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COMPANIES FORM No. 395

Particulars of a mortgage or charge

A fee of £10 is payable to Companies House in respect of each register entry for a mortgage or charge.



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124118

CHFP025

Please do not write in this margin

Please complete legibly, preferably in black type, or bold block lettering

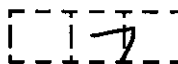
*insert full name of Company

Pursuant to section 395 of the Companies Act 1985

To the Registrar of Companies
(Address overleaf - Note 6)

For official use

Company number



2675504

Name of company

* Damhead Creek Limited (the "Company")

Date of creation of the charge

5th January, 2001

Description of the instrument (if any) creating or evidencing the charge (note 2)

Supplemental Debenture (the "Supplemental Debenture") dated 5th January, 2001 between the Company and the Security Trustee, supplemental to the Guarantor Debenture (as such terms are defined herein).

Amount secured by the mortgage or charge

All present and future obligations and liabilities (whether actual or contingent and whether owed jointly or severally or in any other capacity whatsoever) of each Obligor to any Secured Creditor under each Finance Document to which such Obligor is a party (including without limitation, the Senior Credit Agreement, the Subordinated Credit Agreement, the Guarantor Debenture and the Supplemental Guarantor Debenture) except for any obligation which, if it were so included, would result in the Guarantor Debenture contravening section 151 of the Companies Act 1985 (the "Secured Liabilities"). The term "Secured Liabilities" includes liabilities which would be treated as such but for the liquidation or dissolution of, or similar event affecting, an Obligor (as such terms are defined herein).

Names and addresses of the mortgagees or persons entitled to the charge

The Royal Bank of Scotland plc (the "Security Trustee") 5th Floor, 135 Bishopsgate, London holding the security on trust for the benefit of the Secured Creditors

Postcode EC2M 3UR

Presentor's name address and reference (if any):

Allen & Overy
One New Change
London
EC4M 9QQ

For official Use
Mortgage Section



LD5
COMPANIES HOUSE

0148
17/01/01

Time critical reference
BK: 823093

Short particulars of all the property mortgaged or charged

See Continuation Sheet 1.

Please do not
write in
this margin

Please complete
legibly, preferably
in black type, or
bold block
lettering

Particulars as to commission allowance or discount (note 3)

Nil

Signed

Allen A Overy

Date

16th January, 2001

On behalf of ~~[company]~~ [mortgagee/chargee] †

A fee of £10 is
payable to
Companies House
in respect of each
register entry for a
mortgage or
charge.
(See Note 5)

† delete as
appropriate

Notes

- 1 The original instrument (if any) creating or evidencing the charge, together with these prescribed particulars correctly completed must be delivered to the Registrar of Companies within 21 days after the date of creation of the charge (section 395). If the property is situated and the charge was created outside the United Kingdom delivery to the Registrar must be effected within 21 days after the date on which the instrument could in due course of post, and if dispatched with due diligence, have been received in the United Kingdom (section 398). A copy of the instrument creating the charge will be accepted where the property charged is situated and the charge was created outside the United Kingdom (section 398) and in such cases the copy must be verified to be a correct copy either by the company or by the person who has delivered or sent the copy to the Registrar. The verification must be signed by or on behalf of the person giving the verification and where this is given by a body corporate it must be signed by an officer of that body. A verified copy will also be accepted where section 398(4) applies (property situate in Scotland or Northern Ireland) and Form No. 398 is submitted.
- 2 A description of the instrument, eg "Trust Deed", "Debenture", "Mortgage" or "Legal charge", etc, as the case may be, should be given.
- 3 In this section there should be inserted the amount or rate per cent. of the commission, allowance or discount (if any) paid or made either directly or indirectly by the company to any person in consideration of his;
 - (a) subscribing or agreeing to subscribe, whether absolutely or conditionally, or
 - (b) procuring or agreeing to procure subscriptions, whether absolute or conditional,for any of the debentures included in this return. The rate of interest payable under the terms of the debentures should not be entered.
- 4 If any of the spaces in this form provide insufficient space the particulars must be entered on the prescribed continuation sheet.
- 5 Cheques and Postal Orders are to be made payable to **Companies House**.
- 6 The address of the Registrar of Companies is:-

Companies House, Crown Way, Cardiff CF14 3UZ

Short Particulars of all the property mortgaged or charged

1. The Company as owner with full title guarantee and as security for the payment of all the Secured Liabilities has charged in favour of the Security Trustee by way of a first legal mortgage all the real property specified in the Schedule in which it has an interest.

2. **Restrictions on Dealing**

The Company has undertaken, during the Security Period, not to:

- (a) create or permit to subsist any Security Interest on any Security Asset (other than any Security Interest created by the Guarantor Debenture or Supplemental Debenture), otherwise than as permitted by Clauses 24.2(l) (Negative Pledge) and 30.1(cc) (Change of Control) of the Senior Credit Agreement and Clauses 12.2(l) (Negative Pledge) and 18.1(cc) (Change of Control) of the Subordinated Credit Agreement; or
- (b) sell, transfer, grant, lease or otherwise dispose of any Security Asset, otherwise than as permitted by Clauses 24.2(a) (Disposal) and 30.1(cc) (Change of Control) of the Senior Credit Agreement and Clauses 12.2(a) (Disposal) and 18.1(cc) (Change of Control) of the Subordinated Credit Agreement.

3. **Definitions and Construction**

In this Companies Form 395:

"Accession Agreement"

means each agreement entered into pursuant to clause 3.6 of the Intercreditor Agreement in the form set out in Schedule 2 to the Intercreditor Agreement;

"Account Bank"

means (i) Citibank, N.A. acting through its London branch or any other branch of Citibank, N.A. or its affiliates or (ii) such other Bank as the Borrower and the Majority Banks agree (such agreement not to be unreasonably withheld or delayed);

"Account Bank Agreement"

means the agreement dated 15th December, 1998 between the Parent, the Company, DCFL, the Account Bank, the Agent, the Subordinated Agent and the Security Trustee as amended by a letter dated on or about 20th April, 1999;

"Advance"

means each borrowing by way of a cash advance of all or a portion of the Commitments under the Tranche A Facility, the Tranche B Facility, the Tranche C Facility, the Tranche D Facility, the Tranche E Facility or, as the case may be, the Tranche G Facility (and for the avoidance of doubt shall include any GSA Switch Advance under the Tranche E Facility or Hedging Switch Advance under the Tranche G Facility but excludes any Deposited Amount under Clause 9.9 and Clause 10.7 of the Senior Credit Agreement) by the Borrower or (as the context may require) the principal amount of such borrowing;

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95

Short Particulars of all the property mortgaged or charged

"Affiliate"

of a person means any person (a) which has Control of such person, (b) of which such person has Control or (c) of which a person, which has Control of such person, has Control;

"Agent"

means UBS AG or such other person as may be appointed agent for the Banks pursuant to clause 35.11 (Retirement of Agent and Security Trustee) of the Senior Credit Agreement;

"Antilles Borrower"

means Damhead Finance (Netherlands Antilles) N.V., a company incorporated in the Netherlands Antilles and whose registered office is at Scharlooweg 81, Curaçao, Netherlands Antilles;

"Antilles Borrower On-Loans"

means loans by Antilles Borrower to Dutch Borrower of the proceeds of Borrower On-Loans made on the terms of an agreement dated on or about 20th April, 1999 between Antilles Borrower and Dutch Borrower;

"Antilles Borrower On-Loan Account"

means the account entitled "Antilles Borrower On-Loan Account" (including any sub-accounts into which such account may be divided) opened or to be opened by Antilles Borrower with the Account Bank (or any agent thereof approved by the Agent) and shall include any account and sub-account opened with any successor Account Bank, in each case as such account may be renamed, renumbered or redesignated;

"Bank Hedging Affiliate"

means an Affiliate of a Bank;

"Banks"

means the Tranche A Banks, the Tranche B Banks, the Tranche C Banks, the Tranche D Banks, the Tranche E Banks, the Tranche F Banks and the Tranche G Banks (as the case may be); and **"Bank"** means any one of them;

"Banks' Technical Adviser"

means Merz and McLellan in its capacity as technical adviser to the Agent and the Banks in relation to the Project or such other technical adviser or technical advisers as the Agent may appoint with the approval of the Borrower (such approval not to be unreasonably withheld) from time to time on the instructions of the Majority Banks;

"Borrower"

means Damhead Finance LDC, a company incorporated in the Cayman Islands (registered number CR-86721) and whose registered office is at Caledonian Bank and Trust Limited,

Short Particulars of all the property mortgaged or charged

Caledonian House, Jennett Street, P.O. Box 265GTT, George Town, Grand Cayman, Cayman Islands;

"Borrower Debenture"

means the debenture dated on or about 20th April, 1999 between the Borrower, Antilles Borrower, Dutch Borrower and the Security Trustee;

"Borrower On-Loan Account"

means the account entitled "Borrower On-Loan Account" (including any sub-accounts into which such account may be divided) opened or to be opened by the Borrower with the Account Bank (or any agent thereof approved by the Agent) and shall include any account and sub-account with any successor Account Bank, in each case as such account may be renewed, renumbered or redesignated;

"Borrower On-Loans"

means loans by the Borrower to Antilles Borrower of the proceeds of Loans under the Facilities made on the terms of an agreement dated on or about 20th April, 1999 between the Borrower and Antilles Borrower;

"Calculation Dates"

means each 30th June and 31st December following Commencement of Commercial Operations;

"Calculation Period"

means, in respect of a Calculation Date:

- (a) in relation to the previous Calculation Period, the 6 month period ending on such Calculation Date (or, in the case of the First Calculation Date, the period starting on the day after the Commencement of Commercial Operations and ending on such Calculation Date); and
- (b) in relation to a future Calculation Period, the 6 month period starting on the day after such Calculation Date and ending on the next Calculation Date;

"Cayman Finco 1"

means Entergy Power Damhead Finco 1, a company incorporated in the Cayman Islands (registered number CR-86719) and whose registered office is at Caledonian Bank & Trust Limited, Caledonian House, Jennett Street, P.O. Box 1045GT, George Town, Grand Cayman, Cayman Islands;

"Cayman Finco 2"

means Entergy Power Damhead Finco 2, a company incorporated in the Cayman Islands (registered number CR-86720) and whose registered office is at Caledonian Bank and Trust

Short Particulars of all the property mortgaged or charged

Limited, Caledonian House, Jennett Street, P.O. Box 1045GT, George Town, Grand Cayman, Cayman Islands;

"Certificate of Title"

means the certificate of title identified in paragraph 8.10 of Schedule 3 to the Senior Credit Agreement;

"Chargors"

means the Company, the Parent and DCFL;

"Commencement of Commercial Operations"

means the Taking Over Date under the EPC Contract;

"Commissioning Gas Agreement"

means the commissioning gas agreement, in the approved form, made, or to be made, between the Commissioning Gas Supplier and the Company;

"Commissioning Gas Direct Agreement"

means the direct agreement made, or to be made, in relation to the Commissioning Gas Agreement between the Commissioning Gas Supplier, the Company and the Security Trustee;

"Commissioning Gas Supplier"

means a gas supplier approved or to be approved by the Agent (in consultation with the Banks' Technical Adviser) (such approval not to be unreasonably withheld or delayed);

"Commitment"

means, in relation to a Bank, the amount set opposite its name in the relevant part of Schedule 1 of the Senior Credit Agreement or, as the case may be, in any relevant Transfer Certificate, as increased, cancelled or reduced by any relevant terms of the Senior Credit Agreement or any Transfer Certificate;

"Contribution"

means, in relation to a Bank and at any relevant time:

- (a) in respect of the Tranche A Facility, the Tranche B Facility, the Tranche C Facility, the Tranche D Facility, the Tranche E Facility and the Tranche G Facility, the principal amount of the Tranche A Loan, the Tranche B Loan, the Tranche C Loan, the Tranche D Loan, the Tranche E Loan or, as the case may be, the Tranche G Loan owing to such Bank;
- (b) in respect of the Tranche D Facility, the Tranche E Facility, the Tranche F Facility and the Tranche G Facility, the portion of the Outstanding Amount of a Network Code Letter of Credit, the portion of the Outstanding Amount of a GSA Letter of

Short Particulars of all the property mortgaged or charged

Credit issued by such Bank, the portion of the Outstanding Amount of the NGC Guarantee issued by such Bank or, as the case may be, the portion of the Outstanding Amount of all Project Hedging Letters of Credit issued by such Bank including, for the avoidance of doubt all Deposited Amounts made pursuant to clause 9.8(b), 10.6(b) or, as the case may be, clause 11 of the Senior Credit Agreement; and

- (c) in respect of the Tranche D Facility, the Tranche E Facility, the Tranche F Facility and the Tranche G Facility, the principal amount owing to such Bank, following the payment by such Bank to the beneficiary of a Network Code Letter of Credit, the Gas Supplier, NGC or, as the case may be, Project Hedging Counterparties following a demand under a Network Code Letter of Credit, a GSA Letter of Credit, the NGC Guarantee or, as the case may be, a Project Hedging Letter of Credit, which has not been fully repaid or reimbursed by the Borrower pursuant to clause 31.2 of the Senior Credit Agreement but, in respect of the Tranche D Facility, the Tranche E Facility and the Tranche G Facility, does not include the Tranche D Loan, the Tranche E Loan and the Tranche G Loan (which have been included in paragraph (a) above);

"Control"

of one person by another person (or persons acting in concert) means that the other (whether directly or indirectly and whether by the ownership of share capital, the possession of voting power, contract or otherwise) has the power to appoint and or remove the majority of the members of the governing body of that person or otherwise controls or has the power to control the affairs and policies of that person (and references to **"Controlled"** and **"Controlling"** shall be construed accordingly);

"Creditors" means:

- (a) each Secured Creditor; and
(b) each Junior Subordinated Creditor,

and **"Creditor"** shall mean any of them;

"DCFL"

means Damhead Creek Finance Limited, a company incorporated in the Cayman Islands (registered number CR-82918), and whose registered office is at Caledonian Bank and Trust Limited, Ground Floor, Caledonian House, Mary Street, PO Box 1043, George Town, Grand Cayman, Cayman Islands.

"Deposited Amount"

has the meaning set out in Clause 9.9 or 10.7 (as applicable) of the Senior Credit Agreement;

"Direct Agreements"

means each of the GSA Direct Agreement, the EPC Direct Agreement, the O&M Direct Agreement, the Maintenance Direct Agreement, the NGC Direct Agreement, the Pool Direct Agreement, the OFFER Direct Agreement, the TSA Direct Agreement, the DSA Direct Agreement, the MHI Direct Agreement, the EMA Direct Agreement, the Commissioning Gas

Short Particulars of all the property mortgaged or charged

Direct Agreement and such other agreements as may be entered into from time to time as required by the Agent pursuant to clause 24.1(h) of the Senior Credit Agreement between, among others, the Company, the Parent and the Security Trustee and any counterparty to a project document which provides, among other things, for the limitation on such counterparty's rights under such project document;

"Drawdown Notice"

means:

- (a) in the case of the Tranche A Facility, notices substantially in the terms of parts A1 and A2 of Schedule 2 of the Senior Credit Agreement ;
- (b) in the case of the Tranche B Facility, notices substantially in the terms of parts B1 and B2 of Schedule 2 of the Senior Credit Agreement;
- (c) in the case of the Tranche C Facility, notices substantially in the terms of parts C1 and C2 of Schedule 2 of the Senior Credit Agreement;
- (d) in the case of the Tranche D Facility, notices substantially in the terms of parts D1 and D2 of Schedule 2 of the Senior Credit Agreement;
- (e) in the case of the Tranche E Facility, notices substantially in the terms of parts E1 and E2 of Schedule 2 of the Senior Credit Agreement;
- (f) in the case of the Tranche F Facility, notices substantially in the terms of parts F1 and F2 of Schedule 2 of the Senior Credit Agreement;
- (g) in the case of the Tranche G Facility, notices substantially in the terms of parts G1 and G2 of Schedule 2 of the Senior Credit Agreement;

"DSA Direct Agreement"

means the direct agreement dated 15th December, 1998 between the Security Trustee, the Company and EPDC;

"Dutch Borrower"

means Damhead Finance (Netherlands) B.V., a company incorporated in the Netherlands and whose registered office is at World Trade Center, Tower B, 17th Floor, Strawinskylaan 1725, 1077 XX Amsterdam, Netherlands;

"Dutch Borrower On-Loans"

means loans by Dutch Borrower to the Parent of the proceeds of Antilles Borrower On-Loans made on the terms of an agreement dated 15th December, 1998 between DCFL and the Parent which was indirectly novated to Dutch Borrower and amended and restated on or about 20th April, 1999;

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"Dutch Borrower On-Loan Account"

means the account entitled "Dutch Borrower On-Loan Account" (including any sub-accounts into which such account may be divided) opened or to be opened by Dutch Borrower with the Account Bank (or any agent thereof approved by the Agent) and shall include any account and sub-account opened with any successor Account Bank, in each case as such account may be renewed, renumbered or redesignated;

"EMA Direct Agreement"

means a direct agreement in the approved form to be entered into between the Security Trustee, the Company and Entergy Trading & Marketing Limited;

"EPC Contract"

means the engineering, procurement and construction agreement dated 16th September, 1998, between the Company and the EPC Contractors;

"EPC Contractors"

means Raytheon Engineers & Constructors UK Ltd and Mitsubishi Corporation and **"EPC Contractor"** means either of them;

"EPC Direct Agreement"

means the direct agreement dated 15th December, 1998 in relation to the EPC Contract between the EPC Contractors, the Company and the Security Trustee as amended on or about 20th April, 1999;

"EPDC"

means Entergy Power Development Corporation, a corporation incorporated with limited liability in the State of Delaware, the United States of America, and whose principal place of business is 4 Park Plaza, Suite 2000, Irvine, CA 92614, United States of America;

"EPDCH III"

means Entergy Power Damhead Creek Holding III, Ltd, a company incorporated in the Cayman Islands (registered number CR-83326) and whose registered office is at Caledonian Bank and Trust Limited, Ground Floor, Caledonian House, Mary Street, P.O. Box 1043, George Town, Grand Cayman, Cayman Islands;

"EPODCC"

means Entergy Power Operations Damhead Creek Corporation;

"Equity Agreement"

means the equity subscription agreement entered into between the Parent and the Company.

Short Particulars of all the property mortgaged or charged

"Event of Default"

means each Event of Default as defined in the Senior Credit Agreement and each Event of Default as defined in the Subordinated Credit Agreement;

"Facilities"

means:

- (a) the Tranche A Facility;
- (b) the Tranche B Facility;
- (c) the Tranche C Facility;
- (d) the Tranche D Facility;
- (e) the Tranche E Facility;
- (f) the Tranche F Facility; and
- (g) the Tranche G Facility;

and **"Facility"** means any one of them;

"Fee Letters" means:

- (a) the letter dated 15th December, 1998 from the Lead Arranger to DCFL in relation to the arrangement fee referred to in clause 21.1(a) of the Senior Credit Agreement, being described on its face as the Lead Arranger's Fee Letter;
- (b) the letter dated on or about 20th April, 1999 from the Agent to the Borrower in relation to the agency fee referred to in clause 21.1(b) of the Senior Credit Agreement, being described on its face as the Agent's Fee Letter;
- (c) the letter dated on or about 20th April, 1999 from the Security Trustee to the Borrower in relation to the security trustee fee referred to in clause 21.1(c) of the Senior Credit Agreement, being described on its face as the Security Trustee's Fee Letter;
- (d) the letter dated on or about 20th April, 1999 from the Account Bank to the Borrower in relation to the account bank charges referred to in clause 21.1(d) of the Senior Credit Agreement, being described on its face as the Account Bank's Fee Letter;
- (e) the letter dated on or about 20th April, 1999 from the Lead Arranger to the Borrower in relation to the arrangement fee referred to in clause 21.1(e) of the Senior Credit Agreement, being described on its face as the Lead Arranger's Restructuring Fee Letter; and

Short Particulars of all the property mortgaged or charged

- (f) the letter dated on or about 20th April, 1999 from the Lead Arranger to the Borrower in relation to the restructuring fee referred to in clause 21.1(f) of the Senior Credit Agreement, being described on its face as the Banks' Restructuring Fee Letter,

and "**Fee Letter**" means any one of them;

"Final Maturity Date"

means:

- (a) in the case of the Tranche A Facility, the earlier of:
- (i) the Commencement of Commercial Operations;
 - (ii) the date the Agent declares all sums due and payable under the Senior Credit Agreement following an Event of Default; and
 - (iii) 22nd July, 2001;
- (b) in the case of all other Facilities, the earlier of 30th June, 2016 or the date the Agent declares all sums due and payable under the Senior Credit Agreement following an Event of Default;

"Finance Documents"

means:

- (a) the Account Bank Agreement;
- (b) the Senior Credit Agreement;
- (c) the Fee Letters;
- (d) a GSA Letter of Credit;
- (e) each Interest Hedging Agreement to which a Bank or a Bank Hedging Affiliate is a party as a Hedge Provider;
- (f) the Intercreditor Agreement;
- (g) the NGC Guarantee;
- (h) each Security Document;
- (i) the Subordinated Credit Agreement;
- (j) the Subordinated Fee Letters;
- (k) each Project Hedging Letter of Credit;
- (l) a Network Code Letter of Credit;

Short Particulars of all the property mortgaged or charged

- (m) the Supplemental Finance Documents;
- (n) such other agreements as are signed by the Borrower, the Company or the Parent, the Senior Creditors and others for the provision of Senior Credit Facilities (as that term is defined in the Intercreditor Agreement) permitted by the terms of the Senior Credit Agreement to be made available to the Borrower or the Company; and
- (o) such other agreements as are signed by the Borrower, the Subordinated Creditors and others for the provision of Subordinated Credit Facilities by the Subordinated Creditors to the Borrower;

"First Calculation Date"

means 30th June, 2001 or if the date of Commencement of Commercial Operations has not then occurred, the first Calculation Date to occur after the date of Commencement of Commercial Operations;

"First Repayment Date"

means 31st December, 2001;

"Gas Supplier"

means Shell Gas Direct Limited, a company incorporated in England and whose registered office is at 3 Savoy Place, London WC2R ODX;

"Gas Supply Agreement" or "GSA"

means the agreement for the sale and purchase of natural gas dated 15th June, 1998 made between (1) the Gas Supplier and (2) the Company as amended by two amendment agreements dated 23rd September, 1998 and 15th December, 1998;

"GSA Direct Agreement"

means the direct agreement dated 15th December, 1998 made between the Company, the Gas Supplier, the GSA Guarantor and the Security Trustee;

"GSA Guarantor"

means Shell U.K. Limited;

"GSA Letter of Credit"

means an irrevocable standby letter of credit expiring no later than 31st December in any year of its issue unless such Letter of Credit would, as a result of such expiry date be valid for less than 100 days in which case it shall extend to the 31st December in the next succeeding year in favour of the Gas Supplier to be issued by the Tranche E Banks under the Tranche E Facility, being substantially in the form set out in Schedule 5 of the GSA;

Short Particulars of all the property mortgaged or charged

"GSA Letter of Credit Limit"

means the aggregate of (a) the total contingent liabilities of the Tranche E Banks under a GSA Letter of Credit and (b) the Deposited Amounts made pursuant to Clause 9.8(b) of the Senior Credit Agreement;

"GSA Switch Advances"

has the meaning given to that term in clause 9.3(a) of the Senior Credit Agreement;

"Guarantee Fees"

means, in respect of a Network Code Letter of Credit, the Tranche E Facility, the Tranche F Facility and the Tranche G Facility, the guarantee fees set out in Clause 21.3 of the Senior Credit Agreement;

"Guarantor Debenture"

means the debenture, originally dated 15th December, 1998 between the Parent, the Company, DCFL and the Security Trustee as amended by the Supplemental Guarantor Debenture;

"Guarantor On-Loans"

means loans to be made by the Company to the Parent on the terms of an agreement dated 15th December, 1998 and amended and restated on or about 20th April, 1999 in order to enable the Parent to repay Dutch Borrower On-Loans, Dutch Borrower to repay Antilles Borrower On-Loans and Antilles Borrower to repay Borrower On-Loans to the extent required to enable the Borrower to make all payments required to be made under the Finance Documents on such date;

"Hedge Providers"

means:

- (a) any Bank;
- (b) a Bank Hedging Affiliate; and
- (c) any Non-Secured Hedge Provider,

which is a party to an Interest Hedging Agreement with the Borrower or the Company; and
"Hedge Provider" means any one of them;

"Hedging Switch Advance"

means Project Hedging Switch Advance;

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"Intercreditor Agreement"

means the agreement dated 20th April, 1999 between, inter alia, the Obligors, the Bank Hedging Affiliates, the Banks, the Agent, the Subordinated Creditors, the Subordinated Agent, the Account Bank, the Security Trustee and the Operator;

"Interest Hedging Agreements"

means:

- (a) any agreement between the Borrower or the Company and a Hedge Provider under which each party assumes a liability to make a payment or payments to the other on future specified dates calculated by reference to the value of a notional amount multiplied by a specified rate of interest for a specified period or periods as against the notional amount of the same or (if a currency swap) another amount multiplied by a different specified rate of interest for the same or different periods; and
- (b) any other agreement between the Borrower or the Company and a Hedge Provider in relation to the hedging of floating rate interest rate exposure including, without limitation, a cap, floor, collar or option;

provided that

- (i) any such agreement (other than a currency swap) is for the purpose of limiting the Borrower's floating interest rate LIBOR risk; and
- (ii) Project Hedging Documents shall not be Interest Hedging Agreements for the purposes of this definition.

"Interest Payment Date"

means:

- (a) prior to the First Repayment Date, in relation to any Advance under the Tranche A Facility, the Tranche B Facility or the Tranche C Facility or the Tranche A Loan, the Tranche B Loan or the Tranche C Loan, the last day of each period for the calculation of interest in respect of such Advance or the Tranche A Loan, the Tranche B Loan or the Tranche C Loan ascertained in accordance with clauses 12.1 and 12.2 of the Senior Credit Agreement; and
- (b) in relation to any Advance under the Tranche D Facility or any GSA Switch Advance under the Tranche E Facility or Project Hedging Switch Advance under the Tranche G Facility, the last day of the Term of the relevant Advance or, as the case may be, GSA Switch Advance or Project Hedging Switch Advance; and
- (c) in relation to any Advance under the Tranche G Facility pursuant to clause 11.4 (Tranche G Non-Qualifying Bank) of the Senior Credit Agreement, the last day of each Interest Period ascertained in accordance with Clause 12 of the Senior Credit Agreement; and

Short Particulars of all the property mortgaged or charged

- (d) on and after the First Repayment Date, in relation to any Advance under the Tranche B Facility or the Tranche C Facility or the Tranche B1 Loan, the Tranche B2 Loan or the Tranche C Loan, 30th June and 31st December of each year;

"Interest Period"

means the period beginning on an Interest Payment Date (except in the case of the first Interest Period in relation to each Facility which shall be the period commencing on the date of drawdown of the Advance under each respective Facility) and ending on (but not including) the next following Interest Payment Date, subject as provided in clauses 12.1 and 12.2 of the Senior Credit Agreement;

"Junior Subordinated Creditors" means:

- (a) the Parent in its capacity as a creditor under the Equity Agreement;
- (b) each Obligor Guarantor;
- (c) the Non-Secured Hedge Providers;
- (d) any person who has executed an Accession Agreement as a Junior Subordinated Creditor;
- (e) each Obligor in its capacity as creditor under any On-Loan;
- (f) the Operator; and
- (g) EPDCH III in its capacity as a Creditor,

and includes their successors in title and all Subordinated Transferees (under and as defined in any Accession Agreement), and **"Junior Subordinated Creditor"** means any one of them;

"Lead Arranger"

means UBS AG, acting through its division Warburg Dillon Read;

"Letter of Credit"

means a GSA Letter of Credit, a Network Code Letter of Credit, the NGC Guarantee and/or a Project Hedging Letter of Credit;

"LIBOR"

means with respect to any Interest Period, the rate per annum determined by the Agent to be equal to:

- (a) the offered rate (if any) appearing on Telerate page 3750 of the Telerate screen which displays British Bankers Association Interest Settlement Rates for deposits in Sterling at or about 11.00 a.m. on the first day of the relevant Interest Period and for a period comparable to the relevant Interest Period; or

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- (b) if the Agent is unable to access the Telerate screen or if the relevant rate does not appear on Telerate Page 3750, the arithmetic mean (rounded upwards to the nearest 1/16th of one per cent.) of the rates (as notified to the Agent at its request) at which each of the Reference Banks was offering to leading banks in the London Interbank Market deposits in Sterling at or about 11.00 a.m. on the first day of the relevant Interest Period for a period comparable to the relevant Interest Period.

For the purposes of this definition, "**Telerate Page 3750**" means the display designated as "Page 3750" on the Telerate Service (or such other page as may replace Page 3750 on that service) or such other service as may be nominated by the British Bankers' Association Interest Settlement Rates;

"Loans"

means the Tranche A Loan, Tranche B Loan, the Tranche C Loan, the Tranche D Loan, the Tranche E Loan and/or the Tranche G Loan; and "**Loan**" means any one of them;

"Maintenance Agreement"

means the maintenance agreement dated on 16th September, 1998, between Mitsubishi Corporation and the Company;

"Maintenance Contractor"

means Mitsubishi Corporation;

"Maintenance Direct Agreement"

means the direct agreement dated 15th December, 1998 in relation to the Maintenance Agreement between the Maintenance Contractor, the Company and the Security Trustee;

"Majority Banks"

means, at any relevant time, Banks (a) the aggregate of whose Total Contributions exceed $66\frac{2}{3}$ per cent. of the Total Contributions of all Banks or (b) (if no principal amounts are outstanding and none of a GSA Letter of Credit, the NGC Guarantee or a Project Hedging Letter of Credit have been issued under the Senior Credit Agreement) the aggregate of whose Total Commitments exceed $66\frac{2}{3}$ per cent. of the Total Commitments of all Banks;

"MHI"

means Mitsubishi Heavy Industries, Ltd.;

"MHI Direct Agreement"

means the direct agreement dated 15th December, 1998 in relation to the MHI Side Agreement between MHI, the Company and the Security Trustee;

"MHI Side Agreement"

means the agreement dated 16th September, 1998 between MHI and the Company;

Short Particulars of all the property mortgaged or charged

"Moody's"

means Moody's Investor Services, Inc.;

"Network Code"

means the Network Code prepared by BG as licensee under a licence treated as granted pursuant to Section 7 of the Gas Act 1986 (as amended) as such code is, from time to time, modified pursuant to the Modification Rules (as defined in the Network Code);

"Network Code Letter of Credit"

means a letter of credit expiring no more than one year after its date of issue in the form of Part B of Schedule 13 of the Senior Credit Agreement or in such other form that is satisfactory to the Tranche D Banks and the Borrower and the Company required for the purpose of satisfying the Company's obligations to provide security in respect of its activities as a shipper under the Network Code;

"Network Code Letter of Credit Limit"

means the maximum contingent liability of the Tranche D Banks under a Network Code Letter of Credit;

"NGC"

means The National Grid Company plc, a company incorporated under the laws of England and Wales (registered no. 2366977) whose registered office is at National Grid House, Kirby Corner Road, Coventry CB4 8JY;

"NGC Direct Agreement"

means the direct agreement dated 23rd September 1998 made, between NGC, the Company and the Security Trustee;

"NGC Guarantee"

means the bank guarantee in favour of NGC to be issued by the Tranche F Banks under the Tranche F Facility, being substantially in the form set out in schedule 12 to the Senior Credit Agreement;

"NGC Guaranteed Amount"

means the aggregate of (a) the total contingent liabilities of the Tranche F Banks under the NGC Guarantee and (b) the Deposited Amounts made pursuant to Clause 10.6(b) of the Senior Credit Agreement;

"Non-Secured Hedge Providers"

means any persons other than a Bank or a Bank Hedging Affiliate that are a party to a Interest Hedging Agreement as a Hedge Provider with the Borrower or the Company and are or

Short Particulars of all the property mortgaged or charged

become prior to entry into the relevant Interest Hedging Agreement a party to the Intercreditor Agreement; and **"Non-Secured Hedge Provider"** means any of them;

"O&M Direct Agreement"

means the direct agreement dated 15th December, 1998 between the Security Trustee, the Company, the Operator and the Operation and Maintenance Guarantors;

"Obligor Guarantees"

means each guarantee, indemnity, bond or other liability giving rise to any right of subrogation, reimbursement or indemnity from an Obligor issued from time to time in respect of any Obligor's obligations;

"Obligor Guarantor"

means any person (other than a Secured Creditor) that issues an Obligor Guarantee;

"Obligors"

means each of the Parent, the Company, DCFL, the Borrower, the Dutch Borrower and the Antilles Borrower;

"OECD Member Country"

means a country which is for the time being a member of the Organization for Economic Co-operation and Development;

"OFFER Direct Agreement"

means the letter dated 1st September 1998 from the Office of Electricity Regulation to the Company and the Security Trustee;

"On-Loans"

means the Borrower On-Loans, the Antilles Borrower On-Loans, the Dutch Borrower On-Loans, the Parent On-Loans and the Guarantor On-Loans;

"Operation and Maintenance Guarantors"

means EPDC and Entergy Power Operations Corporation, a corporation incorporated with limited liability in the State of Delaware, the United States of America, and whose principal place of business is at 4 Park Plaza, Suite 2000, Irvine, CA 92614 United States of America or any permitted replacement of either of them;

"Operator"

means Entergy Power Operations Damhead Creek Limited Partnership or any permitted replacement thereof;

Short Particulars of all the property mortgaged or charged

"Outstanding Amount"

means:

- (a) in relation to a GSA Letter of Credit issued under the Tranche E Facility, a GSA Letter of Credit Limit at any relevant time;
- (b) in relation to the NGC Guarantee issued under the Tranche F Facility, the NGC Guaranteed Amount at the relevant time;
- (c) in relation to any Project Hedging Letter of Credit or Network Code Letter of Credit issued under the Tranche G Facility, or the Tranche D Facility respectively, a Project Hedging Letter of Credit Limit and/or Network Code Letter of Credit Limit (as the case may be);
- (d) any amount paid by the Tranche E Banks under a GSA Letter of Credit which has not been fully paid or reimbursed by the Borrower pursuant to clause 31.2 of the Senior Credit Agreement and has not become a GSA Switch Advance pursuant to the terms of clause 9.3 of the Senior Credit Agreement other than Deposited Amounts;
- (e) any amount paid by the Tranche F Banks under the NGC Guarantee which has not been fully paid or reimbursed by the Borrower pursuant to clause 31.2 of the Senior Credit Agreement other than Deposited Amounts;
- (f) any amount paid by the Tranche G Banks under a Project Hedging Letter of Credit which has not been fully paid or reimbursed by the Borrower pursuant to clause 31.2 of the Senior Credit Agreement and has not become a Project Hedging Switch Advance pursuant to the terms of clause 11.2 of the Senior Credit Agreement;

"Parent"

means Damhead Creek Holding Limited (Registered No. 3613049) having its registered office at Equitable House, 47 King William Street, London, EC4R 9JD;

"Parent On-Loans"

means loans by the Parent to the Company of the proceeds of Dutch Borrower On-Loans made on the terms of an agreement dated 15th December, 1998 between the Parent and the Company which was amended and restated on or about 20th April, 1999;

"Permitted New Senior Debt"

has the meaning given to it in clause 10.2 of the Intercreditor Agreement;

"Pool Direct Agreement"

means the letter dated 23rd September, 1998 from the Electricity Pool to the Security Trustee;

Short Particulars of all the property mortgaged or charged

"Power Station"

means the gas-fired combined cycle gas turbine power station with a nominal electrical output of approximately 792MW at average site conditions built or to be built pursuant to the EPC Contract at the Site and all related buildings and equipment;

"Project"

means the design, development, construction, financing, commissioning, operation and maintenance of the Power Station and all related ancillary works (whether on or off the Site);

"Project Hedging Counterparty"

means any counterparty or guarantor of any counterparty to a Project Hedging Document;

"Project Hedging Document"

means power purchase agreements, power sales agreements, power price hedging agreements, fuel purchase agreements, fuel sales agreements, fuel price hedging agreements and ancillary service agreements and other agreements, contracts, instruments or other arrangements or commitments, in each case entered into by the Company in connection with the purchase or sale of fuel or the purchase or sale of electric capacity or associated electric energy;

"Project Hedging Letter of Credit"

means an irrevocable standby letter of credit expiring no more than one year after its date of issue, made in favour of counterparties to Project Hedging Documents, to be issued by the Tranche G Banks under the Tranche G Facility, being substantially in the form set out in Schedule 13 Part A of the Senior Credit Agreement or in such other form as is approved by the Majority Banks;

"Project Hedging Letter of Credit Limit"

means the aggregate of the total contingent liabilities of the Tranche G Banks under the Project Hedging Letters of Credit;

"Project Hedging Switch Advances"

has the meaning given to that term in clause 11.2 of the Senior Credit Agreement;

"Realisations Account"

means each account maintained from time to time by or in the name of the Chargor for the purposes of clause 12.2 (Contingencies) of the Guarantor Debenture at such branch or branches of the Account Bank as the Security Trustee may from time to time approve.

"Reference Banks"

means the London branches of UBS AG, Barclays Bank PLC and Natwest Bank PLC;

Short Particulars of all the property mortgaged or charged

"Repayment Dates"

means the First Repayment Date and, thereafter, each date occurring 6 months thereafter set out in column (1) of parts A and B of Schedule 4 of the Senior Credit Agreement up to and including the Final Maturity Date;

"S&P"

means Standard & Poor's Rating Group, a division of McGraw Hill Inc.;

"Secured Creditors"

means:

- (a) each Senior Creditor; and
- (b) each Subordinated Creditor,

and **"Secured Creditor"** means any one of them;

"Secured Documents"

means the Finance Documents;

"Security Documents"

means:

- (a) the Guarantor Debenture;
- (b) the Borrower Debenture;
- (c) share mortgages and pledges dated on or about 20th April, 1999 or on or about 22nd December, 2000, created in favour of the Security Trustee by EPDCH III, Cayman Finco 1, Cayman Finco 2, the Borrower and the Antilles Borrower over all shares owned by those companies in (as applicable) the Parent, the Borrower, Antilles Borrower and Dutch Borrower;
- (d) the share mortgage dated 15th December, 1998 as amended on or about 22nd December, 2000 created in favour of the Security Trustee by the Company over shares owned by the Company in DCFL;
- (e) the pledge of receivables dated on or about 22nd December, 2000 created by Antilles Borrower in favour of the Security Trustee;
- (f) the pledge of receivables dated on or about 22nd December, 2000 created by Dutch Borrower in favour of the Security Trustee;
- (g) the pledge dated on or about 22nd December, 2000 created by Dutch Borrower over the Dutch Borrower On-Loan Account;

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- (h) the pledges in the approved form to be created by the Borrower and Antilles Borrower pursuant to clause 24.1(l) of the Senior Credit Agreement over the Borrower On-Loan Account and the Antilles Borrower On-Loan Account respectively;
- (i) each Direct Agreement;
- (j) the Senior DSRA Minimum Balance L/C;
- (k) the Subordinated DSRA Minimum Balance L/C;
- (l) such other documents as may be entered into from time to time by the Borrower, the Company or any other person in order to secure the Obligors' obligations in connection with the Secured Documents;

"Security Interest"

means any mortgage, charge (whether fixed or floating), pledge, lien, hypothecation, assignment, security interest or other encumbrance of any kind securing or any right conferring a priority of payment in respect of any obligation of any person but does not include liens arising in the ordinary course of trading by operation of law and not by way of contract and, for the avoidance of doubt, also excluding any reservation of title;

"Security Period"

means the period beginning on the date of the Guarantor Debenture and ending on the date on which the Security Trustee is satisfied that all the Secured Liabilities have been unconditionally and irrevocably paid and discharged in full.

"Senior Credit Agreement"

means the senior credit agreement originally dated 15th December, 1998 as amended and restated on 20th April, 1999 between the Obligors, UBS AG as Lead Arranger and Agent, the Security Trustee, Citibank N.A. as account bank and the banks named therein;

"Senior Credit Facilities"

means the credit, interest hedging, guarantee and/or letter of credit facilities made available to the Borrower by the Senior Creditors pursuant to the Senior Finance Documents;

"Senior Creditors"

means (i) the persons party to the Senior Credit Agreement from time to time as Banks, (ii) Bank Hedging Affiliates party to the Senior Interest Hedging Agreements as counterparties to the Borrower or the Company and (iii) lenders of any indebtedness permitted pursuant to and in accordance with the terms of clause 24.2(b) (vii) and (viii) of the Senior Credit Agreement or as otherwise permitted by the Banks, in each case, as is not prohibited pursuant to the provisions of clause 10.2 of the Intercreditor Agreement;

Short Particulars of all the property mortgaged or charged

"Senior Debt"

means, at any time, the aggregate amount of the principal, interest, indemnities, close-out costs, fees, costs and expenses outstanding or accrued (whether or not due at such time) and unpaid to the Senior Creditors and/or others under the Senior Finance Documents (including, for the avoidance of doubt, Permitted New Senior Debt);

"Senior DSRA Account"

means the account(s) entitled "DCL - Senior DSRA Account" (including any sub-accounts into which such account may be divided) opened by the Borrower or the Company) with the Account Bank and shall include any account (and sub-accounts) opened with any successor to the Account Bank, in each case as such account may be renewed, redesignated or renumbered from time to time;

"Senior DSRA Minimum Balance"

means at the relevant time an amount equal to principal repayable in respect of the Tranche B1 Loan and the Tranche C Loan (taking no account of any deferral under Clauses 14.3 and 15.2 or any prepayment under Clause 20.2 of the Senior Credit Agreement), interest, commitment commission, Guarantee Fees and fees, in each case forecast to be payable in respect of each Facility in the next Calculation Period under the Senior Credit Agreement;

"Senior DSRA Minimum Balance L/C"

means an irrevocable standby letter of credit issued by the Senior DSRA Support Party to the Security Trustee, in substantially the form set out in part A of Schedule 14 to the Senior Credit Agreement, securing the obligations of the Borrower to maintain a credit balance in the Senior DSRA Account of the Senior DSRA Minimum Balance pursuant to the terms of the Senior Credit Agreement;

"Senior DSRA Support Party"

means such bank or financial institution which is an authorised institution under the Banking Act 1987 and which is incorporated in an OECD Member Country and whose long-term unsecured debt securities are for the time being rated at least A3 by Moody's and A- by S&P who, at the relevant time, has obligations under the Senior DSRA Minimum Balance L/C;

"Senior Finance Documents"

means:

- (a) the Account Bank Agreement;
- (b) the Senior Credit Agreement;
- (c) the Fee Letters;
- (d) a GSA Letter of Credit;

Short Particulars of all the property mortgaged or charged

- (e) each Interest Hedging Agreement to which a Bank or a Bank Hedging Affiliate is a party;
- (f) the Intercreditor Agreement;
- (g) the NGC Guarantee;
- (h) each Security Document;
- (i) each Project Hedging Letter of Credit;
- (j) a Network Code Letter of Credit;
- (k) the Supplemental Senior Finance Documents; and
- (l) such other agreements as are signed by the Borrower, the Company or the Parent, the Senior Creditors and others for the provision of Senior Credit Facilities (as that term is defined in the Intercreditor Agreement) permitted by the terms of the Senior Credit Agreement to be made available to the Borrower or the Company;

"Senior Interest Hedging Agreements"

means the interest hedging agreements between the Borrower or the Company and the respective counterparties entered into with the Banks or Bank Hedging Affiliates to hedge interest rate exposure in respect of Senior Debt or otherwise entered into pursuant to or with the approval of the Agent under the Senior Credit Agreement;

"Site"

means the land at Kingsnorth, Kent, which is more particularly described in the Certificate of Title;

"Sterling" and "£"

mean the lawful currency for the time being of the United Kingdom;

"Subordinated Agent"

means The Royal Bank of Scotland plc or such other person as may be appointed agent for the Subordinated Creditors pursuant to clause 23.11 of the Subordinated Credit Agreement;

"Subordinated Credit Agreement"

means the subordinated credit agreement dated 15th December, 1998 as amended and restated on 20th April, 1999 between the Obligors, the Subordinated Creditors, the Account Bank, the Security Trustee and the Subordinated Agent, as subsequently amended from time to time;

Short Particulars of all the property mortgaged or charged

"Subordinated Credit Facilities"

means the credit facilities made available to the Borrower by the Subordinated Creditors pursuant to the Subordinated Finance Documents;

"Subordinated Creditors"

means the person or persons party to the Subordinated Credit Agreement (other than the Obligors, the Security Trustee and the Account Bank) from time to time and **"Subordinated Creditor"** means any one of them;

"Subordinated Debt"

means, at any time, the aggregate amount of the principal, interest, fees, costs and expenses outstanding or accrued (whether or not at such time due) and unpaid to the Subordinated Creditors and/or others under the Subordinated Finance Documents;

"Subordinated DSRA Account"

means the account entitled "DCL - Subordinated DSRA Account" (including any sub-accounts into which such account may be divided) opened by the Company with the Account Bank and shall include any account (and sub-accounts) opened with any successor to the Account Bank, in each case as such account may be renewed, redesignated or renumbered from time to time;

"Subordinated DSRA Minimum Balance"

means at the relevant time an amount equal to principal and interest payable in respect of the Subordinated Debt under the Subordinated Credit Agreement in the next two Calculation Periods;

"Subordinated DSRA Minimum Balance L/C"

means an irrevocable standby letter of credit issued by the Subordinated DSRA Support Party to the Security Trustee in substantially the form set out in part B of Schedule 14 to the Senior Credit Agreement, securing the obligations of the Company to maintain a credit balance in the Subordinated DSRA Account of the Subordinated DSRA Minimum Balance pursuant to the terms of the Senior Credit Agreement;

"Subordinated DSRA Support Party"

means such bank or financial institution which is an authorised institution under the Banking Act 1987 which is incorporated in an OECD Member Country and whose long-term unsecured debt securities are for the time being rated at least A3 by Moody's and A- by S&P who, at the relevant time, has obligations under the Subordinated DSRA Minimum Balance L/C;

"Subordinated Fee letters"

means:

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- (a) the letter dated 15th December, 1998 from the Subordinated Lead Arranger to the Borrower in relation to the arrangement fee referred to in clause 9.1(a) of the Subordinated Credit Agreement, being described on its face as the Subordinated Lead Arranger's Fee letter;
- (b) The Letter dated 15th December, 1998 from the Subordinated Agent to the Borrower in relation to the agency fee referred to in clause 9.1(b) of the Subordinated Credit Agreement, being described on its face as the Subordinated Lead Agent's Fee letter,

and "the **Subordinated Fee Letter**" means either of them;

"Subordinated Finance Documents"

means:

- (a) the Account Bank Agreement;
- (b) the Subordinated Credit Agreement;
- (c) the Subordinated Fee Letters;
- (d) the Intercreditor Agreement;
- (e) each Security Document; and
- (f) such other agreements as are signed by the Borrower, the Subordinated Creditors and others for the provision of Subordinated Credit Facilities by the Subordinated Creditors to the Borrower;

"Subordinated Lead Arranger"

means UBS AG, acting through its division Warburg Dillon Read;

"Supplemental Account Bank Agreement"

means any supplemental account bank agreement expressed to be supplemental to the Account Bank Agreement;

"Supplemental Finance Documents"

means the Supplemental Senior Credit Agreement, the Supplemental Subordinated Credit Agreement, the Supplemental Guarantor Debenture and the Supplemental Share Mortgage;

"Supplemental Guarantor Debenture"

means the deed of amendment dated on 20th April, 1999 pursuant to which the debenture dated 15th December, 1998 made between the Parent, the Company, DCFL and the Security Trustee is amended;

Short Particulars of all the property mortgaged or charged

"Supplemental Senior Credit Agreement"

means the supplemental senior credit agreement dated on 20th April, 1999 between the Borrower, the Company, the Parent, DCFL, the Antilles Borrower, the Dutch Borrower, Citibank N.A. as Account Bank, The Royal Bank of Scotland plc as Security Trustee and Agent, and the banks named therein;

"Supplemental Senior Finance Documents"

means the Supplemental Senior Credit Agreement, the Supplemental Account Bank Agreement, the Supplemental Guarantor Debenture and the Supplemental Share Mortgage;

"Supplemental Share Mortgage"

means the deed of amendment dated on 20th April, 1999 pursuant to which the share mortgage dated 15th December, 1998 between the Company and the Security Trustee is amended;

"Supplemental Subordinated Credit Agreement"

means the supplemental subordinated credit agreement dated 20th April 1999 between the parties to the Subordinated Credit Agreement;

"Taking Over Date"

has the meaning set out in the EPC Contract;

"Term"

means:

- (a) in relation to an Advance under the Tranche D Facility, the period for which such Advance is, or is to be, borrowed as specified in the Drawdown Notice, being, subject to Clause 12.2 of the Senior Credit Agreement, 1, 2, 3 or 6 months or such other period as the Banks and the Borrower may agree;
- (b) in relation to a GSA Switch Advance under the Tranche E Facility, the period for which such GSA Switch Advance is, or is to be, borrowed, being, subject to Clause 12.2 of the Senior Credit Agreement, one month provided that the last day of the Term shall, if it were to be a date falling after the next occurring Repayment Date instead fall on such Repayment Date; and
- (c) in relation to a Project Hedging Switch Advance under the Tranche G Facility, the period for which such Project Hedging Switch Advance is, or is to be borrowed, being, subject to Clause 12.2 of the Senior Credit Agreement, one month provided that the last day of the Term shall, if it were to be a date falling after the next occurring Repayment Date instead fall on such Repayment Date;

Short Particulars of all the property mortgaged or charged

"Total Commitments"

means the aggregate at any relevant time of the Commitments of a Bank or, as the case may be, all the Banks under one or more of the Facilities as applicable;

"Total Contributions"

means the aggregate at any relevant time of the Contributions of a Bank or, as the case may be, of all the Banks under the Facilities and or one or more of the Facilities, as applicable;

"Tranche A Banks"

means the banks listed in part A of Schedule 1 to the Senior Credit Agreement and includes their successors in title and Transferees;

"Tranche A Facility"

means the term loan facility to be made available to the Borrower pursuant to clause 2.1 of the Senior Credit Agreement;

"Tranche A Loan"

means the aggregate principal amount owing from time to time to the Tranche A Banks in relation to the Tranche A Facility at any relevant time;

"Tranche B Banks"

means the banks listed in part B of Schedule 1 to the Senior Credit Agreement and includes their successors in title and Transferees;

"Tranche B Facility" means the term loan facility to be made available to the Borrower pursuant to clause 2.2 of the Senior Credit Agreement;

"Tranche B Loan"

means:

- (a) prior to the First Repayment Date, the aggregate principal amount owing from time to time to the Tranche B Banks in relation to the Tranche B Facility; or
- (b) on and after the First Repayment Date, the sum of the Tranche B1 Loan and the Tranche B2 Loan;

"Tranche B1 Loan"

means, on and after the First Repayment Date, the excess of the aggregate principal amount of the Tranche B Loan outstanding at any time over the amount of the Tranche B2 Loan on and after the First Repayment Date;

Short Particulars of all the property mortgaged or charged

"Tranche B2 Loan"

means, on and after the First Repayment Date, an amount of £50,000,000 advanced by the Tranche B Banks under the Tranche B Facility, as reduced pursuant to the terms of the Senior Credit Agreement by payment by the Borrower or the Company;

"Tranche C Banks"

means the banks listed in part C of Schedule 1 to the Senior Credit Agreement and includes their successors in title and Transferees;

"Tranche C Facility"

means the term loan facility to be made available to the Borrower pursuant to clause 2.3 of the Senior Credit Agreement;

"Tranche C Loan"

means the aggregate principal amount owing from time to time to the Tranche C Banks in relation to the Tranche C Facility under the Senior Credit Agreement at any relevant time;

"Tranche D Banks"

means the banks listed in part D of Schedule 1 to the Senior Credit Agreement and includes their successors in title and Transferees;

"Tranche D Facility"

means the working capital facility to be made available to the Borrower pursuant to clause 2.4 of the Senior Credit Agreement;

"Tranche D Loan"

means the aggregate principal amount owing from time to time to the Tranche D Banks in relation to the Tranche D Facility under the Senior Credit Agreement at any relevant time;

"Tranche E Banks"

means the banks listed in part E of Schedule 1 to the Senior Credit Agreement and includes their successors in title and Transferees;

"Tranche E Facility"

means the letter of credit and revolving credit facility to be made available to the Borrower pursuant to clause 2.5 of the Senior Credit Agreement;

"Tranche E Loan"

means the aggregate principal amount owing from time to time to the Tranche E Banks in relation to GSA Switch Advances made under the Tranche E Facility;

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"Tranche F Banks"

means the banks listed in part F of Schedule 1 to the Senior Credit Agreement and includes their successors in title and Transferees;

"Tranche F Facility"

means the guarantee facility to be made available to the Borrower pursuant to clause 2.6 of the Senior Credit Agreement;

"Tranche G Banks"

means the banks listed in part G of Schedule 1 to the Senior Credit Agreement and includes their successors in title and Transferees;

"Tranche G Facility"

means a Project Hedging Letter of Credit issuance facility to be made available to the Borrower pursuant to clause 2.7 of the Senior Credit Agreement;

"Tranche G Loan"

means the aggregate principal amount owing from time to time to the Tranche G Banks in relation to Project Hedging Switch Advances made under the Tranche G Facility and/or any Advances made under clause 11.4 of the Senior Credit Agreement;

"Transfer"

means the Transfer dated 5th January, 2001 between (inter alia) Entergy Power Properties (Kingsnorth) Limited and the Company.

"Transfer Certificate"

means a certificate substantially in the terms of Schedule 5 to the Senior Credit Agreement;

"Transferee"

has the meaning given to it in clause 34.3 of the Senior Credit Agreement;

"TSA Direct Agreement"

means the direct agreement dated 15th December, 1998 between the Security Trustee, the Company and EPDC.

Construction

A "person" shall include its successors, transferees and assigns.

Any reference to a "person" includes any individual, firm, company, corporation, state entity, association or partnership.

Continuation Sheet No. 1

Name of Company: Damhead Creek Limited

Company No: 2675504

Short Particulars of all the property mortgaged or charged

SCHEDULE

Freehold Property

Land at Damhead Creek, Kingsnorth, Hoo, Rochester, Kent showing for the purpose of identification edged red on the plan attached to the Transfer and being part of the property registered with title number K793745.

FILE COPY



CERTIFICATE OF THE REGISTRATION OF A MORTGAGE OR CHARGE

Pursuant to section 401(2) of the Companies Act 1985

COMPANY No. 02675504

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES HEREBY CERTIFIES THAT A SUPPLEMENTAL DEBENTURE (THE SUPPLEMENTAL DEBENTURE) DATE 5 JANUARY 2001 BETWEEN THE COMPANY AND THE SECURITY TRUSTEE SUPPLEMENTAL TO THE GUARANTOR DEBENTURE (AS SUCH TERMS ARE DEFINED HEREIN) DATED THE 5th JANUARY 2001 AND CREATED BY DAMHEAD CREEK LIMITED FOR SECURING ALL OBLIGATIONS AND LIABILITIES DUE OR TO BECOME DUE FROM EACH OBLIGOR (AS DEFINED) TO ANY SECURED CREDITOR (AS DEFINED) UNDER EACH FINANCE DOCUMENT (AS DEFINED), INCLUDING THE SENIOR CREDIT AGREEMENT, THE SUBORDINATED CREDIT AGREEMENT, THE GUARANTOR DEBENTURE AND THE SUPPLEMENTAL GUARANTOR DEBENTURE (ALL TERMS AS DEFINED) WAS REGISTERED PURSUANT TO CHAPTER 1 PART XII OF THE COMPANIES ACT 1985 ON THE 17th JANUARY 2001.

GIVEN AT COMPANIES HOUSE, CARDIFF THE 19th JANUARY 2001.

LR.
Wd.



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES



Companies House

— for the record —