

Company number 6607043

PRIVATE COMPANY LIMITED BY SHARES

WRITTEN RESOLUTION

of

HUNTSPILL POWER LIMITED (THE "COMPANY")

CIRCULATION DATE: 30th September 2008

Pursuant to Chapter 2 of Part 13 of the Companies Act 2006, the directors of the Company propose that the following resolutions are passed as special resolutions (together the "Resolutions")

SPECIAL RESOLUTIONS

- 1 THAT the Company adopt new articles of association in the form attached to this written resolution as Appendix A to the exclusion of and in substitution for the existing articles of association
- 2 THAT authorisation to approve conflicts of interest under section 175(5)(a) of the Companies Act 2006 may be given to the Board of Directors of the Company in accordance with section 47(3)(b) of the Companies Act 2006 (Commencement No 5, Transitional Provisions and Savings) Order 2007

AGREEMENT

Please read the notes at the end of this document before signifying your agreement to the Resolutions



The undersigned, a person entitled to vote on the above Resolutions on the circulation date stated above, hereby irrevocably agrees to the Resolutions

Signed

(authorised representative of Welsh Power Group Limited as sole shareholder of the Company)



Date

30/09/2008

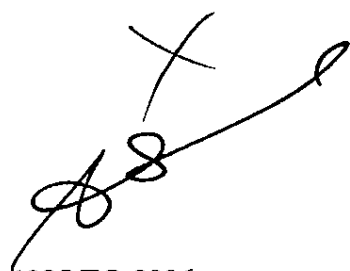
NOTES

- 1 If you agree with the Resolutions, please indicate your agreement by signing and dating this document where indicated above and returning the signed copy either by hand or by post to Melanie Manuel at Welsh Power Group Limited, West Nash Road, Newport, South Wales, NP18 2BZ

If you do not agree to the Resolutions, you do not need to do anything you will not be deemed to agree if you fail to reply

- 2 Once you have indicated your agreement to the Resolutions, you may not revoke your agreement
- 3 Unless, by the date being 28 days after the circulation date stated above, sufficient agreement has been received for the Resolutions to pass, they will lapse

Draft: SH/22.09.08



THE COMPANIES ACTS 1985 TO 2006

PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

- OF -

HUNTSPILL POWER COMPANY LIMITED

THE COMPANIES ACTS 1985 TO 2006

COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

- OF -

HUNTSPILL POWER COMPANY LIMITED

1 Interpretation

In these Articles

"1985 Act" means the Companies Act 1985 (as in force from time to time),

"2006 Act" means the Companies Act 2006 (as in force from time to time),

"Act" means the 1985 Act including any statutory modifications or re-enactments thereof for the time being in force and any provisions of the 2006 Act for the time being in force,

"Articles" means these articles of association, as from time to time altered or replaced,

"Parent Company" means a company which is the registered holder of not less than 90% of the issued shares, and

"Table A" means Table A of The Companies Act 1985 as amended by the Companies (Tables A to F) (Amendment) Regulations 2007 (SI 2007/2451) and The Companies (Tables A to F) (Amendment) (No 2) Regulations 2007 (SI 2007/2826) in force as at the date of adoption of these Articles and reference in these Articles to a regulation of a particular number shall be to that regulation in Table A, so amended

2 Preliminary

2 1 The Company is a private company and the regulations contained or incorporated in Table A shall apply to the Company except to the extent that they are varied by or are inconsistent with these Articles which together with the regulations shall constitute the Articles of Association of the Company

2 2 The following regulations of Table A shall not apply to the Company 8 to 22 inclusive, 24, 25, 26, 76 to 79 inclusive, 86, 89, 93 and 94

3 Share capital

3 1 Subject to the provisions of Article 3 2 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 1985 Act) and without prejudice to the generality of the foregoing any shares authorised but unissued at the date of adoption of these Articles shall be at the disposal of the directors, who may offer, allot, grant options or create subscription or conversion rights over, deal with or otherwise dispose of them to such persons (including the directors themselves), on such terms and at such times as the directors may determine

3 2 The maximum nominal amount of share capital which the directors may offer, allot, grant options or create subscription or conversion rights over, deal with or otherwise dispose of in accordance with this Article shall be such amount as shall be authorised by the Company in general meeting

3 3 The authority conferred on the directors by this Article shall expire on the fifth anniversary of the date on which the resolution adopting these Articles was passed but the directors may allot or dispose of the shares after the authority has expired in pursuance of an offer or agreement made by the Company before the expiry

- 3 4 The provisions of sections 89(1) and 90(1) to (6) of the 1985 Act and sections 561(1) and 562(1) to (5) of the 2006 Act shall not apply to the Company

4 Transfer of shares

The directors shall register a transfer of shares which is presented for registration duly stamped

5 Proceedings at General Meetings

- 5 1 If and so long as there is a Parent Company, its representative shall be the only person to constitute a quorum at general meetings Regulation 40 shall be modified accordingly

- 5 2 A poll may be demanded at any general meeting by the chairman or by any member present in person or by proxy and entitled to vote Regulation 46 shall be modified accordingly

- 5 3 Notices of meetings need not be given to the directors as such and regulation 38 is modified accordingly

- 5 4 If the Company has only one member, then a decision taken by the member which may be taken in general meeting is as effective as if agreed by the Company in general meeting

- 5 5 A decision taken by a sole member of the Company under paragraph 5 4 of this Article (unless taken by way of written resolution) shall be recorded in writing and a copy provided to the Company

6 Number of directors

The minimum number of directors is one and, unless otherwise determined by ordinary resolution, the number of directors is not subject to a maximum A sole director may exercise all the powers and discretions given to the directors by these Articles

7 Appointment and retirement of directors

7.1 The directors are not subject to retirement by rotation. The last sentence of regulation 84 shall be deleted.

7.2 The Company may by ordinary resolution appoint a person who is willing to act to be a director either to fill a vacancy or as an additional director.

7.3 If and so long as there is a Parent Company or a member registered as the holder of not less than 90% of the issued shares of the Company, the following provisions shall apply and to the extent of any inconsistency shall have overriding effect against all other provisions of these Articles:

(a) the Parent Company or a member registered as the holder of not less than 90% of the issued shares of the Company may at any time and from time to time by notice in writing to the Company appoint any person to be a director or remove from office any director however appointed,

(b) no unissued shares shall be issued or agreed to be issued or put under option without the consent of the Parent Company or a member registered as the holder of not less than 90% of the issued shares of the Company, and

(c) any or all powers of the directors shall be restricted in such respects and to such extent as the Parent Company or a member registered as the holder of not less than 90% of the issued shares of the Company may by notice to the Company from time to time lawfully prescribe.

7.4 Any appointment, removal, consent or notice made pursuant to article 7.3 shall be in writing served on the Company and signed on behalf of the Parent Company by any two of its directors or persons holding an equivalent office or by any one of its directors and its secretary or persons holding equivalent offices or some other person duly authorised for the purpose or by a member registered as the holder of not less than 90% of the issued shares of the Company. No person dealing with the Company shall be concerned to see or enquire as to whether any requisite consent of the Parent Company or a member registered as the holder of not less than 90% of the issued shares of the Company has

been obtained and no obligation incurred or security given or transaction effected by the Company to or with any third party shall be invalid or ineffectual unless the third party had at the time express notice that the incurring of such obligation or the giving of such security or the effecting of such transaction was in excess of the powers of the directors

7 5 A director is not required to hold qualification shares

7 6 No director shall be required to vacate his office by reason of having attained a particular age

8 Directors' remuneration, appointments and interests

8 1 The right of an executive director to remuneration fixed by the directors under regulation 84 shall be in addition to any remuneration fixed by the Company in general meeting under regulation 82

8 2 Subject to the provisions of the Act and prior written authorisation by the other directors, 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 auditor 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. Notwithstanding his interest, a director may vote on any matter in which he has declared to the board in writing that he is interested (whether or not such interest conflicts with that of the Company) 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 from any such interest to the extent that such interest has been declared as aforesaid provided that the board has given its prior written authorisation following such declaration. Regulations 85 and 94 shall be deemed modified accordingly

9 Proceedings of directors

9 1 The quorum necessary for the transaction of the business of the directors may be fixed by the directors and until so fixed shall be one if only one director shall be in office and two if there shall be more than one director in office When there is only one director, he may exercise all the powers conferred on directors by these articles

9 2 A resolution in writing signed or approved in writing by each director or his alternate shall be as valid and effective as if it had been passed at a meeting of the directors duly convened and held and when signed may consist of several documents in like form each signed by one or more of the directors or their alternates in which event the resolution shall be deemed passed upon notification (by any means) of signature to the registered office or the secretary of the Company

9 3 It shall not be necessary for the purpose of a directors' meeting that all participants be present at the same place provided that the directors counted in the quorum are all in contact for the purpose of the meeting whether in person or by radio or telephone or other instantaneous means of communication

9 4 Regulation 91 is amended by replacing

“The directors may appoint one of their number to be the chairman of the board of directors” with

“The Parent Company (if there is one) may appoint and remove the chairman of the board of directors by notice to the Company If and so long as the position of chairman is vacant, the directors may appoint one of their member to be the chairman ”

10 Minutes

Regulation 100 is amended by replacing paragraphs (a) and (b) with “of all proceedings of general meetings and meetings of the directors”

11 Dividends

Regulation 103 is amended by replacing "Subject to the provisions of the Act, the directors may pay interim dividends" with "Subject to the provisions of the Act and with the approval of the Parent Company (if there is one), the directors may pay interim dividends"

12 Accounts

Regulation 109 is amended by replacing "No member shall (as such) have any right of inspecting any accounting records" with "No member, other than the Parent Company (if there is one), shall (as such) have any right of inspecting any accounting records"

13 Winding up

If the Company shall be wound up (whether the liquidation is voluntary, under supervision, or by the Court) the liquidator may, with the authority of a special resolution and subject to any provision sanctioned in accordance with the provisions of the Act, divide among the members in specie or kind the whole or any part of the assets of the Company (whether they shall consist of property of the same kind or not) and may, for such purpose, set such values as he deems fair upon any assets to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members. The liquidator may, with the like authority, vest the whole or any part of the assets in trustees upon such trusts for the benefit of members as the liquidator with the like authority shall think fit, and the liquidation of the Company may be closed and the Company dissolved, but so that no contributory shall be compelled to accept any shares or other property in respect of which there is a liability and the liquidator may make any provision referred to in and sanctioned in accordance with the provisions of the Act

14 Single member company

If at any time, and for as long as, the Company has a single member and in the absence of any express provision to the contrary, all provisions of these Articles shall apply with such modification as may be necessary in relation to a company with a single member

15 Indemnity

15.1 Subject to the provisions of the Act (but without prejudice to any indemnity to which a director or other officer of the Company may otherwise be entitled), the directors may exercise the power of the Company to

(a) indemnify any director or other officer (other than any person engaged as auditor) of the Company out of the assets of the Company against any liability in connection with any negligence, default, breach of duty or breach of trust in relation to the Company, provided that, in the case of a director, no indemnity may be provided against any such liability incurred by him unless such indemnity is provided pursuant to "qualifying third party indemnity provision" or "qualifying pension scheme indemnity provision" within the meaning of the Act, and/or

(b) provide any director or other officer (other than any person engaged as auditor) of the Company with funds to meet expenditure incurred or to be incurred by such director or other officer

(i) in defending any criminal or civil proceedings or in defending himself in an investigation by a regulatory authority or against action proposed to be taken by a regulatory authority in connection with any alleged negligence, default, breach of duty or breach of trust in relation to the Company or a company which is the Company's holding company or subsidiary or a subsidiary of such holding company, or

(ii) in connection with an application to the court for relief from liability,

or to do anything to enable a director or other officer to avoid incurring such expenditure

15 2 Without prejudice to Article 15 1 but subject to the provisions of the Act, the directors may exercise the power of the Company to purchase and maintain insurance at the expense of the Company for the benefit of directors or other officers (other than any person engaged as auditor) of the Company against any liability which attaches to them or loss or expenditure which they incur in relation to anything done or omitted or alleged to have been done or omitted as directors or officers

16 **Conflicts of Interest**

16 1 This Article 16 shall only apply on and from the coming into force of Sections 175 to 177, 180(1), (2) (in part) and 4(b), 181(2) and (3) and 182 to 187 of the 2006 Act

16 2 The Directors may (subject to such terms and conditions, if any, as they may think fit to impose from time to time, and subject always to their right to vary or terminate such authorisation) authorise, to the fullest extent permitted by law

(a) any matter which would otherwise result in a Director infringing his duty to avoid a situation in which he has, or may have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company and which may reasonably be regarded as likely to give rise to a conflict of interest (including a conflict of interest and duty or conflict of duties),

(b) a Director to accept or continue in any office, employment or position in addition to his office as a Director of the Company and without prejudice to the generality of Article 16 2(b) may authorise the manner in which a conflict of interest arising out of such office, employment or position may be dealt with, either before or at the time that such a conflict of interest arises,

provided that for this purpose the Director in question and any other interested Director are not counted in the quorum at any board meeting at which such matter, or such office, employment or position, is approved and it is agreed to without their voting or would have been agreed to if their votes had not been counted

16 3 Where a matter, or office, employment or position has been authorised by the Directors in accordance with this Article 16 (and subject to any limits or conditions imposed on

such authority) and a conflict of interest arises or may arise, the Director shall not be in breach of the duties he owes to the Company because he

- (a) does not disclose any confidential information relating to such matter, or such office, employment or position, to the Company if to make such a disclosure would result in a breach of duty or obligation of confidence owed by him in relation to or in connection with that matter, or that office, employment or position,
- (b) absents himself from meetings of the Directors at which anything relating to that matter, or that office, employment or position, will or may be discussed, and
- (c) makes such arrangements as such Director thinks fit for Board and committee papers relating to the matter giving rise to the conflict of interest or possible conflict of interest to be received and read by a professional adviser on behalf of that Director

16.4 A Director shall not, by reason of his office, be accountable to the Company for any benefit which he derives from any matter, or from any office, employment or position, which has been approved by the Directors pursuant to this Article 16 (subject in any such case to any limits or conditions to which approval was subject)