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CHFP004

COMPANIES FORM No. 419a(Scot)

Application for registration of a memorandum of satisfaction in full or in part of a registered charge

419a

Please do not
write in
this margin

Pursuant to section 419(1) (a) of the Companies Act 1985

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

To the Registrar of Companies
(Address overleaf)

For official use

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Company number

SC117121

* insert full name
of company

Name of Company

British Energy Generation (UK) Limited (the "Company")

I, ROBERT ARMOUR
of British Energy Generation (UK) Limited

~~(a director)~~ ~~(the secretary)~~ ~~(the liquidator)~~ ~~(the receiver)~~ ~~(the administrator)~~ † of the company,
do solemnly and sincerely declare that the debt for which the charge described overleaf was given has
been paid or satisfied in [full] ~~(part)~~.

† delete as
appropriate

And I make this solemn declaration conscientiously believing the same to be true and by virtue of the
provisions of the Statutory Declarations Act 1835.

Declared at Edinburgh

Declarant sign below

Day Month Year

on 14 01 2005

before me

[Signature]
A Commissioner for Oaths or Notary Public or Justice of
the Peace or Solicitor having the powers conferred on a
Commissioner for Oaths

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

MacRoberts Solicitors
Excel House, 30 Sempie Street
Edinburgh, EH3 8BL
DX ED 207
SAG/MMM/BRI/27/110

For official use
Charges Section

Post room



Particulars of the charge to which the application overleaf refers

Please do not
write in
this margin

Date of creation of the charge

26 September 2002

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

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

Debenture creating fixed and floating charges between Company Lender and others (the
"Debenture")

insert a description
of the instruments
creating or
evidencing the
charge eg 'Charge'
'Debenture' etc

Date of Registration *

11 October 2002

* the date of
registration may
be confirmed from
the certificate

Short particulars of property charged

See Paper Apart

Where a FLOATING CHARGE is being satisfied, the following Certificate MUST be completed:

CERTIFICATE

I RUTH HANNANT

of The Secretary of State for Trade and Industry (the "Lender")

being ~~the creditor~~ a person authorised to act on behalf of the creditor] † entitled to the benefits of the
floating charge specified above certify that the particulars above relating to the charge and its satisfaction
are correct.

† delete as
appropriate

Signature



Date

12/11/2005

Note

The address of the Registrar of Companies is:-

Companies House
37 Castle Terrace
Edinburgh
EH1 2EB

This is Paper Apart referred to in the foregoing Form 419a relative to British Energy Generation (UK) Limited (SC 117121)

Short particulars of property charged:

As continuing security for the full and punctual payment, performance and discharge of all Secured Liabilities, the Company, with full title guarantee (other than in respect of the Scottish Assets) and free from any other security interest, creates the following security interests in favour of the Lender:

1. Assignments and assignments

- (a) Subject to paragraph (b) it assigns all its rights under or in respect of the Assigned Assets (other than those which are Scottish Assets) to the Lender, to hold absolutely, subject to Clause 8 (Release) of the Debenture.
- (b) It assigns to the Lender its whole right, title and interest, including all rights of action past, present and future, in and to any Assigned Assets which are Scottish Assets (including, without limitation, any Scottish Intragroup Receivables and any Scottish Special Accounts) on the terms and conditions set out in the Debenture.

2. Other fixed charges

It charges by way of first fixed charge all its rights (to the extent they are not the subject of an assignment) under paragraphs 1(a) or (b) above, under or in respect of the following (except in so far as any are Scottish Assets):

- (a) its Intragroup Receivables;
- (b) the Special Accounts and all sums standing to the credit of such accounts; and

all claims, causes and rights of action and all judgement arising under or in connection with any of the foregoing;

3. Floating charge

It charges by way of first floating charge, all its present and future assets, property, business, undertaking and uncalled capital, and all rights and interests in any of the foregoing, including all the Security Assets expressed to be mortgaged, assigned or charged under paragraphs 1 and 2 above.

4. Conversion of Floating Charge

- (a) The Lender may at any time while an Event of Default is continuing convert the floating charge created by the Company under the Debenture into a fixed charge on all or such of the Security Assets of the Company as shall be specified (whether generally or specifically) by notice to the Company.
- (b) In the event that, without the prior written consent of the Lender;
 - (i) the Company creates or permits to subsist any security interest (other than that permitted by clause 15.14 (*Negative Pledge*) of the Facility Agreement on, over or with respect to any of the Security Assets, or attempts to do so; or
 - (ii) any person levies or attempts to levy any distress, attachment, execution or other legal process against any of the Security Assets, the floating charge created by the Debenture shall, with effect from the instant before such event occurs, automatically convert into a fixed charge over the Security Assets (other than the Scottish Assets) which are the subject of such security interest or process.

5. **Appointment of Receiver**

The Lender shall be entitled to appoint a Receiver or Receivers under the floating charges created by the Debenture.

6. **Further Assurances**

The Debenture contains covenants for further assurances.

7. **Further Advances**

The security created by the Debenture is intended to cover further advances. The Lender may perform its obligations under the Finance Documents (including any obligation to make available further advances).

Definitions:-

In the foregoing Form 419a in this paper apart the following words and references shall have the following meanings:-

"Finance Documents" means the Facility Agreement, the Debenture and the Share Mortgages, together with all related bank mandate documentation, deposit charging documentation, accession letters and other documents specified as Finance Documents by the Lender;

"Facility Agreement" means the revolving credit and cash collateral facilities agreement dated 26 September 2002 and made between the Company, the Lender and other members of the Group; and

"Share Mortgages" means each mortgage of shares or pledge of shares or other interests in a Subsidiary entered into by a Facility Obligor and the Lender or her nominee on 26 September 2002

Other definitions for the purposes of this Form 419a are as follows:

"Assigned Assets" means the Company's present and future rights under or in respect of:

- (a) the Special Accounts and all sums standing to the credit thereof; and
- (b) its Intragroup Receivables,

including all other assets and rights receivable or distributable in respect of or in exchange for any of them;

"Balancing and Settlement Code" means the Balancing and Settlement Code as published by Elexon and in force from time to time;

"Bank Accounts" means bank accounts opened or maintained with any bank or other person, including all credit balances now or at any time in future on such accounts, all debts from time to time represented by such credit balances and all other rights accruing or arising in relation to each of such accounts;

"Borrower" means each, any or all of British Energy Plc, British Energy Generation (UK) Limited, British Energy Power and Energy Trading Limited, British Energy Generation Limited and Bruce Power LP, and any other member of the Group who may subsequently become a Borrower in accordance with the Facility Agreement;

"Connection and Use of System Code" means the Connection and Use of System Code as in force from time to time;

"Event of Default" has the meaning given in the Facility Agreement;

"Excluded Subsidiary" means Bruce Power LP and any Subsidiary of the Borrower (other than a Guarantor);

- (a) which is a single purpose company or limited liability undertaking whose principal assets and business are directly or indirectly constituted by the ownership, acquisition, development and/or operation of an asset;
- (b) none of whose Indebtedness for borrowed money in respect of the financing of such ownership, acquisition, development and/or operation of an asset is subject to any recourse whatsoever to any member of the Group (other than such Subsidiary or another Excluded Subsidiary); and
- (c) which has been designated as such by a Borrower by written notice to the Lender provided that a Borrower may give written notice to the Lender at any time that any Excluded Subsidiary is no longer an Excluded Subsidiary;

“Facility Obligor” means any, each or all of British Energy Plc, British Energy Generation (UK) Limited, British Energy Power and Trading Limited, British Energy Investment Limited, British Energy International Holdings Limited, British Energy Generation Limited, District Energy Limited, Bruce Power LP, British Energy US Holdings Limited, British Energy LP, British Energy (Canada) Limited and Bruce Power Investments Inc;

“Facility Security Provider” means each member of the Group who has given fixed and floating security pursuant to the Debenture which, for the avoidance of doubt, does not include British Energy US Holdings Limited;

“Grid Code” means the code prepared by the National Grid Company Plc pursuant to its transmission licence relating to the National grid;

“Group” means British Energy Plc and its Subsidiaries from time to time;

“Guarantor” means any, each or all of British Energy Plc, British Energy Generation (UK) Limited, British Energy Power and Trading Limited, British Energy Investment Limited, British Energy International Holdings Limited, British Energy Generation Limited, District Energy Limited, Bruce Power LP, British Energy US Holdings Limited, British Energy LP, British Energy (Canada) Limited and Bruce Power Investments Inc, together with any other member of the Group who may subsequently become a Guarantor in accordance with the Facility Agreement;

“Indebtedness” means any obligation for the payment or repayment of monies whether as principal or as surety and whether present or future, actual or contingent;

“Intragroup Receivables” means Receivables due or owing at any time to the Company by or from any other member of the Group but excluding trading or operation Receivables arising in the ordinary course of business (including, without limitation, income receivable for an Approval Working Capital Purpose (as defined in the Facility Agreement));

“Obligor” means an obligor under the Debenture, being each, any or all of British Energy Plc, British Energy Generation (UK) Limited, British Energy Power and Trading Limited, British Energy Investment Limited, British Energy International Holdings Limited, British Energy Generation Limited and District Energy Limited;

“Project Finance Indebtedness” means any Indebtedness of an Excluded Subsidiary;

“Receivables” means all book and other debts or any nature whatever (other than those represented by the Bank Accounts) and all other monies due or owing at any time, to the company and all proceeds, rights, securities and guarantees of any nature enjoyed or held by it in relation to any of the foregoing;

“Receiver” means any one or more persons, individually or together with additional persons, appointed as an administrative receiver, receiver and manager, or other receiver appointed in respect of the Security Assets by the Lender pursuant to powers conferred by the Debenture, statute or otherwise;

“Scottish Assets” means such of the undertaking, property and assets present and future of

the Company from time to time located in Scotland and such contractual and other rights and other incorporeal moveable property present and future of the Company which is governed by the law of Scotland or over which the creation or enforcement of any security is governed by the law of Scotland;

"Scottish Intragroup Receivables" means Intragroup Receivables governed by the law of Scotland;

"Scottish Special Account" means a Special Account which is held at a bank branch situated in Scotland;

"Security Assets" means all or any of the assets and rights from time to time subject or expressed to be subject to the security created, or which may at any time be created, pursuant to any provision of the Debenture;

"Security Documents" means the Debenture, each Share Mortgage and all other deeds, agreements, documents, notices, authorisations and consents entered into in connection with creating, perfecting or preserving the security contemplated hereunder or thereunder;

"Security Interest" means any mortgage, standard security, charge (whether fixed or floating), pledge, lien, hypothecations, assignment or assignation by way of security, trust arrangement or security interest of any kind securing any obligation of any person (including without limitation title transfer and/or retention arrangements having a similar effect);

"Special Accounts" means the Bank Accounts detailed in Part 2 (Details of Special Accounts) of the Schedule to the Debenture and any other new Bank Accounts requested to be opened by the Lender from time to time (but excluding, for the avoidance of doubt, any existing trading Bank Accounts of the Company); and

"Subsidiary" means a subsidiary within the meaning of section 736 of the Companies Act 1985 and a subsidiary undertaking within the meaning of section 258 of the Companies Act 1985.