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COMPANIES FORM No. 395

Particulars of a mortgage or charge

A fee of £13 is payable to Companies House in respect of each register entry for a mortgage or charge.

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

6111

03401618

Name of company

* EPR Ely Limited (the Company)

Date of creation of the charge

30 September, 2005

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

Debenture dated 30 September, 2005 between the Company and the Chargee (as defined below)

Amount secured by the mortgage or charge

All payment obligations and liabilities of the Counterparty to the Chargee under or in connection with the Power Purchase Agreement as amended or supplemented from time to time (whether present or future, actual or contingent and including, without limitation, any liabilities arising as a result of any breach or termination of, or misrepresentation under, the Power Purchase Agreement) (the **Secured Obligations**).

"**Power Purchase Agreement**" means the power purchase agreement dated 18 March, 2005 between the Counterparty and the Chargee.

"**Counterparty**" means MEIF Renewable Energy Limited as a party to the Power Purchase Agreement.

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

British Gas Trading Limited, Millstream, Maidenhead Road, Windsor,
Berkshire (the **Chargee**)

Postcode SL4 5GD

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

Allen & Overy LLP
One New Change
London
EC4M 9QQ

80021-00002-995455

Time critical reference

For official Use (02/00)

Mortgage Section

Post room



LD2
COMPANIES HOUSE

252
19/10/2005

3. FIXED CHARGES, ASSIGNMENTS AND FLOATING CHARGE

3.1 Fixed Charges

Subject to the Prior Security, the Company charges with full title guarantee in favour of the Chargee, by way of fixed charge (which so far as it relates to land in England and Wales vested in the Company at the date of the Debenture shall be a charge by way of legal mortgage) as security for the payment and discharge of the Secured Obligations all the Company's right, title and interest from time to time in and to each of the following assets:

3.1.1 the Real Property;

3.1.2 the Tangible Moveable Property;

3.1.3 the Accounts;

3.1.4 the Intellectual Property;

3.1.5 any goodwill and rights in relation to the uncalled capital of the Company;

3.1.6 the Charged Investments; and

3.1.7 all Monetary Claims and all Related Rights other than any claims which are otherwise subject to a fixed charge or assignment (at law or in equity) pursuant to the Debenture.

See continuation sheet 1-6.

Please do not
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this margin

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

7
95

Particulars as to commission allowance or discount (note 3)

Nil

Signed ALLEN & OVERY LLP

Date 18/10/05

Solicitors

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

A fee is payable
to Companies
House in
respect of each
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(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 A fee of £13 is payable to Companies House in respect of each register entry for a mortgage or charge. Cheques and Postal Orders must 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 the property mortgaged or charged

3.2 Assignments

Subject to the Prior Security, the Company has assigned and agreed to assign absolutely with full title guarantee to the Chargee as security for the payment and discharge of the Secured Obligations all the Company's right, title and interest from time to time in and to each of the following assets:

- 3.2.1 the proceeds of any Insurance Policy and all Related Rights; and
- 3.2.2 all rights and claims in relation to any Assigned Account.

3.3 Floating Charge

3.3.1 Subject to the Prior Security, the Company with full title guarantee charges in favour of the Chargee with the payment and discharge of the Secured Obligations by way of floating charge all present and future assets and undertaking of the Company not otherwise charged or assigned by the Debenture (other than any Investments referred to in paragraphs (i) to (ii) of the definition of "Charged Investments").

3.3.2 The floating charge created by sub-clause 3.3.1 above shall be deferred in point of priority to all fixed Security validly and effectively created by the Company under the Power Purchase Agreement in favour of the Chargee as security for the Secured Obligations.

3.3.3 Paragraph 14 of Schedule B1 to the Insolvency Act 1986 applies to the floating charge created pursuant to this clause 3.3 (*Floating Charge*).

4. CRYSTALLISATION OF FLOATING CHARGE

4.1 Crystallisation: By Notice

Subject to the Prior Security, the Chargee may at any time by notice in writing to the Company convert the floating charge created by clause 3.3 (*Floating Charge*) with immediate effect into a fixed charge as regards any property or assets specified in the notice if:

- 4.1.1 the Chargee reasonably considers that any of the Charged Assets may be in jeopardy or in danger of being seized or sold pursuant to any form of legal process; or
- 4.1.2 the Chargee reasonably considers that it is desirable in order to protect the priority of the security.

4.2 Crystallisation: Automatic

Subject to the Prior Security, notwithstanding Clause 4.1 (*Crystallisation: By Notice*) and without prejudice to any law which may have a similar effect, the floating charge will automatically be converted (without notice) with immediate effect into a fixed charge as regards all the assets subject to the floating charge if:

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- 4.2.1 the Company creates or attempts to create any Security (other than any Security permitted under the terms of the Prior Security or security permitted by clause 21.2(b) of the Power Purchase Agreement), over any of the Charged Assets;
- 4.2.2 any person levies or attempts to levy any distress, execution or other process against any of the Charged Assets;
- 4.2.3 a resolution is passed or an order is made for the winding-up, dissolution, administration or re-organisation of the Company or an administrator is appointed to the Company; or
- 4.2.4 any person (who is entitled to do so) gives notice of its intention to appoint an administrator to the Company or files such a notice with the court.

6. FURTHER ASSURANCE

6.1 Further Assurance: General

- 6.1.1 The covenant set out in s2(1)(b) of the Law of Property (Miscellaneous Provisions) Act 1994 shall extend to include the obligations set out in sub-clause 6.1.2 below.
- 6.1.2 The Company shall promptly at its own cost enter into a Mortgage over any Real Property and do all such acts or execute all such documents (including assignments, transfers, mortgages, charges, notices and instructions) as the Chargee may reasonably specify (and in such form as the Chargee may reasonably require in favour of the Chargee or its nominee(s)):
 - (a) to perfect the security created or intended to be created in respect of the Charged Assets (which may include the execution by the Company of a mortgage, charge or assignment over all or any of the assets constituting, or intended to constitute, Charged Assets) or for the exercise of Collateral Rights;
 - (b) to confer on the Chargee security over any property and assets of the Company located in any jurisdiction outside England and Wales equivalent or similar to the security intended to be conferred by or pursuant to the Debenture and each Mortgage; and/or
 - (c) whilst a Default is subsisting, to facilitate the realisation of the Charged Assets.

6.2 Necessary Action

The Company shall take all such action as is available to it (including making filings and registrations) as may be necessary for the purpose of the creation, perfection, protection or maintenance of any security conferred or intended to be conferred on the Chargee by or pursuant to the Debenture and any Mortgage.

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6.3 Implied Covenants for Title

The obligations of the Company under the Debenture and any Mortgage shall be in addition to the covenants for title deemed to be included in the Debenture and any Mortgage by virtue of Part 1 of the Law of Property (Miscellaneous Provisions) Act 1994.

7. NEGATIVE PLEDGE AND DISPOSALS

7.1 Negative Pledge

The Company undertakes that it shall not, at any time during the subsistence of the Debenture or any Mortgage, create or permit to subsist any Security over all or any part of the Charged Assets other than the Prior Security or Security permitted by the terms of the Prior Security or pursuant to the Power Purchase Agreement.

7.2 No Disposal of Interests

The Company undertakes that it shall not (and shall not agree to) at any time during the subsistence of the Debenture or any Mortgage, except for the Prior Security or as permitted pursuant to the terms of the Prior Security, the Power Purchase Agreement or by this Clause 7:

- 7.2.1 execute any conveyance, transfer, lease or assignment of, or other right to use or occupy, all or any part of the Charged Assets;
- 7.2.2 create any legal or equitable estate or other interest in, or over, or otherwise relating to, all or any part of the Charged Assets;
- 7.2.3 (a) grant or vary, or accept any surrender, or cancellation or disposal of, any lease, tenancy, licence, consent or other right to occupy in relation to any of the Charged Assets or (b) allow any person any right to use or occupy or to become entitled to assert any proprietary interest in, or right over, the Charged Assets, which may, in each case, adversely affect the value of any of the Charged Assets or the ability of the Chargee to exercise any of the Collateral Rights; or
- 7.2.4 assign or otherwise dispose of any interest in any Account and no right, title or interest in relation to any Account maintained with the security trustee in relation to the Prior Security, or the credit balance standing to any such Account shall be capable of assignment or other disposal.

In this Form 395:

"Account"

means any account opened or maintained by the Company with the security trustee in relation to the Prior Security or any other person (and any replacement account or subdivision or subaccount of that account), the debt or debts represented thereby and all Related Rights;

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"Assigned Account"

means the following Accounts:

EPR Ely Limited Current Account (account number 80782610, sort code 20-65-63)

(and any renewal or redesignation of each such account) maintained with Barclays Bank PLC by the Company or any other Account that may from time to time be designated as an Assigned Account pursuant to the Prior Security;

"Charged Assets"

means all the assets and undertaking of the Company which from time to time are the subject of the security created or expressed to be created in favour of the Chargee by or pursuant to the Debenture and any Mortgage;

"Charged Investments"

means any Investments of the Company other than (i) shares in the capital of Anglian Straw Limited and Ely Power Limited or (ii) warrants, options or other rights to subscribe for or acquire any such shares referred to in (i) above;

"Collateral Rights"

means all rights, powers and remedies of the Chargee provided by or pursuant to the Debenture or any Mortgage or by law;

"Debenture"

means the Debenture dated 30 September, 2005 between the Company and the Chargee;

"Default"

means an Event of Default as defined in the Power Purchase Agreement;

"Insurance Policy"

means any policy of insurance (including life insurance or assurance) in which the Company may from time to time have an interest;

"Intellectual Property"

means any patents, trade marks, service marks, designs, business names, copyrights, design rights, moral rights, inventions, confidential information, knowhow and other intellectual property rights and interests, whether registered or unregistered, the benefit of all applications and rights to use such assets and all Related Rights;

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Short particulars of the property mortgaged or charged

"Investments"

means:

- (a) any stocks, shares, debentures, securities and certificates of deposit;
- (b) all interests in collective investment schemes; and
- (c) all warrants, options and other rights to subscribe or acquire any of the investments described in (a) and (b),

in each case whether held directly by or to the order of the Company or by any security trustee, nominee, fiduciary or clearance system on its behalf and all Related Rights (including all rights against any such security trustee, nominee, fiduciary or clearance system);

"Monetary Claims"

means any book and other debts and monetary claims owing to the Company and any proceeds of such debts and claims (including any claims or sums of money deriving from or in relation to any Intellectual Property, any Investment, the proceeds of any Insurance Policy, any court order or judgment, any contract or agreement to which the Company is a party and any other assets, property, rights or undertaking of the Company);

"Mortgage"

means a mortgage or legal charge in respect of all or any part of the Real Property in accordance with Clause 6 of the Debenture (*Further Assurance*) substantially in the form of Schedule 2 of the Debenture (*Form of Legal Mortgage*);

"Prior Security"

means any security (whether by share pledge, debenture, charge over accounts or otherwise) granted by the Company at any time in favour of Royal Bank of Canada Europe Limited as security trustee pursuant to, or in contemplation of, a facility agreement entered into on or around 30 September, 2005 between, *inter alia*, the Company, the Arranger, the Original Lenders, the Facility Agent and that security trustee, each as defined in such agreement as amended, varied, novated or supplemented from time to time;

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Short particulars of the property mortgaged or charged

"Real Property"

means:

- (a) any freehold, leasehold or immoveable property (including the freehold and leasehold property in England and Wales specified in Schedule 1 of the Debenture); and
- (b) any buildings, fixtures, fittings, fixed plant or machinery from time to time situated on or forming part of such freehold or leasehold property;

and includes all Related Rights;

"Related Rights"

means, in relation to any asset:

- (a) the proceeds of sale of any part of that asset;
- (b) all rights under any licence, agreement for sale or agreement for lease in respect of that asset;
- (c) all rights, powers, benefits, claims, contracts, warranties, remedies, security, guarantees, indemnities or covenants for title in respect of that asset; and
- (d) any monies and proceeds paid or payable in respect of that asset;

"Security"

means a mortgage, charge, pledge, lien or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect;

"Tangible Moveable Property"

means any plant, machinery, office equipment, computers, vehicles and other chattels (excluding any for the time being forming part of the Company's stock in trade or work in progress) and all Related Rights.

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CERTIFICATE OF THE REGISTRATION OF A MORTGAGE OR CHARGE

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

COMPANY No. 03401618

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES HEREBY CERTIFIES THAT A DEBENTURE DATED THE 30th SEPTEMBER 2005 AND CREATED BY EPR ELY LIMITED FOR SECURING ALL MONIES DUE OR TO BECOME DUE FROM THE COUNTERPARTY TO BRITISH GAS TRADING LIMITED ON ANY ACCOUNT WHATSOEVER UNDER THE TERMS OF THE AFOREMENTIONED INSTRUMENT CREATING OR EVIDENCING THE CHARGE WAS REGISTERED PURSUANT TO CHAPTER 1 PART XII OF THE COMPANIES ACT 1985 ON THE 19th OCTOBER 2005.

GIVEN AT COMPANIES HOUSE, CARDIFF THE 24th OCTOBER 2005.

pa



Companies House

— for the record —



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES