

Number of Company: 2366995

THE COMPANIES ACT 1985

COMPANY LIMITED BY SHARES

SPECIAL RESOLUTIONS

OF

YORKSHIRE ELECTRICITY GROUP plc

At an Extraordinary General Meeting of the Company held at Clements House, Gresham Street, London EC2 on 20th November 1990 the following resolutions were passed as Special Resolutions of the Company:-

SPECIAL RESOLUTIONS

1. THAT the Company's Memorandum of Association be amended by inserting after the existing clause 4 (34) a new clause 4 (35) as follows, and by re-numbering the remainder of the existing clause 4 appropriately:-

"(35) Subject to such terms and conditions as may be thought fit, to undertake interest rate and currency swaps, options (including traded options), swap option contracts, forward exchange contracts, futures contracts or other financial instruments including hedging agreements of any kind all or any of which may be on a fixed and/or floating rate basis and/or in respect of Sterling (and any other currencies or basket of currencies including but not limited to European Currency Units (as the same may from time to time be designated or constituted)) or commodities of any kind and in the case of such swaps, options, swap contracts, forward exchange contracts, futures



contracts or other financial instruments including hedging agreements of any kind they may be undertaken by the Company on a speculative basis or otherwise."

2. THAT conditionally on all the shares comprised in the ordinary share capital of the Company, issued and to be issued, being admitted to The Official List of the International Stock Exchange of the United Kingdom and the Republic of Ireland Limited ("The Stock Exchange") and such admission becoming effective by the announcement of the decision of The Council of The Stock Exchange to admit such shares to listing in accordance with Rule 520 of the Rules of The Stock Exchange by no later than 11th January 1991:-
 - (A) The authorised share capital of the Company be increased to £150,000,001 by the creation of 149,950,000 ordinary shares of £1 each, such shares to rank pari passu in all respects with the existing ordinary shares of the Company, and by the creation of one special rights redeemable preference share of £1 bearing the rights and restrictions set out in the new Articles of Association to be adopted pursuant to paragraph (E) of this resolution.
 - (B) Each ordinary share of £1 in the capital of the Company be sub-divided into two ordinary shares of 50p each.
 - (C) The Directors shall have general and unconditional authority to allot relevant securities (within the meaning of Section 80 of the Companies Act 1985) of the Company on and subject to such terms as the Directors may determine. The authority hereby conferred shall be for a period expiring five years from the date of this resolution unless renewed, varied or revoked by the Company in general meeting and the maximum nominal amount of relevant securities which may be allotted pursuant to such authority shall be £138,126,000.

(D) The Directors shall be entitled under the authority conferred by (C) of this resolution or under any renewal thereof to make at any time prior to the expiry of such authority any offer or agreement which would or might require relevant securities of the Company to be allotted after the expiry of such authority.

(E) The Directors shall be empowered, pursuant to Section 95 of the Companies Act 1985, for a period expiring at the earlier of 15 months from the date of this resolution and the conclusion of the second annual general meeting of the Company, to allot equity securities (within the meaning of Section 94 (2) of the Companies Act 1985) of the Company for cash pursuant to the authority conferred by paragraph (C) of this resolution, as if Section 89 (1) of that Act did not apply to such allotment and the Directors shall be entitled to make at any time prior to the expiry of the power conferred by this paragraph any offer or agreement which would or might require equity securities to be allotted after the expiry of such power: Provided that such power shall be limited:

(i) to the allotment of equity securities to or at the direction of the Secretary of State for Energy;

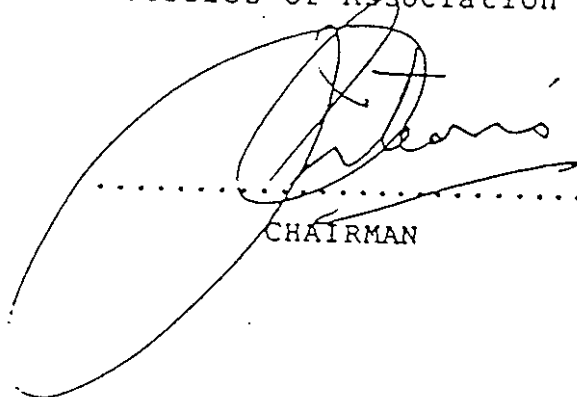
(ii) to the allotment (otherwise than pursuant to sub-paragraph (i) above) of equity securities in connection with a rights issue in favour of the holders of ordinary shares where the equity securities respectively attributable to the interests of the ordinary shareholders are proportionate (as nearly as may be) to the respective numbers of ordinary shares held or deemed to be held by them, subject only to such exclusions or other arrangements as the Directors may deem necessary or expedient to

deal with fractional entitlements, legal or practical problems arising in any overseas territory or by virtue of shares being represented by depository receipts, the requirements of any regulatory body or stock exchange, or any other matter whatsoever; and

(iii) to the allotment (otherwise than pursuant to sub-paragraph (i) or (ii) above) of equity securities up to an aggregate nominal value of £5,181,000.

Notwithstanding that this resolution shall have ceased to have effect, the Directors are hereby authorised to allot equity securities pursuant to any agreement or option made or quoted before this resolution ceases to have effect as if Section 89 (1) of the Companies Act 1985 did not apply to such allotment.

- (E) The Company's Articles of Association be amended by the adoption of Articles of Association in the form produced to the meeting and initialled by the Chairman for identification, to the exclusion of the current Articles of Association of the Company.


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CHAIRMAN

- (e) the terms of a proposed contract between (1) Rothschilds and (2) the Company providing for the purchase by the Company of all of the unconsolidated intermediate ordinary shares (a draft of which has been produced to this meeting and signed for identification by the Chairman thereof) be and are hereby approved and authorised for the purposes of section 164 of the Companies Act 1985 and otherwise but so that such approval and authority shall expire on 31 December 1996;
- (f) every 6 of the authorised but unissued intermediate ordinary shares arising as a result of the Sub-division and the purchase by the Company of the unconsolidated intermediate ordinary shares referred to in paragraph (1)(e) of this Resolution be and are hereby consolidated into one new ordinary share;
- (g) the Company be and is hereby authorised to purchase new ordinary shares by way of market purchase (as defined in section 163(3) of the Companies Act 1985) upon and subject to the following conditions:
 - (i) the maximum aggregate number of new ordinary shares which may be purchased is 15,000,000;
 - (ii) the minimum price which may be paid for a new ordinary share is 69p and the maximum price (exclusive of expenses) which may be paid is not more than five per cent above the average of the middle market quotations taken from the London Stock Exchange Daily Official List for the ten business days before the date on which the new ordinary share is purchased; and
 - (iii) the authority hereby conferred shall expire at the conclusion of the next Annual General Meeting of the Company provided that any contract for the purchase of any shares as aforesaid which was concluded before the expiry of the said authority may be executed wholly or partly after the said authority expires and that all shares so purchased in pursuance of this authority shall be cancelled immediately upon completion of the purchase and the amount of the Company's issued share capital (but not authorised share capital) shall be reduced by the nominal amount of the shares so purchased; and
- (2) the provisions of paragraph (1) of this Resolution are conditional upon admission of the new ordinary shares to the Official List of the London Stock Exchange Limited becoming effective in accordance with the listing rules of the London Stock Exchange Limited.