

Company No. 4248952

The Companies Acts 1985 to 1989

Private Company Limited by Shares

Written Resolutions passed pursuant to the Articles of Association of

Dynegy Offshore UK Limited

We, the undersigned, being the sole member of the Company who, at the date of this resolution, is entitled to attend and vote at general meetings of the Company, hereby pass the following resolutions in accordance with Article 9 of the Articles of Association of the Company and agree that these resolutions shall for all purposes be as valid and effective as if the same had been passed by us at a general meeting of the Company properly convened and held.

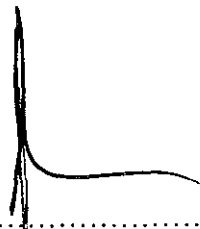
Elective Resolutions

1. That the provisions of Section 80A of the Companies Act 1985 shall apply in place of Sections 80(4) and 80(5) of the Companies Act 1985 in relation to the giving or renewal of an authority to the directors of the Company for the allotment of shares.
2. That in accordance with Section 252 of the Companies Act 1985 the Company shall not be obliged to lay the annual accounts of the Company, the report of the Directors and the report of the Auditors before the Company in general meeting.
3. That in accordance with Section 366A of the Companies Act 1985 the Company shall not be obliged to hold annual general meetings of the members of the Company.
4. That in accordance with Section 386 of the Companies Act 1985 the Company shall not be obliged to appoint auditors of the Company annually.
5. That Sections 369(4) and 378(3) of the Companies Act 1985 shall have effect in relation to the Company as if, in place of the references to 95 per cent, there were substituted references to 90 per cent.



Special Resolution

That the regulations contained in the printed document attached to this resolution be approved and adopted as the Articles of Association of the Company in substitution for and to the exclusion of the existing Articles of Association.

A handwritten signature in black ink, consisting of a vertical line with a loop at the top and a horizontal line extending to the right.

.....
for and on behalf of
Dynegy Storage Limited

Dated 10 FEBRUARY 2002

The Companies Acts 1985-89

A Company Limited by Shares

Articles of Association of Dynegy Offshore UK Limited

(Company No. 4248952)

(incorporated on the 10 July 2001)

(adopted by Special Resolution on ~~10~~ 10 FEBRUARY 2002)

Company No. 4248952

The Companies Acts 1985-89

A Company Limited by Shares

Dynegy Offshore UK Limited

Preliminary

1. (a) Subject as hereinafter provided the Regulations contained in Table A ("**Table A**") in the Companies (Table A to F) Regulations 1985 (as amended) shall apply to the Company except to the extent that such Regulations are inconsistent with these Articles.

(b) In these Articles the expression (the "**Act**") means the Companies Act 1985, but so that any reference in these Articles to any provision of the Act shall be deemed to include a reference to any statutory modification or re-enactment of that provision for the time being in force.
2. Regulations 6, 25, 40, 42, 43, 50, 64-68 (inclusive) 73-90 (inclusive), 110-112 (inclusive), 115 and 118 of Table A shall not apply to the Company.
3. The Company is a private company.

Shares

4. The share capital of the Company at the date of the adoption of these Articles is £50,000,000 divided into 50,000,000 Ordinary Shares of £1 each ("**Ordinary Shares**").
5. (a) Subject to Article 6 and to any directions which may be given by the Company in General Meeting, the Directors may unconditionally exercise the power of the Company to allot relevant securities (within the meaning of section 80(2) of the Act) and without prejudice to the generality of the foregoing any shares unissued at the date of the adoption of these Articles and any shares hereafter created shall be under the control of the Directors, who may allot, grant options over or otherwise dispose of the same to such persons (including the Directors themselves) on such terms and at such times

as they may think proper, provided that no shares shall be issued at a discount.

(b) The provisions of Section 89(1) of the Act shall not apply to the Company.

6. The maximum nominal amount of share capital which the Directors may allot, grant options or subscription or conversion rights over or otherwise deal with or dispose of (subject always to the provisions of this Article) shall be such amount of authorised share capital as is un-issued at the date of adoption of these Articles (being £45,500,000) or such other amount as shall be authorised by the Company in General Meeting. The authority conferred on the Directors by this Article shall, in accordance with Section 80A of the Act, continue until such time as it is varied or revoked by the Company in General Meeting.

Share Certificates

7. Every member, upon becoming the holder of any shares in the Company, shall be entitled without payment to one certificate for all the shares of each class held by him (and, upon transferring a part of his holding of shares of any class, to a certificate for the balance of such holding) or several certificates each for one or more of his shares upon payment for every certificate after the first of such reasonable sum as the directors may determine. Every certificate shall be either signed by two Directors or by a Director and the Secretary or sealed with the seal of the Company and shall specify the number, class and distinguishing numbers (if any) of the shares to which it relates and the amount or respective amounts paid up thereon. The company shall not be bound to issue more than one certificate for shares held jointly by several persons and delivery of a certificate to one joint holder shall be a sufficient delivery to all of them.

Transfer of Shares

8. The Directors may decline to register any transfer of any Ordinary Share on which the Company has a lien or any transfer of any share whether or not a fully-paid share, to a person of whom they shall not approve.

Variation of Rights

9. The special rights attached to the Ordinary Shares may, whether or not the Company is or is about to be wound up, be varied or abrogated with the prior consent in writing of the holders of three-fourths of the Ordinary Shares for the time being in issue or with the sanction of an Extraordinary Resolution passed at a General Meeting of the holders of Ordinary Shares. To every such meeting the provisions of these Articles

with respect to notice of and proceedings at General Meetings shall mutatis mutandis apply.

Proceedings at General Meeting

10. No business shall be transacted at any General Meeting unless the requisite quorum is present at the commencement of the business and also when such business is voted upon. For so long as there shall be more than two members then two members present in person or by proxy or (if a corporation) by a duly authorised representative shall be a quorum and for so long as there shall be only one member then one member present in person or by proxy or (if a corporation) by a duly authorised representative shall be a quorum.
11. The Chairman at every General Meeting of the Company shall be a Director and shall be appointed by the holders of the majority of the Ordinary Shares. If for any reason a chairman has not been so appointed then in respect of each General Meeting of the Company a Chairman shall be appointed by the majority of the holders of Ordinary Shares present at such meeting in person or by proxy or (being a corporation) by a duly authorised representative.
12. If on a show of hands or on a poll there shall be an equality of votes on any matter put to a General Meeting then the Chairman shall have a casting vote in addition to any other vote he may have.

Directors

13. The number of Directors shall not be less than two.
14. The Directors may and the Company by an Ordinary Resolution may appoint a person who is willing to act to be a director either to fill a vacancy or as an additional director.
15. A Director shall not be required to hold any share qualification, but nevertheless shall be entitled to attend and speak at any General Meeting and at any separate General Meeting of the holders of any class of shares in the capital of the Company.

Borrowing Powers

16. The Directors may exercise all powers of the Company to borrow or raise money or to guarantee and to mortgage or charge its undertaking, property, assets and rights and uncalled capital or any part thereof and, subject to the provisions of the Act, to create and issue debentures, debenture stock, mortgages, charges and other securities,

whether outright or as security for any debt, liability or obligation of the Company or of any third party.

Powers and Duties of Directors

17. Subject to the provisions of the Act, a Director may be interested directly or indirectly in any contract or arrangement or in any proposed contract or arrangement with the Company or with any other company in which the Company may be interested and he may hold and be remunerated in respect of any office or place of profit (other than the office of Auditors of the Company or any subsidiary thereof) under the Company or any such other company and he or any firm of which he is a member may act in a professional capacity for the Company or any such other company and be remunerated therefor.
18. Notwithstanding his interest a Director may vote on any matter in which he is interested and be included for the purpose of a quorum at any meeting at which the same is considered and he may retain for his own benefit all profits and advantages accruing to him.
19. The Directors on behalf of the Company may pay a gratuity or pension or allowance on retirement to any Director who has held any other salaried office or place of profit with the Company or to his widow or dependants and make contributions to any fund and pay premiums for the purchase or provision of any such gratuity, pension or allowance.

Disqualification of Directors

20. The office of a Director shall be vacated:
 - (a) if by notice in writing to the Company he resigns the office of Director;
 - (b) if he shall for more than 6 months have been absent without permission of the Directors from meetings of the Directors held during that period, unless he shall have appointed an alternate Director who has not been similarly absent during such period;
 - (c) if he becomes bankrupt or enters into any arrangement with his creditors generally;
 - (d) if he is prohibited from being a Director by an order made under any provision of the Act or any other Act of Parliament;
 - (e) if he becomes of unsound mind;

- (f) if he is removed from office under Section 303 of the Act.

Alternate Directors

21. Each Director shall have the power to nominate any other Director or any person approved for that purpose by a resolution of the Directors to act as alternate Director at meetings of the Directors in his place during his absence and, at his discretion, to revoke such nomination.
22. Any appointment or removal of an alternate Director shall be effected by an instrument in writing delivered at the registered office of the Company and signed by the appointor.
23. An alternate Director shall on the terms provided in Articles 33 to 36 (inclusive) be entitled to receive notice of meetings of the Directors and to attend and vote at any such meeting and to perform thereat all the functions of his appointor. An alternate Director shall have one vote for each Director he represents, in addition to his own vote if he is a Director, but he shall not be counted more than once in the quorum. If his appointor is for the time being absent from the United Kingdom or otherwise not available the appointee's signature to any resolution in writing of the Director's shall be as effective as the signature of his appointor. An alternate Director shall be deemed to be a Director for the purpose of signing instruments to which the seal is affixed and regulation 101 of Table A shall be modified accordingly. Save as aforesaid, an alternate Director shall not have power to act as a Director nor shall he be deemed to be a Director for the purposes of these Articles.
24. An alternate Director shall be entitled to contract and be interested in and benefit from contracts or arrangements with the Company and to be repaid expenses and to be indemnified to the same extent *mutatis mutandis* as if he were a Director, but he shall not be entitled to receive from the Company in respect of his appointment as alternate Director any remuneration, except only such part (if any) of the remuneration otherwise payable to his appointor as such appointor may by notice in writing to the Company from time to time direct.
25. An alternate Director shall *ipso facto* cease to be an alternate Director if his appointor ceases for any reason to be a Director.

Proceedings of Directors

26. The Directors shall meet together for the dispatch of business adjourn and otherwise regulate their meetings and manner of dispatching business as they think fit. Two Directors shall be a quorum. Questions arising at a meeting shall be decided by a

majority of votes. In the case of an equality of votes the Chairman shall have a casting vote.

27. If the number of Directors is less than the number fixed as the quorum for a Directors meeting, the continuing Directors or Director may act only for the purpose of calling a General Meeting of the Company.
28. The written resolution referred to in regulation 93 of Table A may consist of several documents in a like form each signed by one or more of the Directors.
29. The Directors shall not be liable to retire by rotation.
30. Any Director may participate in a meeting of the Directors or a committee of Directors by means of a conference telephone or similar communications equipment which allows all persons participating in the meeting to hear each other. A person so participating shall be deemed to be present in person at such meeting and shall be entitled to vote and be counted in the quorum. Such meeting shall be deemed to take place where the largest group of those participating is assembled, or, if there is no such group, where the Chairman of the meeting is located.

Managing or Executive Directors

31.
 - (a) The Directors may from time to time appoint one or more of their number to an executive office (including that of Managing Director, Manager or any other salaried office) for such period and upon such terms as shall be thought fit, and subject to the provisions of any agreement entered into in any particular case, may revoke such appointment. A Director so appointed as a Managing Director shall (without prejudice to any claim he may have for damages for breach of any contract of service between him and the Company) ipso facto cease to be Managing Director if he ceases from any cause to be a Director.
 - (b) The Managing Director, Manager or other executive officer as aforesaid shall receive such remuneration whether by way of salary, commission or participation in profits or otherwise (either in addition to or in lieu of his remuneration as a Director), as the Directors may determine.
 - (c) The Directors may entrust to and confer upon a Managing Director, Managing or other executive officer as aforesaid any of the powers exercisable by them upon such terms and conditions with such restrictions as they think fit and may from time to time withdraw, alter or vary all or any of such powers.

Capitalisation of Profits and Reserves

32. The Company in General Meeting may on the recommendation of the Directors and subject to the proviso hereinafter contained resolve to capitalise any part of the amount for the time being standing to the credit of any of the Company's reserve accounts or profit and loss or share premium account or any other amount which is available for distribution and is not required for payment of a dividend on any shares carrying a preferential right to dividend and to resolve that such sum be applied either in or towards paying up any amount for the time being unpaid on any shares held by the members of the Company who would have been entitled to such sum if distributed by way of dividend and in the same proportions or paying up in full unissued shares or debentures of the Company to be allotted and distributed credited as fully paid up to and amongst such members in the proportion aforesaid, or partly in the one way and partly in the other, and the Directors shall give effect to such resolution.

A share premium account or a capital redemption reserve and any reserve or profit and loss account which is not available for distribution may, for the purposes of this Article, only be applied in paying up in full unissued shares to be allotted to members of the Company as fully paid bonus shares.

Notices

33. Any notice to be given to a person pursuant to these Articles (other than a notice to be given to a director for the purpose of calling a meeting of the directors) shall be given in writing
34. Where a written notice is to be given to a person pursuant to these Articles, the notice shall be sent to the address for service notified from time to time by him to the secretary or, (if there is none at that time) the Chairman of the board of Directors and if no such address has been so notified then such notice shall be sent to the relevant person at his last known address.
35. If a notice is to be given to a person at an address outside the United Kingdom then it shall be sent by courier or facsimile transmission and any notice so sent by courier shall be deemed to have been given when it is delivered and any notice so given by facsimile transmission shall be deemed to have been given on receipt of a successful transmission report.
36. If a notice is to be sent to any person at an address within the United Kingdom it may be given either by sending it by pre paid first class post in an envelope addressed to the relevant person at the relevant address or by leaving it at that address and any notice so sent by post shall be deemed to have been given 48 hours after the envelope

containing it was put into the post and any notice so left at the relevant address shall be deemed to have been given when it was so left.

Indemnity

37. Every Director or other officer of the Company shall be entitled to be indemnified out of the assets of the Company against all costs, charges, losses, expenses and liabilities which he may sustain or incur in or about the execution of the duties of his office or otherwise in relation thereto, 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 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 in relation thereto. But this Article shall only have effect insofar as its provisions are not avoided by section 310 of the Act.