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Special Resolution was passed at an Annual General Meeting of Gemserv Limited held at 7th Floor Centurion House, 24 Monument Street, London, EC3R 8AJ on 27th July 2005.

Special business:	
To approve changes to the Memorandum of Association objects (a) and (b) as explained in appendix 1	97.00% votes for, resolution passed
To approve changes to Article 23 of the Articles of Association as explained in appendix 2	97.00% votes for, resolution passed

Signed

Anzo Francis, Company Secretary





Appendix 1

The Memorandum of Association – Proposed changes to objects (a) and (b)

Background

Object (a) has become dated as Gemserv now provides a range of services, not just administering governance arrangements in UK utility markets.

The Company's second object requires Gemserv to exploit knowledge and experience in order to reduce administration charges in the UK. It is questionable that the restriction on activity in the first object, administering governance arrangements, applies in exploiting knowledge in the second object.

Gemserv also has a commercial contractual relationship with its customers and in line with the direction the industry has taken, Gemserv advocates competition in the provision of governance services. Given the company's development and direction, reducing the price of negotiated contracts appears contrary to incentives to grow and maintain a good level of profitability. Value is being created for the industry, and specifically Gemserv's shareholders, in terms of the company's net worth.

Existing objects (a) and (b)

- (a) To efficiently administer governance arrangements on a profit making basis within the United Kingdom utility markets;
- (b) To exploit knowledge and experience both in the United Kingdom and internationally with the intent of reducing administration charges to participants in the United Kingdom utility markets;

Proposal

Delete objects (a) and (b) above and replace with:-

- (a) To provide consultancy, advisory, governance, operational and administrative services.

Re-number remaining objects in line with the above.

RECOMMENDATION

The members are invited to **APPROVE** the proposed changes to the Company's Memorandum of Association.



Appendix 2

The Articles of Association - Proposed change to Article 23

Background

The article relating to voting has a superfluous statement in it and is therefore possibly confusing. It states that resolutions need a 'majority of executive and non executive directors' to be carried but also states 'and a majority of non-executive directors'. The latter statement technically renders the former statement irrelevant.

The options for tidying this up are to reduce the power of the non-executives in favour of a simple majority, or, make it clear that non-executives control the board.

The Board has obligations to the long-term prosperity of the company as well as to shareholders. Therefore Regulation 88 of 'Table A' is recommended.

Existing article 23

All resolutions of the Board shall be made by a majority of votes of executive and non-executive directors and a majority of the non-executive directors, present or participating by conference in accordance with Article 25. In the case of an equality of votes, the chairman shall not have a second or casting vote. Regulation 88 of Table A shall be modified accordingly

Proposed article 23

Regulation 88 in Table A is applied

Subject to the provisions of the articles, the directors may regulate their proceedings as they think fit. A director may, and the secretary at the request of a director shall, call a meeting of the directors. It shall not be necessary to give notice of a meeting to a director who is absent from the United Kingdom. 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 second or casting vote. A director who is also an alternate director shall be entitled in the absence of his appointor to a separate vote on behalf of his appointor in addition to his own vote.

RECOMMENDATION

The members are invited to **APPROVE** the proposed change to the Company's Articles of Association.