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MG01

Particulars of a mortgage or charge



A fee is payable with this form.

We will not accept this form unless you send the correct fee
Please see 'How to pay' on the last page

☒ **What this form is for**
You may use this form to register
particulars of a mortgage or charge
in England and Wales or Northern
Ireland

☐ **What this form is NOT for**
You cannot use this form to re-
gister particulars of a charge for a S
company. To do this, please use
form MG01s

MONDAY



A11 *AT492K9B* 64
24/05/2010
COMPANIES HOUSE

1 Company details

Company number 0 5 5 6 2 0 5 8

Company name in full Drax Finance Limited (the **Chargor**)

8 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 Date of creation of charge

Date of creation d0 d5 m0 m5 y2 y0 y1 y0

3 Description

Please give a description of the instrument (if any) creating or evidencing the
charge, e.g. 'Trust Deed', 'Debenture', 'Mortgage', or 'Legal charge'

Description An equitable mortgage and charge in respect of shares of Drax Holdings
Limited between the Chargor and the Chargee (as defined below) in its
capacity as security agent (the **Charge**)

4 Amount secured

Please give us details of the amount secured by the mortgage or charge

Amount secured All present and future obligations and liabilities
(whether actual or contingent and whether owed
jointly or severally or in any other capacity
whatsoever) of each Obligor to any Secured Creditor
under any Secured Debt Finance Document except for
any obligation or liability which, if it were so
included, would result in the Charge contravening
any law (the **Secured Obligations**) (each capitalised
term as defined below)

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

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5 Mortgagee(s) or person(s) entitled to the charge (if any)

Please give the name and address of the mortgagee(s) or person(s) entitled to the charge

Continuation page

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

Name Barclays Bank PLC (the **Chargee** or **Security Agent**)

Address 1 Churchill Place

London

Postcode E 1 4 5 H P

Name

Address

Postcode

6 Short particulars of all the property mortgaged or charged

Please give the short particulars of the property mortgaged or charged

Continuation page

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

Short particulars

PLEASE SEE CONTINUATION SHEETS.

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7 Particulars as to commission, allowance or discount (if any)

Please insert the amount or rate percent of any commission, allowance or discount paid or made either directly or indirectly by the company to any person on consideration of his

- subscribing or agreeing to subscribe, whether absolutely or conditionally, or
- procuring or agreeing to procure subscriptions, whether absolute or conditional,

for any debentures included in this return The rate of interest payable under the terms of the debentures should not be entered

Commission allowance or discount

Nil

8 Delivery of instrument

You must deliver the original instrument (if any) creating or evidencing the charge and these prescribed particulars to the Registrar of Companies within 21 days after the date of creation of the charge (section 860) If the property is situated and the charge was created outside the United Kingdom (UK), you must deliver the information to the Registrar within 21 days after the date on which the instrument could have been received in the UK in the normal course of post and assuming you had posted it promptly (section 866)

We will accept a verified copy of the instrument creating the charge where the property charged is situated and the charge was created outside the UK (section 870) The company or the person who has delivered the copy to the Registrar must verify it to be a correct copy and sign it Where a body corporate gives the verification, an officer of that body must sign it We will also accept a verified copy where section 867(2) applies (property situated in another part of UK)

9 Signature

Please sign the form here

Signature

Signature

X *Alan Avery UP*

X

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

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Presenter information

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form and will establish where we return the original documents. The contact information you give will be visible to searchers of the public record

Contact name Richard Flint

Company name Allen & Overy LLP

Address 40 Bank Street

Canary Wharf

Post town London

County/Region Greater London

Postcode E 1 4 5 D U

Country United Kingdom

DX

Telephone 020 3088 4860



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 the original deed with this form
- ☒ You have entered the date the charge was created
- ☒ You have supplied the description of the instrument
- ☒ You have given details of the amount secured by the mortgagee or chargee
- ☒ You have given details of the mortgagee(s) or person(s) entitled to the charge
- ☒ You have entered the short particulars of all the property mortgaged or charged
- ☒ You have signed the form
- ☒ You have enclosed the correct fee



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.

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,
First Floor, Waterfront Plaza, 8 Laganbank Road,
Belfast, Northern Ireland, BT1 3BS
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

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6 Short particulars of all the property mortgaged or charged

Please give the short particulars of the property mortgaged or charged

Short particulars

SHORT PARTICULARS OF ALL PROPERTY MORTGAGED OR CHARGED

1. CONSTRUCTION

In this Form MG01

- (a) references to the singular shall include the plural and vice versa and references to the masculine shall include the feminine or neuter and vice versa,
- (b) references to any document include any deed, agreement (including the Charge), negotiable instrument, certificate, notice or other document of any kind and references to any document (or a provision thereof) (including, without limitation, any Finance Document or provision thereof) shall include and be construed as a reference to
 - (i) such document as modified, amended (including, without limitation, so as to increase the obligations of any person or so as to increase the amounts available to any person under any loan or other facility) restated, supplemented and/or novated from time to time, in each case in accordance with the terms thereof, and
 - (ii) each document which replaces such document from time to time, in each case in accordance with the terms of such document
- (c) references to assets include property, rights and assets of every description,
- (d) references to the Chargee shall be construed as references to the Chargee in its capacity as Security Agent under the Priority Deed, and
- (e) references herein to any person (including, without limitation, each party hereto) include, in each case, its successors and assigns and persons deriving title under or through it, in whole or in part, and whether at law or in equity and any person which replaces any party to any Secured Debt Finance Document in its respective role thereunder (any person replacing any such party being a "**Replacement Party**"), by assuming the rights and obligations of the party being replaced under such Secured Debt Finance Document

2. CREATION OF SECURITY

2.1 Shares

As continuing security for the full and punctual payment and discharge of the Secured Obligations, the Chargor as legal and beneficial owner mortgaged to the Chargee (to the extent that the Secured Obligations were not already secured by an effective mortgage pursuant to the Original Charge or the Supplemental Charge) (for the benefit of the Secured Creditors) by way of a first equitable mortgage and charges (to the extent that the Secured Obligations were not already secured by an effective charge pursuant to the Original Charge or the Supplemental Charge) to the Chargee (for the benefit of Secured Creditors) by way of a first fixed charge, all of the legal and beneficial right, title and interest in and to the

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6 Short particulars of all the property mortgaged or charged

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Short particulars

Charged Property including all benefits, present and future, actual and contingent accruing in respect of the Charged Property

3. COVENANTS

The Chargor covenanted that during the Security Period it will remain the legal and beneficial owner of the Charged Property (subject only to the Security Interests created by the Charge, the Original Debenture, the First Supplemental Debenture, the Second Supplemental Debenture, the Priority Deed, the Original Charge or the Supplemental Charge) and that it will not without the prior consent in writing of the Chargee

- (a) create or suffer the creation of any Security Interests (other than those arising by operation of law and/or created by the Charge, the Original Debenture, the First Supplemental Debenture, the Second Supplemental Debenture, the Priority Deed, the Original Charge or the Supplemental Charge) on or in respect of the whole of any part of the Charged Property or any of its interest therein, or
- (b) sell, assign, lend, dispose of, transfer or otherwise deal with any of its interest in the Charged Property in any such case,

unless permitted under the Secured Debt Finance Documents

4. DEFINITIONS

In this Form MG01

2006 Facility Agreement means the £100,000,000 credit facility agreement dated 11 May 2006 between, amongst others, the Chargor, Commerzbank AG and Lloyds TSB Bank PLC as amended by an amendment and restatement agreement dated 3 August 2009 and as further amended by an amendment agreement dated 5 May 2010

Account Bank means Barclays Bank PLC

Barclays/Drax Trading Agreements means

- (a) the ISDA master agreement (multicurrency-cross border) and schedule thereto dated as of 22 June 2007, as amended, restated and/or supplemented from time to time entered into between Drax Power Limited and Barclays Bank plc for the purpose of entering into commodity derivatives,
- (b) the Electricity Forward Agreement Association grid trade master agreement and schedules thereto dated as of 1 March 2005, as amended, restated and/or supplemented from time to time entered into between Drax Power Limited and Barclays Bank plc, and
- (c) the master netting agreement dated as of 27 May 2005, as amended, restated and/or supplemented from time to time entered into between Drax Power Limited and Barclays Bank plc

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Bond Corpus Subordination Agreement means the subordination agreement dated 15 December 2005 between, inter alios, the Company, BondPower Limited, JPMorgan Chase Bank, N A as bond trustee and the Security Agent

Charged Property means all beneficial and legal title in and to the Shares and any Further Charged Shares from time to time owned by the Chargor during the Security Period (together, the "**Charged Shares**") and all dividends or other distributions, interest and other moneys paid or payable after the date hereof in connection therewith and all interests in and all rights accruing at any time to or in respect of all or any of the Charged Shares

Charged Shares has the meaning assigned thereto in the definition of Charged Property

Company means Drax Holdings Limited, an exempted company with registered office at Walkers Corporate Services Limited, Walker House, 87 Mary Street, George Town, Grand Cayman, Cayman Islands KY1-9005

Drax PLC means Drax Group PLC

Drax PLC Shareholder Support Agreement means the agreement in form and substance satisfactory to the Facility Agent entered into on 15 December 2005 between Drax PLC, the Chargor and Drax Power relating to the provision and receipt of funds or services (as amended by a deed of variation dated 3 August 2009)

Facility Agent means Barclays Bank PLC

Finance Document means a Secured Debt Finance Document, a Shareholder Document or any agreement relating to Intercompany Debt

Financial Indebtedness means any indebtedness for or in respect of

- (a) moneys borrowed,
- (b) any acceptance credit (including any dematerialised equivalent),
- (c) any bond, note, debenture, loan stock or other similar instrument,
- (d) any redeemable preference share,
- (e) any agreement treated as a finance or capital lease in accordance with generally accepted accounting principles in England and Wales,
- (f) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis),
- (g) the acquisition cost of any asset or service to the extent payable after its acquisition or possession by the party liable where the advance or deferred payment

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(i) is arranged primarily as a method of raising finance or of financing the acquisition of that asset or service or the construction of that asset or service, or

(ii) involves a period of more than six months before or after the date of acquisition or supply,

(h) any derivative transaction protecting against or benefiting from fluctuations in any rate or price (and, except for non-payment of an amount, the then mark to market value of the derivative transaction will be used to calculate its amount),

(i) any other transaction (including any forward sale or purchase agreement) which has the commercial effect of a borrowing,

(j) any counter-indemnity obligation in respect of any guarantee, indemnity, bond, letter of credit or any other instrument issued by a bank or financial institution, or

(k) any guarantee, indemnity or similar assurance against financial loss of any person in respect of any item referred to in the above paragraphs

First Supplemental Debenture means the English law governed supplemental composite debenture (supplemental to the Original Debenture) dated 3 August 2009 between, inter alios, the Chargee and the Chargor

Forward Start Facilities Agreement means the £235,000,000 credit facilities agreement dated 3 August 2009 between, amongst others, the Chargor and the Facility Agent as amended by an amendment agreement dated 5 May 2010

Further Charged Shares means any Ordinary Shares from time to time issued by the Company after the date of the Charge and owned by the Chargor

Group means the Chargor and its Subsidiaries

Hedging means any interest rate swap in respect of interest relating to Senior Debt

Hedging Bank means

(a) in relation to any Hedging of Senior Bank Debt, each Senior Bank Creditor (if any) named in schedule 4 (Hedging Banks and Hedging Documents) of the Priority Deed and any other person which becomes a party to the Priority Deed as a Hedging Bank under clause 14.1 (Accession of Hedging Bank) of the Priority Deed, in each case in its capacity as provider of Hedging to any of the Obligors, provided that such person is a Senior Bank Lender or an affiliate of a Senior Bank Lender at the time it accedes to the Priority Deed or satisfies the requirements of the Hedging Letter, and

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- (b) in relation to any Hedging of Senior Debt other than Senior Bank Debt, any person which becomes a party to the Priority Deed as a Hedging Bank under clause 14.1 (Accession of Hedging Bank) of the Priority Deed, in each case in its capacity as provider of Hedging in respect of such Senior Debt to any of the Obligors

Hedging Debt means all Liabilities of any Obligor to any Hedging Bank under or in connection with the Hedging Documents or the Priority Deed

Hedging Document means each master agreement, confirmation or other document evidencing any Hedging provided by a Hedging Bank to an Obligor

Hedging Letter means the letter dated 3 August 2009 between the Chargor and the Senior Agent

Insolvency means any winding-up, bankruptcy, liquidation, dissolution, administration, receivership, administrative receivership, re-organisation, moratorium or judicial composition of or in respect of any Obligor or any analogous proceedings affecting any Obligor in any jurisdiction outside England and Wales

Intercompany Debt means all Liabilities of any Obligor to any other Obligor in respect of any Financial Indebtedness

Letter of Credit means a letter of credit, substantially in the form of schedule 11 (Form of Letter of Credit) to the Senior Credit Agreement or in any other form agreed by the relevant issuing bank under the Senior Credit Agreement and the Chargor

Liability means in relation to any document, agreement or obligation, any present or future liability (actual or contingent) payable or owing under or in connection with that document, agreement or obligation whether or not matured and whether or not liquidated, together with

- (a) any refinancing, novation, deferral or extension of that liability,
- (b) any claim for breach of representation, warranty, undertaking or on an event of default or under any indemnity in connection with that document or agreement,
- (c) any further advance made under any document or agreement supplemental to that document or agreement, together with all related interest, fees and costs,
- (d) any claim for damages or restitution in the event of rescission of that liability or otherwise in connection with that document or agreement,
- (e) any claim flowing from any recovery of a payment or discharge in respect of that liability on the grounds of preference or otherwise, and
- (f) any amount (such as post-insolvency interest) which would be included in any of the above but for its discharge, non-provability, unenforceability or non-allowability in any Insolvency or other proceedings

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6	Short particulars of all the property mortgaged or charged	
	Please give the short particulars of the property mortgaged or charged	
Short particulars	<p>New Obligor means any person acceding to the Priority Deed</p> <p>New Security Documents means</p> <ul style="list-style-type: none"> (a) the First Supplemental Debenture, (b) a third party charge dated 3 August 2009 between Drax PLC and the Security Agent, (c) each share mortgage dated 3 August 2009 in respect of the shares of each 2009 Obligor incorporated in the Cayman Islands, and (d) any other document evidencing or creating security over any asset of an Obligor to secure any obligation of any Obligor under the Secured Debt Finance Documents <p>Novation and Trading Agreement means the £135,000,000 novation and trading agreement dated on or about 5 May 2010 between, among others, Drax Power as counterparty and the Trading Creditor</p> <p>Obligor means each Original Obligor and each New Obligor</p> <p>Original Charge means a share charge dated 15 December 2005 between the Chargor and the Chargee</p> <p>Original Obligor means each of the Chargor, Drax Power Limited, Drax Group Limited, the Company, Drax Intermediate Holdings Limited, Drax Limited, Drax Investments Limited, Drax Ouse, Drax GCo Limited and Haven Power Limited</p> <p>Original Debenture means the English law governed debenture dated 15 December 2005 between, <i>inter alios</i>, the Chargor and Chargee,</p> <p>Original Security Document means</p> <ul style="list-style-type: none"> (a) the Original Debenture, (b) a third party charge dated 15 December 2005 between Drax PLC and the Security Agent, (c) each share mortgage in respect of the shares of any Obligor incorporated in the Cayman Islands, and (d) any other document (other than a New Security Document or a Trading Security Document) evidencing or creating security over any asset of an Obligor to secure any obligation of any Obligor under the Secured Debt Finance Documents <p>Ordinary Shares means shares in the capital of the Company having a nominal or par value of £1 00 each</p>	

6 Short particulars of all the property mortgaged or charged

Please give the short particulars of the property mortgaged or charged.

Short particulars

Other Obligor means each person that is an "**Obligor**", as such term is defined in (a) the Forward Start Facilities Agreement, and (b) following the Senior Debt Discharge Date, the Novation and Trading Agreement, in each case excepting the Chargor (and, collectively, the "**Other Obligors**")

Priority Deed means the priority deed originally dated 15 December 2005 (as amended and restated on 3 August 2009 by an amendment and accession deed, as supplemented on 1 September 2009 and as amended and restated on 5 May 2010) between, *inter alios*, the Chargor, each Other Obligor and the Security Agent

Qualifying New Senior Debt means, in relation to a Secured Qualifying NSD Incurrence, all Liabilities of any Obligor to any Qualifying NSD Creditor under or in connection with the Qualifying NSD Secured Documents for such Qualifying NSD Incurrence

Qualifying NSD Creditor means each Finance Party as defined in the Forward Start Facilities Agreement, each person (other than an Obligor or Drax PLC) that is a party to a Qualifying NSD Secured Document named as such in any deed of accession delivered in accordance with subclause 2 4 (Accession of Qualifying NSD Creditors) of the Priority Deed and each person who subsequently accedes to the Priority Deed as a Qualifying NSD Creditor in accordance with subclause 21 4 (New Creditors) of the Priority Deed

Qualifying NSD Incurrence means the incurring of Financial Indebtedness by any Obligor (not being a Qualifying Refinancing) which complies with the requirements of subclause 2 3 of the Priority Deed (Criteria for Qualifying NSD Incurrence)

Qualifying NSD Representative means the Facility Agent as defined in the Forward Start Facilities Agreement and, in relation to a Secured Qualifying NSD Incurrence, the person named as such in any deed of accession relating thereto delivered in accordance with subclause 2 4 (Accession of Qualifying NSD Creditors) of the Priority Deed

Qualifying NSD Secured Documents means each Finance Document as defined in the Forward Start Facilities Agreement and, in relation to a Secured Qualifying NSD Incurrence, each document named as such in any deed of accession relating thereto delivered in accordance with subclause 2 4 (Accession of Qualifying NSD Creditors) of the Priority Deed

Qualifying Refinancing means the incurring of Financial Indebtedness by the Chargor or (if the net proceeds of such Financial Indebtedness are sufficient to irrevocably pay and discharge all Liabilities of any Obligor to any Senior Bank Creditor under or in connection with the Senior Term Loan Facility) any Obligor in order to refinance all or any part of the Senior Term Loan Facility and which complies with the requirements of subclause 2 1 (Criteria for Qualifying Refinancing) in the Priority Deed

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Short particulars	<p>Qualifying Refinancing Creditor means each person (other than an Obligor or Drax PLC) that is a party to a Qualifying Refinancing Secured Document named as such in any deed of accession delivered in accordance with subclause 2 2 (Accession of Qualifying Refinancing Creditor) of the Priority Deed and each person who subsequently accedes to the Priority Deed as a Qualifying Refinancing Creditor in accordance with Subclause 21 4 (New Creditors) of the Priority Deed</p> <p>Qualifying Refinancing Representative means, in relation to a Secured Qualifying Refinancing, the person named as such in any deed of accession delivered relating thereto in accordance with subclause 2 2 (Accession to Qualifying Refinancing Creditor) of the Priority Deed</p> <p>Qualifying Refinancing Secured Debt means, in relation to a Secured Qualifying Refinancing, all Liabilities of any Obligor to any Qualifying Refinancing Creditor under or in connection with the Qualifying Refinancing Secured Documents for such Qualifying Refinancing</p> <p>Qualifying Refinancing Secured Documents means, in relation to a Secured Qualifying Refinancing, each document named as such in any deed of accession relating thereto delivered in accordance with subclause 2 2 (Accession of Qualifying Refinancing Creditors) of the Priority Deed</p> <p>Second Supplemental Debenture means the English law governed supplemental composite debenture (supplemental to the Original Debenture and the First Supplemental Debenture) dated 5 May 2010 between, inter alios, the Chargor and the Chargee</p> <p>Secured Creditor means a Senior Creditor, a Hedging Bank or the Trading Creditor as the context requires</p> <p>Secured Debt means the Senior Debt, the Hedging Debt and the Trading Debt</p> <p>Secured Debt Discharge Date means the date on which each of the Senior Agent, any Qualifying Refinancing Representative, any Qualifying NSD Representative, the Trading Creditor and the Security Agent is satisfied (acting reasonably) that all of the Senior Debt, the Trading Debt and Hedging Debt has been irrevocably paid and discharged and all commitments of the Senior Creditors and the Trading Creditor have been cancelled and all obligations of the Hedging Banks under the Hedging Documents have been terminated</p> <p>Secured Debt Finance Documents means the Senior Finance Documents, the Hedging Documents, the Qualifying Refinancing Secured Documents and the Qualifying NSD Secured Documents and, other than for the purposes of (A) the definition of Adjusted Financing Costs under and as defined in each of the Existing Facilities Agreements, (B) the definition of Permitted Biomass Transaction under and as defined in each of the Existing Facilities Agreements, (C) clause 25 16(a)(i) (Debt Service Certificate) of the Forward Start Facilities Agreement, and (D) clause 22 16(a)(i) (Debt Service Certificate) of the 2006 Facility Agreement, the Trading Documents</p>	

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Short particulars	<p>Secured Qualifying NSD Incurrence means a Qualifying NSD Incurrence the parties to which (other than an Obligor) have delivered a deed of accession in accordance with subclause 2 4 (Accession of Qualifying NSD Creditors) of the Priority Deed</p> <p>Secured Qualifying Refinancing means a Qualifying Refinancing the parties to which (other than an Obligor) have delivered a deed of accession in accordance with subclause 2 2 (Accession of Qualifying Refinancing Creditors) of the Priority Deed</p> <p>Security Document means a Security Document as defined in a Secured Debt Finance Document, PROVIDED THAT such document is in favour of the Security Agent and is expressed to secure all of the Secured Debt, such Security Documents to include, for the avoidance of doubt, the Original Security Documents , the New Security Documents and the Trading Security Documents</p> <p>Security Interest means any mortgage, pledge, lien, charge, assignment, hypothecation or security interest or any other agreement or arrangement having a similar effect</p> <p>Security Period means the period beginning on the date of execution of the Charge and ending on the Secured Debt Discharge Date</p> <p>Senior Agent means Barclays Bank PLC as facility agent for the lenders under the Senior Credit Agreement</p> <p>Senior Bank Creditor means each of</p> <ul style="list-style-type: none"> (a) the persons named in schedule 2 (Senior Bank Creditors) of the Priority Deed in their capacity as senior bank lenders and/or issuing bank under the Senior Credit Agreement, (b) each arranger under the Senior Credit Agreement, the Senior Agent and (until the Senior Debt Discharge Date) the Security Agent, and (c) each person who accedes to the Priority Deed as a Senior Bank Creditor in accordance with subclause 21 4 (New Creditors) of the Priority Deed <p>Senior Bank Debt means all Liabilities of any Obligor to any Senior Bank Creditor under or in connection with the Senior Finance Documents</p> <p>Senior Bank Lender means a lender and/or an issuing bank under the Senior Credit Agreement</p> <p>Senior Credit Agreement means the £800,000,000 credit agreement originally dated 27 October 2005 between, amongst others, the Chargor, the Senior Agent and the Security Agent as amended by an amendment and restatement agreement dated 3 August 2009 and as further amended by an amendment agreement dated on 3 May 2010</p>

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Senior Creditor means a Senior Bank Creditor, a Qualifying Refinancing Creditor or a Qualifying NSD Creditor

Senior Debt means the Senior Bank Debt, the Qualifying Refinancing Secured Debt and/or the Qualifying New Senior Debt, as the context requires

Senior Debt Discharge Date means the date on which each of the Senior Agent, any Qualifying Refinancing Representative, any Qualifying NSD Representative and the Security Agent is satisfied (acting reasonably) that all of the Senior Debt and Hedging Debt has been irrevocably paid and discharged and all commitments of the Senior Creditors have been cancelled and all obligations of the Hedging Banks under the Hedging Documents have been terminated

Senior Finance Document means the Senior Credit Agreement, the Priority Deed, a Letter of Credit, the escrow and distribution agreement referenced in the Senior Credit Agreement, the Security Documents, a fee letter, a transfer certificate, an accession agreement, an issuing bank accession agreement, the transfer memorandum dated 5 December 2006 between, inter alios, Drax Electric Limited, the Company, the Chargor, the Bond Corpus Subordination Agreement or any other document designated as such by the Senior Agent and the Chargor, but for this purpose excluding the Hedging Documents

Senior Term Loan Facility means the term loan facility made available under the Senior Credit Agreement

Shares means 10,000 Ordinary Shares in respect of which the Chargor is registered as member in the Register of Members of the Company

Shareholder means Drax PLC and any other shareholder of the Chargor from time to time, in each case in their capacity as creditors in respect of any Shareholder Debt

Shareholder Debt means all Liabilities of the Chargor to any Shareholder arising under, in connection with or pursuant to the Shareholder Documents, including any dividends or other distributions and any amount payable to any Shareholder on a liquidation or other insolvency of any Obligor

Shareholder Documents means (a) the constitutional documents of the Chargor, (b) the Drax PLC Shareholder Support Agreement, and (c) all documents evidencing any indebtedness payable or owing by the Chargor to any Shareholder

Subsidiary means an entity of which a person has direct or indirect control or owns directly or indirectly more than 50 per cent of the voting capital or similar right of ownership and **control** for this purpose means the power to direct the management and the policies of the entity whether through the ownership of voting capital, by contract or otherwise

Supplemental Charge means a share charge dated 3 August 2009 between the Chargor and the Chargee

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Trading Creditor means Barclays Bank PLC

Trading Debt means all Liabilities of any Obligor to the Trading Creditor under or in connection with the Trading Documents

Trading Documents means the Novation and Trading Agreement, the Priority Deed, a Trading Security Document, an accession agreement, a fee letter, the Barclays/Drax Trading Agreements, a resignation letter or any other document designated as such by the Trading Creditor and Drax Power Limited

Trading Party means the Trading Creditor, the Security Agent and the Account Bank

Trading Security Documents means

- (a) the Second Supplemental Debenture,
- (b) a third party charge dated 5 May 2010 between Drax PLC and the Security Agent,
- (c) each share mortgage dated 5 May 2010 in respect of the shares of each Obligor incorporated in the Cayman Islands, and



CERTIFICATE OF THE REGISTRATION OF A MORTGAGE OR CHARGE

Pursuant to section 869(5) & (6) of the Companies Act 2006

**COMPANY NO. 5562058
CHARGE NO. 8**

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES
HEREBY CERTIFIES THAT AN EQUITABLE MORTGAGE AND
CHARGE IN RESPECT OF SHARES DATED 5 MAY 2010 AND
CREATED BY DRAX FINANCE LIMITED FOR SECURING ALL
MONIES DUE OR TO BECOME DUE FROM EACH OBLIGOR TO
ANY SECURED CREDITOR ON ANY ACCOUNT WHATSOEVER
UNDER THE TERMS OF THE AFOREMENTIONED INSTRUMENT
CREATING OR EVIDENCING THE CHARGE WAS REGISTERED
PURSUANT TO CHAPTER 1 PART 25 OF THE COMPANIES ACT
2006 ON THE 24 MAY 2010

GIVEN AT COMPANIES HOUSE, CARDIFF THE 25 MAY 2010



Companies House
— for the record —

PSA



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES