



Registration of a Charge

Company name: **DRAX POWER LIMITED**

Company number: **04883589**



X9VMRRCW

Received for Electronic Filing: **06/01/2021**

Details of Charge

Date of creation: **23/12/2020**

Charge code: **0488 3589 0035**

Persons entitled: **DEUTSCHE BANK AG, LONDON BRANCH (AS SECURITY AGENT)**

Brief description: **(FIRST) ALL AND WHOLE THE SUBJECTS KNOWN AS WATERHEAD, CARSPHAIRN, CASTLE DOUGLAS REGISTERED IN THE LAND REGISTER OF SCOTLAND UNDER TITLE NO. KRK11254 AND (SECOND) ALL AND WHOLE THE SUBJECTS KNOWN AS LAMDOUGHTY FARM, DALMELLINGTON, AYR REGISTERED UNDER TITLE NO. AYR73874 AND (THIRD) ALL AND WHOLE THE SUBJECTS AT LOCH DOON, DALMELLINGTON, AYR REGISTERED UNDER TITLE NO. KRK12631; PLEASE REFER TO THE SECURITY INSTRUMENT CLAUSE 1.1 FOR ADDITIONAL INFORMATION.**

Contains negative pledge.

Authentication of Form

This form was authorised by: **a person with an interest in the registration of the charge.**

Authentication of Instrument

Certification statement: **I CERTIFY THAT SAVE FOR MATERIAL REDACTED PURSUANT TO S.859G OF THE COMPANIES ACT 2006 THE ELECTRONIC COPY INSTRUMENT DELIVERED AS PART OF THIS APPLICATION FOR REGISTRATION IS A CORRECT COPY OF THE ORIGINAL INSTRUMENT.**

Certified by: **MARCUS TOMLINSON**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 4883589

Charge code: 0488 3589 0035

The Registrar of Companies for England and Wales hereby certifies that a charge dated 23rd December 2020 and created by DRAX POWER LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 6th January 2021 .

Given at Companies House, Cardiff on 7th January 2021

The above information was communicated by electronic means and authenticated by the Registrar of Companies under section 1115 of the Companies Act 2006



Companies House



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES



Dated 17 December 2020

DRAX POWER LIMITED
as Chargor

DEUTSCHE BANK AG, LONDON BRANCH
as Security Agent

STANDARD SECURITY
in respect of subjects at
Loch Doon

I certify that, save for material redacted pursuant to section 859G of the Companies Act 2006, the enclosed copy of the security instrument delivered as part of this application for registration in accordance with section 859A of the Companies Act 2006 is a correct copy of the original security instrument.

Signature: Marcus Tomlinson

Name: Marcus Tomlinson

Title: Solicitor

Date: 5 January 2021

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For the purposes of the Legal Writings (Counterparts and Delivery) (Scotland) Act 2015, this Standard Security is delivered on: **17 December 2020**

Standard Security

By

- (1) **Drax Power Limited**, a company incorporated in England with registered number 04883589 whose registered office is at Drax Power Station, Selby, North Yorkshire, YO8 8PH (**Chargor**)

in favour of

- (2) **Deutsche Bank AG, London Branch**, a company with UK establishment number BR000005 and whose UK establishment office address is Winchester House, 1 Great Winchester Street, London EC2N 2DB as security trustee for itself and the other Secured Parties (as defined below) (**Security Agent**).

Whereas

- (A) This Standard Security is entered into in connection with (1) the Intercreditor Agreement (as defined below) and (2) the other Secured Debt Documents (as defined below).
- (B) The Chargor has acquired the heritable title to the Security Subjects (defined below) from Drax Generation Enterprise Limited (**DGEL**) by virtue of a disposition granted by DGEL in favour of the Chargor dated on or around the date of this Standard Security.
- (C) DGEL has granted: (1) a standard security originally entered into on 12 February 2019 by DGEL in favour of the Security Agent and registered in the Land Register of Scotland under Title Numbers KRK11254, AYR73874 and KRK12631 on 18 February 2019 (**Original Standard Security**); (2) a supplemental standard security originally entered into on 18 August 2020 by DGEL in favour of the Security Agent and registered in the Land Register of Scotland under Title Numbers KRK11254, AYR73874 and KRK12631 on 26 August 2020 (**First Supplemental Standard Security**); and (3) a supplemental standard security originally entered into on 4 November 2020 by DGEL in favour of the Security Agent and registered in the Land Register of Scotland under Title Numbers KRK11254, AYR73874 and KRK12631 on 6 November 2020 (**Second Supplemental Standard Security**).
- (D) It is intended that this Standard Security shall constitute security for all liabilities under existing and future Secured Debt Documents from time to time and shall be for the benefit of all existing and future Secured Parties from time to time.

It is agreed

1 Interpretation

1.1 Definitions

In this Standard Security:

1970 Act means the Conveyancing and Feudal Reform (Scotland) Act 1970

Acceleration Event has the meaning given to such term in the Intercreditor Agreement

Agreed Security Principles has the meaning given to such term in the Revolving Credit Facility Agreement

Default Rate means the rate at which interest is payable under clause 12.3(B) (Interest on overdue amounts) of the Revolving Credit Facility Agreement

Intercreditor Agreement means the English law intercreditor agreement originally dated 5 May 2017 between, among others, Drax Corporate Limited, Drax Group Holdings Limited, Drax Finco plc, Drax Group plc and the Security Agent

Parties means each of the parties to this Standard Security

Quasi-Security means a transaction in which the Chargor:

- (a) sells, transfers or otherwise disposes of any of its assets on terms whereby they are or may be leased to or re-acquired by the Chargor or any other member of the Group
- (b) sells, transfers or otherwise disposes of any of its receivables on recourse terms
- (c) enters into any arrangement under which money or the benefit of a bank or other account may be applied, set-off or made subject to a combination of accounts or
- (d) enters into any other preferential arrangement having a similar effect

in circumstances where the arrangement or transaction is entered into primarily as a method of raising Financial Indebtedness (as defined in the Revolving Credit Facility Agreement) or of financing the acquisition of an asset

Revolving Credit Facility Agreement means the revolving credit facility agreement originally dated 20 December 2012, as amended and restated on 10 December 2015 pursuant to a global amendment and restatement deed dated 8 December 2015 as further amended and restated on 5 May 2017 pursuant to an amendment and restatement agreement dated 21 April 2017 and as further amended and restated to an amendment and restatement agreement dated 18 November 2020 between, among others, Drax Corporate Limited as original borrower, Drax Group Holdings Limited as original guarantor, the Original Lenders (as such term as defined therein) and Barclays Bank PLC as facility agent

Secured Debt Documents means the Intercreditor Agreement, the Hedging Agreements, the STL Agreements, the Credit Facility Documents, the Pari Passu Debt Documents and the Security Documents

Secured Obligations means all Liabilities and all other present and future liabilities and obligations at any time due, owing or incurred by the Chargor and each other Debtor to any Secured Party, in each case under the Debt Documents, both actual and contingent and whether incurred solely or jointly and as principal or surety or in any other capacity

Secured Parties has the meaning given to such term in the Intercreditor Agreement

Security means any Security Interest created, evidenced or conferred by or under this Standard Security

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

Security Subjects means (first) all and whole the subjects known as Waterhead, Carsphairn, Castle Douglas and registered in the Land Register of Scotland under Title Number KRK11254 (second) all and whole the subjects known as Lamdoughty Farm, Dalmellington, Ayr and

registered in the Land Register of Scotland under Title Number AYR73874 and (third) all and whole the subjects at Loch Doon, Dalmellington, Ayr and registered in the Land Register of Scotland under Title Number KRK12631.

1.2 Construction

In this Standard Security, unless a contrary intention appears, a reference to:

- (a) an **agreement** includes any legally binding arrangement, concession, contract, deed or franchise (in each case whether oral or written);
- (b) an **amendment** includes any amendment, supplement, variation, novation, modification, replacement or restatement and **amend**, **amending** and **amended** shall be construed accordingly;
- (c) **assets** includes present and future properties, revenues and rights of every description;
- (d) **including** means including without limitation and **includes** and **included** shall be construed accordingly;
- (e) **losses** includes losses, actions, damages, claims, proceedings, costs, demands, expenses (including fees) and liabilities and **loss** shall be construed accordingly; and
- (f) a **person** includes any person, firm, company, corporation, government, state or agency of a state or any association, trust or partnership (whether or not having separate legal personality) or any two or more of the foregoing.

1.3 Other References

- (a) In this Standard Security, unless a contrary intention appears, a reference to:
 - (i) any Secured Party, the Chargor or any other person is, where relevant, deemed to be a reference to or to include, as appropriate, that person's successors in title, permitted assignees and transferees and (a) in the case of a Secured Party, any person that becomes a Secured Party after the date hereof, and (b) in the case of the Security Agent, any person for the time being appointed as Security Agent or Security Agents in accordance with the Secured Debt Documents;
 - (ii) any Secured Debt Document (whether existing as at the date hereof or being a new agreement or instrument entered into after the date hereof) or other agreement or instrument is to be construed as a reference to that agreement or instrument as amended (howsoever fundamentally and whether or not such amendment results in new and / or more onerous obligations and liabilities), including by way of a change in the purpose of the facilities, or by way of a refinancing, deferral or extension of the facilities or by way of an addition or increase of or other changes to the facilities or other obligations or liabilities under the agreements or accession or retirement of the parties to the agreements;
 - (iii) any clause is a reference to a clause of this Standard Security; and
 - (iv) a provision of law is a reference to that provision as amended or re-enacted.

- (b) The headings in this Standard Security are inserted for convenience only and are to be ignored in construing this Standard Security.
- (c) Words importing the plural shall include the singular and vice versa.

1.4 Incorporation by reference

Unless the context otherwise requires or unless otherwise defined in this Standard Security, words and expressions defined in the Intercreditor Agreement have the same meanings when used in this Standard Security.

1.5 Miscellaneous

- (a) Unless it expressly states otherwise, this Standard Security does not confer on any person other than the Parties any right to enforce or otherwise invoke any term of this Standard Security under the Contract (Third Party Rights) (Scotland) Act 2017 (but this does not affect any right or remedy of any person which exists or is available apart from that Act).
- (b) Notwithstanding any other provision of this Standard Security, the obtaining of a moratorium under section 1A of the Insolvency Act 1986, or anything done with a view to obtaining such a moratorium (including any preliminary decision or investigation), shall not be an event causing restrictions which would not otherwise apply to be imposed on the disposal of property by the Chargor.

1.6 Secured Debt Document

This Standard Security is designated as a Secured Debt Document.

2 Bond

The Chargor undertakes to the Security Agent (for the benefit of itself and as trustee for the other Secured Parties) that it will pay or discharge the Secured Obligations in the manner provided for in the Secured Debt Documents.

3 Charge

3.1 General

- (a) All the Security:
 - (i) is created in favour of the Security Agent; and
 - (ii) is continuing security for the payment, discharge and performance of all the Secured Obligations.
- (b) The Security Agent holds the benefit of this Standard Security on trust for the Secured Parties.

3.2 Standard Security

- (a) As continuing security for the payment of the Secured Obligations, the Chargor hereby grants in favour of the Security Agent a standard security over the Security Subjects.

- (b) The security constituted by this Standard Security shall rank in point of priority *pari passu* with the Original Standard Security, the First Supplemental Standard Security and the Second Supplemental Standard Security as specified in a ranking agreement executed and presented for registration in the Land Register of Scotland at the same time or around the same time as this Standard Security is presented for registration in the Land Register of Scotland.

4 Further assurance

4.1 Subject to the Agreed Security Principles, the Chargor shall promptly (and at its own expense) do all such acts (including payment of all stamp duties or fees) or execute or re-execute all such documents (including assignments, transfers, mortgages, charges, notices and instructions) as the Security Agent may reasonably specify (and in such form as the Security Agent may reasonably require):

- (a) to perfect the Security created or intended to be created under or evidenced by this Standard Security or for the exercise of any rights, discretion, powers and remedies of the Security Agent or the other Secured Parties provided by or pursuant to this Standard Security or by law; and/or
- (b) to facilitate the realisation of the assets which are, or are intended to be, the subject of the Security created under this Standard Security.

4.2 The Chargor shall take all such action as is available to it (including making all filings and registrations) as may be necessary for the purpose of the creation, perfection, protection or maintenance of any Security conferred or intended to be conferred on the Security Agent or the Secured Parties by or pursuant to this Standard Security.

4.3 Subject to the Agreed Security Principles, if the Chargor acquires any heritable or leasehold property in Scotland (**Acquired Property**) in accordance with the Senior Debt Documents then it must;

- (a) notify the Security Agent promptly; and
- (b) promptly following a request by the Security Agent, and at its own cost and expense, execute and deliver to the Security Agent a standard security over that property in favour of the Security Agent in such form as the Security Agent may require (consistent with this Standard Security) except where:
 - (i) the purchase price or lease premium (excluding any taxes payable thereon) paid in respect of that Acquired Property does not exceed £2,500,000; and
 - (ii) the aggregate purchase price and lease premiums (excluding any taxes payable thereon) paid in respect of all Acquired Properties that are not subject to a standard security in favour of the Security Agent does not exceed £5,000,000 at the time of the acquisition of the relevant Acquired Property.

5 Standard Conditions

The Standard Conditions specified in Schedule 3 to the 1970 Act, and any lawful variation thereof operative for the time being, (**Standard Conditions**) shall apply hereto and the Chargor agrees that the Standard Conditions shall be varied to the effect that wherever and to the extent that the Standard Conditions are inconsistent with the terms of the Secured Debt Documents

then the terms of the Secured Debt Documents shall prevail and, to that extent, the Standard Conditions shall be varied by the terms of the Secured Debt Documents.

6 Negative pledge

6.1 The Chargor may not:

- (a) create or agree to create or permit to subsist any Security Interest or Quasi-Security over all or any part of the Security Subjects; or
- (b) sell, transfer, lease out, lend or otherwise dispose of all or any part of the Security Subjects or the right to receive or to be paid the proceeds arising on the disposal of the same, or agree or attempt to do so; or
- (c) dispose of its residual interest or radical right in any part of the Security Subjects,

except as permitted by the Secured Debt Documents or with the prior consent of the Security Agent.

7 Continuing Security

7.1 Continuing Security

The Security constituted by this Standard Security shall be a continuing security notwithstanding any intermediate payment or settlement of all or any part of the Secured Obligations or any other act, matter or thing.

7.2 Other Security

The Security constituted by this Standard Security is to be in addition to and shall neither be merged in nor in any way exclude or prejudice or be affected by any other Security Interest or other right which the Security Agent and/or any other Secured Party may now or after the date of this Standard Security hold for any of the Secured Obligations, and this Security may be enforced against the Chargor without first having recourse to any other rights of the Security Agent or any other Secured Party.

8 Enforcement of Security

For the purposes of Standard Condition 9(1)(b) of the Standard Conditions, the Chargor shall be held to be in default at any time on or after an Acceleration Event. The Security Agent may enforce all or any part of the Security created by or pursuant to this Standard Security at any time on or after an Acceleration Event.

9 Application of proceeds

Subject to Section 27 of the 1970 Act:

9.1 Order of application

All moneys received or recovered by the Security Agent pursuant to this Standard Security shall (subject to the claims of any person having prior rights thereto) be applied in the order and manner specified by the Intercreditor Agreement notwithstanding any purported appropriation by the Chargor.

9.2 Application against Secured Obligations

Subject to Clause 9.1, any moneys or other value received or realised by the Security Agent from the Chargor under this Standard Security may be applied by the Security Agent to any item of account or liability or transaction forming part of the Secured Obligations to which they may be applicable in any order or manner which the Security Agent may determine.

9.3 Suspense Account

Until the Secured Obligations are paid in full, the Security Agent may place and keep (for such time as it shall determine) any money received, recovered or realized pursuant to this Standard Security or on account of the Chargor's liability in respect of the Secured Obligations in an interest bearing separate suspense account (to the credit of either the Chargor or the Security Agent as the Security Agent shall think fit) and the Security Agent may retain the same for the period which it considers expedient without having any obligation to apply all or any part of that money in or towards discharge of the Secured Obligations.

10 Protection of Security Agent

10.1 No liability

Neither the Security Agent nor any Delegate shall be liable in respect of any of the Security Subjects or for any loss or damage which arises out of the exercise or the attempted or purported exercise of, or the failure to exercise any of, their respective powers, unless caused by its gross negligence or wilful misconduct.

10.2 Possession of Charged Property

Without prejudice to Clause 10.1, if the Security Agent enters into possession of all or any of the Security Subjects, it will not be liable to account as a heritable creditor in possession or be liable for any loss upon realisation or for any neglect, default or omission of any nature whatsoever in connection with the Security Subjects, and it may at any time at its discretion go out of such possession.

10.3 Primary liability of Chargor

The Chargor shall be deemed to be a principal debtor and the sole, original and independent obligor for the Secured Obligations and the Security Subjects shall be deemed to be a principal security for the Secured Obligations. The liability of the Chargor under this Standard Security and the charges contained in this Standard Security shall not be impaired by any forbearance, neglect, indulgence, abandonment, extension of time, release, surrender or loss of securities, dealing, variation or arrangement by the Security Agent or any other Secured Party, or by any other act, event or matter whatsoever whereby the liability of the Chargor (as a surety only) or the charge contained in this Standard Security would, but for this provision, have been discharged.

10.4 Waiver of defences

The obligations of the Chargor under this Standard Security will not be affected by an act, omission, matter or thing which, but for this Standard Security, would reduce, release or prejudice any of its obligations under this Standard Security (without limitation and whether or not known to it or any Secured Party) including:

- (a) any time, waiver or consent granted to, or composition with, any Debtor or other person;

- (b) the release of any Debtor or any other person under the terms of any composition or arrangement with any creditor of any member of the Group;
- (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 Debtor or other person;
- (d) any non-presentation or non-observance of any formality or other requirement in respect of any instrument 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 Debtor or any other person;
- (f) any amendment, novation, supplement, extension restatement (however fundamental and whether or not more onerous) or replacement of a Secured Debt Document or any other document or security including, without limitation, any change in the purpose of, any extension of or increase in any facility or the addition of any new facility under any Secured Debt Document or other document or security;
- (g) any unenforceability, illegality or invalidity of any obligation of any person under any Secured Debt Document or any other document or security or the failure by any member of the Group to enter into or be bound by a Secured Debt Document; or
- (h) any insolvency or similar proceedings.

10.5 Security Agent

The provisions set out in Clause 19 (The Security Agent) of the Intercreditor Agreement shall govern the rights, duties and obligations of the Security Agent under this Standard Security, and in acting pursuant to this Standard Security, the Security Agent is entitled to the protections, rights and indemnities contained in, and on the terms set out in, the Intercreditor Agreement.

10.6 Delegation

The Security Agent may delegate by power of attorney or in any other manner all or any of the powers, authorities and discretions which are for the time being exercisable by it under this Standard Security to any person or persons upon such terms and conditions (including the power to sub-delegate) as it may think fit. The Security Agent will not be liable or responsible to the Chargor or any other person for any losses arising from any act, default, omission or misconduct on the part of any delegate or sub-delegate.

10.7 Cumulative powers

Subject to the provisions of the 1970 Act, the powers which this Standard Security confers on the Security Agent and the other Secured Parties are cumulative, without prejudice to their respective powers under the general law, and may be exercised as often as the relevant person thinks appropriate. The Security Agent and the other Secured Parties may, in connection with the exercise of their powers, join or concur with any person in any transaction, scheme or arrangement whatsoever. The powers of the Security Agent and the other Secured Parties will in no circumstances be suspended, waived or otherwise prejudiced by anything other than an express consent or amendment.

11 Mandatory and attorney

The Chargor irrevocably and severally appoints the Security Agent and any person nominated for the purpose by the Security Agent (in writing and signed by an officer of the Security Agent) as its mandatory and attorney (with full power of substitution and delegation) (a) on or after an Acceleration Event or (b) if the Chargor has failed to comply with a further assurance or perfection obligation, in which case, only to the extent necessary in order to complete such further assurance or perfection requirement) in its name and on its behalf to execute, seal and deliver (using the company seal where appropriate) and otherwise perfect and do any deed, assurance, agreement, instrument, act or thing which it ought to execute and do under the terms of this Standard Security, or which may be required or deemed proper in the exercise of any rights or powers conferred on the Security Agent under this Standard Security or otherwise for any of the purposes of this Standard Security, and the Chargor covenants with the Security Agent to ratify and confirm all such acts or things made, done or executed by that attorney.

12 Protection for third parties

12.1 No obligation to enquire

No purchaser from, or other person dealing with, the Security Agent (or its agents) shall be obliged or concerned to enquire whether:

- (a) the right of the Security Agent to exercise any of the powers conferred by this Standard Security has arisen or become exercisable or as to the propriety or validity of the exercise or purported exercise of any such power; or
- (b) any of the Secured Obligations remain outstanding and/or are due and payable or be concerned with notice to the contrary and the title and position of such a purchaser or other person shall not be impeachable by reference to any of those matters.

12.2 Receipt conclusive

The receipt of the Security Agent shall be an absolute and a conclusive discharge to a purchaser, and shall relieve him of any obligation to see to the application of any moneys paid to or by the direction of the Security Agent.

13 Costs and expenses

13.1 Initial expenses

The Chargor shall, within five Business Days of demand, pay to the Security Agent the amount of all documented costs and expenses (including legal fees) properly incurred by it in connection with:

- (a) the negotiation, preparation, execution, completion and perfection of this Standard Security and any other documents or notices referred to in, or related or incidental to, this Standard Security; and
- (b) any amendment, waiver or consent relating to this Standard Security (and documents, matters or things referred to in this Standard Security).

13.2 Enforcement expenses

The Chargor shall, within five Business Days of demand, pay to each of the Security Agent and each other Secured Party the amount of all documented costs and expenses (including legal fees) properly incurred by it in connection with the enforcement of or the preservation of any rights under (and any documents referred to in) this Standard Security and any proceedings instituted by or against the Security Agent and any Secured Party as a consequence of taking or holding the Security created under this Standard Security or enforcing these rights.

13.3 Stamp duties, etc

The Chargor shall pay and, within three Business Days of demand, indemnify each Secured Party against any cost, loss or liability that Secured Party incurs in relation to all stamp duty, land and buildings transaction, registration and other similar Taxes payable in respect of this Standard Security.

13.4 Default Interest

If not paid when due, the amounts payable under this Clause 13 shall carry interest compounded with monthly rests at the Default Rate (after as well as before judgment), from the date of demand and shall form part of the Secured Obligations.

14 Reinstatement and release

14.1 Amounts avoided

If any amount paid by the Chargor in respect of the Secured Obligations is capable of being avoided or set aside on the liquidation or administration of the Chargor or otherwise, then for the purposes of this Standard Security that amount shall not be considered to have been paid. No interest shall accrue on any such amount, unless and until such amount is so avoided or set aside.

14.2 Discharge conditional

Any settlement or discharge between the Chargor and the Security Agent shall be conditional upon no security or payment to the Security Agent by the Chargor or any other person being avoided, set aside, ordered to be refunded or reduced by virtue of any provision or enactment relating to insolvency and accordingly (but without limiting the other rights of the Security Agent under this Standard Security) the Security Agent shall be entitled to recover from the Chargor the value which the Security Agent has placed on that security or the amount of any such payment as if that settlement or discharge had not occurred.

14.3 Covenant to release

Once all the Secured Obligations have been irrevocably paid in full and none of the Security Agent nor any Secured Party has any actual or contingent liability to advance further monies to, or incur liability on behalf of, the Chargor, the Security Agent shall, at the request and cost of the Chargor, execute any documents (or procure that its nominees execute any documents) or take any action which may be necessary to release the Security Subjects from the Security constituted by this Standard Security.

15 Currency clauses

15.1 Conversion

All monies received or held by the Security Agent under this Standard Security may be converted into any other currency which the Security Agent considers necessary to cover the obligations and liabilities comprised in the Secured Obligations in that other currency at the Security Agent's spot rate of exchange then prevailing for purchasing that other currency with the existing currency.

15.2 No discharge

No payment to the Security Agent (whether under any judgment or court order or otherwise) shall discharge the obligation or liability of the Chargor in respect of which it was made unless and until the Security Agent has received payment in full in the currency in which the obligation or liability is payable or, if the currency of payment is not specified, was incurred. To the extent that the amount of any such payment shall on actual conversion into that currency fall short of that obligation or liability expressed in that currency, the Security Agent shall have a further separate cause of action against the Chargor and shall be entitled to enforce the Security constituted by or pursuant to this Standard Security to recover the amount of the shortfall.

16 Set-off

16.1 Set-off rights

The Security Agent may set off any matured obligation due from the Chargor under the Secured Debt Documents (to the extent beneficially owned by the Security Agent) against any matured obligation owed by the Security Agent to the Chargor, regardless of the place of payment, booking branch or currency of either obligation. If the obligations are in different currencies, the Security Agent may convert either obligation at a market rate of exchange in its usual course of business for the purpose of the set-off.

16.2 Different currencies

The Security Agent may exercise its rights under Clause 16.1 notwithstanding that the amounts concerned may be expressed in different currencies and the Security Agent is authorised to effect any necessary conversions at a market rate of exchange selected by it.

16.3 Unliquidated claims

If, at any time after notice demanding payment of any sum which is then due but unpaid in respect of the Secured Obligations has been given by the Security Agent to the Chargor, the relevant obligation or liability is unliquidated or unascertained, the Security Agent may set-off the amount which it estimates (in good faith) will be the final amount of that obligation or liability once it becomes liquidated or ascertained.

16.4 No set-off

The Chargor will pay all amounts payable under this Standard Security without any set-off, counterclaim or deduction whatsoever unless required by law, in which event, other than in the case of a payment of interest, the Chargor will pay an additional amount to ensure that the payment recipient receives the amount which would have been payable had no deduction been required to have been made.

17 Ruling off

If the Security Agent or any other Secured Party receives notice of any subsequent Security or other interest affecting any of the Security Subjects (except as permitted by the Secured Debt Documents) it may open a new account for the Chargor in its books. If it does not do so then (unless it gives express notice to the contrary to the Chargor), as from the time it receives that notice, all payments made by the Chargor (in the absence of any express appropriation to the contrary) shall be treated as having been credited to a new account of the Chargor and not as having been applied in reduction of the Secured Obligations.

18 Notices

Clause 25 (Notices) of the Intercreditor Agreement shall apply to any communication to be made under or in connection with this Standard Security (including by any Secured Party who is not a party to this Standard Security) as if it were set out in full in this Standard Security except that any references to "this Agreement" shall be construed as references to "this Standard Security". Without prejudice thereto, any calling up notices or notices of default shall be served in accordance with sections 19 and 21 respectively of the 1970 Act.

19 Changes to parties

19.1 Assignment by the Security Agent

The Security Agent may at any time assign or otherwise transfer all or any part of its rights under this Standard Security in accordance with the Secured Debt Documents.

20 Miscellaneous

20.1 Certificates conclusive

A certificate or determination of the Security Agent as to any amount payable under this Standard Security will be conclusive and binding on the Chargor, except in the case of manifest error.

20.2 Counterparts

- (a) This Standard Security may be executed by each of the Parties on separate counterparts.
- (b) Where executed in counterparts:
 - (i) this Standard Security will not take effect until each of the counterparts has been delivered; and
 - (ii) where any counterpart is being held as undelivered, delivery will take place only when the date of delivery is agreed between the Parties after execution of this Standard Security.
- (c) If this Standard Security is not executed in counterparts, this Standard Security shall be delivered on the date inserted on the front page of this Standard Security or, if no such date is inserted, the date on which the last party signed this Standard Security.
- (d) The Parties to this Standard Security, in accordance with section 2(1) of the Legal Writings (Counterparts and Delivery) (Scotland) Act 2015 (**Counterparts Act**), nominate Addleshaw Goddard LLP to take delivery of all counterparts of this Standard

Security. The Parties agree that the provisions of section 2(3) of the Counterparts Act shall not apply to any counterpart of this Standard Security.

20.3 Invalidity of any provision

If any provision of this Standard Security is or becomes invalid, illegal or unenforceable in any respect under any law, the validity, legality and enforceability of the remaining provisions shall not be affected or impaired in any way.

21 Governing law and jurisdiction

21.1 This Standard Security and any non-contractual claims arising out of or in connection with it shall be governed by and be construed in accordance with Scots law.

21.2 Subject to Clause 21.3, the Parties agree that the courts of Scotland shall have exclusive jurisdiction to settle any dispute arising out of or in connection with this Standard Security, whether contractual or non-contractual (including a dispute regarding the existence, validity or termination of this Standard Security) (**Dispute**). The Parties agree that the courts of Scotland are the most appropriate and convenient courts to settle Disputes and accordingly no party will argue to the contrary.

21.3 The Parties agree that, for the benefit of the Secured Parties only, nothing in this Standard Security shall limit the right of the Secured Parties to bring any legal action against the Chargor in any other court of competent jurisdiction.

22 Warrandice

The Chargor hereby grants warrandice, but not in respect of the Original Standard Security, First Supplemental Standard Security and Second Supplemental Standard Security.

In witness whereof this Standard Security consisting of this and the preceding 13 pages are executed as follows and, if executed in counterpart in terms of the Legal Writings (Counterparts and Delivery) (Scotland) Act 2015, are delivered for the purposes of that Act on the date set out on page 1 of this Standard Security:

Subscribed for and on behalf of
Drax Power Limited
at LEEDS
on 16 DECEMBER 2020

REDACTED

Director/Secretary/Authorised Signatory

GARY SHINDA BOLEAN

Full Name

in the presence of

Witness signature

Full name

Address

REDACTED

Faith James

Pinson-Masons LLP

1 Park Row

Leeds

LS1 5AB

Tel: +44 (0)113 244 5000

Fax: +44 (0)113 244 8000

DX: 26440 Leeds 28

Subscribed for and on behalf of
**Deutsche Bank AG, London Branch as
Security Agent**

at

on

Authorised Signatory

Full Name

in the presence of

Witness signature

Full name

Address

22 Warrandice

The Chargor hereby grants warrandice, but not in respect of the Original Standard Security, First Supplemental Standard Security and Second Supplemental Standard Security.

In witness whereof this Standard Security consisting of this and the preceding 13 pages are executed as follows and, if executed in counterpart in terms of the Legal Writings (Counterparts and Delivery) (Scotland) Act 2015, are delivered for the purposes of that Act on the date set out on page 1 of this Standard Security:

Subscribed for and on behalf of
Drax Power Limited
at
on

Director/Secretary/Authorised Signatory

Full Name

in the presence of

Witness signature

Full name

Address

REDACTED

REDACTED

Subscribed for and on behalf of
Deutsche Bank AG, London Branch as
Security Agent

at *London UK*
on *16 December 2020*

Paul Gaines
Assistant Vice President

Authorised Signatory
Craig Hoepf
Vice President

Full Name

in the presence of

Witness signature

Full name

Address

REDACTED

Mark Dixon
Managing Director

Winchester House
1 Great Winchester Street
London
EC2N 2DB