

Company No 2528704

Private Company Limited by Shares

Written resolutions of
Northumbrian Water Projects Limited

On the 4th day of December 2012, the following resolutions were duly passed as written resolutions in accordance with the requirements of section 288 to 300 of the Companies Act 2006 by the sole member of the Company as special resolutions in accordance with section 283 of the Companies Act 2006

THAT

- (a) the Articles of Association of the Company be amended by deleting all such provisions of the Company's Memorandum of Association as, by virtue of section 28 of the Companies Act 2006, are to be treated as provisions of the Company's Articles of Association, and
- (b) the Articles of Association circulated with this resolution be adopted as the Articles of Association of the Company in substitution for, and to the exclusion of, all existing Articles of Association, with effect from the date of passing this resolution



Maria Beveridge
Company Secretary
Northumbrian Water Projects Limited
Northumbria House
Abbey Road
Pity Me
DURHAM
DH1 5FJ



Company No: 2528704

COMPANY LIMITED BY SHARES

ARTICLES

OF

NORTHUMBRIAN WATER PROJECTS LIMITED

(as adopted by special resolution on 4 December 2012)

WEDNESDAY

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05/12/2012
COMPANIES HOUSE

#220

INTERPRETATION

1 In these Articles -

unless the context otherwise requires the following expressions have the following meanings -

"2006 Act"	means the Companies Act 2006, including any statutory modification or re-enactment for the time being in force,
"Acts"	means the Companies Acts as defined in section 2 of the 2006 Act and every statute including any orders, regulations and other subordinate legislation made under it from time to time in force concerning companies insofar as the same applies to the Company (whether or not called a Companies Act or within the statutory citation of Companies Acts),
"Business Day"	means a day on which clearing banks are open for the transaction of business in London,
"Company"	means Northumbrian Water Projects Limited,
"Directors"	means any Directors for the time being appointed and holding office pursuant to Article 7,
"Document"	includes, unless otherwise specified, any document sent or supplied in Electronic Form,
"Electronic Form"	has the meaning given in section 1168 of the 2006 Act,
"Hard Copy Form"	has the meaning given in section 1168 of the 2006 Act,
"Security Interest"	means any charge, pledge, lien (other than a lien

arising by operation of law), right of set-off, encumbrance or any other security interest whatsoever and howsoever created or arising,

“Shareholders” means the holders from time to time of the Shares (and the expression “Shareholder” shall be construed accordingly),

“Shares” means the ordinary Shares of £1 each in the capital of the Company (with “Share” being construed accordingly),

- 1 1 No model articles or other regulations contained in any statute or statutory instrument concerning companies shall apply as regulations or articles of the Company
- 1 2 Words importing the singular number shall include the plural and vice versa, words importing the masculine shall include the feminine and neuter and vice versa and words importing persons shall include bodies corporate, unincorporated associations and partnerships
- 1 3 Reference to Articles are references to these Articles
- 1 4 Headings in these Articles are for convenience only and shall not affect the interpretation hereof
- 1 5 References in these Articles to “in writing” shall be construed as including references to any method of representing or reproducing words in a stable and non-transitory form

LIABILITY OF SHAREHOLDERS

- 2 The liability of the Shareholders is limited to the amount, if any, unpaid on the shares held by them

PRIVATE COMPANY

- 3 The Company is a private company and accordingly no invitation shall be made to the public to subscribe for any Shares or debentures of the Company

TRANSFER OF SHARES

- 4 1 No sale, transfer, assignment, pledge, charge or other disposition of any Share or any interest in any Share or any rights attaching to any Share shall be made or granted or created either voluntarily or by operation of law or otherwise than in accordance with the provisions of these Articles. The instrument of transfer of any Share shall be executed by or on behalf of the transferor who shall be deemed to remain the holder of the Share until the name of the transferee is entered in the register of members in respect thereof, the instrument of transfer of any Share other than a fully paid Share shall also be executed by the transferee.
- 4 2 The Shareholder shall not, create or grant or permit to subsist any Security Interest over the Shares.
- 4 3 Any Shares may at any time be transferred with the prior written consent of the Shareholder and the Directors shall be bound to register the relevant transfer. Except as permitted by this Article 4 3, no transfer of any Shares shall be permitted.
- 4 4 The Directors shall refuse to register any transfer of Shares other than a transfer pursuant to and in accordance with the provisions of these Articles. A purported transfer not made pursuant to and in accordance with the provisions of these Articles shall be null and void.
- 4 5 All Shares transferred pursuant to and in accordance with the provisions of these Articles shall be transferred free from all Security Interests and liens arising by operation of law together with all rights, benefits and advantages attached thereto as at the date of the relevant transfer except the right to any dividend declared but not paid prior to the date of the relevant transfer.

PROCEEDINGS AT GENERAL MEETINGS

- 5 1 A resolution put to the vote at a general meeting shall be decided on a show of hands unless before, or on the declaration of the result of, the show of hands a poll is duly demanded. A poll may be demanded by any member present. A demand by a person as proxy for, or a duly authorised corporate representative of, a member shall be the same as a demand by the member.
- 5 2 No business shall be transacted at any general meeting unless a quorum of members is present both at the time when the meeting proceeds to business and at the time which such business is transacted. Where there is only one holder of the Shares, that Shareholder present in person or by proxy or authorised corporate representative shall constitute a quorum.

- 5 3 If within an hour from the time appointed for a general meeting such a quorum is not present or if during a general meeting such a quorum ceases to be present, the meeting shall stand adjourned to the same day (or, if that day is a not a Business Day, to the next following Business Day) in the next week and at the same time and place or to such other date, time and place as the Directors may determine. If at the adjourned meeting such a quorum is not present within an hour from the time appointed for the adjourned meeting, the meeting shall stand dissolved.
- 5 4 In the case of a body corporate, a resolution in writing may be signed on its behalf by a Director or the secretary thereof or by its duly appointed attorney or duly authorised representative.

VOTES OF MEMBERS

- 6 1 On a poll, votes may be given either personally or by proxy or, in the case of a member being a corporation, by its duly authorised corporate representative.
- 6 2 The chairman of a general meeting shall not have a second or casting vote.
- 6 3 An instrument appointing a proxy (and where it is signed on behalf of the appointor by an attorney), the letter or power of attorney or a duly certified copy thereof must be delivered at such place as may be specified for that purpose in or by way of note to the notice convening the meeting (or if no place is so specified, at the registered office) at least one hour before the time appointed for the holding of the meeting or adjourned meeting or (in the case of a poll taken otherwise than at or on the same day as the meeting or adjourned meeting) for the taking of the poll at which it is to be used or to be delivered to the secretary (or the chairman of the meeting) on the day and at the place of, but in any event before the time appointed for holding the meeting or adjourned meeting or poll. An instrument of proxy shall not be treated as valid until such delivery shall have been effected.

NUMBER AND APPOINTMENT OF DIRECTORS

- 7 1 Unless otherwise determined by ordinary resolution, there shall be no maximum number of Directors and the minimum number of Directors shall be one.
- 7 2 The Shareholder shall be entitled at any time and from time to time to appoint up to four persons as Directors and to remove any such Directors from office and to appoint any other

person or persons in place of any such Directors so removed or dying or otherwise vacating office

- 7 3 Every appointment or removal of a Director shall be made by notice in writing to the Company signed by or on behalf of the Shareholder
- 7 4 Any Director who is appointed to any executive office or who otherwise performs services which in the opinion of the Directors are outside the scope of the ordinary duties of a Director, may be paid such remuneration by way of salary, percentage of profits or otherwise as the Directors may determine. Otherwise the Directors shall not be entitled to any remuneration
- 7 5 A Director shall not be required to hold any Shares of the Company by way of qualification but he shall be entitled to receive notice of and attend and speak at all general meetings of the Company
- 7 6 Each Director shall be entitled to one vote

DISQUALIFICATION OR REMOVAL OF DIRECTORS

- 8 The office of the Director shall be vacated if
- 8 1 he ceases to be a Director by virtue of any provision of the 2006 Act or he becomes prohibited by law from being a Director, or
- 8 2 he becomes bankrupt or apparently insolvent or makes any arrangement or composition with his creditors generally, or
- 8 3 a registered medical practitioner who is treating him gives a written opinion to the Company stating that he has become physically or mentally incapable of acting as a Director and may remain so for more than three months, or
- 8 4 by reason of that Director's mental health, an order is made which wholly or partly prevents him from personally exercising any powers or rights which he might otherwise have, or
- 8 5 he resigns his office by notice to the Company, or
- 8 6 he is removed from office pursuant to Article 7 2

PROCEEDINGS OF DIRECTORS

- 9 1 The Directors may meet together for the dispatch of business, adjourn and otherwise regulate their meetings, as they think fit. A Director or the secretary may, at any time, summon a meeting of the Directors in accordance with Article 9 4. Notice of every meeting of Directors shall, subject to Article 9 4, be given to each Director (and his alternate if any), including Directors who are absent from the United Kingdom and have given the Company their addresses outside the United Kingdom.
- 9 2 Unless otherwise agreed in writing by the Shareholder the quorum for the transaction of the business of the Directors shall be two. If a quorum is not present within half an hour from the time appointed for the meeting, or if during a meeting such a quorum ceases to be present, the meeting shall stand adjourned to the same day in the next week at the same time and place or to such time and place as the Directors may determine. If a quorum is not present at such adjourned meeting within half an hour from the time appointed for such meeting, then the meeting shall stand dissolved.
- 9 3 No resolution of the Directors shall have effect unless a majority of the Directors present at the meeting have voted in favour of such resolution. The chairman at any meeting of the Directors shall not be entitled to a second or casting vote.
- 9 4 Any Director or the secretary may call a Directors' meeting by giving notice to the Directors. Notice of any Directors' meeting must indicate its proposed date and time, where it is to take place and if it is anticipated that Directors participating in the meeting will not be in the same place, how it is proposed that they should communicate with each other during the meeting. Notice shall be given to each Director (and his alternate previously notified in writing) including any Director who is absent from the United Kingdom and who has given the secretary his address, fax number or email address outside the United Kingdom for this purpose.
- 9 5 Subject to the Articles, Directors participate in a Directors' meeting, or part of a Directors' meeting, when the meeting has been called and takes place in accordance with the Articles, and they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting. In determining whether Directors are participating in a Directors' meeting, it is irrelevant where any Director is or how they communicate with each other. If all the Directors participating in a meeting are not in the same place, they may decide that the meeting is to be treated as taking place wherever any of them is.

- 9 6 Subject to the Articles, the Directors may delegate any of the powers which are conferred on them under the Articles to such person or committee by such means (including power of attorney) to such extent in relation to such matters or territories, and on such terms and conditions as they think fit. If the Directors so specify, any such delegation may authorise further delegation of the Directors' powers by any person to whom they are delegated. The Directors may revoke any delegation in whole or part, or alter its terms and conditions. Committees to which the Directors delegate any of their powers must follow procedures which are based as far as they are applicable on those provisions of the Articles which govern the taking of decisions by Directors. The Directors may make rules of procedure for all or any committees, which prevail over rules derived from the Articles if they are not consistent with them.
- 9 7 A resolution in writing signed by all the Directors entitled to receive notice of a meeting of Directors or of a committee of Directors shall be as valid and effectual as if it had been passed at a meeting of Directors or (as the case may be) a committee of Directors duly convened and held and may consist of several Documents in the like form each signed by one or more Directors, but a resolution signed by an alternate Director need not also be signed by his appointor and, if it is signed by a Director who has appointed an alternate Director, it need not be signed by the alternate Director in that capacity.
- 9 8 Subject to the Articles, anything sent or supplied by or to the Company may be sent or supplied in Hard Copy and/or Electronic Form as permitted by the 2006 Act. Subject to the Articles, any notice or Document to be sent or supplied in Electronic Form to a Director in connection with the taking of decisions by Directors must be sent or supplied in a form, and/or by means, that the sender or supplier reasonably considers will enable the recipient to read it and/or see images with the naked eye and to retain a copy of it.
- 9 9 Notwithstanding the provisions of section 551 of the 2006 Act, the Directors shall only be entitled to allot relevant securities with the prior written consent of the holders of all the Shares.

BORROWING POWERS

- 10 The Directors may, pursuant to a valid resolution passed at a quorate meeting but not otherwise, exercise all the powers of the Company to borrow money without limits as to amount and upon such terms and in such manner as they think fit and to grant any mortgage or charge (either

fixed or floating) over the undertaking, property and uncalled capital or any part thereof of the Company and any such agreement as aforesaid and Article 9 9 and to section 551 of the 2006 Act, to issue debentures, debenture stock and other securities whether outright or as security for any debt, liability or obligation of the Company or of any third party

DIRECTORS NOT TO RETIRE BY ROTATION

- 11 1 The Directors shall not be subject to retirement by rotation
- 11 2 The continuing Directors may act notwithstanding any vacancy in their number

ALTERNATE DIRECTORS

- 12 1 The Shareholder may at any time appoint any person (including another Director) to be the alternate Director of any Director appointed by it pursuant to Article 7 2 Any such appointment or termination shall be effected in like manner as provided in Article 7 2
- 12 2 An alternate Director shall not be deemed to be the agent of his appointor, but shall be deemed to be an officer of the Company Nevertheless, unless he is already an officer of the Company in his own right, an alternate Director shall not, as such, have any rights or powers other than those mentioned below
- 12 3 An alternate Director shall be entitled to receive notice of meetings of Directors (and of all committees of the Directors of which the Director of whom he is the alternate is a member) (but without prejudice to his appointor's right to receive such notices), to attend, speak and vote as a Director at any meeting at which his appointor is not personally present, to be counted in determining whether a quorum is present thereat, to sign any written resolution of the Directors and generally to perform all the functions of his appointor as Director in his absence A Director present at a meeting of Directors or any committee of the Directors and appointed alternate for any other Directors shall have an additional vote for each of his appointors absent from the meeting Without prejudice to the generality of the foregoing, an alternate Director appointed the alternate of a particular Director shall for the purposes of these Articles be deemed to be the Director he represents
- 12 4 The appointor of an alternate Director may direct (by notice from the appointor to the Company) the payment to the alternate Director of part or all of the remuneration which would

otherwise be payable to the appointor but, except as so directed, an alternate Director shall not be entitled to any remuneration from the Company for acting in that capacity provided always that an alternate Director may be paid reasonable expenses by the Company

- 12 5 An alternate Director shall cease to be such if for any reason his appointment be revoked or if his appointor ceases to be a Director or if he ceases or would, if a Director in his own right, cease to be a Director, in any of the circumstances mentioned in Article 8

INDEMNITY

- 13 1 Subject to the Acts but without prejudice to any indemnity to which a Director may otherwise be entitled, every Director or other officer of the company shall be indemnified out of the assets of the Company against all losses or liabilities which he may sustain or incur in or about the lawful 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 judgment is given in his favour or in which he is acquitted or in connection with any application 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 lawful execution of the duties of his office or in relation thereto
- 13 2 The Directors shall have power to purchase and maintain for any Director, officer or auditor of the Company insurance against any such liability as is referred to in section 232 of the 2006 Act and, subject to the provisions of the 2006 Act, against any other liability which may attach to him or loss or expenditure which he may incur in relation to anything done or alleged to have been done or omitted to be done as a Director, officer or auditor
- 13 3 The Directors may authorise the directors of companies within the same group of companies as the Company to purchase and maintain insurance at the expense of the Company for the benefit of any Director, other officer or auditor of such Company in respect of such liability, loss or expenditure as is referred to in Article 13 1

CONFLICTS OF INTEREST

- 14 1 For the purposes of section 175 of the 2006 Act, the Directors may authorise any matter proposed to them in accordance with these Articles which would, if not so authorised, constitute or give rise to an infringement of duty by a Director under that section
- 14 2 Authorisation of a matter under Article 14 1 shall be effective only if
- (i) the matter in question shall have been proposed by any person for consideration at a meeting of the Directors, in accordance with the Directors' procedures, if any, for the time being relating to matters for consideration by the Directors or in such other manner as the Directors may approve,
 - (ii) any requirement as to the quorum at the meeting of the Directors at which the matter is considered is met without counting the Director in question and any other interested Director (together the 'Interested Directors'), and
 - (iii) the matter was agreed to without the Interested Directors voting or would have been agreed to if the votes of the Interested Directors had not been counted
- 14 3 Any authorisation of a matter pursuant to Article 14 1 shall extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter so authorised
- 14 4 Any authorisation of a matter under Article 14 1 shall be subject to such conditions or limitations as the Directors may specify, whether at the time such authorisation is given or subsequently, and may be terminated or varied by the Directors at any time. A Director shall comply with any obligations imposed on him by the Directors pursuant to any such authorisation
- 14 5 A Director shall not, by reason of his office or the fiduciary relationship thereby established, be accountable to the Company for any remuneration or other benefit which derives from any matter authorised by the Directors under Article 14 1 and any contract, transaction or arrangement relating thereto shall not be liable to be avoided on the grounds of any such remuneration or other benefit or on the ground of the Director having any interest as referred to in the said section 175
- 14 6 A Director shall be under no duty to the Company with respect of any information which he obtains or has obtained otherwise than as a Director, officer or employee of the Company and in respect of which he owes a duty of confidentiality to another person. However, to the extent that his connection with that other person conflicts, or possibly may conflict, with the interests

of the Company, this Article 14 6 applies only if the existence of that connection has been authorised by the Directors under Article 14 1 In particular, the Director shall not be in breach of the general duties he owes to the Company by virtue of sections 171 to 177 of the 2006 Act because he fails

- (i) to disclose any such information to the Directors or to any Director or other officer or employee of the Company, and/or
- (ii) to use any such information in performing his duties as a Director or officer or employee of the Company

14 7 Where the existence of a Director's connection with another person has been authorised by the Directors under Article 14 1 and his connection with that person conflicts, or possibly may conflict, with the interests of the Company, the Director shall not be in breach of the general duties he owes to the Company by virtue of sections 171 to 177 of the 2006 Act because he

- (i) absents himself from meetings of the Directors or any committee thereof at which any matter relating to the conflict of interest or possible conflict of interest will or may be discussed or from the discussion of any such matter at a meeting or otherwise, and/or
- (ii) makes arrangements not to receive Documents and information relating to any matter which gives rise to the conflict of interest or possible conflict of interest sent or supplied by the Company and/or for such Documents and information to be received and read by a professional adviser, for so long as he reasonably believes such conflict of interest (or possible conflict of interest) subsists

14 8 The provisions of Articles 14 6 and 14 7 are without prejudice to any equitable principle or rule of law which may excuse the Director from

- (i) disclosing information, in circumstances where disclosure would otherwise be required under these Articles or otherwise, or
- (ii) attending meetings or discussions or receiving Documents and information as referred to in Article 14 7 in circumstance where such attendance or receiving such Documents and information would otherwise be required under these Articles

14 9 For the purpose of this Article, a conflict of interest includes a conflict of interest and duty and a conflict of duties

SHARE CERTIFICATES

- 15 Every certificate shall be signed by two Directors or a Director and the secretary of the Company

NO SEAL

- 16 The Company shall not have a seal