



Registration of a Charge

Company name: **DRAX GENERATION ENTERPRISE LIMITED**

Company number: **SC189124**



X7ZS4OZK

Received for Electronic Filing: **21/02/2019**

Details of Charge

Date of creation: **18/02/2019**

Charge code: **SC18 9124 0010**

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

Brief description: **THE SUBJECTS AT CRUACHAN IN THE PARISH OF ARDCHATTAN AND MUCKAIRN AND IN THE COUNTY OF ARGYLL. FOR MORE DETAILS PLEASE REFER TO THE INSTRUMENT.**

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: **BRODIES LLP**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 189124

Charge code: SC18 9124 0010

The Registrar of Companies for Scotland hereby certifies that a charge dated 18th February 2019 and created by DRAX GENERATION ENTERPRISE LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 21st February 2019 .

Given at Companies House, Edinburgh on 21st February 2019

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**

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STANDARD SECURITY

by

DRAX GENERATION ENTERPRISE LIMITED

as Chargor

In favour of

DEUTSCHE BANK AG, LONDON BRANCH

as Security Agent

In respect of subjects at Cruachan

CERTIFIED A TRUE
COPY SAVE FOR THE
MATERIAL REDACTED
PURSUANT TO S939G
OF THE COMPANIES
ACT 2003

[Signature]
BRODIES LLP
Solicitors

16 FEB 20 19

Ref: *BAR11.131*

Brodies LLP
15 Atholl Crescent
Edinburgh EH3 8HA
T: 0131 228 3777
F: 0131 228 3878
DX ED 10
Ref: MPST.BAR11.131
FAS 0468
2019

For the purposes of the Legal Writings (Counterparts and Delivery) (Scotland) Act 2015, this Standard Security is delivered on: 12 FEBRUARY 2019

STANDARD SECURITY BY:

DRAX GENERATION ENTERPRISE LIMITED (formerly **SCOTTISHPOWER GENERATION LIMITED**), a company incorporated in Scotland with registered number SC189124 whose registered office is at 13 Queen's Road, Aberdeen, Scotland AB15 4YL (the "**Chargor**")

in favour of

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) (the "**Security Agent**").

IT IS AGREED AS FOLLOWS:

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 Facility Agreement;

"**Facility Agreement**" means the £725,000,000 acquisition bridge facility agreement originally dated 16 October 2018 as amended and/or restated from time to time (including as amended and restated pursuant to an amendment and restatement agreement dated 21 December 2018) between *inter alios* Drax Corporate Limited as the Borrower, Drax Group Holdings Limited as the Original Guarantor and Barclays Bank PLC as Facility Agent (each such term as defined therein);

"**Intercreditor Agreement**" means the intercreditor agreement dated 5 May 2017 between, among others, Drax Finco plc as the Company, Drax Group plc as the Parent, Drax Group Holdings Limited as DGHL, the Chargor, Barclays Bank PLC as the Original Credit Facility Agent, the Original Lenders, the Hedge Counterparties and the STL Counterparties, BNY Mellon Corporate Trustee Services Limited as Senior Secured Note Trustee, the other Original Debtors (each such term as defined therein) and the Security Agent;

"**Parties**" means each of the parties to this Standard Security;

"**Plan**" means the plan annexed and executed as relative hereto;

"**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 Facility Agreement and 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 8 December 2015 and as further amended and restated pursuant to an amendment and restatement agreement dated 21 April 2017, between, among others, Drax Corporate Limited as Original Borrower, Drax Group Holdings Limited as DGHL the Original Guarantors, the Original Lenders and Barclays Bank PLC as Facility Agent (each such term as defined therein);

"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: -

(One) ALL and WHOLE that area of ground on the west of the Allt Brander in the Parish of Ardchattan and Muckairn and in the County of Argyll being the subjects more particularly described and disposed in the (THIRD) place in Disposition by William Thomson Dawson and another in favour of North of Scotland Hydro-Electric Board dated 8 July and recorded in the Division of the General Register of Sasine applicable to the County of Argyll on 4 September both months in the year 1968 (Book 1225 Folio 193);

(Two) ALL and WHOLE those areas of ground extending together to 25 acres or thereby in the Parish of Ardchattan and Muckairn and in the County of Argyll being the subjects more particularly described in and disposed by and shown delineated and coloured pink on the plan annexed and executed to the Disposition and Deed of Servitude by the Trustees of Baron Wyfold in favour of North of Scotland Hydro-Electric Board dated 6, 16 and 18 November and recorded in the Division of the General Register of Sasine applicable to the County of Argyll on 5 December both months in the year 1969 (Book 1254 Folio 88);

(Three) ALL and WHOLE those two areas of ground in the Parish of Ardchattan and Muckairn and in the County of Argyll extending to 565 decimal or 1 thousandth parts of an acre being the subjects more particularly described in and disposed (FIRST) and shown (i) partly coloured and partly coloured and cross hatched blue on sheet 1 of 2 of the plan annexed and executed as relative to Disposition by British Railways Board in favour of the North of Scotland Hydro Electric Board dated 30 March and recorded in the Division of the General Register of Sasine applicable to the County of Argyll on 25 April 1977 and (ii) coloured blue on sheet 1 of 2 of the said plan annexed and executed to the said Disposition by British Railways Board in favour of the North of Scotland Hydro Electric Board dated and recorded as aforesaid. (Book 1475 Folio 238);

(Four) ALL and WHOLE that area or piece of ground of irregular shape being part of the Lands of Branrie or Brander in the Parish of Ardchatten and Muchairn and the County of Argyll extending to 14 acres or thereby all as more particularly described and disposed in the (First) place and shown delineated and coloured pink on the plan annexed and executed as relative to the Disposition and Deed of Servitude by Honour Jane Mary Bardwell or Coales and Alastair James Struthers, trustees of Angus John Campbell in favour of North of Scotland Hydro-Electric Board dated 9 and 26 August and recorded in the Division of the General Register of Sasines applicable to the County of Argyll on 20 September both months in the year 1968 (Book 1226 Folio 184);

(Five) ALL and WHOLE the area of ground extending to 5 and a half acres or thereby Imperial Measure at Cruachan all as more particularly described in and disposed in the (FIRST) place and shown coloured in pink on Plan A annexed and executed to the Disposition by the Countess of Breadalbane in favour of North of Scotland Hydro-Electric Board dated 7 and recorded in the Division of the General Register of Sasine applicable to the County of Argyll on 14 both days in March 1963 (Book 1101 Folio 119);

(Six) ALL and WHOLE the area of ground extending to 1,187 square yards or thereby Imperial Measure all as more particularly described in and shown in pink on the plan annexed and executed to the Feu Charter by the Marquess of Breadalbane in favour of the County Council and Argyll recorded in the Division of the General Register of Sasine applicable to the County of Argyll on 6 March 1914; and

(Seven) Part and Portion of ALL and WHOLE those several areas of ground extending in all to 319 acres or thereby being parts of the lands of Castles lying partly in the Parish of Glenorchy and Inchnell and partly in the Parish of Ardchatten and Muckairn and County of Argyll all as more particularly described in and disposed by the Disposition by Virginia Limited to North of Scotland

Hydro-Electric Board dated 31 January and 14 September and recorded in the Division of the General Register of Sasine applicable to the County of Argyll on 27 September all months in the year 1973 (Book 1358 Folio 249);

which subjects described (One) to (Seven) above are shown tinted pink on the Plan;

together with (i) the whole rights of property, rights exclusive, mutual and common and whole other rights so far as effecting to the said subjects described (One) to (Seven) above and shown tinted pink on the Plan, (ii) the whole fixtures and fittings so far as belonging to us, (iii) the parts and pertinents of the said subjects and (iv) our whole right, title and interest, present and future, therein.

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 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 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 Target Security Document and Secured Debt Document

This Standard Security is a Target Security Document (as defined in the Facility Agreement) and 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

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.

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, (the "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 Senior 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 (*Order of Application*) above, 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 (*No Liability*) above, 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 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 an 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 and indemnities contained in, and on the terms set out in, Clause 19 (*The Security Agent*) and Clause 23.1 (*Indemnity to the Security Agent*) of 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.

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, by way of security, 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.

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 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 (*Set-off rights*) 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.

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 paragraph 21.3 below, 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) (a "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. WARRANTICE


The Chargor hereby grants warrantice but excepting therefrom all existing leases and all other existing third party rights of occupation affecting the Security Subjects. **IN WITNESS WHEREOF** this Standard Security consisting of this and the preceding 15 pages together with the Plan 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:

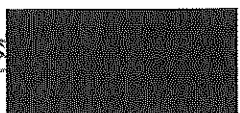
For DRAX GENERATION ENTERPRISE LIMITED


signature of
director/secretary/authorised signatory/witness
PHOEBE ROSE MCGIBBON
full name of above (print)

SLAUGHTER AND MAY
ONE BUNHILL ROW
LONDON EC4Y 8YY

Address of witness


signature of
director/secretary/authorised signatory
SABRINA DI GREGORIO
full name of above (print)
08.02.19
date of signing
LONDON
place of signing

For DEUTSCHE BANK AG, LONDON BRANCH (as Security Agent) 


signature of

Vikki Adams, authorised
full name of above (print) *Signatory*

Deutsche Bank AG, London

Winchester House

1 Great Winchester Street

London, EC2N 2DB

Address of witness

signature of

Paul Gaines
Assistant Vice President

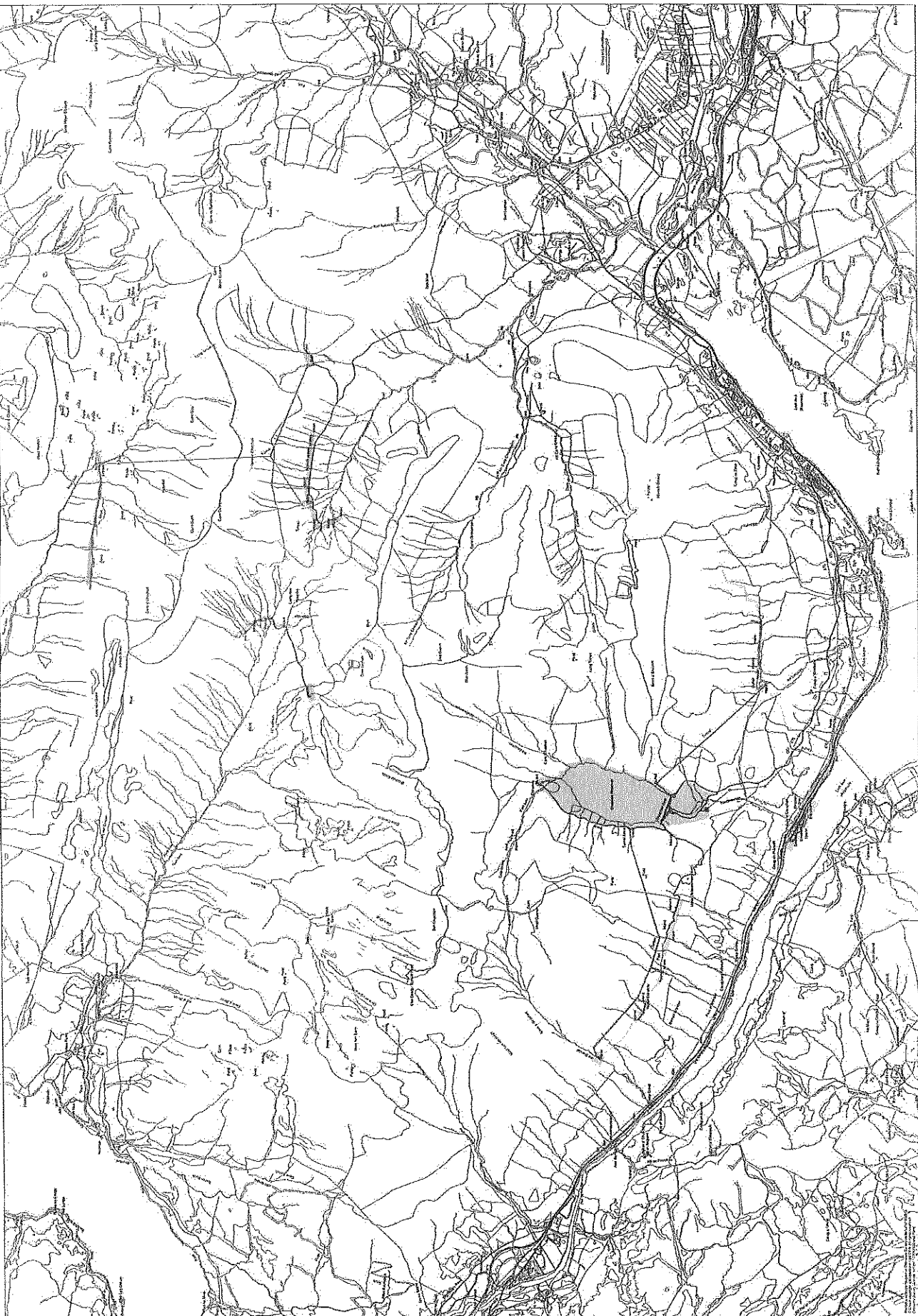
authorised
Signatory

full name of above (print)

8-2-2019
date of signing

London
place of signing

Miller Bryce
Geological Survey
Map of the
County of
Durham
Scale 1:50,000
Sheet 100
Published 1988



Miller Bryce
Solicitors & Accountants
100, Queen's Road, London, W1
Tel: 01-262 1111
Fax: 01-262 1112

