Company or any such company and may contribute to any fund and pay premiums for the purchase or provision of any such benefit. No director or former director shall be accountable to the Company or the members for any benefit permitted by this article and the receipt of any such benefit shall not disqualify any person from being or becoming a director of the Company. Regulation 87 shall not apply to the Company.

## **10 Alternate directors**

10.1 An alternate director who is himself a director and/or who acts as an alternate director for more than one director shall be entitled, in the absence of his appointor(s), to a separate vote or votes on behalf of his appointor(s) in addition (if he is himself a director) to his own vote. Regulation 88 shall be modified accordingly.

## **12 Proceedings of directors**

12.1 The word "signed" in regulation 93 shall apply as if it included the words "or approved by letter or fax transmission or other electronic means where there is an authorised electronic signature".

12.2 Provided that a director has disclosed to the directors the nature and extent of any interest he may have in any contract or proposed contract with the Company in accordance with section 317 of the Act, or any other material interest of his, a director may vote at a meeting of directors or of a committee of directors on a resolution concerning any matter in which he has, directly or indirectly, an interest or duty, which is material and which conflicts or may conflict with the interests of the Company, and, if he votes, his vote shall be counted and he shall be counted in the quorum when that resolution or matter is considered. Regulations 94 to 96 inclusive shall not apply to the Company.

12.3 A meeting of the board of directors may be held between directors some or all of whom are in different places, whether by telephone or video conference or any other audio or audiovisual communication media, provided always that the number of directors participating constitutes a quorum, and provided that each director participating in the meeting can hear each of the other participants, and can address all of the other participants simultaneously.

### 13 Notices

13.1 Any notices to be given pursuant to these articles may be given:

(a) by fax transmission to the fax number maintained at the relevant address of the addressee (in which case such a notice shall be conclusively deemed to have been properly given at the time shown on the transmission report received by the sender); or

(a) by electronic mail or other electronic means to the e-mail or equivalent address maintained by or for the relevant addressee (in which case such a notice shall be conclusively deemed to have been properly given at the time shown on the sender's sent item report or equivalent electronic record).

13.2 Any notice or other document delivered to or left at a registered address otherwise than by post shall be deemed to have been given at the time it was so delivered or left.