

Company No:- 3041643



THE COMPANIES ACT 1985
COMPANY LIMITED BY SHARES
SPECIAL RESOLUTION
of
THAMES VALLEY POWER LIMITED

At the Extraordinary General Meeting of the Company duly convened and held at 81-87 High Holborn, London WC1V at 8-40 pm on 31 March 1995 the following resolution, which was proposed as a Special Resolution, was duly passed.

SPECIAL RESOLUTION

THAT:

1. the nominal share capital of the Company comprising 2,000,000 Ordinary Shares of £1 each be re-designated as "A" Ordinary Shares and "B" Ordinary Shares respectively (subject to the rights and restrictions set out in the new Articles of Association of the Company described in part 4 of this Resolution) comprising 1,000,000 "A" Ordinary Shares of £1 each and 1,000,000 "B" Ordinary Shares of £1 each and that for such purposes, the shares in the capital of the Company originally subscribed by B Collett and B R Ally, respectively, shall be re-classified as an "A" Ordinary Share and a "B" Ordinary Share respectively;
2. the nominal capital of the Company be increased to £3,000,000 by the creation of 500,000 additional "A" Ordinary Shares of £1 each and 500,000 additional "B" Ordinary Shares of £1 each to rank pari passu in all respects with the existing Ordinary Shares of each such class;
- 3.1 for the purposes of section 80 of the Companies Act 1985, the Directors be and they are hereby generally and unconditionally authorised to exercise all powers of the Company to allot relevant securities (as defined in the said section) up to an aggregate nominal amount of £2,999,998, such authority to expire five years from the date of this resolution but to be capable of previous revocation or variation from time to time by the Company in General Meeting for a further period not exceeding five years; and
- 3.2 the Company may make any offer or agreement before the expiry of this authority that would or might require

relevant securities to be allotted after this authority has expired and the Directors may allot relevant securities in pursuance of any such offer or agreement as if this authority had not expired;

4. the regulations now produced to the Meeting and signed by the Chairman for the purposes of identification be and are hereby approved and adopted as the Articles of Association of the Company in substitution for and to the exclusion of all existing Articles of Association.



.....
Chairman

DATED 31 March 1995

[00103733]

THE COMPANIES ACT 1985
COMPANY LIMITED BY SHARES

NEW
ARTICLES OF ASSOCIATION

OF
THAMES VALLEY POWER LIMITED

(Adopted by Special Resolution
passed on 31 March, 1995)

PRELIMINARY

1. Subject as hereinafter provided, the regulations contained or incorporated in Table A in the Schedule to the Companies (Tables A-F) Regulations 1985 as amended by the Companies (Tables A-F) (Amendment) Regulations 1985 (hereinafter referred to as "Table A") shall apply to the Company.

2. These Articles and the regulations incorporated herein shall take effect subject to the requirements of the Act (as modified or re-enacted from time to time) and of every other Act for the time being in force affecting the Company (hereinafter together referred to as "the Statutes").

3.1 In these Articles, where the context so permits, words importing the singular number only shall include the plural number, and vice versa, words importing the masculine gender only shall include the feminine gender, words importing persons shall include corporations and the expression "paid up" shall include credited as paid up.

3.2 In these Articles:-

3.2.1 "Group Company" shall have the meaning ascribed thereto in the Joint Venture Agreement;

3.2.2 "the Joint Venture Agreement" shall mean the joint venture agreement dated 31 March 1995 and made between The London Power Company Limited (1) CU Power Generation Limited (2) the Company (3) London Electricity plc (4) and Canadian Utilities Limited (5);

3.2.3 "Shares" shall mean A Shares or B Shares (as defined in Article 4.1).

SHARE CAPITAL

4.1 The share capital of the Company at the date of the adoption of these Articles is £3,000,000 divided into 1,500,000 A Ordinary Shares of £1 each ("A Shares") and 1,500,000 B Ordinary Shares

of £1 each ("B Shares").

4.2 The A Shares and the B Shares shall be deemed to constitute separate classes of share for such purposes as are specifically provided for in these Articles but otherwise shall rank *pari passu* in all respects as if they constituted one class of share.

5.1 The Company may from time to time by Special Resolution increase its share capital by such sum, to be divided into shares of such amount, as the resolution shall prescribe provided that all new shares shall be divided into A Shares and B Shares so that the number of the new A Shares shall bear the same proportion to the total number of the issued A Shares as the number of the new B Shares bears to the total number of the issued B Shares. In its application to the Company Regulation 32(a) of Table A shall be modified accordingly.

5.2 All shares hereafter issued shall be issued at such time for such consideration and upon such terms and conditions (subject to Article 5.3 hereof) as the Board may from time to time determine but so that no shares shall be issued at a discount and provided always that on each occasion of issue A Shares and B Shares shall be issued on like terms and conditions. All new shares shall be subject to all the provisions of these Articles with reference to the payment of all calls, and to liens, transfer, transmission, forfeiture and otherwise. Regulation 2 of Table A shall be modified accordingly.

5.3 Unless in any particular case the holders of the whole of the A Shares and the whole of the B Shares for the time being in issue shall otherwise agree in writing:-

5.3.1 No A Shares shall be issued except to existing holders of A Shares.

5.3.2 No B Shares shall be issued except to existing holders of B Shares.

5.3.3 No A Shares shall be issued unless (at the time of such issue) an equal number of B Shares shall be issued (at the same price and otherwise on the same terms).

5.3.4 No B Shares shall be issued unless (at the time of such issue) an equal number of A Shares shall be issued (at the same price and otherwise on the same terms).

5.4 Sub-section (1) of Section 89 of the Act and sub-sections (1) to (6) (inclusive) of Section 90 of the Act shall not apply to the Company.

LIEN AND CALLS ON SHARES

6. In Regulation 8 of Table A the words and brackets "(not being a fully paid share)" shall be deemed to be deleted.

TRANSFER OF SHARES

7.1 The Directors shall be bound to register and shall register

any transfer of A Shares or B Shares made pursuant to the provisions of Clauses 13, 15 and 16 of the Joint Venture Agreement but otherwise the Directors shall not register any transfer of any A Shares or any B Shares unless the holders of the whole of the A Shares and the whole of the B Shares for the time being in issue shall have consented in writing to the registration of such transfer.

7.2 Regulation 24 of Table A shall not apply.

GENERAL MEETINGS

8.1 No business shall be transacted at any General Meeting unless a quorum is present. A quorum shall consist of one member being a holder of A Shares and one member being a holder of B Shares each of whom is present in person or by proxy or (being a corporation) is present by a representative appointed in accordance with section 375 of the Act. Regulation 40 of Table A shall not apply.

8.2 In its application to the Company Regulation 37 of Table A shall be modified by the deletion of the last sentence thereof.

9. In the case of an equality of votes at a General Meeting (whether on a show of hands or on a poll) the Chairman shall have no second or casting vote. Regulation 50 of Table A shall not apply.

10. A resolution in writing signed by all the members of the Company entitled to receive notice of and attend and vote at a meeting of the Company or of any class of members of the Company (which resolution may consist of several documents in the like form each signed by one or more of the said members) or a resolution to which every such member has signified his approval in writing or by cable, telex or facsimile, shall be as valid and effectual as if it had been passed at a meeting of the Company or of such class of members of the Company (as the case may be) duly called and constituted. In the case of a corporation the resolution may be signed or approved on its behalf by a Director or the Secretary thereof or by its duly appointed attorney or duly authorised representative. Regulation 53 of Table A shall not apply.

VOTES OF MEMBERS

11.1 No A Share shall confer any right to vote either on a show of hands or on a poll upon a resolution for the removal from office of a B Director (as defined in Article 14).

11.2 No B Share shall confer any right to vote either on a show of hands or on a poll upon a resolution for the removal from office of an A Director (as defined in Article 13).

11.3 In its application to the Company Regulation 54 of Table A shall be modified accordingly.

NUMBER OF DIRECTORS

12. Unless and until otherwise determined by Ordinary

Resolution the number of Directors (other than alternate directors) shall not exceed four comprising:-

12.1 Two A Directors (as defined in Article 13)

12.2 Two B Directors (as defined in Article 14)

Regulation 64 of Table A shall not apply.

APPOINTMENT OF DIRECTORS

13. The holders of the A Shares shall be entitled to appoint two Directors and at any time to require the removal or substitution of any Director so appointed. Such Directors are referred to herein as "A Directors".

14. The holders of the B Shares shall be entitled to appoint two Directors and at any time to require the removal or substitution of any Director so appointed. Such Directors are referred to herein as "B Directors".

15. Any appointment or removal of any A Director shall be effected by notice in writing to the Company given by the holders of a majority of A Shares for the time being in issue. Any appointment or removal of any B Director shall be effected by notice in writing to the Company given by the holders of a majority of B Shares for the time being in issue. Any such appointment or removal shall take effect when the notice effecting the same is delivered to the registered office of the Company or to the Secretary or is produced at a meeting of the Directors.

16. A shareholding qualification shall not be required of a Director but he shall nevertheless be entitled to notice of and shall be entitled to attend and speak at any General Meeting.

17. Regulations 73 to 80 of Table A shall not apply.

CHAIRMAN

18.1 The first Chairman of the Company shall be such Director as is so appointed by notice in writing given to the Company by the holders of a majority of the B Shares for the time being in issue. Such Chairman shall retire from office at the expiry of one year from the date of adoption of these Articles unless otherwise agreed by all members of the Company for the time being and following such retirement a new Chairman (if any) may only be appointed by a majority of the holders of the A Shares then in issue and thereafter at regular yearly intervals from the date of adoption of these Articles the then current Chairman shall retire from office (unless otherwise agreed by all the members of the Company for the time being) and a new Chairman (if any) may be appointed by notice in writing given alternately by the holders of a majority of the B Shares then in issue and the holders of a majority of the A Shares then in issue.

18.2 The Chairman of the Company shall not have a second or casting vote on any matter and in its application to the Company

Regulation 88 of Table A shall be modified accordingly.

19.1 If no Chairman has been appointed or if at any meeting the Chairman is not present within five minutes after the time appointed for holding the meeting the Directors present may choose one of their number to be Chairman of the meeting. A Chairman so appointed shall not have a second or casting vote on any matter.

19.2 Regulation 91 of Table A shall not apply.

PROCEEDINGS OF DIRECTORS

20.1 All Directors shall be entitled to be given notice of meetings of any committee of the Board of which they are a member and of Board meetings even if absent from the United Kingdom for the time being and in their application to the Company Regulations 72 and 88 of Table A shall be modified accordingly.

20.2 The quorum necessary for the transaction of business by the Directors shall throughout the meeting be two, at least one of whom must be an A Director and at least one of whom must be a B Director. The first sentence of Regulation 89 of Table A shall not apply.

21. A committee of the Directors must include at least one A Director and one B Director and the quorum for a meeting of any such committee shall throughout the meeting be at least one A Director and one B Director. In its application to the Company Regulation 72 of Table A shall be modified accordingly.

22.1 Notice of a meeting of the Board or of a committee of the Board given to the Directors or to the members of the committee shall specify the matters to be discussed at the Board meeting or committee meeting and unless all of the Directors are present at or participating in such meeting and unanimously agree, no other matters shall be transacted at such meeting.

22.2 Not less than five working days notice shall be given of a meeting of the Board or of a committee of the Board unless otherwise agreed in writing by an A Director and a B Director.

23. Subject always to Article 20.2, decisions of the Board shall only be made by the affirmative vote of all of the A Directors and all of the B Directors present at the relevant meeting.

ALTERNATE DIRECTORS

24.1 Each A Director and each B Director shall have the power to nominate any person to act as alternate Director in his place at any meeting of the Directors at which he is unable to be present, and at his discretion to remove such alternate Director.

24.2 On such appointment being made, the alternate Director shall (except as regards the power to appoint an alternate) be subject in all respects to the provisions, terms and conditions of these Articles existing with reference to the Director of the Company for whom he is the alternate and each alternate Director, whilst acting in

the place of an absent Director, shall exercise and discharge all the duties of the Director he represents but shall look to the Director appointing him solely for his remuneration as an alternate Director.

24.3 Any Director of the Company who is appointed an alternate Director shall be entitled to vote at a meeting of the Directors on behalf of the Director so appointing him as distinct from exercising the vote to which he is entitled in his own capacity as a Director.

24.4 Any person appointed as an alternate Director shall vacate his office as such alternate Director if and when:-

24.4.1 the Director by whom he has been appointed vacates his office as Director; or

24.4.2 the Director by whom he has been appointed removes him by written notice to the Company; or

24.4.3 an event occurs which, if he were a Director; would have caused him to vacate his office as Director.

24.5 Regulations 65 to 69 (inclusive) of Table A shall not apply.

25. Every instrument appointing or removing an alternate Director shall be in writing signed by the appointor and shall be effective upon delivery to the registered office of the Company or production at a meeting of the Directors.

POWERS AND DUTIES OF DIRECTORS

26.1 The Directors may procure the establishment and maintenance of or participate in, or contribute to, any non-contributory or contributory pension or superannuation fund, scheme or arrangement or other retirement benefits scheme or life assurance scheme or arrangement for the benefit of, and pay, provide for or procure the grant of donations, gratuities, pensions, allowances, benefits or emoluments to any persons who are or shall have been at any time in the employment or service of the Company or of any company which is or was a subsidiary of or associated with the Company or of the predecessors in business of the Company or of any such subsidiary or associated company or of any holding company of any such other company as aforesaid or the wives, widows, families, relatives or dependants of any such persons.

26.2 The Directors may also procure the establishment and subsidy of or subscription to and support of any institutions, associations, clubs, funds or trusts calculated to be for the benefit of any such persons as are referred to in Article 26.1 or otherwise to advance the interests and well-being of the Company or of any such other company as are referred to in Article 26.1 or its members, and make payments for or towards the insurance of any such persons as aforesaid, and subscriptions or guarantees of money for charitable or benevolent objects or for any exhibition or for any public, general or useful object.

26.3 The Directors may procure any of the matters aforesaid to be done by the Company either alone or in conjunction with any other company.

26.4 Regulation 87 of Table A shall not apply.

27. Subject to his having declared his interest in accordance with the Companies Acts, a Director may vote as a Director in regard to any transaction or arrangement or proposed transaction or arrangement in which he is interested (other than any agreement between the Company of the one part and him of the other part) or upon any matter arising thereout and, if he shall so vote, his vote shall be counted and he shall be reckoned in estimating a quorum when any such transaction or arrangement is under consideration. Regulations 94 to 97 (inclusive) of Table A shall be deemed to be modified accordingly.

28. A Resolution in writing signed by all the Directors or by all the members of a Committee for the time being (which Resolution may consist of several documents in the like form each signed by one or more of the said Directors or the said members of such Committee) or a Resolution to which every such Director or every such member of a Committee has signified his approval in writing or by cable, telex or facsimile shall be as valid and effectual as if it had been passed at a Meeting of the Directors or of such Committee (as the case may be) duly called and constituted. For the purpose of this Article the signature or approval of an alternate Director (if any) shall suffice in place of the signature of the Director appointing him. Regulation 93 of Table A shall not apply.

29. One or more of the Directors may participate in a meeting of the Board of Directors or of a committee of the Board by means of telephone or other electronic communications equipment permitting the Director so participating to hear and be heard by all other Directors attending or participating in such meeting and each Director so participating shall be deemed to be present at such meeting. Subject to the provisions of these Articles a meeting of the Board or of a committee of the Board shall be deemed to have been held notwithstanding the fact that all the Directors participating therein participated by means of telephone or other electronic communications equipment and that no two participating Directors were present in the same place.

DISQUALIFICATION OF DIRECTORS

30. The office of a Director shall be vacated:-

30.1 If he is prohibited by law from being a Director;

30.2 If a receiving order is made against him or he makes any arrangement or composition with his creditors;

30.3 If he becomes a Patient for the purposes of Part VIII of the Mental Health Act 1959;

30.4 If by notice in writing to the Company he resigns his office;

30.5 If he is removed from office under the provisions of Article 13 if he is an A Director and under the provisions of Article 14 if he is a B Director.

Regulation 81 of Table A shall not apply.

BORROWING POWERS

31. Subject as provided herein the Directors may exercise all the powers of the Company to raise or borrow money and to mortgage or charge its undertaking, property and assets both present and future (including uncalled capital) and, subject to Section 80 of the Act, to issue debentures, debenture stock or other securities whether outright or as collateral security for any debt, liability or obligation of the Company or any third party.

32. Notwithstanding the foregoing no lender or other person dealing with the Company shall be concerned to see to or inquire whether the limit imposed by this Article is observed and no debt incurred or security given in excess of such limit shall be invalid or ineffectual except in the case of express notice to the lender or the recipient of the security at the time when the debt was incurred or security given that the limit hereby imposed had been or was thereby exceeded.

EXECUTION OF DOCUMENTS

33. In its application to the Company Regulation 101 of Table A shall be modified by the addition of the following sentence:-

"Any instrument expressed to be executed by the Company and signed by two Directors, or by one Director and the Secretary, by the authority of the Directors or of a committee authorised by the Directors shall (to the extent permitted by the Act) have effect as if executed by the seal".

INDEMNITY

34. Subject to Section 310 of the Act:-

34.1 Every Director or other officer of the Company shall be entitled to 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 to his office, including any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgement is given in his favour or in which he is acquitted or in connection with any application under Section 144 or 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 otherwise in relation to his office.

34.2 The Directors may purchase and maintain insurance for any such Director or other officer against any liability which by virtue of any rule of law would otherwise attach to him in respect of any

negligence, default, breach of duty or breach of trust of which he may be guilty in relation to the Company.

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