

MR01

Particulars of a charge



Companies House

A fee is payable with this form
Please see 'How to pay' on the
last page

You can use the WebFiling service to file this form online
Please go to www.companieshouse.gov.uk

1800 55 113

☒ **What this form is for**
You may use this form to register
a charge created or evidenced by
an instrument

☒ **What this form is NOT for**
You may not use this form to
register a charge where there is no
instrument Use form MR08

This form **must be delivered to the Registrar for registration within
21 days** beginning with the day after the date of creation of the charge. If
delivered outside of the 21 days it will be rejected unless it is accompanied by
court order extending the time for delivery



A14

"A2LKJMT6"

20/11/2013

#48

COMPANIES HOUSE

☒ You must enclose a certified copy of the instrument with this form. This will be
scanned and placed on the public record

1 Company details

Company number 03782700

Company name in full Eggborough Power Limited

For official use

→ **Filling in this form**
Please complete in typescript or in
bold black capitals

All fields are mandatory unless
specified or indicated by *

2 Charge creation date

Charge creation date 03/11/2013

3 Names of persons, security agents or trustees entitled to the charge

Please show the names of each of the persons, security agents or trustees
entitled to the charge

Name Lord MacGregor of Pulham Market as trustee of the Eggborough
Power Group of the Electricity Supply Pension Scheme

Name Ronald Taylor as trustee of the Eggborough Power Group of the
Electricity Supply Pension Scheme

Name Jane Tillyard as trustee of the Eggborough Power Group of the
Electricity Supply Pension Scheme

Name John Henderson as trustee of the Eggborough Power Group of the
Electricity Supply Pension Scheme

If there are more than four names, please supply any four of these names then
tick the statement below

☒ I confirm that there are more than four persons, security agents or
trustees entitled to the charge

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4

Description

Please give a short description of any land (including buildings), ship, aircraft or intellectual property registered (or required to be registered) in the UK which is subject to this fixed charge or fixed security

Continuation page

Please use a continuation page if you need to enter more details

Description

5

Fixed charge or fixed security

Does the instrument include a fixed charge or fixed security over any tangible or intangible (or in Scotland) corporeal or incorporeal property not described above? Please tick the appropriate box

☒ **Yes**

☐ **No**

6

Floating charge

Is the instrument expressed to contain a floating charge? Please tick the appropriate box

☐ **Yes** Continue

☒ **No** Go to **Section 7**

Is the floating charge expressed to cover all the property and undertaking of the company?

☐ **Yes**

7

Negative Pledge

Do any of the terms of the charge prohibit or restrict the chargor from creating any further security that will rank equally with or ahead of the charge? Please tick the appropriate box

☒ **Yes**

☐ **No**

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Trustee statement ^①

You may tick the box if the company named in Section 1 is acting as trustee of the property or undertaking which is the subject of the charge

☐

^① This statement may be filed after the registration of the charge (use form MR06)

9

Signature

Please sign the form here

Signature

Signature

X *Field Niche Welfare Ltd* X

This form must be signed by a person with an interest in the charge

MR01

Particulars of a charge



Presenter information

We will send the certificate to the address entered below. All details given here will be available on the public record. You do not have to show any details here but, if none are given, we will send the certificate to the company's Registered Office address.

Contact name
Oliver Abel Smith

Company name
Field Fisher Waterhouse LLP

Address
35 Vine Street

Post town
London

County/Region

Postcode
E C 3 N 2 A A

Country
UK

DX
CDE 823

Telephone
0207 861 4855



Certificate

We will send your certificate to the presenter's address if given above or to the company's Registered Office if you have left the presenter's information blank.



Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☐ The company name and number match the information held on the public Register
- ☐ You have included a certified copy of the instrument with this form
- ☐ You have entered the date on which the charge was created
- ☐ You have shown the names of persons entitled to the charge
- ☐ You have ticked any appropriate boxes in Sections 3, 5, 6, 7 & 8
- ☐ You have given a description in Section 4, if appropriate
- ☐ You have signed the form
- ☐ You have enclosed the correct fee
- ☐ Please do not send the original instrument, it must be a certified copy



Important information

Please note that all information on this form will appear on the public record.



How to pay

A fee of £13 is payable to Companies House in respect of each mortgage or charge filed on paper.

Make cheques or postal orders payable to 'Companies House'.



Where to send

You may return this form to any Companies House address. However, for expediency, we advise you to return it to the appropriate address below.

For companies registered in England and Wales
The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ
DX 33050 Cardiff

For companies registered in Scotland
The Registrar of Companies, Companies House,
Fourth floor, Edinburgh Quay 2,
139 Fountainbridge, Edinburgh, Scotland, EH3 9FF
DX ED235 Edinburgh 1
or LP - 4 Edinburgh 2 (Legal Post)

For companies registered in Northern Ireland
The Registrar of Companies, Companies House,
Second Floor, The Linenhall, 32-38 Linenhall Street,
Belfast, Northern Ireland, BT2 8BG
DX 481 N R Belfast 1



Further information

For further information, please see the guidance notes on the website at www.companieshouse.gov.uk or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.companieshouse.gov.uk



FILE COPY

CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 3782700

Charge code: 0378 2700 0011

The Registrar of Companies for England and Wales hereby certifies that a charge dated 13th November 2013 and created by EGGBOROUGH POWER LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 20th November 2013.

P

Given at Companies House, Cardiff on 26th November 2013



Companies House



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES

ACCOUNT SECURITY AGREEMENT

DATED 13 November 2013

BETWEEN

Eggborough Power Limited

- and -

**The Trustees of the Eggborough Power Group
of the Electricity Supply Pension Scheme**

WE CERTIFY THAT, SAVE FOR
MATERIAL REDACTED PURSUANT
TO s. 859G OF THE COMPANIES
ACT 2006, THIS COPY INSTRUMENT
IS A CORRECT COPY OF THE
ORIGINAL INSTRUMENT.

FIELD FISHER WATERHOUSE LLP

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THIS DEED is dated 13 November 2013 between:

- (1) **Eggborough Power Limited** (Registered number 03782700) (the **Chargor**), and
- (2) **Lord MacGregor of Pulham Market, Ronald Taylor, Jane Tillyard, John Henderson and Claire Savage** as trustees of the Eggborough Power Group of the Electricity Supply Pension Scheme (each a **Trustee** and together the **Trustees**)

IT IS AGREED as follows

1 Interpretation

1.1 Definitions

In this Deed

Account means the account opened in the United Kingdom with sort code 301635 (BACS) and 165050 (CHAPS) and account number REDACTED held at Bank of America N A , King Edward Street, London, EC1A 1HQ, together with

- (a) all additions to or renewals or replacements of such account (in whatever currency) and all investments made out of the same, and
- (b) all rights, benefits and proceeds in respect of such account (including interest and rights to repayment of any monies standing to the credit of such account(s))

Account Balance means all monies at any time standing to the credit of the Account and

- (a) all interest at any time accrued or accruing on such monies,
- (b) all investments at any time made out of such monies or account; and
- (c) all rights to repayment of any of the same

Account Bank means Bank of America or such other bank at which the Account is held pursuant to the terms of this Deed

Acceptable Bank means a bank regulated by the Prudential Regulation Authority and/or the Financial Conduct Authority (or an equivalent regulator in the European Union) which has a Requisite Rating

Act means the Law of Property Act 1925.

Business Day means a day (other than a Saturday or a Sunday) on which banks are open for general business in London

Company means each or any of the Chargor, the Principal Employer and the Participating Employers

Event of Default means an event specified as such in Clause 5 (Default).

Fitch means Fitch Ratings Limited or any successor to its ratings business

Insolvency Event means an 'insolvency event' as defined in section 121 of the Pensions Act 2004 or regulations made from time to time thereunder

Material Adverse Effect means a material adverse effect on

- (a) the ability of the Chargor to perform its payment obligations under this Deed,
- (b) the validity or enforceability of, or the effectiveness or making of this Deed, or
- (c) any right or remedy of the Trustees under this Deed

Moody's means Moody's Investors Services Limited or any successor to its ratings business

Participating Employer means an employer which participates in the Scheme after the date of this Deed

Party means a party to this Deed

Principal Employer means the principal employer of the Scheme from time to time after the date of this Deed

Receiver means an administrative receiver, receiver and manager or a receiver, in each case, appointed under this Deed

Release Request has the meaning given to it in Clause 19 (Release of Security)

Requisite Rating means a person with long term unsecured debt instruments in issue which are neither subordinated nor guaranteed and which have a rating of at least one of the following

- (a) AA- or better by Fitch,
- (b) Aa3 or better by Moody's, or
- (c) AA- or better by S&P

Reservations means

- (a) the principle that equitable remedies are remedies which may be granted or refused at the discretion of the court and damages may be regarded as an adequate remedy,
- (b) the limitation on enforcement as a result of laws relating to bankruptcy, insolvency, liquidation, reorganisation, court schemes, moratoria, administration and other laws affecting the rights of creditors generally,
- (c) the statutory time-barring of claims,
- (d) defences of set off or counterclaim,
- (e) rules against penalties and similar principles;
- (f) the fact that security which is described as fixed security may in fact be floating security;

- (g) the possibility that an undertaking to assume liability for, or indemnify a person against, non-payment of stamp duty may be void,
- (h) the fact that a court may refuse to give effect to a purported contractual obligation to pay costs imposed upon another person in respect of costs of an unsuccessful litigation brought against that person or may not award by way of costs all of the expenditure incurred by a successful litigant in proceedings brought before that court or that a court may stay proceedings if concurrent proceedings based on the same grounds and between the same parties have previously been brought before another court,
- (i) steps for perfection not required by the terms of this Deed to be taken,

and any other reservations or qualifications of law contained in any legal opinion delivered to the Trustees or the Chargor in respect of this Deed

S&P means Standard and Poor's Rating Services, a Division of the McGraw Hill Companies, Inc or any successor to its ratings business.

Scheme means the Eggborough Power Group of the Electricity Supply Pension Scheme

Secured Liabilities means all present and future obligations and liabilities (whether actual or contingent and whether owed jointly or severally and in any capacity whatsoever) of each Company to make payments to the Scheme (including, without limitation, to the trustees of the Scheme) up to a maximum amount equal to the entire aggregate liability, on the date on which any liability under this Deed arises, of every Company, were a debt under Section 75(2) of the Pensions Act 1995 to have become due on that date

Security Assets means all assets of the Chargor the subject of any Security Interest created by this Deed

Security Interest means any mortgage, pledge, lien, charge, assignment, hypothecation or security interest or any other agreement or arrangement having a similar effect

Security Period means the period beginning on the date of this Deed and ending on the earliest of

- (a) the date on which the Trustees confirm in writing to the Chargor that they are reasonably satisfied that the life of the Eggborough power station will be extended beyond 2023,
- (b) the date on which the Trustees confirm in writing to the Chargor that, following the sale of substantially the whole of the assets of the Chargor and the replacement of the Chargor as Principal Employer by the purchaser of such assets'
 - (i) the Chargor has, so far as they are aware, no further present or future obligation or liability to make payments to the Scheme, and
 - (ii) they are reasonably satisfied that arrangements have been put in place giving them a level of security in relation to the present and future obligations or liabilities of the purchaser and any other employer which participates in the Scheme after that date to make payments to the Scheme which is materially at least as strong as that in place immediately before the sale,

- (c) the date which the Chargor and the Trustees agree in writing should be the date on which the Security Period ends; and
- (d) the date on which all the Secured Liabilities have been unconditionally and irrevocably paid and discharged in full

Subsidiary means

- (a) a subsidiary within the meaning of section 1159 of the Companies Act 2006, and
- (b) unless the context otherwise requires, a subsidiary undertaking within the meaning of section 1162 of the Companies Act 2006

1.2 Construction

- (a) In this Deed, unless the contrary intention appears, a reference to
 - (i) assets includes present and future properties, revenues and rights of every description and includes uncalled capital,
 - (ii) an authorisation includes an authorisation, consent, approval, resolution, licence, exemption, filing, registration or notarisation,
 - (iii) disposal means a sale, transfer, grant, lease or other disposal, whether voluntary or involuntary, and dispose will be construed accordingly,
 - (iv) this Security means any Security Interests created by this Deed,
 - (v) a person includes any individual, company, corporation, unincorporated association or body (including a partnership, trust, joint venture or consortium), government, state, agency, organisation or other entity whether or not having separate legal personality;
 - (vi) a regulation includes any regulation, rule, official directive, request or guideline (whether or not having the force of law but, if not having the force of law, being of a type with which persons to which it applies are accustomed to comply) or any governmental, inter-governmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation,
 - (vii) a currency is a reference to the lawful currency for the time being of the relevant country,
 - (viii) a provision of law is a reference to that provision as extended, applied, amended or re-enacted and includes any subordinate legislation,
 - (ix) a Clause, a Subclause, a Paragraph, a Subparagraph or a Schedule is a reference to a clause, subclause, paragraph or subparagraph of, or a schedule to, this Deed;
 - (x) a Party or any other person includes its successors in title, permitted assigns and permitted transferees and this Deed shall be binding on and enforceable by the successors in office of the Trustees as trustees of the Scheme, and

- (xi) a time of day is a reference to London time
- (b) Unless the contrary intention appears, a reference to a month or months is a reference to a period starting on one day in a calendar month and ending on the numerically corresponding day in the next calendar month or the calendar month in which it is to end, except that:
 - (i) if the numerically corresponding day is not a Business Day, the period will end on the next Business Day in that month (if there is one) or the preceding Business Day (if there is not),
 - (ii) if there is no numerically corresponding day in that month, that period will end on the last Business Day in that month, and
 - (iii) notwithstanding Subparagraph (i) above, a period which commences on the last Business Day of a month will end on the last Business Day in the next month or the calendar month in which it is to end, as appropriate
- (c) Unless expressly provided to the contrary in this Deed, a person who is not a party to this Deed may not enforce any of its terms under the Contracts (Rights of Third Parties) Act 1999 and, notwithstanding any term of this Deed, no consent of any third party is required for any variation (including any release or compromise of any liability) or termination of this Deed
- (d) The headings in this Deed do not affect its interpretation
- (e) Any covenant of the Chargor under this Deed (other than a payment obligation) remains in force during the Security Period
- (f) If the Trustees consider that an amount paid to them under this Deed is capable of being avoided or otherwise set aside on the liquidation or administration of the payer or otherwise, then that amount will not be considered to have been irrevocably paid for the purposes of this Deed
- (g) Unless the context otherwise requires, a reference to a Security Asset includes the proceeds of sale of that Security Asset
- (h) It is intended by the Parties that this document takes effect as a deed notwithstanding the fact that a Party may only execute this document under hand

2 Creation of Security

2.1 General

- (a) All the security created under this Deed:
 - (i) is created in favour of the Trustees,
 - (ii) is created over present and future assets of the Chargor;
 - (iii) is security for the payment of all the Secured Liabilities, and
 - (iv) is made with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994

- (b) If the rights of the Chargor under a document cannot be secured without the consent of a party to that document
 - (i) the Chargor must notify the Trustees promptly,
 - (ii) this Security will secure all amounts which the Chargor may receive, or has received, under that document but exclude the document itself; and
 - (iii) unless the Trustees otherwise require, the Chargor must use reasonable endeavours to obtain the consent of the relevant party to that document being secured under this Deed

2.2 Fixed charge

The Chargor charges and agrees to charge, by way of first fixed charge, all of its present and future right, title and interest in and to the Account and the Account Balance

3 Representations

3.1 Representations

The representations set out in this Clause are made by the Chargor to the Trustees

3.2 Status

- (a) It is a limited liability company, duly incorporated and validly existing under the laws of its jurisdiction of incorporation
- (b) It has the power to own its assets and carry on its business as it is being conducted

3.3 Powers and authority

It has the power to enter into, perform and deliver, and has taken all necessary action to authorise the entry into, performance and delivery of, this Deed and the transactions contemplated by this Deed

3.4 Legal validity

Subject to the Reservations, the obligations expressed to be assumed by it in this Deed are legal, binding, valid and enforceable obligations

3.5 Non-conflict

The entry into and performance by it of, and the transactions contemplated by, this Deed do not conflict with:

- (a) any law or regulation applicable to it;
- (b) its or any of its Subsidiaries' constitutional documents; or

- (c) any document which is binding upon it or any of its Subsidiaries or any of its or its Subsidiaries' assets

3.6 Insolvency

No

- (a) corporate action, legal proceeding or other procedure or step described in Clause 5.5 (Insolvency proceedings),
- (b) creditors' process described in Clause 5.6 (Creditors' process),

has been taken or threatened in relation to the Chargor and none of the circumstances described in Clause 5.4 (Insolvency) applies to the Chargor

3.7 No default

No event or circumstance is outstanding which constitutes a default under any document which is binding on it or any of its Subsidiaries or any of its or its Subsidiaries' assets to an extent or in a manner which has or is reasonably likely to have a Material Adverse Effect

3.8 Authorisations

All authorisations required by it in connection with the entry into, performance, validity and enforceability of, and the transactions contemplated by, this Deed have been obtained or effected (as appropriate) and are in full force and effect

3.9 Litigation

No litigation, arbitration or administrative proceedings are current or, to its knowledge, pending or threatened, against it or its Subsidiaries, which have or, if adversely determined, are reasonably likely to have a Material Adverse Effect

3.10 Nature of security

- (a) This Deed creates those Security Interests it purports to create and is not liable to be amended or otherwise set aside on the liquidation or administration of the Chargor or otherwise
- (b) The security created by this Deed constitutes a first priority Security Interest of the type described over the Security Assets and the Security Assets are not subject to any prior ranking or pari passu Security Interest

3.11 Account

Subject to the floating charge granted by the Chargor to Bank of America Trustees Limited prior to the date of this Security, the Chargor is the sole legal and beneficial owner of the Account and the Account Balance

3.12 Times for making representations

- (a) The representations set out in this Deed (including in this Clause) are made on the date of this Deed
- (b) Unless a representation is expressed to be given at a specific date, each representation under this Deed is deemed to be repeated by the Chargor on each date during the Security Period
- (c) When a representation is repeated, it is applied to the circumstances existing at the time of repetition

4 Covenants

4.1 General

The Chargor agrees to be bound by the covenants set out in this Clause so long as any Secured Liabilities are outstanding

4.2 Notification of breach

The Chargor must notify the Trustees of any breach of any of the provisions of this Deed promptly upon becoming aware of its occurrence

4.3 Authorisations

The Chargor must promptly obtain, maintain and comply with the terms of any authorisation required under any law or regulation to enable it to perform its obligations under, or for the validity or enforceability of, this Deed

4.4 Compliance with laws

The Chargor must comply in all respects with all laws to which it is subject where failure to do so has or is reasonably likely to have a Material Adverse Effect

4.5 Disposals and negative pledge

The Chargor must not

- (a) create or permit to subsist any Security Interest on any Security Asset (other than this Security or the floating charge granted by the Chargor to Bank of America Trustees Limited which was created prior to the date of this Security and which ranks behind this Security), or
- (b) sell, transfer, licence, lease or otherwise dispose of any Security Asset

4.6 No withdrawals

The Chargor shall not withdraw or attempt or be entitled to withdraw (or direct any transfer of) all or any part of the Account Balance without the prior written consent of the

Trustees The Trustees shall be entitled in their absolute discretion to refuse to permit any such withdrawal or transfer

4.7 No variation of terms

The Chargor shall not, without the prior written consent of the Trustees, permit or agree to any variation of the rights attaching to the Account or the Account Balance

4.8 Account

- (a) The Chargor must ensure that
 - (i) the Trustees have sole signing rights in relation to the Account, and
 - (ii) the Account is at all times held at an Acceptable Bank
- (b) The Chargor shall provide the Trustees with all information which they may reasonably request in relation to the Account or the Account Balance and any communication received by it from the Account Bank in relation to them
- (c) The Chargor must promptly notify the Trustees upon it becoming aware that the Account Bank has ceased to be an Acceptable Bank
- (d) If the Account Bank ceases to be an Acceptable Bank the Chargor must
 - (i) move the Account to another bank which is an Acceptable Bank agreed by the Trustees, and
 - (ii) grant Security Interests over the Account on the same terms as set out in this Deed,

each within 30 days of the earlier of

- (iii) the Chargor becoming aware that the Account Bank has ceased to be an Acceptable Bank, and
 - (iv) a written request by the Trustees
- (e) The Chargor must
 - (i) immediately serve a notice of charge, substantially in the form of Part 1 of the Schedule (Forms of letter for Account Bank), on the Account Bank; and
 - (ii) ensure that the Account Bank immediately acknowledges the notice, substantially in the form of Part 2 of the Schedule (Forms of letter for Account Bank)

4.9 Notifiable events

The Chargor shall promptly notify the Trustees upon becoming aware that any event has occurred in respect of the Chargor which would require notification to the Pensions

Regulator in accordance with section 69 of the Pensions Act 2004 and any regulations and directions made thereunder

5 Default

5.1 Events of Default

Each of the events set out in this Clause is an Event of Default

5.2 Breach of this Deed

The Chargor does not comply with any term of this Deed unless the non-compliance

- (a) is capable of remedy, and
- (b) is remedied within fourteen days of the earlier of the Trustees giving notice and the Chargor becoming aware of the non-compliance

5.3 Misrepresentation

A representation made or repeated by the Chargor in this Deed is incorrect or misleading in any material respect when made or deemed to be repeated, unless the circumstances giving rise to the misrepresentation

- (a) are capable of remedy, and
- (b) are remedied within fourteen days of the earlier of the Trustees giving notice and the Chargor becoming aware of the circumstances giving rise to the misrepresentation

5.4 Insolvency

An Insolvency Event occurs in respect of a Company or the Chargor

5.5 Insolvency proceedings

- (a) Except as provided below, any of the following occurs in respect of a Company or the Chargor
 - (i) any step is taken with a view to a moratorium or a composition, assignment or similar arrangement with any of its creditors,
 - (ii) a meeting of its shareholders, directors or other officers is convened for the purpose of considering any resolution for, to petition for or to file documents with a court or any registrar for, its winding-up, administration or dissolution or any such resolution is passed,
 - (iii) any person presents a petition, or files documents with a court or any registrar, for its winding-up, administration, dissolution or reorganisation (by way of voluntary arrangement, scheme of arrangement or otherwise),

- (iv) any Security Interest is enforced over any of its assets,
 - (v) an order for its winding-up, administration or dissolution is made,
 - (vi) any liquidator, trustee in bankruptcy, judicial custodian, compulsory manager, receiver, administrative receiver, administrator or similar officer is appointed in respect of it or any of its assets;
 - (vii) its shareholders, directors or other officers request the appointment of, or give notice of their intention to appoint, a liquidator, trustee in bankruptcy, judicial custodian, compulsory manager, receiver, administrative receiver, administrator or similar officer, or
 - (viii) any other analogous step or procedure is taken in any jurisdiction
- (b) Paragraph (a) above does not apply to a petition for winding-up presented by a creditor which is being contested in good faith and with due diligence and is discharged or struck out within 14 days

5.6 Creditors' process

Any attachment, sequestration, distress, execution or analogous event affects any assets of a Company or the Chargor, and is not discharged within 14 days

5.7 Cessation of business

A Company or the Chargor ceases, or threatens to cease, to carry on business

5.8 Effectiveness of this Deed

- (a) It is or becomes unlawful for the Chargor to perform any of its obligations under this Deed
- (b) This Deed is not effective in accordance with its terms or is alleged by the Chargor to be ineffective in accordance with its terms for any reason
- (c) The Chargor repudiates this Deed or evidences an intention to repudiate this Deed

6 When Security becomes enforceable

6.1 Event of Default

This Security will become immediately enforceable if an Event of Default occurs

6.2 Discretion

After this Security has become enforceable, the Trustees may in their absolute discretion enforce all or any part of this Security in any manner they see fit

6.3 Power of sale

The power of sale and other powers conferred by Section 101 of the Act, as amended by this Deed, will be immediately exercisable at any time after this Security has become enforceable

7 Enforcement of Security

7.1 General

- (a) For the purposes of all powers implied by statute, the Secured Liabilities are deemed to have become due and payable on the date of this Deed
- (b) Section 103 of the Act (restricting the power of sale) and Section 93 of the Act (restricting the right of consolidation) do not apply to this Security
- (c) The statutory powers of leasing conferred on the Trustees are extended so as to authorise the Trustees to lease, make agreements for leases, accept surrenders of leases and grant options as the Trustees may think fit and without the need to comply with any provision of section 99 or 100 of the Act.

7.2 No liability as mortgagee in possession

No Trustee nor any Receiver will be liable, by reason of entering into possession of a Security Asset, to account as mortgagee in possession or for any loss on realisation or for any default or omission for which a mortgagee in possession might be liable.

7.3 Privileges

Each Receiver and the Trustees are entitled to all the rights, powers, privileges and immunities conferred by the Act on mortgagees and receivers duly appointed under the Act, except that Section 103 of the Act does not apply

7.4 Protection of third parties

No person (including a purchaser) dealing with the Trustees or a Receiver or its or his agents will be concerned to enquire

- (a) whether the Secured Liabilities have become payable,
- (b) whether any power which the Trustees or a Receiver is/are purporting to exercise has become exercisable or is being properly exercised,
- (c) whether any money remains due in respect of the Secured Liabilities, or
- (d) how any money paid to a Trustee or to that Receiver is to be applied

7.5 Redemption of prior mortgages

- (a) At any time after this Security has become enforceable, the Trustees may.

- (i) redeem any prior Security Interest against any Security Asset, and/or
 - (ii) procure the transfer of that Security Interest to themselves, and/or
 - (iii) settle and pass the accounts of the prior mortgagee, chargee or encumbrancer, any accounts so settled and passed will be, in the absence of manifest error, conclusive and binding on the Chargor
- (b) The Chargor must pay to the Trustees, immediately on demand, the costs and expenses incurred by the Trustees in connection with any such redemption and/or transfer, including the payment of any principal or interest

8 Receiver

8.1 Appointment of Receiver

- (a) Except as provided below, the Trustees may appoint any one or more persons to be a Receiver of all or any part of the Security Assets if:
- (i) this Security has become enforceable; or
 - (ii) the Chargor so requests the Trustees in writing at any time
- (b) Any appointment under Paragraph (a) above may be by deed, under seal or in writing under its hand
- (c) Except as provided below, any restriction imposed by law on the right of a mortgagee to appoint a Receiver (including under section 109(1) of the Act) does not apply to this Deed
- (d) The Trustees are not entitled to appoint a Receiver solely as a result of the obtaining of a moratorium (or anything done with a view to obtaining a moratorium) under section 1A of the Insolvency Act 1986

8.2 Removal

The Trustees may by writing (subject to any requirement for an order of the court in the case of an administrative receiver) remove any Receiver appointed by them and may, whenever they think fit, appoint a new Receiver in the place of any Receiver whose appointment may for any reason have terminated

8.3 Remuneration

The Trustees may fix the remuneration of any Receiver appointed by them and the maximum rate specified in Section 109(6) of the Act will not apply

8.4 Agent of the Chargor

- (a) A Receiver will be deemed to be the agent of the Chargor for all purposes and accordingly will be deemed to be in the same position as a Receiver duly appointed by a mortgagee under the Act. The Chargor alone is responsible for the

contracts, engagements, acts, omissions, defaults and losses of a Receiver and for liabilities incurred by a Receiver

- (b) The Trustees will not incur any liability (either to the Chargor or to any other person) by reason of the appointment of a Receiver or for any other reason

8.5 Relationship with Trustees

To the fullest extent allowed by law, any right, power or discretion conferred by this Deed (either expressly or impliedly) or by law on a Receiver may after this Security becomes enforceable be exercised by the Trustees in relation to any Security Asset without first appointing a Receiver and notwithstanding the appointment of a Receiver

9 Powers of Receiver

9.1 General

- (a) A Receiver has all of the rights, powers and discretions set out below in this Clause in addition to those conferred on it by any law, this includes
 - (i) in the case of an administrative receiver, all the rights, powers and discretions conferred on an administrative receiver under the Insolvency Act, 1986, and
 - (ii) otherwise, all the rights, powers and discretions conferred on a receiver (or a receiver and manager) under the Act and the Insolvency Act, 1986
- (b) If there is more than one Receiver holding office at the same time, each Receiver may (unless the document appointing him states otherwise) exercise all of the powers conferred on a Receiver under this Deed individually and to the exclusion of any other Receiver

9.2 Possession

A Receiver may take immediate possession of, get in and collect any Security Asset

9.3 Carry on business

A Receiver may carry on any business of the Chargor in any manner he thinks fit

9.4 Employees

- (a) A Receiver may appoint and discharge managers, officers, agents, accountants, servants, workmen and others for the purposes of this Deed upon such terms as to remuneration or otherwise as he thinks fit.
- (b) A Receiver may discharge any person appointed by the Chargor

9.5 Borrow money

A Receiver may raise and borrow money either unsecured or on the security of any Security Asset either in priority to this Security or otherwise and generally on any terms and for whatever purpose which he thinks fit

9.6 Sale of assets

- (a) A Receiver may sell, exchange, convert into money and realise any Security Asset by public auction or private contract and generally in any manner and on any terms which he thinks fit
- (b) The consideration for any such transaction may consist of cash, debentures or other obligations, shares, stock or other valuable consideration and any such consideration may be payable in a lump sum or by instalments spread over any period which he thinks fit

9.7 Compromise

A Receiver may settle, adjust, refer to arbitration, compromise and arrange any claim, account, dispute, question or demand with or by any person who is or claims to be a creditor of the Chargor or relating in any way to any Security Asset

9.8 Legal actions

A Receiver may bring, prosecute, enforce, defend and abandon any action, suit or proceedings in relation to any Security Asset which he thinks fit

9.9 Receipts

A Receiver may give a valid receipt for any moneys and execute any assurance or thing which may be proper or desirable for realising any Security Asset

9.10 Subsidiaries

A Receiver may form a Subsidiary of the Chargor and transfer to that Subsidiary any Security Asset

9.11 Delegation

A Receiver may delegate his powers in accordance with this Deed

9.12 Lending

A Receiver may lend money or advance credit to any customer of the Chargor.

9.13 Protection of assets

A Receiver may

- (a) effect any repair or insurance and do any other act which the Chargor might do in the ordinary conduct of its business to protect or improve any Security Asset;
- (b) commence and/or complete any building operation, and
- (c) apply for and maintain any planning permission, building regulation approval or any other authorisation,

in each case as he thinks fit

9.14 Other powers

A Receiver may

- (a) do all other acts and things which he may consider desirable or necessary for realising any Security Asset or incidental or conducive to any of the rights, powers or discretions conferred on a Receiver under or by virtue of this Deed or law,
- (b) exercise in relation to any Security Asset all the powers, authorities and things which he would be capable of exercising if he were the absolute beneficial owner of that Security Asset, and
- (c) use the name of the Chargor for any of the above purposes

10 Application of proceeds

Any moneys received by the Trustees or any Receiver after this Security has become enforceable must be applied in the following order of priority.

- (a) in or towards payment of or provision for all costs and expenses incurred by the Trustees or any Receiver under or in connection with this Deed and of all remuneration due to any Receiver under or in connection with this Deed,
- (b) in or towards payment of or provision for the Secured Liabilities, and
- (c) in payment of the surplus (if any) to the Chargor or other person entitled to it.

This Clause is subject to the payment of any claims having priority over this Security. This Clause does not prejudice the right of the Trustees to recover any shortfall from the Chargor.

11 Expenses

11.1 The Chargor shall meet the expenses of both Parties in relation to this Deed

11.2 The Chargor shall, within three Business Days of demand, indemnify the Trustees against any cost, loss or liability incurred by it as a result of

- (a) the occurrence of any Event of Default in relation to the Chargor,

- (b) investigating any event which it reasonably believes is an Event of Default in relation to the Chargor; or
- (c) any default by the Chargor in the performance of any of the obligations expressed to be assumed by it in this Deed

12 Delegation

12.1 Power of Attorney

The Trustees or any Receiver may delegate by power of attorney or in any other manner to any person any right, power or discretion exercisable by them or it under this Deed

12.2 Terms

Any such delegation may be made upon any terms (including power to sub-delegate) which the Trustees or any Receiver may think fit

12.3 Liability

No Trustee nor any Receiver will be in any way liable or responsible to the Chargor for any loss or liability arising from any act, default, omission or misconduct on the part of any delegate or sub-delegate

13 Further assurances

The Chargor must, at its own expense, take whatever action the Trustees or a Receiver may require for

- (a) creating, perfecting or protecting any security intended to be created by this Deed; or
- (b) facilitating the realisation of any Security Asset, or the exercise of any right, power or discretion exercisable, by the Trustees or any Receiver or any of their or its delegates or sub-delegates in respect of any Security Asset

This includes

- (i) the execution of any transfer, conveyance, assignment or assurance of any property, whether to the Trustees or to their nominee, or
- (ii) the giving of any notice, order or direction and the making of any registration,

which, in any such case, the Trustees may think expedient

14 Covenant to pay

The Chargor must make payments to the Account in accordance with the Scheme's schedule of contributions prepared and agreed in accordance with Part 3 of the Pensions Act 2004 from time to time.

The Chargor must pay or discharge the Secured Liabilities when due

15 Power of attorney

The Chargor, by way of security, irrevocably and severally appoints the Trustees, each Receiver and any of their delegates or sub-delegates to be its attorney to take any action which the Chargor is obliged to take under this Deed. The Chargor ratifies and confirms whatever any attorney does or purports to do under its appointment under this Clause.

16 Preservation of Security

16.1 Continuing security

This Security is continuing and will extend to the ultimate balance of the Secured Liabilities regardless of any intermediate payment or discharge in whole or in part.

16.2 Reinstatement

- (a) If any discharge, release or arrangement is made by the Trustees in whole or in part on the faith of any payment, security or other disposition which is avoided or must be restored on insolvency, liquidation, administration or otherwise without limitation, the liability of the Chargor under this Deed will continue as if the discharge or arrangement had not occurred
- (b) The Trustees may concede or compromise any claim that any payment, security or other disposition is liable to avoidance or restoration

16.3 Waiver of defences

The obligations of the Chargor under this Deed will not be affected by any act, omission or thing which, but for this provision, would reduce, release or prejudice any of its obligations under this Deed (whether or not known to the Chargor or any Trustee). This includes

- (a) any time or waiver granted to, or composition with, any person,
- (b) the release of any person under the terms of any composition or arrangement,
- (c) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, any person,
- (d) any non-presentation or non-observance of any formality or other requirement in respect of any instruments or any failure to realise the full value of any security,
- (e) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of any person,
- (f) any amendment, novation, supplement, extension or reinstatement (however fundamental and of whatsoever nature) of this Deed or any other document or security, or

- (g) any unenforceability, illegality, invalidity or non-provability of any obligation of any person under this Deed or any other document or security

16.4 Chargor intent

Without prejudice to the generality of Clause 16.3 (Waiver of defences) the Chargor expressly confirms that it intends that this Security shall extend from time to time to any (however fundamental) variation, increase, extension or addition of or to any of the Secured Liabilities

16.5 Immediate recourse

The Chargor waives any right it may have of first requiring any Trustee to proceed against or enforce any other rights or security or claim payment from any person before claiming from the Chargor under this Deed. This waiver applies irrespective of any law to the contrary

16.6 Appropriations

Each Trustee may at any time during the Security Period without affecting the liability of the Chargor under this Deed

- (a)
 - (i) refrain from applying or enforcing any other moneys, security or rights held or received by that Trustee in respect of those amounts, or
 - (ii) apply and enforce the same in such manner and order as it sees fit (whether against those amounts or otherwise), and
- (b) hold in an interest bearing suspense account any moneys received from the Chargor or on account of the liability of the Chargor under this Deed

16.7 Non-competition

Unless

- (a) the Security Period has expired, or
- (b) the Trustees otherwise direct,

The Chargor will not, after a claim has been made under this Deed or by virtue of any payment or performance by it under this Deed

- (i) be subrogated to any rights, security or moneys held, received or receivable by any Trustee,
- (ii) be entitled to any right of contribution or indemnity in respect of any payment made or moneys received on account of the Chargor's liability under this Deed,
- (iii) bring legal or other proceedings for an order requiring any Company to make any payment, or perform any obligation, in respect of any Secured Liability,
- (iv) claim, rank, prove or vote as a creditor of any Company or its estate in competition with any Trustee, or

- (v) receive, claim or have the benefit of any payment , distribution or security from or on account of any Company, or exercise any right of set-off as against any Company

The Chargor must hold in trust for and immediately pay or transfer to the Trustees any payment or distribution or benefit of security received by it contrary to this Clause or in accordance with any directions given by the Trustees under this Clause as directed by the Trustees

16.8 Additional security

This Security is in addition to and is not in any way prejudiced by any other security now or subsequently held by the Trustees

17 Changes to the Parties

17.1 Assignments and transfers by the Chargor

The Chargor may not assign or transfer any of its rights and obligations under this Deed other than with the prior written consent of the Trustees

17.2 Assignments and transfers by Trustees

The Chargor acknowledges that the rights and obligations of the Trustees under this Deed may be transferred to the Pension Protection Fund as a result of the operation of Section 161 of and Schedule 6 to the Pensions Act 2004

18 Amendments

The Chargor and the Trustees may agree to change this Deed at any time.

19 Release of security

- (a) The Chargor may, at any time, submit to the Trustees a request (the Release Request) that some or all of the Security Assets be released from this Security.
- (b) If the Trustees are satisfied that the value of the Security Assets as at the date of the Release Request exceeds the Secured Liabilities, then the Chargor and the Trustees shall take whatever action is necessary to release the Security Assets from this Security to the extent that the value of the Security Assets as at the date of the Release Request exceeds the Secured Liabilities
- (c) At the end of the Security Period, the Trustees must, at the request of the Chargor, take whatever action is necessary to release the Security Assets from this Security

20 Severability

If a term of this Deed is or becomes illegal, invalid or unenforceable in any jurisdiction, that shall not affect

- (a) the legality, validity or enforceability in that jurisdiction of any other term of this Deed, or
- (b) the legality, validity or enforceability in other jurisdictions of that or any other term of this Deed.

21 Counterparts

This Deed may be executed in any number of counterparts. This has the same effect as if the signatures on the counterparts were on a single copy of this Deed.

22 Notices

22.1 In writing

- (a) Any communication in connection with this Deed must be in writing and, unless otherwise stated, may be given in person or by post.
- (b) Unless it is agreed to the contrary, any consent or agreement required under this Deed must be given in writing.

22.2 Contact details

- (a) The contact details of the Chargor for this purpose are.

Address Eggborough Power Station, Goole, East Yorkshire, DN14 0BS
Attention Finance Manager

- (b) The contact details of the Trustees are:

Address c/o Aon Hewitt, 3 The Embankment, Sovereign Street, Leeds LS1 4BJ
E-mail caroline.smith@aonhewitt.com
Attention Caroline Smith

22.3 Effectiveness

- (a) Except as provided below, any communication in connection with this Deed will be deemed to be given as follows:
 - (i) if delivered in person, at the time of delivery;
 - (ii) if posted, five days after being deposited in the post, postage prepaid, in a correctly addressed envelope, and
 - (iii) if by fax, when received in legible form.

- (b) A communication given under Paragraph (a) above but received on a non-working day or after business hours in the place of receipt will only be deemed to be given on the next working day in that place

23 Language

Any notice given in connection with this Deed must be in English.

24 Governing Law

This Deed is governed by English law

25 Enforcement

25.1 Jurisdiction

- (a) The English courts have non-exclusive jurisdiction to settle any dispute in connection with this Deed.
- (b) The English courts are the most appropriate and convenient courts to settle any such dispute

25.2 Service of process

- (a) If any person appointed as process agent is unable for any reason to act as agent for service of process, the Chargor must promptly appoint another agent on terms acceptable to the Trustees. Failing this, the Trustees may appoint another agent for this purpose
- (b) The Chargor agrees that failure by a process agent to notify it of any process will not invalidate the relevant proceedings
- (c) This Clause does not affect any other method of service allowed by law.

25.3 Waiver of immunity

The Chargor irrevocably and unconditionally

- (a) agrees not to claim any immunity from proceedings brought by a Trustee against it in relation to this Deed and to ensure that no such claim is made on its behalf;
- (b) consents generally to the giving of any relief or the issue of any process in connection with those proceedings, and
- (c) waives all rights of immunity in respect of it or its assets

This Deed has been entered into on the date stated at the beginning of this Deed

**SCHEDULE
FORMS OF LETTER FOR ACCOUNT BANK**

PART 1

NOTICE TO ACCOUNT BANK

[On the letterhead of Eggborough Power Limited]

To Bank of America

[Date]

Dear Sirs,

**Security Document dated [●] between Eggborough Power Limited
and the trustees of the Eggborough Power Group of the Electricity Supply Pension Scheme
(the Security Document)**

This letter constitutes notice to you that under the Security Document we have charged (by way of first fixed charge) in favour of Lord MacGregor of Pulham Market, Ronald Taylor, Jane Tillyard, Paul Carter and Andrew Potter as trustees of the Eggborough Power Group of the Electricity Supply Pension Scheme (the **Trustees**) all our rights in respect of any amount standing to the credit of the account maintained by us with you, the details of which are set out below (the **Account**)

Sort code 301635 (BACS) and 165050 (CHAPS)

Account no 47616042

We irrevocably instruct and authorise you

- (a) to disclose to the Trustees any information relating to the Account requested from you by the Trustees,
- (b) to comply with the terms of any written notice or instruction relating to the Account received by you from the Trustees,
- (c) to pay or release any sum standing to the credit of the Account in accordance with the written instructions of the Trustees, and
- (d) not, unless the Trustees so authorise you in writing, to permit withdrawals from the Account

We acknowledge that you may comply with the instructions in this letter without any further permission from us

The instructions in this letter may not be revoked or amended without the prior written consent of the Trustees

This letter is governed by English law

Please confirm your agreement to the above by signing the attached acknowledgement and returning it to the Trustees c/o Caroline Smith, Hewitt Associates, No 1 City Square, Leeds LS1 2BW with a copy to ourselves

Yours faithfully

(Authorised Signatory)
Eggborough Power Limited

PART 2

**ACKNOWLEDGEMENT OF ACCOUNT BANKS
ON THE LETTERHEAD OF BANK OF AMERICA]**

To The trustees of the Eggborough Power Group of the Electricity Supply Pension Scheme

Copy Eggborough Power Limited

[Date]

Dear Sirs,

**Security Document dated [●] between Eggborough Power Limited
and the trustees of the Eggborough Power Group of the Electricity Supply Pension Scheme
(the Security Document)**

We confirm receipt from Eggborough Power Limited (the **Chargor**) of a notice dated [●] of a charge upon the terms of the Security Document over all the rights of the Chargor to any amount standing to the credit of the account maintained by Eggborough Power Limited with us the details of which are set out below (the **Account**)

Sort code 301635 (BACS) and 165050 (CHAPS)

Account no 47616042

We confirm that we

- (a) accept the instructions contained in the notice and agree to comply with the notice,
- (b) have not received notice of the interest of any third party in the Account other than the floating charge granted by the Chargor to Bank of America Trustees Limited prior to the date of the Security Document,
- (c) have neither claimed nor exercised, nor will claim or exercise, any security interest, set-off, counter-claim or other right in respect of the Account,
- (d) will not permit any of our affiliates to claim or exercise any security interest, set off, counter-claim or other right in respect of the Account; and
- (e) will not permit any amount to be withdrawn from the Account without your prior written consent

This letter is governed by English law

Yours faithfully,

(Authorised signatory)

SIGNATORIES

Chargor
EXECUTED AS A DEED by
Eggborough Power Limited
acting by

)
)
)

REDACTED REDACTED REDACTED
REDACTED REDACTED REDACTED
REDACTED REDACTED REDACTED
REDACTED REDACTED REDACTED
REDACTED REDACTED REDACTED

Director

Witness signature

Witness name

Witness address

REDACTED
REDACTED

VICTORIA ROSE GALLAGHER

REDACTED REDACTED REDACTED REDACTED
REDACTED REDACTED REDACTED REDACTED

Trustees

SIGNED as a DEED by Lord
MacGregor of Pulham Market
in the presence of.

}

Witness's signature

Name

Address

Occupation

SIGNED as a DEED by **Ronald**
Taylor in the presence of

}

Witness's signature

Name

Address

Occupation

SIGNED as a DEED by **Jane
Tillyard** in the presence of.

}

Witness's signature

Name

Address

Occupation

SIGNED as a DEED by **John
Henderson** in the presence of.

}

Witness's signature

Name

Address

Occupation

SIGNED as a DEED by **Claire
Savage** in the presence of:

}

Witness's signature

Name

Address

Occupation

ACCOUNT SECURITY AGREEMENT

DATED 13 November 2013

BETWEEN

Eggborough Power Limited

- and -

**The Trustees of the Eggborough Power Group
of the Electricity Supply Pension Scheme**

WE CERTIFY THAT, SAVE FOR
MATERIAL REDACTED PURSUANT
TO S. 859G OF THE COMPANIES
ACT 2006, THIS COPY INSTRUMENT
IS A CORRECT COPY OF THE
ORIGINAL INSTRUMENT.

FIELD FISHER WATERHOUSE LLP

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THIS DEED is dated 13 November 2013 between

- (1) **Egghorough Power Limited** (Registered number 03782700) (the **Chargor**), and
- (2) **Lord MacGregor of Pulham Market, Ronald Taylor, Jane Tillyard, John Henderson and Claire Savage** as trustees of the Egghorough Power Group of the Electricity Supply Pension Scheme (each a **Trustee** and together the **Trustees**)

IT IS AGREED as follows:

1 Interpretation

1.1 Definitions

In this Deed:

Account means the account opened in the United Kingdom with sort code 301635 (BACS) and 165050 (CHAPS) and account number REDACT held at Bank of America N A, King Edward Street, London, EC1A 1HQ, together with

- (a) all additions to or renewals or replacements of such account (in whatever currency) and all investments made out of the same, and
- (b) all rights, benefits and proceeds in respect of such account (including interest and rights to repayment of any monies standing to the credit of such account(s))

Account Balance means all monies at any time standing to the credit of the Account and

- (a) all interest at any time accrued or accruing on such monies,
- (b) all investments at any time made out of such monies or account, and
- (c) all rights to repayment of any of the same

Account Bank means Bank of America or such other bank at which the Account is held pursuant to the terms of this Deed

Acceptable Bank means a bank regulated by the Prudential Regulation Authority and/or the Financial Conduct Authority (or an equivalent regulator in the European Union) which has a Requisite Rating.

Act means the Law of Property Act 1925.

Business Day means a day (other than a Saturday or a Sunday) on which banks are open for general business in London

Company means each or any of the Chargor, the Principal Employer and the Participating Employers

Event of Default means an event specified as such in Clause 5 (Default)

Fitch means Fitch Ratings Limited or any successor to its ratings business

Insolvency Event means an 'insolvency event' as defined in section 121 of the Pensions Act 2004 or regulations made from time to time thereunder

Material Adverse Effect means a material adverse effect on

- (a) the ability of the Chargor to perform its payment obligations under this Deed,
- (b) the validity or enforceability of, or the effectiveness or making of this Deed, or
- (c) any right or remedy of the Trustees under this Deed

Moody's means Moody's Investors Services Limited or any successor to its ratings business

Participating Employer means an employer which participates in the Scheme after the date of this Deed.

Party means a party to this Deed

Principal Employer means the principal employer of the Scheme from time to time after the date of this Deed

Receiver means an administrative receiver, receiver and manager or a receiver, in each case, appointed under this Deed.

Release Request has the meaning given to it in Clause 19 (Release of Security)

Requisite Rating means a person with long term unsecured debt instruments in issue which are neither subordinated nor guaranteed and which have a rating of at least one of the following

- (a) AA- or better by Fitch,
- (b) Aa3 or better by Moody's, or
- (c) AA- or better by S&P

Reservations means

- (a) the principle that equitable remedies are remedies which may be granted or refused at the discretion of the court and damages may be regarded as an adequate remedy,
- (b) the limitation on enforcement as a result of laws relating to bankruptcy, insolvency, liquidation, reorganisation, court schemes, moratoria, administration and other laws affecting the rights of creditors generally,
- (c) the statutory time-barring of claims;
- (d) defences of set off or counterclaim,
- (e) rules against penalties and similar principles;
- (f) the fact that security which is described as fixed security may in fact be floating security,

- (g) the possibility that an undertaking to assume liability for, or indemnify a person against, non-payment of stamp duty may be void;
- (h) the fact that a court may refuse to give effect to a purported contractual obligation to pay costs imposed upon another person in respect of costs of an unsuccessful litigation brought against that person or may not award by way of costs all of the expenditure incurred by a successful litigant in proceedings brought before that court or that a court may stay proceedings if concurrent proceedings based on the same grounds and between the same parties have previously been brought before another court,
- (i) steps for perfection not required by the terms of this Deed to be taken,

and any other reservations or qualifications of law contained in any legal opinion delivered to the Trustees or the Chargor in respect of this Deed

S&P means Standard and Poor's Rating Services, a Division of the McGraw Hill Companies, Inc or any successor to its ratings business

Scheme means the Eggborough Power Group of the Electricity Supply Pension Scheme

Secured Liabilities means all present and future obligations and liabilities (whether actual or contingent and whether owed jointly or severally and in any capacity whatsoever) of each Company to make payments to the Scheme (including, without limitation, to the trustees of the Scheme) up to a maximum amount equal to the entire aggregate liability, on the date on which any liability under this Deed arises, of every Company, were a debt under Section 75(2) of the Pensions Act 1995 to have become due on that date

Security Assets means all assets of the Chargor the subject of any Security Interest created by this Deed

Security Interest means any mortgage, pledge, lien, charge, assignment, hypothecation or security interest or any other agreement or arrangement having a similar effect.

Security Period means the period beginning on the date of this Deed and ending on the earliest of

- (a) the date on which the Trustees confirm in writing to the Chargor that they are reasonably satisfied that the life of the Eggborough power station will be extended beyond 2023,
- (b) the date on which the Trustees confirm in writing to the Chargor that, following the sale of substantially the whole of the assets of the Chargor and the replacement of the Chargor as Principal Employer by the purchaser of such assets
 - (i) the Chargor has, so far as they are aware, no further present or future obligation or liability to make payments to the Scheme, and
 - (ii) they are reasonably satisfied that arrangements have been put in place giving them a level of security in relation to the present and future obligations or liabilities of the purchaser and any other employer which participates in the Scheme after that date to make payments to the Scheme which is materially at least as strong as that in place immediately before the sale;

- (c) the date which the Chargor and the Trustees agree in writing should be the date on which the Security Period ends, and
- (d) the date on which all the Secured Liabilities have been unconditionally and irrevocably paid and discharged in full

Subsidiary means:

- (a) a subsidiary within the meaning of section 1159 of the Companies Act 2006, and
- (b) unless the context otherwise requires, a subsidiary undertaking within the meaning of section 1162 of the Companies Act 2006.

1.2 Construction

- (a) In this Deed, unless the contrary intention appears, a reference to
 - (i) assets includes present and future properties, revenues and rights of every description and includes uncalled capital;
 - (ii) an authorisation includes an authorisation, consent, approval, resolution, licence, exemption, filing, registration or notarisation;
 - (iii) disposal means a sale, transfer, grant, lease or other disposal, whether voluntary or involuntary, and dispose will be construed accordingly,
 - (iv) this Security means any Security Interests created by this Deed;
 - (v) a person includes any individual, company, corporation, unincorporated association or body (including a partnership, trust, joint venture or consortium), government, state, agency, organisation or other entity whether or not having separate legal personality,
 - (vi) a regulation includes any regulation, rule, official directive, request or guideline (whether or not having the force of law but, if not having the force of law, being of a type with which persons to which it applies are accustomed to comply) or any governmental, inter-governmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation;
 - (vii) a currency is a reference to the lawful currency for the time being of the relevant country,
 - (viii) a provision of law is a reference to that provision as extended, applied, amended or re-enacted and includes any subordinate legislation;
 - (ix) a Clause, a Subclause, a Paragraph, a Subparagraph or a Schedule is a reference to a clause, subclause, paragraph or subparagraph of, or a schedule to, this Deed;
 - (x) a Party or any other person includes its successors in title, permitted assigns and permitted transferees and this Deed shall be binding on and enforceable by the successors in office of the Trustees as trustees of the Scheme, and

- (xi) a time of day is a reference to London time
- (b) Unless the contrary intention appears, a reference to a month or months is a reference to a period starting on one day in a calendar month and ending on the numerically corresponding day in the next calendar month or the calendar month in which it is to end, except that:
 - (i) if the numerically corresponding day is not a Business Day, the period will end on the next Business Day in that month (if there is one) or the preceding Business Day (if there is not),
 - (ii) if there is no numerically corresponding day in that month, that period will end on the last Business Day in that month; and
 - (iii) notwithstanding Subparagraph (i) above, a period which commences on the last Business Day of a month will end on the last Business Day in the next month or the calendar month in which it is to end, as appropriate.
- (c) Unless expressly provided to the contrary in this Deed, a person who is not a party to this Deed may not enforce any of its terms under the Contracts (Rights of Third Parties) Act 1999 and, notwithstanding any term of this Deed, no consent of any third party is required for any variation (including any release or compromise of any liability) or termination of this Deed
- (d) The headings in this Deed do not affect its interpretation.
- (e) Any covenant of the Chargor under this Deed (other than a payment obligation) remains in force during the Security Period.
- (f) If the Trustees consider that an amount paid to them under this Deed is capable of being avoided or otherwise set aside on the liquidation or administration of the payer or otherwise, then that amount will not be considered to have been irrevocably paid for the purposes of this Deed
- (g) Unless the context otherwise requires, a reference to a Security Asset includes the proceeds of sale of that Security Asset
- (h) It is intended by the Parties that this document takes effect as a deed notwithstanding the fact that a Party may only execute this document under hand

2 Creation of Security

2.1 General

- (a) All the security created under this Deed
 - (i) is created in favour of the Trustees;
 - (ii) is created over present and future assets of the Chargor,
 - (iii) is security for the payment of all the Secured Liabilities, and
 - (iv) is made with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994.

(b) If the rights of the Chargor under a document cannot be secured without the consent of a party to that document

(i) the Chargor must notify the Trustees promptly,

(ii) this Security will secure all amounts which the Chargor may receive, or has received, under that document but exclude the document itself, and

(iii) unless the Trustees otherwise require, the Chargor must use reasonable endeavours to obtain the consent of the relevant party to that document being secured under this Deed

2.2 Fixed charge

The Chargor charges and agrees to charge, by way of first fixed charge, all of its present and future right, title and interest in and to the Account and the Account Balance

3 Representations

3.1 Representations

The representations set out in this Clause are made by the Chargor to the Trustees

3.2 Status

(a) It is a limited liability company, duly incorporated and validly existing under the laws of its jurisdiction of incorporation.

(b) It has the power to own its assets and carry on its business as it is being conducted

3.3 Powers and authority

It has the power to enter into, perform and deliver, and has taken all necessary action to authorise the entry into, performance and delivery of, this Deed and the transactions contemplated by this Deed

3.4 Legal validity

Subject to the Reservations, the obligations expressed to be assumed by it in this Deed are legal, binding, valid and enforceable obligations

3.5 Non-conflict

The entry into and performance by it of, and the transactions contemplated by, this Deed do not conflict with:

(a) any law or regulation applicable to it,

(b) its or any of its Subsidiaries' constitutional documents; or

- (c) any document which is binding upon it or any of its Subsidiaries or any of its or its Subsidiaries' assets

3.6 Insolvency

No.

- (a) corporate action, legal proceeding or other procedure or step described in Clause 5.5 (Insolvency proceedings),
- (b) creditors' process described in Clause 5.6 (Creditors' process),

has been taken or threatened in relation to the Chargor and none of the circumstances described in Clause 5.4 (Insolvency) applies to the Chargor

3.7 No default

No event or circumstance is outstanding which constitutes a default under any document which is binding on it or any of its Subsidiaries or any of its or its Subsidiaries' assets to an extent or in a manner which has or is reasonably likely to have a Material Adverse Effect.

3.8 Authorisations

All authorisations required by it in connection with the entry into, performance, validity and enforceability of, and the transactions contemplated by, this Deed have been obtained or effected (as appropriate) and are in full force and effect

3.9 Litigation

No litigation, arbitration or administrative proceedings are current or, to its knowledge, pending or threatened, against it or its Subsidiaries, which have or, if adversely determined, are reasonably likely to have a Material Adverse Effect.

3.10 Nature of security

- (a) This Deed creates those Security Interests it purports to create and is not liable to be amended or otherwise set aside on the liquidation or administration of the Chargor or otherwise
- (b) The security created by this Deed constitutes a first priority Security Interest of the type described over the Security Assets and the Security Assets are not subject to any prior ranking or pari passu Security Interest.

3.11 Account

Subject to the floating charge granted by the Chargor to Bank of America Trustees Limited prior to the date of this Security, the Chargor is the sole legal and beneficial owner of the Account and the Account Balance

3.12 Times for making representations

- (a) The representations set out in this Deed (including in this Clause) are made on the date of this Deed
- (b) Unless a representation is expressed to be given at a specific date, each representation under this Deed is deemed to be repeated by the Chargor on each date during the Security Period
- (c) When a representation is repeated, it is applied to the circumstances existing at the time of repetition

4 Covenants

4.1 General

The Chargor agrees to be bound by the covenants set out in this Clause so long as any Secured Liabilities are outstanding.

4.2 Notification of breach

The Chargor must notify the Trustees of any breach of any of the provisions of this Deed promptly upon becoming aware of its occurrence.

4.3 Authorisations

The Chargor must promptly obtain, maintain and comply with the terms of any authorisation required under any law or regulation to enable it to perform its obligations under, or for the validity or enforceability of, this Deed

4.4 Compliance with laws

The Chargor must comply in all respects with all laws to which it is subject where failure to do so has or is reasonably likely to have a Material Adverse Effect.

4.5 Disposals and negative pledge

The Chargor must not

- (a) create or permit to subsist any Security Interest on any Security Asset (other than this Security or the floating charge granted by the Chargor to Bank of America Trustees Limited which was created prior to the date of this Security and which ranks behind this Security), or
- (b) sell, transfer, licence, lease or otherwise dispose of any Security Asset

4.6 No withdrawals

The Chargor shall not withdraw or attempt or be entitled to withdraw (or direct any transfer of) all or any part of the Account Balance without the prior written consent of the

Trustees The Trustees shall be entitled in their absolute discretion to refuse to permit any such withdrawal or transfer

4.7 No variation of terms

The Chargor shall not, without the prior written consent of the Trustees, permit or agree to any variation of the rights attaching to the Account or the Account Balance

4.8 Account

- (a) The Chargor must ensure that:
 - (i) the Trustees have sole signing rights in relation to the Account, and
 - (ii) the Account is at all times held at an Acceptable Bank
- (b) The Chargor shall provide the Trustees with all information which they may reasonably request in relation to the Account or the Account Balance and any communication received by it from the Account Bank in relation to them
- (c) The Chargor must promptly notify the Trustees upon it becoming aware that the Account Bank has ceased to be an Acceptable Bank
- (d) If the Account Bank ceases to be an Acceptable Bank the Chargor must:
 - (i) move the Account to another bank which is an Acceptable Bank agreed by the Trustees, and
 - (ii) grant Security Interests over the Account on the same terms as set out in this Deed,

each within 30 days of the earlier of

- (iii) the Chargor becoming aware that the Account Bank has ceased to be an Acceptable Bank, and
- (iv) a written request by the Trustees
- (e) The Chargor must.
 - (i) immediately serve a notice of charge, substantially in the form of Part 1 of the Schedule (Forms of letter for Account Bank), on the Account Bank, and
 - (ii) ensure that the Account Bank immediately acknowledges the notice, substantially in the form of Part 2 of the Schedule (Forms of letter for Account Bank)

4.9 Notifiable events

The Chargor shall promptly notify the Trustees upon becoming aware that any event has occurred in respect of the Chargor which would require notification to the Pensions

Regulator in accordance with section 69 of the Pensions Act 2004 and any regulations and directions made thereunder.

5 Default

5.1 Events of Default

Each of the events set out in this Clause is an Event of Default

5.2 Breach of this Deed

The Chargor does not comply with any term of this Deed unless the non-compliance

- (a) is capable of remedy; and
- (b) is remedied within fourteen days of the earlier of the Trustees giving notice and the Chargor becoming aware of the non-compliance.

5.3 Misrepresentation

A representation made or repeated by the Chargor in this Deed is incorrect or misleading in any material respect when made or deemed to be repeated, unless the circumstances giving rise to the misrepresentation.

- (a) are capable of remedy, and
- (b) are remedied within fourteen days of the earlier of the Trustees giving notice and the Chargor becoming aware of the circumstances giving rise to the misrepresentation.

5.4 Insolvency

An Insolvency Event occurs in respect of a Company or the Chargor

5.5 Insolvency proceedings

- (a) Except as provided below, any of the following occurs in respect of a Company or the Chargor
 - (i) any step is taken with a view to a moratorium or a composition, assignment or similar arrangement with any of its creditors;
 - (ii) a meeting of its shareholders, directors or other officers is convened for the purpose of considering any resolution for, to petition for or to file documents with a court or any registrar for, its winding-up, administration or dissolution or any such resolution is passed;
 - (iii) any person presents a petition, or files documents with a court or any registrar, for its winding-up, administration, dissolution or reorganisation (by way of voluntary arrangement, scheme of arrangement or otherwise),

- (iv) any Security Interest is enforced over any of its assets;
 - (v) an order for its winding-up, administration or dissolution is made,
 - (vi) any liquidator, trustee in bankruptcy, judicial custodian, compulsory manager, receiver, administrative receiver, administrator or similar officer is appointed in respect of it or any of its assets,
 - (vii) its shareholders, directors or other officers request the appointment of, or give notice of their intention to appoint, a liquidator, trustee in bankruptcy, judicial custodian, compulsory manager, receiver, administrative receiver, administrator or similar officer, or
 - (viii) any other analogous step or procedure is taken in any jurisdiction
- (b) Paragraph (a) above does not apply to a petition for winding-up presented by a creditor which is being contested in good faith and with due diligence and is discharged or struck out within 14 days

5.6 Creditors' process

Any attachment, sequestration, distress, execution or analogous event affects any assets of a Company or the Chargor, and is not discharged within 14 days

5.7 Cessation of business

A Company or the Chargor ceases, or threatens to cease, to carry on business.

5.8 Effectiveness of this Deed

- (a) It is or becomes unlawful for the Chargor to perform any of its obligations under this Deed
- (b) This Deed is not effective in accordance with its terms or is alleged by the Chargor to be ineffective in accordance with its terms for any reason
- (c) The Chargor repudiates this Deed or evidences an intention to repudiate this Deed

6 When Security becomes enforceable

6.1 Event of Default

This Security will become immediately enforceable if an Event of Default occurs

6.2 Discretion

After this Security has become enforceable, the Trustees may in their absolute discretion enforce all or any part of this Security in any manner they see fit.

6.3 Power of sale

The power of sale and other powers conferred by Section 101 of the Act, as amended by this Deed, will be immediately exercisable at any time after this Security has become enforceable

7 Enforcement of Security

7.1 General

- (a) For the purposes of all powers implied by statute, the Secured Liabilities are deemed to have become due and payable on the date of this Deed
- (b) Section 103 of the Act (restricting the power of sale) and Section 93 of the Act (restricting the right of consolidation) do not apply to this Security
- (c) The statutory powers of leasing conferred on the Trustees are extended so as to authorise the Trustees to lease, make agreements for leases, accept surrenders of leases and grant options as the Trustees may think fit and without the need to comply with any provision of section 99 or 100 of the Act

7.2 No liability as mortgagee in possession

No Trustee nor any Receiver will be liable, by reason of entering into possession of a Security Asset, to account as mortgagee in possession or for any loss on realisation or for any default or omission for which a mortgagee in possession might be liable.

7.3 Privileges

Each Receiver and the Trustees are entitled to all the rights, powers, privileges and immunities conferred by the Act on mortgagees and receivers duly appointed under the Act, except that Section 103 of the Act does not apply

7.4 Protection of third parties

No person (including a purchaser) dealing with the Trustees or a Receiver or its or his agents will be concerned to enquire:

- (a) whether the Secured Liabilities have become payable,
- (b) whether any power which the Trustees or a Receiver is/are purporting to exercise has become exercisable or is being properly exercised;
- (c) whether any money remains due in respect of the Secured Liabilities; or
- (d) how any money paid to a Trustee or to that Receiver is to be applied.

7.5 Redemption of prior mortgages

- (a) At any time after this Security has become enforceable, the Trustees may

- (i) redeem any prior Security Interest against any Security Asset, and/or
 - (ii) procure the transfer of that Security Interest to themselves, and/or
 - (iii) settle and pass the accounts of the prior mortgagee, chargee or encumbrancer, any accounts so settled and passed will be, in the absence of manifest error, conclusive and binding on the Chargor.
- (b) The Chargor must pay to the Trustees, immediately on demand, the costs and expenses incurred by the Trustees in connection with any such redemption and/or transfer, including the payment of any principal or interest

8 Receiver

8.1 Appointment of Receiver

- (a) Except as provided below, the Trustees may appoint any one or more persons to be a Receiver of all or any part of the Security Assets if
 - (i) this Security has become enforceable, or
 - (ii) the Chargor so requests the Trustees in writing at any time
- (b) Any appointment under Paragraph (a) above may be by deed, under seal or in writing under its hand
- (c) Except as provided below, any restriction imposed by law on the right of a mortgagee to appoint a Receiver (including under section 109(1) of the Act) does not apply to this Deed
- (d) The Trustees are not entitled to appoint a Receiver solely as a result of the obtaining of a moratorium (or anything done with a view to obtaining a moratorium) under section 1A of the Insolvency Act 1986.

8.2 Removal

The Trustees may by writing (subject to any requirement for an order of the court in the case of an administrative receiver) remove any Receiver appointed by them and may, whenever they think fit, appoint a new Receiver in the place of any Receiver whose appointment may for any reason have terminated.

8.3 Remuneration

The Trustees may fix the remuneration of any Receiver appointed by them and the maximum rate specified in Section 109(6) of the Act will not apply.

8.4 Agent of the Chargor

- (a) A Receiver will be deemed to be the agent of the Chargor for all purposes and accordingly will be deemed to be in the same position as a Receiver duly appointed by a mortgagee under the Act. The Chargor alone is responsible for the

contracts, engagements, acts, omissions, defaults and losses of a Receiver and for liabilities incurred by a Receiver

- (b) The Trustees will not incur any liability (either to the Chargor or to any other person) by reason of the appointment of a Receiver or for any other reason.

8.5 Relationship with Trustees

To the fullest extent allowed by law, any right, power or discretion conferred by this Deed (either expressly or impliedly) or by law on a Receiver may after this Security becomes enforceable be exercised by the Trustees in relation to any Security Asset without first appointing a Receiver and notwithstanding the appointment of a Receiver

9 Powers of Receiver

9.1 General

- (a) A Receiver has all of the rights, powers and discretions set out below in this Clause in addition to those conferred on it by any law, this includes:
 - (i) in the case of an administrative receiver, all the rights, powers and discretions conferred on an administrative receiver under the Insolvency Act, 1986; and
 - (ii) otherwise, all the rights, powers and discretions conferred on a receiver (or a receiver and manager) under the Act and the Insolvency Act, 1986
- (b) If there is more than one Receiver holding office at the same time, each Receiver may (unless the document appointing him states otherwise) exercise all of the powers conferred on a Receiver under this Deed individually and to the exclusion of any other Receiver

9.2 Possession

A Receiver may take immediate possession of, get in and collect any Security Asset.

9.3 Carry on business

A Receiver may carry on any business of the Chargor in any manner he thinks fit

9.4 Employees

- (a) A Receiver may appoint and discharge managers, officers, agents, accountants, servants, workmen and others for the purposes of this Deed upon such terms as to remuneration or otherwise as he thinks fit
- (b) A Receiver may discharge any person appointed by the Chargor.

9.5 Borrow money

A Receiver may raise and borrow money either unsecured or on the security of any Security Asset either in priority to this Security or otherwise and generally on any terms and for whatever purpose which he thinks fit

9.6 Sale of assets

- (a) A Receiver may sell, exchange, convert into money and realise any Security Asset by public auction or private contract and generally in any manner and on any terms which he thinks fit
- (b) The consideration for any such transaction may consist of cash, debentures or other obligations, shares, stock or other valuable consideration and any such consideration may be payable in a lump sum or by instalments spread over any period which he thinks fit

9.7 Compromise

A Receiver may settle, adjust, refer to arbitration, compromise and arrange any claim, account, dispute, question or demand with or by any person who is or claims to be a creditor of the Chargor or relating in any way to any Security Asset

9.8 Legal actions

A Receiver may bring, prosecute, enforce, defend and abandon any action, suit or proceedings in relation to any Security Asset which he thinks fit

9.9 Receipts

A Receiver may give a valid receipt for any moneys and execute any assurance or thing which may be proper or desirable for realising any Security Asset

9.10 Subsidiaries

A Receiver may form a Subsidiary of the Chargor and transfer to that Subsidiary any Security Asset

9.11 Delegation

A Receiver may delegate his powers in accordance with this Deed

9.12 Lending

A Receiver may lend money or advance credit to any customer of the Chargor.

9.13 Protection of assets

A Receiver may

- (a) effect any repair or insurance and do any other act which the Chargor might do in the ordinary conduct of its business to protect or improve any Security Asset,
- (b) commence and/or complete any building operation, and
- (c) apply for and maintain any planning permission, building regulation approval or any other authorisation,

in each case as he thinks fit.

9.14 Other powers

A Receiver may.

- (a) do all other acts and things which he may consider desirable or necessary for realising any Security Asset or incidental or conducive to any of the rights, powers or discretions conferred on a Receiver under or by virtue of this Deed or law,
- (b) exercise in relation to any Security Asset all the powers, authorities and things which he would be capable of exercising if he were the absolute beneficial owner of that Security Asset, and
- (c) use the name of the Chargor for any of the above purposes

10 Application of proceeds

Any moneys received by the Trustees or any Receiver after this Security has become enforceable must be applied in the following order of priority

- (a) in or towards payment of or provision for all costs and expenses incurred by the Trustees or any Receiver under or in connection with this Deed and of all remuneration due to any Receiver under or in connection with this Deed,
- (b) in or towards payment of or provision for the Secured Liabilities; and
- (c) in payment of the surplus (if any) to the Chargor or other person entitled to it

This Clause is subject to the payment of any claims having priority over this Security. This Clause does not prejudice the right of the Trustees to recover any shortfall from the Chargor.

11 Expenses

11.1 The Chargor shall meet the expenses of both Parties in relation to this Deed.

11.2 The Chargor shall, within three Business Days of demand, indemnify the Trustees against any cost, loss or liability incurred by it as a result of.

- (a) the occurrence of any Event of Default in relation to the Chargor,

- (b) investigating any event which it reasonably believes is an Event of Default in relation to the Chargor, or
- (c) any default by the Chargor in the performance of any of the obligations expressed to be assumed by it in this Deed.

12 Delegation

12.1 Power of Attorney

The Trustees or any Receiver may delegate by power of attorney or in any other manner to any person any right, power or discretion exercisable by them or it under this Deed

12.2 Terms

Any such delegation may be made upon any terms (including power to sub-delegate) which the Trustees or any Receiver may think fit

12.3 Liability

No Trustee nor any Receiver will be in any way liable or responsible to the Chargor for any loss or liability arising from any act, default, omission or misconduct on the part of any delegate or sub-delegate

13 Further assurances

The Chargor must, at its own expense, take whatever action the Trustees or a Receiver may require for

- (a) creating, perfecting or protecting any security intended to be created by this Deed, or
- (b) facilitating the realisation of any Security Asset, or the exercise of any right, power or discretion exercisable, by the Trustees or any Receiver or any of their or its delegates or sub-delegates in respect of any Security Asset

This includes

- (i) the execution of any transfer, conveyance, assignment or assurance of any property, whether to the Trustees or to their nominee, or
- (ii) the giving of any notice, order or direction and the making of any registration,

which, in any such case, the Trustees may think expedient.

14 Covenant to pay

The Chargor must make payments to the Account in accordance with the Scheme's schedule of contributions prepared and agreed in accordance with Part 3 of the Pensions Act 2004 from time to time

The Chargor must pay or discharge the Secured Liabilities when due

15 Power of attorney

The Chargor, by way of security, irrevocably and severally appoints the Trustees, each Receiver and any of their delegates or sub-delegates to be its attorney to take any action which the Chargor is obliged to take under this Deed. The Chargor ratifies and confirms whatever any attorney does or purports to do under its appointment under this Clause

16 Preservation of Security

16.1 Continuing security

This Security is continuing and will extend to the ultimate balance of the Secured Liabilities regardless of any intermediate payment or discharge in whole or in part

16.2 Reinstatement

- (a) If any discharge, release or arrangement is made by the Trustees in whole or in part on the faith of any payment, security or other disposition which is avoided or must be restored on insolvency, liquidation, administration or otherwise without limitation, the liability of the Chargor under this Deed will continue as if the discharge or arrangement had not occurred
- (b) The Trustees may concede or compromise any claim that any payment, security or other disposition is liable to avoidance or restoration.

16.3 Waiver of defences

The obligations of the Chargor under this Deed will not be affected by any act, omission or thing which, but for this provision, would reduce, release or prejudice any of its obligations under this Deed (whether or not known to the Chargor or any Trustee) This includes

- (a) any time or waiver granted to, or composition with, any person,
- (b) the release of any person under the terms of any composition or arrangement,
- (c) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, any person;
- (d) any non-presentation or non-observance of any formality or other requirement in respect of any instruments or any failure to realise the full value of any security;
- (e) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of any person;
- (f) any amendment, novation, supplement, extension or reinstatement (however fundamental and of whatsoever nature) of this Deed or any other document or security, or

- (g) any unenforceability, illegality, invalidity or non-provability of any obligation of any person under this Deed or any other document or security

16.4 Chargor intent

Without prejudice to the generality of Clause 16.3 (Waiver of defences) the Chargor expressly confirms that it intends that this Security shall extend from time to time to any (however fundamental) variation, increase, extension or addition of or to any of the Secured Liabilities

16.5 Immediate recourse

The Chargor waives any right it may have of first requiring any Trustee to proceed against or enforce any other rights or security or claim payment from any person before claiming from the Chargor under this Deed. This waiver applies irrespective of any law to the contrary

16.6 Appropriations

Each Trustee may at any time during the Security Period without affecting the liability of the Chargor under this Deed

- (a)
 - (i) refrain from applying or enforcing any other moneys, security or rights held or received by that Trustee in respect of those amounts, or
 - (ii) apply and enforce the same in such manner and order as it sees fit (whether against those amounts or otherwise), and
- (b) hold in an interest bearing suspense account any moneys received from the Chargor or on account of the liability of the Chargor under this Deed

16.7 Non-competition

Unless

- (a) the Security Period has expired, or
- (b) the Trustees otherwise direct,

The Chargor will not, after a claim has been made under this Deed or by virtue of any payment or performance by it under this Deed

- (i) be subrogated to any rights, security or moneys held, received or receivable by any Trustee;
- (ii) be entitled to any right of contribution or indemnity in respect of any payment made or moneys received on account of the Chargor's liability under this Deed,
- (iii) bring legal or other proceedings for an order requiring any Company to make any payment, or perform any obligation, in respect of any Secured Liability,
- (iv) claim, rank, prove or vote as a creditor of any Company or its estate in competition with any Trustee, or

- (v) receive, claim or have the benefit of any payment, distribution or security from or on account of any Company, or exercise any right of set-off as against any Company.

The Chargor must hold in trust for and immediately pay or transfer to the Trustees any payment or distribution or benefit of security received by it contrary to this Clause or in accordance with any directions given by the Trustees under this Clause as directed by the Trustees

16.8 Additional security

This Security is in addition to and is not in any way prejudiced by any other security now or subsequently held by the Trustees

17 Changes to the Parties

17.1 Assignments and transfers by the Chargor

The Chargor may not assign or transfer any of its rights and obligations under this Deed other than with the prior written consent of the Trustees.

17.2 Assignments and transfers by Trustees

The Chargor acknowledges that the rights and obligations of the Trustees under this Deed may be transferred to the Pension Protection Fund as a result of the operation of Section 161 of and Schedule 6 to the Pensions Act 2004.

18 Amendments

The Chargor and the Trustees may agree to change this Deed at any time.

19 Release of security

- (a) The Chargor may, at any time, submit to the Trustees a request (the Release Request) that some or all of the Security Assets be released from this Security
- (b) If the Trustees are satisfied that the value of the Security Assets as at the date of the Release Request exceeds the Secured Liabilities, then the Chargor and the Trustees shall take whatever action is necessary to release the Security Assets from this Security to the extent that the value of the Security Assets as at the date of the Release Request exceeds the Secured Liabilities
- (c) At the end of the Security Period, the Trustees must, at the request of the Chargor, take whatever action is necessary to release the Security Assets from this Security

20 Severability

If a term of this Deed is or becomes illegal, invalid or unenforceable in any jurisdiction, that shall not affect

- (a) the legality, validity or enforceability in that jurisdiction of any other term of this Deed, or
- (b) the legality, validity or enforceability in other jurisdictions of that or any other term of this Deed

21 Counterparts

This Deed may be executed in any number of counterparts. This has the same effect as if the signatures on the counterparts were on a single copy of this Deed.

22 Notices

22.1 In writing

- (a) Any communication in connection with this Deed must be in writing and, unless otherwise stated, may be given in person or by post.
- (b) Unless it is agreed to the contrary, any consent or agreement required under this Deed must be given in writing.

22.2 Contact details

- (a) The contact details of the Chargor for this purpose are:

Address Eggborough Power Station, Goole, East Yorkshire, DN14 0BS
Attention Finance Manager

- (b) The contact details of the Trustees are:

Address c/o Aon Hewitt, 3 The Embankment, Sovereign Street, Leeds LS1 4BJ
E-mail caroline.smith@aonhewitt.com
Attention Caroline Smith

22.3 Effectiveness

- (a) Except as provided below, any communication in connection with this Deed will be deemed to be given as follows:
 - (i) if delivered in person, at the time of delivery,
 - (ii) if posted, five days after being deposited in the post, postage prepaid, in a correctly addressed envelope; and
 - (iii) if by fax, when received in legible form

**SCHEDULE
FORMS OF LETTER FOR ACCOUNT BANK**

PART 1

NOTICE TO ACCOUNT BANK

[On the letterhead of Eggborough Power Limited]

To Bank of America

[Date]

Dear Sirs,

**Security Document dated [●] between Eggborough Power Limited
and the trustees of the Eggborough Power Group of the Electricity Supply Pension Scheme
(the Security Document)**

This letter constitutes notice to you that under the Security Document we have charged (by way of first fixed charge) in favour of Lord MacGregor of Pulham Market, Ronald Taylor, Jane Tillyard, Paul Carter and Andrew Potter as trustees of the Eggborough Power Group of the Electricity Supply Pension Scheme (the **Trustees**) all our rights in respect of any amount standing to the credit of the account maintained by us with you, the details of which are set out below (the **Account**)

Sort code 301635 (BACS) and 165050 (CHAPS)

Account no. 47616042

We irrevocably instruct and authorise you

- (a) to disclose to the Trustees any information relating to the Account requested from you by the Trustees;
- (b) to comply with the terms of any written notice or instruction relating to the Account received by you from the Trustees,
- (c) to pay or release any sum standing to the credit of the Account in accordance with the written instructions of the Trustees, and
- (d) not, unless the Trustees so authorise you in writing, to permit withdrawals from the Account

We acknowledge that you may comply with the instructions in this letter without any further permission from us

The instructions in this letter may not be revoked or amended without the prior written consent of the Trustees

This letter is governed by English law

PART 2

**ACKNOWLEDGEMENT OF ACCOUNT BANKS
ON THE LETTERHEAD OF BANK OF AMERICA]**

To: The trustees of the Eggborough Power Group of the Electricity Supply Pension Scheme

Copy Eggborough Power Limited

[Date]

Dear Sirs,

**Security Document dated [●] between Eggborough Power Limited
and the trustees of the Eggborough Power Group of the Electricity Supply Pension Scheme
(the Security Document)**

We confirm receipt from Eggborough Power Limited (the **Chargor**) of a notice dated [●] of a charge upon the terms of the Security Document over all the rights of the Chargor to any amount standing to the credit of the account maintained by Eggborough Power Limited with us the details of which are set out below (the **Account**)

Sort code 301635 (BACS) and 165050 (CHAPS)

Account no 47616042

We confirm that we

- (a) accept the instructions contained in the notice and agree to comply with the notice;
- (b) have not received notice of the interest of any third party in the Account other than the floating charge granted by the Chargor to Bank of America Trustees Limited prior to the date of the Security Document,
- (c) have neither claimed nor exercised, nor will claim or exercise, any security interest, set-off, counter-claim or other right in respect of the Account,
- (d) will not permit any of our affiliates to claim or exercise any security interest, set off, counter-claim or other right in respect of the Account; and
- (e) will not permit any amount to be withdrawn from the Account without your prior written consent

This letter is governed by English law.

Yours faithfully,

.....
(Authorised signatory)

SIGNATORIES

Chargor
EXECUTED AS A DEED by
Eggborough Power Limited
acting by

Director

Witness signature

Witness name

Witness address

Trustees

**SIGNED as a DEED by Lord
MacGregor of Pulham Market
in the presence of**

Witness's signature

Name

Address

Occupation

SIGNED as a DEED by Ronald Taylor in the presence of.

Witness's signature

Name

Address

Occupation

[illegible]

SIGNED as a DEED by Jane
Tillyard in the presence of

Witness's signature

} REDACTED REDACTED
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Name KEVIN SKATOR
Address REDACTED REDACTED REDACTED REDACTED REDACTED REDACTED REDACTED REDACTED
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Occupation REDACTED REDACTED REDACTED REDACTED REDACTED REDACTED

SIGNED as a DEED by John
Henderson in the presence of

Witness's signature

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Name DAUG HUNCHOW
Address REDACTED REDACTED REDACTED REDACTED REDACTED
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SIGNED as a DEED by Claire
Savage in the presence of

Witness's signature

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Name JANE RIGG
Address REDACTED REDACTED REDACTED REDACTED REDACTED
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ACCOUNT SECURITY AGREEMENT

DATED 13 November 2013

BETWEEN

Eggborough Power Limited

- and -

**The Trustees of the Eggborough Power Group
of the Electricity Supply Pension Scheme**

WE CERTIFY THAT, SAVE FOR
MATERIAL REDACTED PURSUANT
TO s.859G OF THE COMPANIES
ACT 2006, THIS COPY INSTRUMENT
IS A CORRECT COPY OF THE
ORIGINAL INSTRUMENT.

FIELD FISHER WATERHOUSE LLP

1. The first part of the paper is devoted to a discussion of the various methods of determining the rate of reaction. The second part is devoted to a discussion of the various methods of determining the order of reaction. The third part is devoted to a discussion of the various methods of determining the activation energy of a reaction.

2. The first part of the paper is devoted to a discussion of the various methods of determining the rate of reaction. The second part is devoted to a discussion of the various methods of determining the order of reaction. The third part is devoted to a discussion of the various methods of determining the activation energy of a reaction.

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THIS DEED is dated *13 November* 2013 between

- (1) **Eggborough Power Limited** (Registered number 03782700) (the **Chargor**), and
- (2) **Lord MacGregor of Pulham Market, Ronald Taylor, Jane Tillyard, John Henderson and Claire Savage** as trustees of the Eggborough Power Group of the Electricity Supply Pension Scheme (each a **Trustee** and together the **Trustees**)

IT IS AGREED as follows

1 Interpretation

1.1 Definitions

In this Deed

Account means the account opened in the United Kingdom with sort code 301635 (BACS) and 165050 (CHAPS) and account number REDACT held at Bank of America N A , King Edward Street, London, EC1A 1HQ, together with

- (a) all additions to or renewals or replacements of such account (in whatever currency) and all investments made out of the same, and
- (b) all rights, benefits and proceeds in respect of such account (including interest and rights to repayment of any monies standing to the credit of such account(s).

Account Balance means all monies at any time standing to the credit of the Account and

- (a) all interest at any time accrued or accruing on such monies,
- (b) all investments at any time made out of such monies or account, and
- (c) all rights to repayment of any of the same

Account Bank means Bank of America or such other bank at which the Account is held pursuant to the terms of this Deed

Acceptable Bank means a bank regulated by the Prudential Regulation Authority and/or the Financial Conduct Authority (or an equivalent regulator in the European Union) which has a Requisite Rating

Act means the Law of Property Act 1925

Business Day means a day (other than a Saturday or a Sunday) on which banks are open for general business in London.

Company means each or any of the Chargor, the Principal Employer and the Participating Employers

Event of Default means an event specified as such in Clause 5 (Default)

Fitch means Fitch Ratings Limited or any successor to its ratings business

Insolvency Event means an 'insolvency event' as defined in section 121 of the Pensions Act 2004 or regulations made from time to time thereunder

Material Adverse Effect means a material adverse effect on

- (a) the ability of the Chargor to perform its payment obligations under this Deed,
- (b) the validity or enforceability of, or the effectiveness or making of this Deed, or
- (c) any right or remedy of the Trustees under this Deed

Moody's means Moody's Investors Services Limited or any successor to its ratings business

Participating Employer means an employer which participates in the Scheme after the date of this Deed

Party means a party to this Deed

Principal Employer means the principal employer of the Scheme from time to time after the date of this Deed

Receiver means an administrative receiver, receiver and manager or a receiver, in each case, appointed under this Deed

Release Request has the meaning given to it in Clause 19 (Release of Security)

Requisite Rating means a person with long term unsecured debt instruments in issue which are neither subordinated nor guaranteed and which have a rating of at least one of the following

- (a) AA- or better by Fitch;
- (b) Aa3 or better by Moody's, or
- (c) AA- or better by S&P

Reservations means

- (a) the principle that equitable remedies are remedies which may be granted or refused at the discretion of the court and damages may be regarded as an adequate remedy,
- (b) the limitation on enforcement as a result of laws relating to bankruptcy, insolvency, liquidation, reorganisation, court schemes, moratoria, administration and other laws affecting the rights of creditors generally,
- (c) the statutory time-barring of claims;
- (d) defences of set off or counterclaim,
- (e) rules against penalties and similar principles,
- (f) the fact that security which is described as fixed security may in fact be floating security,

- (g) the possibility that an undertaking to assume liability for, or indemnify a person against, non-payment of stamp duty may be void,
- (h) the fact that a court may refuse to give effect to a purported contractual obligation to pay costs imposed upon another person in respect of costs of an unsuccessful litigation brought against that person or may not award by way of costs all of the expenditure incurred by a successful litigant in proceedings brought before that court or that a court may stay proceedings if concurrent proceedings based on the same grounds and between the same parties have previously been brought before another court,
- (i) steps for perfection not required by the terms of this Deed to be taken,

and any other reservations or qualifications of law contained in any legal opinion delivered to the Trustees or the Chargor in respect of this Deed.

S&P means Standard and Poor's Rating Services, a Division of the McGraw Hill Companies, Inc. or any successor to its ratings business

Scheme means the Eggborough Power Group of the Electricity Supply Pension Scheme.

Secured Liabilities means all present and future obligations and liabilities (whether actual or contingent and whether owed jointly or severally and in any capacity whatsoever) of each Company to make payments to the Scheme (including, without limitation, to the trustees of the Scheme) up to a maximum amount equal to the entire aggregate liability, on the date on which any liability under this Deed arises, of every Company, were a debt under Section 75(2) of the Pensions Act 1995 to have become due on that date

Security Assets means all assets of the Chargor the subject of any Security Interest created by this Deed

Security Interest means any mortgage, pledge, lien, charge, assignment, hypothecation or security interest or any other agreement or arrangement having a similar effect

Security Period means the period beginning on the date of this Deed and ending on the earliest of

- (a) the date on which the Trustees confirm in writing to the Chargor that they are reasonably satisfied that the life of the Eggborough power station will be extended beyond 2023,
- (b) the date on which the Trustees confirm in writing to the Chargor that, following the sale of substantially the whole of the assets of the Chargor and the replacement of the Chargor as Principal Employer by the purchaser of such assets
 - (i) the Chargor has, so far as they are aware, no further present or future obligation or liability to make payments to the Scheme, and
 - (ii) they are reasonably satisfied that arrangements have been put in place giving them a level of security in relation to the present and future obligations or liabilities of the purchaser and any other employer which participates in the Scheme after that date to make payments to the Scheme which is materially at least as strong as that in place immediately before the sale,

- (c) the date which the Chargor and the Trustees agree in writing should be the date on which the Security Period ends, and
- (d) the date on which all the Secured Liabilities have been unconditionally and irrevocably paid and discharged in full

Subsidiary means

- (a) a subsidiary within the meaning of section 1159 of the Companies Act 2006, and
- (b) unless the context otherwise requires, a subsidiary undertaking within the meaning of section 1162 of the Companies Act 2006.

1.2 Construction

- (a) In this Deed, unless the contrary intention appears, a reference to
 - (i) assets includes present and future properties, revenues and rights of every description and includes uncalled capital,
 - (ii) an authorisation includes an authorisation, consent, approval, resolution, licence, exemption, filing, registration or notarisation,
 - (iii) disposal means a sale, transfer, grant, lease or other disposal, whether voluntary or involuntary, and dispose will be construed accordingly,
 - (iv) this Security means any Security Interests created by this Deed,
 - (v) a person includes any individual, company, corporation, unincorporated association or body (including a partnership, trust, joint venture or consortium), government, state, agency, organisation or other entity whether or not having separate legal personality,
 - (vi) a regulation includes any regulation, rule, official directive, request or guideline (whether or not having the force of law but, if not having the force of law, being of a type with which persons to which it applies are accustomed to comply) or any governmental, inter-governmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation,
 - (vii) a currency is a reference to the lawful currency for the time being of the relevant country,
 - (viii) a provision of law is a reference to that provision as extended, applied, amended or re-enacted and includes any subordinate legislation,
 - (ix) a Clause, a Subclause, a Paragraph, a Subparagraph or a Schedule is a reference to a clause, subclause, paragraph or subparagraph of, or a schedule to, this Deed,
 - (x) a Party or any other person includes its successors in title, permitted assigns and permitted transferees and this Deed shall be binding on and enforceable by the successors in office of the Trustees as trustees of the Scheme, and

- (xi) a time of day is a reference to London time
- (b) Unless the contrary intention appears, a reference to a month or months is a reference to a period starting on one day in a calendar month and ending on the numerically corresponding day in the next calendar month or the calendar month in which it is to end, except that
 - (i) if the numerically corresponding day is not a Business Day, the period will end on the next Business Day in that month (if there is one) or the preceding Business Day (if there is not),
 - (ii) if there is no numerically corresponding day in that month, that period will end on the last Business Day in that month, and
 - (iii) notwithstanding Subparagraph (i) above, a period which commences on the last Business Day of a month will end on the last Business Day in the next month or the calendar month in which it is to end, as appropriate.
- (c) Unless expressly provided to the contrary in this Deed, a person who is not a party to this Deed may not enforce any of its terms under the Contracts (Rights of Third Parties) Act 1999 and, notwithstanding any term of this Deed, no consent of any third party is required for any variation (including any release or compromise of any liability) or termination of this Deed
- (d) The headings in this Deed do not affect its interpretation
- (e) Any covenant of the Chargor under this Deed (other than a payment obligation) remains in force during the Security Period
- (f) If the Trustees consider that an amount paid to them under this Deed is capable of being avoided or otherwise set aside on the liquidation or administration of the payer or otherwise, then that amount will not be considered to have been irrevocably paid for the purposes of this Deed
- (g) Unless the context otherwise requires, a reference to a Security Asset includes the proceeds of sale of that Security Asset
- (h) It is intended by the Parties that this document takes effect as a deed notwithstanding the fact that a Party may only execute this document under hand

2 Creation of Security

2.1 General

- (a) All the security created under this Deed
 - (i) is created in favour of the Trustees,
 - (ii) is created over present and future assets of the Chargor;
 - (iii) is security for the payment of all the Secured Liabilities, and
 - (iv) is made with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994

(b) If the rights of the Chargor under a document cannot be secured without the consent of a party to that document:

- (i) the Chargor must notify the Trustees promptly,
- (ii) this Security will secure all amounts which the Chargor may receive, or has received, under that document but exclude the document itself, and
- (iii) unless the Trustees otherwise require, the Chargor must use reasonable endeavours to obtain the consent of the relevant party to that document being secured under this Deed

2.2 Fixed charge

The Chargor charges and agrees to charge, by way of first fixed charge, all of its present and future right, title and interest in and to the Account and the Account Balance

3 Representations

3.1 Representations

The representations set out in this Clause are made by the Chargor to the Trustees

3.2 Status

- (a) It is a limited liability company, duly incorporated and validly existing under the laws of its jurisdiction of incorporation
- (b) It has the power to own its assets and carry on its business as it is being conducted

3.3 Powers and authority

It has the power to enter into, perform and deliver, and has taken all necessary action to authorise the entry into, performance and delivery of, this Deed and the transactions contemplated by this Deed

3.4 Legal validity

Subject to the Reservations, the obligations expressed to be assumed by it in this Deed are legal, binding, valid and enforceable obligations

3.5 Non-conflict

The entry into and performance by it of, and the transactions contemplated by, this Deed do not conflict with.

- (a) any law or regulation applicable to it,
- (b) its or any of its Subsidiaries' constitutional documents, or

- (c) any document which is binding upon it or any of its Subsidiaries or any of its or its Subsidiaries' assets.

3.6 Insolvency

No

- (a) corporate action, legal proceeding or other procedure or step described in Clause 5 5 (Insolvency proceedings),
- (b) creditors' process described in Clause 5 6 (Creditors' process),

has been taken or threatened in relation to the Chargor and none of the circumstances described in Clause 5 4 (Insolvency) applies to the Chargor

3.7 No default

No event or circumstance is outstanding which constitutes a default under any document which is binding on it or any of its Subsidiaries or any of its or its Subsidiaries' assets to an extent or in a manner which has or is reasonably likely to have a Material Adverse Effect

3.8 Authorisations

All authorisations required by it in connection with the entry into, performance, validity and enforceability of, and the transactions contemplated by, this Deed have been obtained or effected (as appropriate) and are in full force and effect

3.9 Litigation

No litigation, arbitration or administrative proceedings are current or, to its knowledge, pending or threatened, against it or its Subsidiaries, which have or, if adversely determined, are reasonably likely to have a Material Adverse Effect

3.10 Nature of security

- (a) This Deed creates those Security Interests it purports to create and is not liable to be amended or otherwise set aside on the liquidation or administration of the Chargor or otherwise
- (b) The security created by this Deed constitutes a first priority Security Interest of the type described over the Security Assets and the Security Assets are not subject to any prior ranking or pari passu Security Interest

3.11 Account

Subject to the floating charge granted by the Chargor to Bank of America Trustees Limited prior to the date of this Security, the Chargor is the sole legal and beneficial owner of the Account and the Account Balance

3.12 Times for making representations

- (a) The representations set out in this Deed (including in this Clause) are made on the date of this Deed
- (b) Unless a representation is expressed to be given at a specific date, each representation under this Deed is deemed to be repeated by the Chargor on each date during the Security Period
- (c) When a representation is repeated, it is applied to the circumstances existing at the time of repetition

4 Covenants

4.1 General

The Chargor agrees to be bound by the covenants set out in this Clause so long as any Secured Liabilities are outstanding

4.2 Notification of breach

The Chargor must notify the Trustees of any breach of any of the provisions of this Deed promptly upon becoming aware of its occurrence

4.3 Authorisations

The Chargor must promptly obtain, maintain and comply with the terms of any authorisation required under any law or regulation to enable it to perform its obligations under, or for the validity or enforceability of, this Deed

4.4 Compliance with laws

The Chargor must comply in all respects with all laws to which it is subject where failure to do so has or is reasonably likely to have a Material Adverse Effect.

4.5 Disposals and negative pledge

The Chargor must not.

- (a) create or permit to subsist any Security Interest on any Security Asset (other than this Security or the floating charge granted by the Chargor to Bank of America Trustees Limited which was created prior to the date of this Security and which ranks behind this Security), or
- (b) sell, transfer, licence, lease or otherwise dispose of any Security Asset

4.6 No withdrawals

The Chargor shall not withdraw or attempt or be entitled to withdraw (or direct any transfer of) all or any part of the Account Balance without the prior written consent of the

Trustees The Trustees shall be entitled in their absolute discretion to refuse to permit any such withdrawal or transfer

4.7 No variation of terms

The Chargor shall not, without the prior written consent of the Trustees, permit or agree to any variation of the rights attaching to the Account or the Account Balance

4.8 Account

- (a) The Chargor must ensure that
 - (i) the Trustees have sole signing rights in relation to the Account, and
 - (ii) the Account is at all times held at an Acceptable Bank
- (b) The Chargor shall provide the Trustees with all information which they may reasonably request in relation to the Account or the Account Balance and any communication received by it from the Account Bank in relation to them
- (c) The Chargor must promptly notify the Trustees upon it becoming aware that the Account Bank has ceased to be an Acceptable Bank
- (d) If the Account Bank ceases to be an Acceptable Bank the Chargor must
 - (i) move the Account to another bank which is an Acceptable Bank agreed by the Trustees, and
 - (ii) grant Security Interests over the Account on the same terms as set out in this Deed,

each within 30 days of the earlier of

- (iii) the Chargor becoming aware that the Account Bank has ceased to be an Acceptable Bank, and
- (iv) a written request by the Trustees
- (e) The Chargor must
 - (i) immediately serve a notice of charge, substantially in the form of Part 1 of the Schedule (Forms of letter for Account Bank), on the Account Bank, and
 - (ii) ensure that the Account Bank immediately acknowledges the notice, substantially in the form of Part 2 of the Schedule (Forms of letter for Account Bank)

4.9 Notifiable events

The Chargor shall promptly notify the Trustees upon becoming aware that any event has occurred in respect of the Chargor which would require notification to the Pensions

Regulator in accordance with section 69 of the Pensions Act 2004 and any regulations and directions made thereunder

5 Default

5.1 Events of Default

Each of the events set out in this Clause is an Event of Default

5.2 Breach of this Deed

The Chargor does not comply with any term of this Deed unless the non-compliance

- (a) is capable of remedy, and
- (b) is remedied within fourteen days of the earlier of the Trustees giving notice and the Chargor becoming aware of the non-compliance.

5.3 Misrepresentation

A representation made or repeated by the Chargor in this Deed is incorrect or misleading in any material respect when made or deemed to be repeated, unless the circumstances giving rise to the misrepresentation

- (a) are capable of remedy, and
- (b) are remedied within fourteen days of the earlier of the Trustees giving notice and the Chargor becoming aware of the circumstances giving rise to the misrepresentation.

5.4 Insolvency

An Insolvency Event occurs in respect of a Company or the Chargor

5.5 Insolvency proceedings

- (a) Except as provided below, any of the following occurs in respect of a Company or the Chargor
 - (i) any step is taken with a view to a moratorium or a composition, assignment or similar arrangement with any of its creditors,
 - (ii) a meeting of its shareholders, directors or other officers is convened for the purpose of considering any resolution for, to petition for or to file documents with a court or any registrar for, its winding-up, administration or dissolution or any such resolution is passed;
 - (iii) any person presents a petition, or files documents with a court or any registrar, for its winding-up, administration, dissolution or reorganisation (by way of voluntary arrangement, scheme of arrangement or otherwise),

- (iv) any Security Interest is enforced over any of its assets,
 - (v) an order for its winding-up, administration or dissolution is made,
 - (vi) any liquidator, trustee in bankruptcy, judicial custodian, compulsory manager, receiver, administrative receiver, administrator or similar officer is appointed in respect of it or any of its assets,
 - (vii) its shareholders, directors or other officers request the appointment of, or give notice of their intention to appoint, a liquidator, trustee in bankruptcy, judicial custodian, compulsory manager, receiver, administrative receiver, administrator or similar officer, or
 - (viii) any other analogous step or procedure is taken in any jurisdiction.
- (b) Paragraph (a) above does not apply to a petition for winding-up presented by a creditor which is being contested in good faith and with due diligence and is discharged or struck out within 14 days

5.6 Creditors' process

Any attachment, sequestration, distress, execution or analogous event affects any assets of a Company or the Chargor, and is not discharged within 14 days

5.7 Cessation of business

A Company or the Chargor ceases, or threatens to cease, to carry on business

5.8 Effectiveness of this Deed

- (a) It is or becomes unlawful for the Chargor to perform any of its obligations under this Deed
- (b) This Deed is not effective in accordance with its terms or is alleged by the Chargor to be ineffective in accordance with its terms for any reason
- (c) The Chargor repudiates this Deed or evidences an intention to repudiate this Deed.

6 When Security becomes enforceable

6.1 Event of Default

This Security will become immediately enforceable if an Event of Default occurs.

6.2 Discretion

After this Security has become enforceable, the Trustees may in their absolute discretion enforce all or any part of this Security in any manner they see fit

6.3 Power of sale

The power of sale and other powers conferred by Section 101 of the Act, as amended by this Deed, will be immediately exercisable at any time after this Security has become enforceable

7 Enforcement of Security

7.1 General

- (a) For the purposes of all powers implied by statute, the Secured Liabilities are deemed to have become due and payable on the date of this Deed
- (b) Section 103 of the Act (restricting the power of sale) and Section 93 of the Act (restricting the right of consolidation) do not apply to this Security
- (c) The statutory powers of leasing conferred on the Trustees are extended so as to authorise the Trustees to lease, make agreements for leases, accept surrenders of leases and grant options as the Trustees may think fit and without the need to comply with any provision of section 99 or 100 of the Act

7.2 No liability as mortgagee in possession

No Trustee nor any Receiver will be liable, by reason of entering into possession of a Security Asset, to account as mortgagee in possession or for any loss on realisation or for any default or omission for which a mortgagee in possession might be liable

7.3 Privileges

Each Receiver and the Trustees are entitled to all the rights, powers, privileges and immunities conferred by the Act on mortgagees and receivers duly appointed under the Act, except that Section 103 of the Act does not apply

7.4 Protection of third parties

No person (including a purchaser) dealing with the Trustees or a Receiver or its or his agents will be concerned to enquire

- (a) whether the Secured Liabilities have become payable,
- (b) whether any power which the Trustees or a Receiver is/are purporting to exercise has become exercisable or is being properly exercised,
- (c) whether any money remains due in respect of the Secured Liabilities, or
- (d) how any money paid to a Trustee or to that Receiver is to be applied

7.5 Redemption of prior mortgages

- (a) At any time after this Security has become enforceable, the Trustees may.

- (i) redeem any prior Security Interest against any Security Asset, and/or
 - (ii) procure the transfer of that Security Interest to themselves; and/or
 - (iii) settle and pass the accounts of the prior mortgagee, chargee or encumbrancer, any accounts so settled and passed will be, in the absence of manifest error, conclusive and binding on the Chargor
- (b) The Chargor must pay to the Trustees, immediately on demand, the costs and expenses incurred by the Trustees in connection with any such redemption and/or transfer, including the payment of any principal or interest

8 Receiver

8.1 Appointment of Receiver

- (a) Except as provided below, the Trustees may appoint any one or more persons to be a Receiver of all or any part of the Security Assets if
 - (i) this Security has become enforceable, or
 - (ii) the Chargor so requests the Trustees in writing at any time
- (b) Any appointment under Paragraph (a) above may be by deed, under seal or in writing under its hand.
- (c) Except as provided below, any restriction imposed by law on the right of a mortgagee to appoint a Receiver (including under section 109(1) of the Act) does not apply to this Deed
- (d) The Trustees are not entitled to appoint a Receiver solely as a result of the obtaining of a moratorium (or anything done with a view to obtaining a moratorium) under section 1A of the Insolvency Act 1986

8.2 Removal

The Trustees may by writing (subject to any requirement for an order of the court in the case of an administrative receiver) remove any Receiver appointed by them and may, whenever they think fit, appoint a new Receiver in the place of any Receiver whose appointment may for any reason have terminated

8.3 Remuneration

The Trustees may fix the remuneration of any Receiver appointed by them and the maximum rate specified in Section 109(6) of the Act will not apply

8.4 Agent of the Chargor

- (a) A Receiver will be deemed to be the agent of the Chargor for all purposes and accordingly will be deemed to be in the same position as a Receiver duly appointed by a mortgagee under the Act. The Chargor alone is responsible for the

contracts, engagements, acts, omissions, defaults and losses of a Receiver and for liabilities incurred by a Receiver

- (b) The Trustees will not incur any liability (either to the Chargor or to any other person) by reason of the appointment of a Receiver or for any other reason

8.5 Relationship with Trustees

To the fullest extent allowed by law, any right, power or discretion conferred by this Deed (either expressly or impliedly) or by law on a Receiver may after this Security becomes enforceable be exercised by the Trustees in relation to any Security Asset without first appointing a Receiver and notwithstanding the appointment of a Receiver

9 Powers of Receiver

9.1 General

- (a) A Receiver has all of the rights, powers and discretions set out below in this Clause in addition to those conferred on it by any law, this includes.
 - (i) in the case of an administrative receiver, all the rights, powers and discretions conferred on an administrative receiver under the Insolvency Act, 1986, and
 - (ii) otherwise, all the rights, powers and discretions conferred on a receiver (or a receiver and manager) under the Act and the Insolvency Act, 1986
- (b) If there is more than one Receiver holding office at the same time, each Receiver may (unless the document appointing him states otherwise) exercise all of the powers conferred on a Receiver under this Deed individually and to the exclusion of any other Receiver

9.2 Possession

A Receiver may take immediate possession of, get in and collect any Security Asset

9.3 Carry on business

A Receiver may carry on any business of the Chargor in any manner he thinks fit.

9.4 Employees

- (a) A Receiver may appoint and discharge managers, officers, agents, accountants, servants, workmen and others for the purposes of this Deed upon such terms as to remuneration or otherwise as he thinks fit.
- (b) A Receiver may discharge any person appointed by the Chargor

9.5 Borrow money

A Receiver may raise and borrow money either unsecured or on the security of any Security Asset either in priority to this Security or otherwise and generally on any terms and for whatever purpose which he thinks fit

9.6 Sale of assets

- (a) A Receiver may sell, exchange, convert into money and realise any Security Asset by public auction or private contract and generally in any manner and on any terms which he thinks fit
- (b) The consideration for any such transaction may consist of cash, debentures or other obligations, shares, stock or other valuable consideration and any such consideration may be payable in a lump sum or by instalments spread over any period which he thinks fit

9.7 Compromise

A Receiver may settle, adjust, refer to arbitration, compromise and arrange any claim, account, dispute, question or demand with or by any person who is or claims to be a creditor of the Chargor or relating in any way to any Security Asset

9.8 Legal actions

A Receiver may bring, prosecute, enforce, defend and abandon any action, suit or proceedings in relation to any Security Asset which he thinks fit

9.9 Receipts

A Receiver may give a valid receipt for any moneys and execute any assurance or thing which may be proper or desirable for realising any Security Asset

9.10 Subsidiaries

A Receiver may form a Subsidiary of the Chargor and transfer to that Subsidiary any Security Asset

9.11 Delegation

A Receiver may delegate his powers in accordance with this Deed

9.12 Lending

A Receiver may lend money or advance credit to any customer of the Chargor.

9.13 Protection of assets

A Receiver may

- (a) effect any repair or insurance and do any other act which the Chargor might do in the ordinary conduct of its business to protect or improve any Security Asset,
- (b) commence and/or complete any building operation; and
- (c) apply for and maintain any planning permission, building regulation approval or any other authorisation,

in each case as he thinks fit

9.14 Other powers

A Receiver may

- (a) do all other acts and things which he may consider desirable or necessary for realising any Security Asset or incidental or conducive to any of the rights, powers or discretions conferred on a Receiver under or by virtue of this Deed or law,
- (b) exercise in relation to any Security Asset all the powers, authorities and things which he would be capable of exercising if he were the absolute beneficial owner of that Security Asset, and
- (c) use the name of the Chargor for any of the above purposes

10 Application of proceeds

Any moneys received by the Trustees or any Receiver after this Security has become enforceable must be applied in the following order of priority:

- (a) in or towards payment of or provision for all costs and expenses incurred by the Trustees or any Receiver under or in connection with this Deed and of all remuneration due to any Receiver under or in connection with this Deed,
- (b) in or towards payment of or provision for the Secured Liabilities, and
- (c) in payment of the surplus (if any) to the Chargor or other person entitled to it

This Clause is subject to the payment of any claims having priority over this Security. This Clause does not prejudice the right of the Trustees to recover any shortfall from the Chargor.

11 Expenses

11.1 The Chargor shall meet the expenses of both Parties in relation to this Deed.

11.2 The Chargor shall, within three Business Days of demand, indemnify the Trustees against any cost, loss or liability incurred by it as a result of

- (a) the occurrence of any Event of Default in relation to the Chargor,

- (b) investigating any event which it reasonably believes is an Event of Default in relation to the Chargor, or
- (c) any default by the Chargor in the performance of any of the obligations expressed to be assumed by it in this Deed.

12 Delegation

12.1 Power of Attorney

The Trustees or any Receiver may delegate by power of attorney or in any other manner to any person any right, power or discretion exercisable by them or it under this Deed

12.2 Terms

Any such delegation may be made upon any terms (including power to sub-delegate) which the Trustees or any Receiver may think fit

12.3 Liability

No Trustee nor any Receiver will be in any way liable or responsible to the Chargor for any loss or liability arising from any act, default, omission or misconduct on the part of any delegate or sub-delegate.

13 Further assurances

The Chargor must, at its own expense, take whatever action the Trustees or a Receiver may require for

- (a) creating, perfecting or protecting any security intended to be created by this Deed, or
- (b) facilitating the realisation of any Security Asset, or the exercise of any right, power or discretion exercisable, by the Trustees or any Receiver or any of their or its delegates or sub-delegates in respect of any Security Asset

This includes

- (i) the execution of any transfer, conveyance, assignment or assurance of any property, whether to the Trustees or to their nominee, or
- (ii) the giving of any notice, order or direction and the making of any registration,

which, in any such case, the Trustees may think expedient

14 Covenant to pay

The Chargor must make payments to the Account in accordance with the Scheme's schedule of contributions prepared and agreed in accordance with Part 3 of the Pensions Act 2004 from time to time.

The Chargor must pay or discharge the Secured Liabilities when due

15 Power of attorney

The Chargor, by way of security, irrevocably and severally appoints the Trustees, each Receiver and any of their delegates or sub-delegates to be its attorney to take any action which the Chargor is obliged to take under this Deed. The Chargor ratifies and confirms whatever any attorney does or purports to do under its appointment under this Clause

16 Preservation of Security

16.1 Continuing security

This Security is continuing and will extend to the ultimate balance of the Secured Liabilities regardless of any intermediate payment or discharge in whole or in part

16.2 Reinstatement

- (a) If any discharge, release or arrangement is made by the Trustees in whole or in part on the faith of any payment, security or other disposition which is avoided or must be restored on insolvency, liquidation, administration or otherwise without limitation, the liability of the Chargor under this Deed will continue as if the discharge or arrangement had not occurred
- (b) The Trustees may concede or compromise any claim that any payment, security or other disposition is liable to avoidance or restoration

16.3 Waiver of defences

The obligations of the Chargor under this Deed will not be affected by any act, omission or thing which, but for this provision, would reduce, release or prejudice any of its obligations under this Deed (whether or not known to the Chargor or any Trustee) This includes.

- (a) any time or waiver granted to, or composition with, any person,
- (b) the release of any person under the terms of any composition or arrangement,
- (c) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, any person,
- (d) any non-presentation or non-observance of any formality or other requirement in respect of any instruments or any failure to realise the full value of any security,
- (e) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of any person,
- (f) any amendment, novation, supplement, extension or reinstatement (however fundamental and of whatsoever nature) of this Deed or any other document or security, or

- (g) any unenforceability, illegality, invalidity or non-provability of any obligation of any person under this Deed or any other document or security

16.4 Chargor intent

Without prejudice to the generality of Clause 16.3 (Waiver of defences) the Chargor expressly confirms that it intends that this Security shall extend from time to time to any (however fundamental) variation, increase, extension or addition of or to any of the Secured Liabilities

16.5 Immediate recourse

The Chargor waives any right it may have of first requiring any Trustee to proceed against or enforce any other rights or security or claim payment from any person before claiming from the Chargor under this Deed. This waiver applies irrespective of any law to the contrary

16.6 Appropriations

Each Trustee may at any time during the Security Period without affecting the liability of the Chargor under this Deed

- (a)
 - (i) refrain from applying or enforcing any other moneys, security or rights held or received by that Trustee in respect of those amounts, or
 - (ii) apply and enforce the same in such manner and order as it sees fit (whether against those amounts or otherwise), and
- (b) hold in an interest bearing suspense account any moneys received from the Chargor or on account of the liability of the Chargor under this Deed

16.7 Non-competition

Unless

- (a) the Security Period has expired, or
- (b) the Trustees otherwise direct,

The Chargor will not, after a claim has been made under this Deed or by virtue of any payment or performance by it under this Deed

- (i) be subrogated to any rights, security or moneys held, received or receivable by any Trustee;
- (ii) be entitled to any right of contribution or indemnity in respect of any payment made or moneys received on account of the Chargor's liability under this Deed,
- (iii) bring legal or other proceedings for an order requiring any Company to make any payment, or perform any obligation, in respect of any Secured Liability,
- (iv) claim, rank, prove or vote as a creditor of any Company or its estate in competition with any Trustee, or

- (v) receive, claim or have the benefit of any payment, distribution or security from or on account of any Company, or exercise any right of set-off as against any Company.

The Chargor must hold in trust for and immediately pay or transfer to the Trustees any payment or distribution or benefit of security received by it contrary to this Clause or in accordance with any directions given by the Trustees under this Clause as directed by the Trustees.

16.8 Additional security

This Security is in addition to and is not in any way prejudiced by any other security now or subsequently held by the Trustees

17 Changes to the Parties

17.1 Assignments and transfers by the Chargor

The Chargor may not assign or transfer any of its rights and obligations under this Deed other than with the prior written consent of the Trustees

17.2 Assignments and transfers by Trustees

The Chargor acknowledges that the rights and obligations of the Trustees under this Deed may be transferred to the Pension Protection Fund as a result of the operation of Section 161 of and Schedule 6 to the Pensions Act 2004

18 Amendments

The Chargor and the Trustees may agree to change this Deed at any time.

19 Release of security

- (a) The Chargor may, at any time, submit to the Trustees a request (the Release Request) that some or all of the Security Assets be released from this Security.
- (b) If the Trustees are satisfied that the value of the Security Assets as at the date of the Release Request exceeds the Secured Liabilities, then the Chargor and the Trustees shall take whatever action is necessary to release the Security Assets from this Security to the extent that the value of the Security Assets as at the date of the Release Request exceeds the Secured Liabilities
- (c) At the end of the Security Period, the Trustees must, at the request of the Chargor, take whatever action is necessary to release the Security Assets from this Security.

20 Severability

If a term of this Deed is or becomes illegal, invalid or unenforceable in any jurisdiction, that shall not affect

- (a) the legality, validity or enforceability in that jurisdiction of any other term of this Deed, or
- (b) the legality, validity or enforceability in other jurisdictions of that or any other term of this Deed

21 Counterparts

This Deed may be executed in any number of counterparts. This has the same effect as if the signatures on the counterparts were on a single copy of this Deed.

22 Notices

22.1 In writing

- (a) Any communication in connection with this Deed must be in writing and, unless otherwise stated, may be given in person or by post.
- (b) Unless it is agreed to the contrary, any consent or agreement required under this Deed must be given in writing.

22.2 Contact details

- (a) The contact details of the Chargor for this purpose are:

Address Eggborough Power Station, Goole, East Yorkshire, DN14 0BS
Attention Finance Manager

- (b) The contact details of the Trustees are:

Address c/o Aon Hewitt, 3 The Embankment, Sovereign Street, Leeds LS1 4BJ
E-mail caroline.smith@aonhewitt.com
Attention Caroline Smith

22.3 Effectiveness

- (a) Except as provided below, any communication in connection with this Deed will be deemed to be given as follows:
 - (i) if delivered in person, at the time of delivery,
 - (ii) if posted, five days after being deposited in the post, postage prepaid, in a correctly addressed envelope, and
 - (iii) if by fax, when received in legible form

- (b) A communication given under Paragraph (a) above but received on a non-working day or after business hours in the place of receipt will only be deemed to be given on the next working day in that place

23 Language

Any notice given in connection with this Deed must be in English

24 Governing Law

This Deed is governed by English law

25 Enforcement

25.1 Jurisdiction

- (a) The English courts have non-exclusive jurisdiction to settle any dispute in connection with this Deed
- (b) The English courts are the most appropriate and convenient courts to settle any such dispute

25.2 Service of process

- (a) If any person appointed as process agent is unable for any reason to act as agent for service of process, the Chargor must promptly appoint another agent on terms acceptable to the Trustees. Failing this, the Trustees may appoint another agent for this purpose.
- (b) The Chargor agrees that failure by a process agent to notify it of any process will not invalidate the relevant proceedings
- (c) This Clause does not affect any other method of service allowed by law.

25.3 Waiver of immunity

The Chargor irrevocably and unconditionally

- (a) agrees not to claim any immunity from proceedings brought by a Trustee against it in relation to this Deed and to ensure that no such claim is made on its behalf,
- (b) consents generally to the giving of any relief or the issue of any process in connection with those proceedings, and
- (c) waives all rights of immunity in respect of it or its assets

This Deed has been entered into on the date stated at the beginning of this Deed.

**SCHEDULE
FORMS OF LETTER FOR ACCOUNT BANK**

PART 1

NOTICE TO ACCOUNT BANK

[On the letterhead of Eggborough Power Limited]

To Bank of America

[Date]

Dear Sirs,

**Security Document dated [●] between Eggborough Power Limited
and the trustees of the Eggborough Power Group of the Electricity Supply Pension Scheme
(the Security Document)**

This letter constitutes notice to you that under the Security Document we have charged (by way of first fixed charge) in favour of Lord MacGregor of Pulham Market, Ronald Taylor, Jane Tillyard, Paul Carter and Andrew Potter as trustees of the Eggborough Power Group of the Electricity Supply Pension Scheme (the **Trustees**) all our rights in respect of any amount standing to the credit of the account maintained by us with you, the details of which are set out below (the **Account**)

Sort code 301635 (BACS) and 165050 (CHAPS)

Account no 47616042

We irrevocably instruct and authorise you:

- (a) to disclose to the Trustees any information relating to the Account requested from you by the Trustees,
- (b) to comply with the terms of any written notice or instruction relating to the Account received by you from the Trustees,
- (c) to pay or release any sum standing to the credit of the Account in accordance with the written instructions of the Trustees, and
- (d) not, unless the Trustees so authorise you in writing, to permit withdrawals from the Account

We acknowledge that you may comply with the instructions in this letter without any further permission from us

The instructions in this letter may not be revoked or amended without the prior written consent of the Trustees

This letter is governed by English law

Please confirm your agreement to the above by signing the attached acknowledgement and returning it to the Trustees c/o Caroline Smith, Hewitt Associates, No 1 City Square, Leeds LS1 2BW with a copy to ourselves

Yours faithfully

..
(Authorised Signatory)
Eggborough Power Limited

PART 2

**ACKNOWLEDGEMENT OF ACCOUNT BANKS
ON THE LETTERHEAD OF BANK OF AMERICA]**

To The trustees of the Eggborough Power Group of the Electricity Supply Pension Scheme

Copy: Eggborough Power Limited

[Date]

Dear Sirs,

**Security Document dated [●] between Eggborough Power Limited
and the trustees of the Eggborough Power Group of the Electricity Supply Pension Scheme
(the Security Document)**

We confirm receipt from Eggborough Power Limited (the **Chargor**) of a notice dated [●] of a charge upon the terms of the Security Document over all the rights of the Chargor to any amount standing to the credit of the account maintained by Eggborough Power Limited with us the details of which are set out below (the **Account**)

Sort code 301635 (BACS) and 165050 (CHAPS)

Account no 47616042

We confirm that we

- (a) accept the instructions contained in the notice and agree to comply with the notice;
- (b) have not received notice of the interest of any third party in the Account other than the floating charge granted by the Chargor to Bank of America Trustees Limited prior to the date of the Security Document,
- (c) have neither claimed nor exercised, nor will claim or exercise, any security interest, set-off, counter-claim or other right in respect of the Account,
- (d) will not permit any of our affiliates to claim or exercise any security interest, set off, counter-claim or other right in respect of the Account, and
- (e) will not permit any amount to be withdrawn from the Account without your prior written consent

This letter is governed by English law

Yours faithfully,

(Authorised signatory)

Bank of America

SIGNATORIES

Chargor
EXECUTED AS A DEED by)
Eggborough Power Limited)
acting by)

Director

Witness signature

Witness name

Witness address

Trustees

SIGNED as a DEED by Lord
MacGregor of Pulham Market } REDACTED REDACTED REDACTED
in the presence of: } REDACTED REDACTED REDACTED
} REDACTED REDACTED REDACTED

Witness's signature REDACTED REDACTED REDACTED
REDACTED REDACTED REDACTED

Name **DAMIOLA MUYI- OPALEYE**

Address REDACTED REDACTED REDACTED
REDACTED REDACTED REDACTED
REDACTED REDACTED REDACTED
REDACTED REDACTED REDACTED

Occupation REDACTED REDACTED REDACTED REDACTED REDACTED

SIGNED as a DEED by Ronald
Taylor in the presence of. }

Witness's signature

Name

Address

Occupation

SIGNED as a DEED by **Jane
Tillyard** in the presence of

}

Witness's signature

Name

Address

Occupation

SIGNED as a DEED by **John
Henderson** in the presence of

}

Witness's signature

Name

Address

Occupation

SIGNED as a DEED by **Claire
Savage** in the presence of

}

Witness's signature

Name

Address

Occupation