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09-JUL-1997 18:19 FROM ALLEN & OVERY 102

TO 85011911900104878017 P.11/13

Registered Number: 3064440

**THE COMPANIES ACT 1985
PRIVATE COMPANY LIMITED BY SHARES
WRITTEN RESOLUTION
OF
ENRON SB LIMITED (the "Company")**

In accordance with Article 11 of the articles of association of the Company, we being the sole member of the Company entitled to vote on the following resolution hereby resolve on the following resolution taking effect on 11th July, 1997. We agree that this resolution shall be as valid and effectual on 11th July, 1997 as if passed as a special resolution at a general meeting of members entitled to attend and vote at such meeting duly convened and held in accordance with the provisions of the articles of association of the Company.

Resolution

THAT:

1. the regulations set out in the printed document marked "A" attached to this resolution (the "New Articles") be adopted as the articles of association of the Company in substitution for all existing articles of association of the Company;
2. every ordinary share of £1 each in the capital of the Company (whether issued or unissued) be subdivided into one thousand ordinary shares of 0.1p each (issued or unissued as the case may be);
3. the rights attaching to the two ordinary shares of £1 each registered in the name of EEL Company Limited subdivided by this resolution into 2,000 ordinary shares of 0.1p each be varied and redesignated such that (i) 300 of the subdivided ordinary shares of 0.1p each be and are hereby redesignated as A ordinary shares having the rights of A ordinary shares set out in the New Articles; (ii) 1,500 of the sub-divided ordinary shares of 0.1p each be and are hereby redesignated as C deferred preference shares having the rights of C deferred preference shares set out in the New Articles; and (iii) 200 of the sub-divided ordinary shares of 0.1p each be and are hereby redesignated as F preference shares having the rights of F preference shares set out in the New Articles;
4. the £998 authorised but unissued ordinary shares in the capital of the Company be and are hereby redesignated as 199,700 A ordinary shares of 0.1p each, 398,500 C deferred preference shares of 0.1p each, 200,000 D preference shares of 0.1p each and 199,800 F preference shares of 0.1p each.
5. (a) the directors be generally and unconditionally authorised, in accordance with section 80 of the Companies Act 1985, to exercise all powers of the Company to allot relevant securities (as defined for the purposes of that section) up to a maximum nominal amount of £0.60;



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- (b) this authority shall expire on the day five years from the passing of this resolution;
 - (c) the Company may, before this authority expires, make an offer or agreement which would or might require relevant securities to be allotted after it expires; and
 - (d) all previous authorities under section 80 of the Companies Act 1985 shall cease to have effect;
6. the directors be given power to allot for cash equity securities (as defined for the purposes of section 89 of the Companies Act 1985) pursuant to the general authority conferred on them by this resolution under section 80 of that Act as if section 89(1) of that Act did not apply to the allotment but this power shall be limited to the allotment of equity securities having, in the case of relevant shares (as defined for the purposes of section 89), a nominal amount or, in the case of other equity securities, giving the right to subscribe for or convert into relevant shares having a nominal amount not exceeding in aggregate £0.60;
- (b) this power shall expire at the date 5 years from the date of this resolution; and
 - (c) the Company may, before this power expires, make an offer or agreement which would or might require equity securities to be allotted after it expires.

J. M. M. M. M.

for and on behalf of
EEL COMPANY LIMITED

9th July 1997