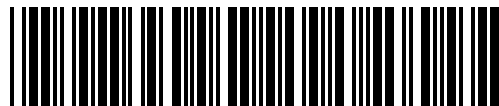




Registration of a Charge

Company Name: **EDF ENERGY LAKE LIMITED**

Company Number: **09200461**



XAV0SRTV

Received for filing in Electronic Format on the: **05/01/2022**

Details of Charge

Date of creation: **31/12/2021**

Charge code: **0920 0461 0002**

Persons entitled: **BEGG TRUSTEE LIMITED**

Brief description: **NONE AS AT THE DATE OF THE INSTRUMENT.**

Contains fixed charge(s).

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: **OLIVER ABEL SMITH**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 9200461

Charge code: 0920 0461 0002

The Registrar of Companies for England and Wales hereby certifies that a charge dated 31st December 2021 and created by EDF ENERGY LAKE LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 5th January 2022 .

Given at Companies House, Cardiff on 6th January 2022

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**

EXECUTION VERSION

Date: 31 December 2021

EDF Energy Lake Limited

as Assignor

BEGG Trustee Limited

as Trustee

Security Assignment and Account Security Agreement

in relation to the British Energy Generation Group of the Electricity
Supply Pension Scheme

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THIS DEED is made the 31st day of December 2021

BETWEEN:

- (1) **EDF ENERGY LAKE LIMITED** a company registered in England and Wales (company registration no. 09200461) whose registered office is at 90 Whitfield Street, London W1T 4E2 (the "**Assignor**"); and
- (2) **BEGG TRUSTEE LIMITED** a company registered in England and Wales (company registration number 12369679) whose registered office is at 90 Whitfield Street, London W1T 4EZ in its capacity as Trustee of the Scheme (the "**Trustee**"),

hereinafter referred to collectively as the "**Parties**", and individually as a "**Party**".

BACKGROUND:

- (A) The Trustee is the current trustee of the Scheme and will be re-named EDFG Trustee Limited on or shortly after 1 January 2022.
- (B) The Assignor has, by appending it to an amendment and re-statement agreement, entered into a GBP loan agreement with the EDF Parent (the "**EDF Loan Agreement**") on or around the same date as this Deed, pursuant to which the Assignor is the lender and the EDF Parent is the borrower.
- (C) The Assignor has entered into a guarantee and indemnity on or around the same date as this Deed in favour of the Trustee (the "**EDF Guarantee**"), under which the Assignor has agreed to guarantee certain contribution obligations of the Employers to the Scheme.
- (D) As security for its obligations under the EDF Guarantee, the Assignor creates the Security in respect of the Security Assets in accordance with the terms and conditions of this Deed.

1. Definitions and Interpretation

1.1 Definitions

"£" or "**Sterling**" means pounds sterling or the lawful currency from time to time of the United Kingdom;

"**Acceptable Bank**" means:

- (a) a bank or financial institution that:
 - (i) has a Requisite Rating; and
 - (ii) is located in England and Wales;
 or
- (b) a bank, financial institution or other Person with whom arrangements are made for the Specified Account Balance pursuant to paragraph (a) of Clause 9.8 (*Acceptable Bank*);

"Account Bank" means the bank or financial institution at which the Specified Account is held pursuant to the terms of this Deed;

"Act of Insolvency" means:

- (a) with respect to the EDF Parent, it:
 - (i) has entered into a procedure de conciliation, in accordance with articles L.611-4 to L.611-16 of the French Code de commerce, or a procédure de sauvegarde or procédure de sauvegarde accélérée in accordance with articles L.620-1 to L.628-8 of the French Code de commerce which has been initiated by it;
 - (ii) is in a state of cessation des paiements in accordance to article L.631-1 of the French Code de commerce or becomes insolvent for the purpose of the insolvency law of any jurisdiction, applicable to it;
 - (iii) is subject to a judgment for the commencement of a redressement or liquidation judiciaire which has been granted or a liquidation judiciaire has been granted with respect to it in accordance respectively with articles L.631-1 to L.632-4 and L.640-1 to L.644-6 of the French Code de commerce; or
 - (iv) if it is registered or conducts its business outside France, is subject to any proceedings for winding up, dissolution, redressement judiciaire, liquidation de biens, sauvegarde, sauvegarde accélérée, concordat, conciliation, suspension provisoire des poursuites (by way of voluntary arrangement or otherwise) or similar proceedings (otherwise than by way of any solvent reorganisation);
- (b) with respect to any Person other than the EDF Parent, that any of the following occurs with respect to such Person:
 - (i) it is dissolved; or
 - (ii) it is insolvent or is, or is deemed for the purposes of any law to be, unable to pay its debts (provided that, in respect of the Assignor, for this purpose the contingent liability of the Assignor under the EDF Guarantee shall not be treated as a liability) or fails or admits in writing (including in an e-mail) or in a formal announcement its inability generally to pay its debts as they become due; or
 - (iii) it suspends making payments on all or any class of its debts or announces an intention to do so; or
 - (iv) a moratorium is declared in respect of any of its indebtedness; or
 - (v) it makes a general assignment, arrangement, reorganisation or composition with or for the benefit of its creditors; or
 - (vi) it institutes or has instituted against it a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or any Person presents a petition or makes an application to or files documents with a

court or any registrar for its winding-up, administration, dissolution or liquidation, and, in the case of any such proceeding or petition instituted or presented against it, unless such proceeding or petition is being contested in good faith and is dismissed, discharged or stayed in each case within 30 calendar days of the institution or presentation thereof; or

- (vii) an order is made for its winding-up, dissolution or administration; or
- (viii) a resolution is passed for its winding-up, official management, administration dissolution or liquidation or a meeting of the shareholders, directors or other officers is convened for the purposes of considering any such resolution; or
- (ix) it or its directors, shareholders or other officers take any steps to approve or it becomes subject to the appointment of an administrator, liquidator, conservator, receiver, trustee, custodian or other similar official for it or for all or substantially all its assets; or
- (x) a secured party take possession of all or substantially all its assets or has a distress, execution, attachment, sequestration or other legal process levied, enforced or sued on or against all or substantially all its assets and such secured party maintains possession, or any such process is not dismissed, discharged, stayed or restrained, in each case within 30 calendar days thereafter; or
- (xi) it is subject to any event with respect to it which, under the applicable laws of any jurisdiction, has an analogous effect to any of the events specified in paragraphs(b)((i) to (x) (inclusive).

"A Loan" has the meaning given to in the EDF Loan Agreement;

"Amendment Agreement" means the amendment and restatement agreement in respect of the EDF Loan Agreement dated on or about the date of this Deed;

"Assigned Property Notice of Assignment" means a notice of assignment in respect of the Assigned Property substantially in the form of Schedule 1 (*Form of Notice of Assignment Property Assignment*);

"Assignee" has the meaning given to it in the EDF Guarantee;

"Assigned Property" means the rights, title and interest expressed to be assigned in Clause 3.1 (*Assignment of Loans and other rights*);

"Associated Guarantor" has the meaning given to it in the EDF Guarantee;

"Authorisation" means an authorisation, consent, approval, resolution, licence, exemption, filing, notarisation or registration;

"B Loan" has the meaning given to it in the EDF Loan Agreement;

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

"Centrica Group" means Centrica plc a company incorporated in England and Wales (registered number 3076445) whose registered office is at Millstream, Maidenhead Road, Windsor, Berkshire SL4 5GD and all of its wholly owned subsidiaries;

"Collateral Rights" means all rights, powers and remedies of the Trustee provided by or pursuant to this Deed or by law;

"Delegate" means a delegate or sub-delegate appointed under Clause 12.10 (*Delegation*);

"EDF Parent" means Electricité de France SA, a company limited by shares ("*société anonyme*") organized under the laws of France (registered number B 552081317);

"Employers" the employers from time to time (for the purposes of section 231(2)(c) of the Pensions Act 2004 and/or section 75A of the Pensions Act 1995) of the Scheme who are associated with the EDF Parent for the purposes of section 435 of the Insolvency Act 1986;

"Encumbrance" means a mortgage, charge, pledge, lien or other security interest securing any obligation of any Person or any other agreement or arrangement having a similar effect;

"Enforcement Event" means any of the following events:

- (a) any amount becomes due and payable under the EDF Guarantee and is not paid within five Business Days of such amount becoming due and payable;
- (b) an Act of Insolvency occurs in relation to the EDF Parent or the Assignor;
- (c) the EDF Parent fails to pay any amount due and payable by it under the EDF Loan Agreement and such failure is not rectified within 45 days of the date such payment was due;
- (d) this Deed, the EDF Loan Agreement, the EDF Guarantee or any other agreement or document giving rise to, concerning or securing the Secured Obligations, is not or ceases to be in full force and effect or the validity or enforceability of any of the terms of this Deed or the EDF Guarantee or any such agreement or document shall be contested by the Assignor, or at any time any act, condition or thing required to be done, fulfilled or performed in order (i) to enable the Assignor lawfully to enter into, or exercise its rights under and perform the obligations expressed to be assumed by it under this Deed or the EDF Guarantee or any other such agreement or document, or (ii) to ensure that the obligations expressed to be assumed by the Assignor in this Deed or the EDF Guarantee or any other such agreement or document are legal, valid and enforceable, is not done fulfilled or performed when due;
- (e) it is or becomes unlawful for the Assignor to perform any of its obligations under this Deed, the EDF Loan Agreement or the EDF Guarantee or under any other agreement or document giving rise to concerning or securing the Secured Obligations; or
- (f) the Assignor repudiates this Deed, the EDF Loan Agreement or the EDF Guarantee, or any other agreement or document giving rise to concerning or securing the Secured Obligations;

"Enforcement Notice" means any notice in writing given by the Trustee to the EDF Parent notifying the recipient of such notice that an Enforcement Event has occurred;

"Finance Documents" means this Deed, the Memorandum of Understanding (including the legally binding provisions of the Financial Support Appendix), the Amendment Agreement, the EDF Loan Agreement, the EDF Guarantee, the Funding Documents and the Statement of Investment Principles and the Statement of Investment Arrangements (as defined in the Memorandum of Understanding);

"Financial Support Appendix" means the so titled appendix to the Memorandum of Understanding;

"Funding Documents" means the statement of funding principles for the Scheme prepared and maintained by the Trustee with the agreement of the Principal Employer for the purposes of section 223 of the Pensions Act 2004 and the Schedule of Contributions for the Scheme, the material contents of which are attached to the Memorandum of Understanding;

"Holding Company" means, in relation to a Person, any other Person in respect of which it is a Subsidiary;

"Loan" has the meaning given to it in the EDF Loan Agreement;

"Memorandum of Understanding" means the so titled memorandum dated 5 November 2021 between the Trustee, the Principal Employer, the Assignor and the EDF Parent;

"Merger" has the meaning given to it in the EDF Guarantee;

"Person" includes any individual, company, corporation, firm, limited liability company, partnership, joint venture, undertaking, association, organisation, trust, joint stock company or Governmental Authority (in each case, whether or not having separate legal personality);

"Principal Employer" means EDF Energy Nuclear Generation Limited (company registration number 03076445) whose registered office is at Barnett Way, Barnwood, Gloucester GL4 3RS or any successor thereto as principal employer of the Scheme;

"Receiver" means a receiver, receiver and manager or an administrative receiver as the Trustee may specify at any time in the relevant appointment made under this Deed, which terms will include any appointee made under a joint and/or several appointment by the Trustee;

"Requisite Rating" means in relation to an Account Bank (provided that for the purposes of determining the Requisite Rating of an Account Bank, the ratings held by a Holding Company of such Account Bank may be used), a bank or financial institution with any one of the following combination of ratings:

- (a) minimum long term rating of A- or better by Fitch Ratings Ltd. (or any successor to its ratings business); or
- (b) minimum long term rating of A3 or better by Moody's Investors Service Limited (or any successor to its ratings business); or
- (c) minimum long term rating of A- or better by S&P Global Ratings Europe Limited (or any successor to its rating business,

or a comparable level of rating with another internationally recognised credit rating agency;

"Scheme" means the British Energy Generation Group of the Electricity Supply Pension Scheme, which will be re-named the EDF Group of the Electricity Supply Pension Scheme immediately after the Merger;

"Secured Obligations" means all present and future obligations and liabilities of Assignor to the Trustee pursuant to the EDF Guarantee and this Deed whether actual or contingent and whether owed or incurred alone or jointly and/or severally with another and as principal or as surety or in any other capacity of any nature;

"Security" means the security created under or pursuant to or evidenced by this Deed;

"Security Assets" means all of the assets of the Chargor which from time to time are, or are expressed to be, subject to the Security;

"Specified Account" means the account opened or to be opened in the name of the Assignor pursuant to Clause 9.7 (*Specified Account*) together with:

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

"Specified Account Acknowledgement" means an acknowledgement of the Specified Account Notice of Charge substantially in the form of Schedule 3 (*Form of Acknowledgement of Account Bank*);

"Specified Account Balance" means all monies at any time standing to the credit of the Account and all interest at any time accrued or accruing on such monies and all rights to repayment of any of the same;

"Specified Account Notice of Charge" means a notice of charge in respect of the Specified Account substantially in the form of Schedule 2 (*Form of Notice of Charge of Specified Account*);

"Statement of Investment Arrangements" means the statement of investment arrangements agreed by the Principal Employer and the Trustee in accordance with the Memorandum of Understanding;

"Statement of Investment Principles" means the statement of investment principles (attached to the Memorandum of Understanding) or any revised statement prepared and maintained by the Trustee;

"Subsidiary" means a subsidiary undertaking within the meaning of section 1162 of the Companies Act 2006; and

"UK Parent" means Lake Acquisitions Limited (company registration number 06612465) whose registered office is at 90 Whitfield Street, London W1T 4EZ.

1.2 Construction

- (a) Unless a contrary indication appears any reference in this Deed to:

- (i) **"assets"** includes present and future properties, revenues and rights of every description;
- (ii) the **"Assigned Property"**, the **"Specified Account"**, the **"Security Assets"** or the **"Secured Obligations"** includes a reference to any part of it or them;
- (iii) this **"Deed"** or any other agreement or document is a reference to this Deed or, as the case may be such other agreement or document as the same may have been, or may from time to time be, amended, varied, supplemented or novated;
- (iv) any event or act of insolvency or any legislation relating to insolvency under English law shall in relation to any jurisdiction other than England be construed to refer to the equivalent event, act or legislation in such jurisdiction;
- (v) the **"winding-up"** of a Person includes the amalgamation, reconstruction, reorganisation, dissolution, liquidation, winding-up, merger or consolidation of that Person, and any equivalent or analogous procedure under the law of any jurisdiction in which the Person is incorporated or resident or carries on a material part of its business or has material assets;
- (vi) words in the singular include the plural and vice versa and words in one gender include any other gender;
- (vii) **"including"** shall be construed as a reference to "including without limitation", so that any list of items or matters appearing after the word "including" shall be deemed not to be an exhaustive list, but shall be deemed rather to be a representative list, of those items or matters forming a part of the category described prior to the word "including";
- (viii) a **"regulation"** includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation;
- (ix) a **"subsidiary undertaking"** or a **"parent undertaking"** is to be construed in accordance with section 1162 (and Schedule 7) of the Companies Act 2006;
- (x) a **"successor"** includes an assignee or successor in title of any Party and any Person who under the laws of its jurisdiction of incorporation or domicile has assumed the rights and obligations of any Party under this Deed or any other Finance Document or to which, under such laws, any rights and obligations have been transferred and this Deed shall be binding and enforceable by the successors in office of the Trustee as trustee of the Scheme (and this sub-paragraph (x) shall be in addition to, and not affect, the provisions of the Trustee Act dealing with transfers of assets and liabilities from one trustee to another);
- (xi) a provision of law is a reference to that provision as amended or re-enacted; and

(xii) Clause and Schedule headings are for ease of reference only.

1.3 Third Party Rights

- (a) Subject to paragraph (c) below, a Person who is not a party to this Deed has no right under the Contracts (Rights of Third Parties) Act 1999 (the "**Act**") to enforce or to enjoy any benefit of any term of this Deed other than a purchaser of the Security Assets and a Receiver, in each case, who may enforce or enjoy the benefit of any term of this Deed to the extent that this Deed expressly provides for it to do so.
- (b) No consent of any Person who is not a Party is required to rescind or vary this Deed at any time.
- (c) Any Person who is for the time being a trustee of the Scheme may enforce or enjoy the benefit of any term of this Deed pursuant to the Act.

1.4 Requisite Rating

The Requisite Rating will be assessed by the Parties at each actuarial valuation of the Scheme (unless the Parties agree this to be unnecessary) to see if it remains appropriate and if necessary the credit rating level used will be reviewed in good faith with a view to reaching agreement on whether a lower rating may be appropriate taking into account the desirability of having a number of banks based and regulated in the United Kingdom available who meet the ratings level test.

2. **Covenant to Pay**

Subject to Clause 21 (*Limited Recourse*), the Assignor covenants with the Trustee to discharge the Secured Obligations when due to the Trustee, whether on demand or otherwise.

3. **Creation of Security**

3.1 Assignment of Loans and other rights

- (a) The Assignor hereby assigns to the Trustee, by way of security, with full title guarantee all of its rights, title and interest, present and future, to, in and under the EDF Loan Agreement including all monies payable to the Assignor and all present and future claims, causes of action, payments and proceeds under or in connection with the EDF Loan Agreement (in each case other than in relation to any interest accrued or payable under the EDF Loan Agreement), provided that at any time when the Loan under the EDF Loan Agreement is split into an A Loan and a B Loan, the assignment under this Clause 3.1 shall apply only to the right, title and interest arising under the EDF Loan Agreement in connection with the A Loan (but excluding any interest accrued or payable under the EDF Loan Agreement in relation to the A Loan). At any time when the Loan under the EDF Loan Agreement is split into an A Loan and a B Loan, references in this Deed to the EDF Loan Agreement shall be interpreted as references to the EDF Loan Agreement only to the extent it relates to the A Loan under the EDF Loan Agreement and not to any terms of the EDF Loan Agreement that relate to the B Loan.
- (b) For the avoidance of doubt, the assignment made under this Clause 3.1 shall be an equitable assignment.

- (c) The Assignor is entitled to:
- (i) receive and apply any amounts of principal received in repayment of the B Loan;
 - (ii) receive and apply any payments of interest under the EDF Loan Agreement; and
 - (iii) exercise all present and future claims, courses of action, payment and proceeds under or in connection with such amounts, in each case free of this Security.

3.2 Charge over Specified Account

The Assignor charges to the Trustee by way of first fixed charge all of its present and future claims, right, title and interest in and to the Specified Account and the Specified Account Balance.

4. Notices of Charge or Assignment

4.1 Notice in respect of the Assigned Property

The Assignor shall deliver to the EDF Parent on the date of this Deed the Assigned Property Notice of Assignment duly executed by or on behalf of the Assignor and shall procure delivery to the Trustee on the date of this Deed a copy of such Assigned Property Notice of Assignment duly acknowledged by the EDF Parent.

4.2 Notice in respect of the Specified Account

- (a) Subject to paragraph (b) below, the Assignor shall, within two Business Days of the Specified Account (or any Replacement Account as defined in paragraph (b) of Clause 9.8 (*Acceptable Account Bank*) being opened, serve on the Account Bank the Specified Account Notice of Charge and shall procure delivery to the Trustee within five Business Days following such service on the Account Bank of a copy of such Specified Account Notice of Charge duly acknowledged by the Account Bank.
- (b) The Assignor shall use reasonable endeavours to open the Specified Account (or any Replacement Account as defined in paragraph (b) of Clause 9.8 (*Acceptable Account Bank*) with an Account Bank that has confirmed that it is willing to acknowledge the Specified Account Notice of Charge in the required form, provided that the Trustee will act reasonably and in good faith:
 - (i) when discussing and agreeing any amendments to the acknowledgment the Account Bank is required to give that are requested by the Account Bank;
 - (ii) when discussing and agreeing any alternative arrangements (escrow or otherwise) if the Account Bank is unable to provide the relevant acknowledgement; and
 - (iii) to provide any information reasonably requested by the Account Bank in order for the Account Bank to comply with any of its "*know your customer*" or anti-money laundering checks or equivalent procedures.

5. **Trustee Assumes No Obligations**

Notwithstanding anything to the contrary in this Deed:

- (a) the Assignor shall remain liable under and in respect of, and to perform all its obligations under, the EDF Loan Agreement and the Assigned Property;
- (b) the Trustee shall not be under any obligation or liability under or in respect of the EDF Loan Agreement or the Assigned Property or liable to make any payment under or in respect of the EDF Loan Agreement or the Assigned Property;
- (c) the Trustee shall not be obliged to enforce against the EDF Parent any term of the EDF Loan Agreement or to make any inquiries as to the nature and sufficiency of any payment received by it; and
- (d) if the Trustee performs any obligation of the Assignor under the EDF Loan Agreement the Assignor shall not be released from such obligation and the Trustee shall have no obligation to perform any other obligation of the Assignor under the EDF Loan Agreement.

6. **Indemnity**

The Assignor agrees to indemnify the Trustee from and against any loss, liability, cost, claim, action, demand or expense (including, but not limited to, legal fees) which it may reasonably and properly incur or which may be made against the Trustee arising out of or in connection with any breach by the Assignor of its obligations under the EDF Loan Agreement, provided that, in the event that a liability of the Assignor to the Trustee arises under this Clause 6, the sole recourse of the Trustee against the Assignor shall be to the Security Assets and the Trustee shall not under any circumstances have any right to payment from the Assignor under this Clause 6 other than through realisation of the Security.

7. **Full release**

Upon the Trustee being satisfied that the Secured Obligations have been unconditionally and irrevocably paid or discharged in full, or upon the EDF Guarantee being terminated in accordance with its terms, the Trustee shall, subject to Clause 14.8 (*Avoidance of Payments*) below and without recourse to, or any representation or warranty by, the Trustee or any of its nominee(s), at the request and cost of the Assignor:

- (a) reassign to the Assignor the Assigned Property; and
- (b) release the Specified Account from the Security.

8. **Representations and Warranties**

The Assignor makes the representations and warranties set out in this Clause 8 to the Trustee on the date of this Deed.

8.1 **Status**

- (a) It is a corporation, duly incorporated and validly existing under English law.
- (b) It has the power to own its assets and carry on its business as it is being conducted.

8.2 Binding Obligations

The obligations expressed to be assumed by it in this Deed, the EDF Guarantee and the EDF Loan Agreement are legal, valid, binding and enforceable, subject to:

- (a) any general equitable principles and insolvency and other laws generally applicable to creditors' rights; or
- (b) in the case of this Deed, any applicable perfection requirements.

8.3 Non-conflict with other obligations

The entry into and performance by it of, and the transactions contemplated by the EDF Loan Agreement, the EDF Guarantee and this Deed do not and will not conflict with:

- (a) any law or regulation applicable to it;
- (b) its constitutional documents; or
- (c) any agreement or instrument binding upon it or any of its assets nor (except for the Security) result in the existence of, or oblige it to create, any security interests or other similar rights or obligations over any of its assets.

8.4 Power and authority

It has the power to enter into, perform and deliver, and has taken all necessary action to authorise its entry into, performance and delivery of, the EDF Loan Agreement, the EDF Guarantee and this Deed and the transactions contemplated thereunder.

8.5 Ranking

- (a) The Security has or will have first ranking priority.
- (b) Without limiting paragraph (a) above, its payment obligations under this Deed and the EDF Guarantee rank at least *pari passu* with the claims of all its other unsecured and unsubordinated creditors except for obligations mandatorily preferred by law.

8.6 Beneficial Owner of the Security Assets

Except as provided in this Deed, the rights of the Assignor in respect of the Security Assets are free from any Encumbrance other than this Security, the Assignor is absolutely, solely and beneficially entitled to the Security Assets and the Assignor has not assigned, transferred or otherwise disposed of any of its rights, title or interest to or in the Security Assets and will not at any time do so or agree to do so.

8.7 Authorisations

All Authorisations required under any applicable law or regulation (a) to enable it lawfully to carry on its business and to enter into, exercise its rights and comply with its obligations in this Deed, the EDF Guarantee and the EDF Loan Agreement, and (b) to make this Deed, the EDF Guarantee and the EDF Loan Agreement admissible in evidence in its jurisdiction of incorporation have been obtained or effected and are in full force and effect.

8.8 Security

This Deed creates the Security it purports to create and is not liable to be avoided or otherwise set aside on the winding-up or administration of the Assignor or otherwise, subject to:

- (a) any general equitable principles and insolvency and other laws generally applicable to creditors' rights; or
- (b) any applicable perfection requirements.

8.9 Contract duly executed and in force

The EDF Loan Agreement has been duly executed and delivered by the parties to it, is in full force and effect and enforceable in accordance with its terms except to the extent its enforceability may be limited by applicable bankruptcy, insolvency, reorganisation, moratorium or similar laws generally affecting the rights of creditors and by equitable principles.

8.10 Repetition

Each of the representations and warranties are deemed to be made by the Assignor by reference to the facts and circumstances then existing at all times during the continuance of the Security.

9. General Undertakings

9.1 Performance

The Assignor shall promptly and diligently perform the obligations on its part and discharge all its duties and liabilities conferred in the EDF Loan Agreement.

9.2 Authorisations

The Assignor shall promptly obtain, comply with and do all that is necessary to maintain in full force and effect, and shall promptly supply to the Trustee on request certified copies of any Authorisation required under any law or regulation of its jurisdiction of incorporation to enable it to perform its obligations under this Deed, the EDF Guarantee and the EDF Loan Agreement and to ensure the legality, validity, enforceability or admissibility in evidence in its jurisdiction of incorporation of this Deed, the EDF Guarantee and the EDF Loan Agreement.

9.3 Compliance with laws

The Assignor shall comply in all respects with all laws to which it may be subject if failure to comply would materially impair its ability to perform its obligations under this Deed, the EDF Guarantee and the EDF Loan Agreement.

9.4 Not Jeopardise

The Assignor shall not do, or permit to be done, anything which could jeopardise the rights of the Trustee to the Security Assets.

9.5 Amendments and waivers

- (a) The Assignor shall not agree to any amendment, variation or restatement (other than amendments of a technical or administrative nature which do not adversely

affect the interests of the Trustee to or of the EDF Loan Agreement or grant any waiver or release or agree to the exercise of or exercise any right of set off under the EDF Loan Agreement without the prior written consent of the Trustee (such consent not to be unreasonably withheld or delayed).

- (b) For the avoidance of doubt, the Assignor may:
 - (i) at any time that the Loan under the EDF Loan Agreement is split into an A Loan and a B Loan, agree to any amendment, variation or restatement to or of the EDF Loan Agreement or grant a waiver under the EDF Loan Agreement without the prior written consent of the Trustees to the extent that the amendment, variation, restatement or waiver relates solely to the B Loan;
 - (ii) agree to any amendment, variation or restatement to or of the EDF Loan Agreement or grant a waiver under the EDF Loan Agreement without the prior written consent of the Trustees to the extent that the amendment, variation, restatement or waiver relates solely to interest accruing or payable under the EDF Loan Agreement; or
 - (iii) agree, consent to or make any assignment or transfer made in accordance with clause 17.2 (*Assignments and Transfers*) of the EDF Loan Agreement.

9.6 Information

The Assignor shall send to the Trustee a copy of all notices and other communications delivered or received by it under or in connection with the EDF Loan Agreement.

9.7 Specified Account

- (a) In the circumstances contemplated by clause 10.2 (*Specified Account*) of the EDF Loan Agreement, the Assignor will open and thereafter maintain the Specified Account with an Acceptable Bank. At any other time, the Assignor may (but is not obliged) to open (but shall thereafter maintain) the Specified Account with an Acceptable Bank for the purposes of this Clause.
- (b) Except as otherwise provided pursuant to this Deed or the EDF Loan Agreement, once the Specified Account is open all payments of principal in respect of the Loan (or at any time when the Loan is split into the A Loan and the B Loan, payments of principal in respect of the A Loan) shall be paid to the Specified Account.
- (c) The Trustee acknowledges and agrees that, to the extent the Specified Account is interest-bearing, all amounts of interest that accrue and are then due to the Assignor, if any, may be credited to a separate account or ledger.
- (d) The Assignor will not withdraw or attempt to withdraw (or direct any transfer of) all or any part of the Specified Account Balance save with the prior written consent of the Trustee. The Trustee shall be entitled in its absolute discretion to refuse to permit any such withdrawal or transfer.
- (e) The Assignor must ensure that the Specified Account is at all times held at an Acceptable Bank.

- (f) The Assignor shall provide the Trustee with all information which it may reasonably request in relation to the Specified Account and the Specified Account Balance and any communication received by it from the Account Bank in relation to them.

9.8 Acceptable Bank

- (a) If the relevant Account Bank ceases to have a Requisite Rating (or if at the time the Specified Account is opened there is not in England a bank or financial institution accepting deposits which has a Requisite Rating) the Assignor and the Trustee shall engage in good faith discussions to agree how the Specified Account Balance should be held and the alternative arrangements (escrow or otherwise) to be put in place.
- (b) If the Account Bank ceases to be an Acceptable Bank, the Trustee may request that the Specified Account be moved to another bank or financial institution selected by the Assignor which is an Acceptable Bank (the "**Replacement Account**") as soon as reasonably practicable and the Trustee may then transfer all the Specified Account Balance from the Specified Account to the Replacement Account.
- (c) The replacement of the Specified Account only becomes effective when the relevant bank agrees with the Trustee and the Assignor, in a manner satisfactory to the Trustee (acting reasonably), to fulfil the role of the Account Bank and the Trustee has been granted satisfactory security over such replacement account.

9.9 Negative Undertaking

The Assignor shall not without the prior consent in writing of the Trustee:

- (a) create or permit to subsist any Encumbrance on or over any of its assets other than this Security; or
- (b) sell, assign, transfer, dispose of, declare a trust over, factor, discount or abandon any of the Security Assets, grant a participation in respect of the Assigned Property or permit or enter into any agreement or option for the same to occur; or
- (c) undertake or engage in any activity or business, enter into any material agreement or incur or permit to be outstanding any financial indebtedness, in each case other than:
 - (i) the ownership of shares in the UK Parent;
 - (ii) pursuant to the Finance Documents and any agreement relating to the ownership of shares in the UK Parent;
 - (iii) the receipt of any moneys paid by the Centrica Group in relation to the Finance Documents; and
 - (iv) in connection with any liabilities it may have in respect of tax incurred or arising as a consequence of its activities contemplated by paragraphs (i), (ii) and (iii) above.

10. Further Assurance

10.1 Covenant for Further Assurance

The Assignor will promptly at its own cost do all such acts or execute all such documents (including assignments, transfers, mortgages, charges, notices and instructions) as the Trustee may specify (and in such form as the Trustee may require in favour of the Trustee or their nominee(s)) for the purpose of exercising the Collateral Rights or perfecting the Security created or intended to be created in respect of the Security Assets (which may include the execution by the Assignor of a mortgage, charge or assignment over all or any of the assets constituting or intended to constitute, the Security Assets, or the giving of any notice, order or direction), or for the exercise of the rights, powers and remedies of the Trustee provided by or pursuant to this Deed or by law in each case in accordance with the rights vested in it under this Deed.

10.2 Prescribed Wording

The following covenants shall be implied in respect of any action taken by the Assignor to comply with its obligations under Clause 10.1 (*Covenant for Further Assurance*) above:

- (a) the Assignor has the right to take such action in respect of the Security Assets; and
- (b) the Assignor will at its own cost do all that it reasonably can to give the Trustee or their nominee the title and/or rights that it purports to give.

11. Power of Attorney

11.1 Appointment and Powers

The Assignor, by way of security, irrevocably appoints the Trustee, any Receiver or any Delegate severally to be its attorney and in its name, on its behalf and as its act and deed to, at such time and in such manner as the attorney (acting reasonably) thinks fit, execute, deliver and perfect all documents and do all things that the attorney may consider to be required or desirable for:

- (a) carrying out any obligation imposed on the Assignor under this Deed or any other agreement binding on the Assignor to which the Trustee are a party including the execution and delivery of any deeds, charges, assignments or other security and any transfers of the assets subject to the security; or
- (b) following service of an Enforcement Notice, enabling the Trustee to exercise, or delegate the exercise of, all or any of the Collateral Rights; or
- (c) following service of an Enforcement Notice, enabling any Receiver to exercise, or delegate the exercise of, any of the rights, powers and authorities conferred on them by or pursuant to this Deed or by law.

11.2 Ratification

The Assignor shall ratify and confirm all things done and all documents executed by any attorney in the exercise or purported exercise of his powers.

12. Security Enforcement

12.1 Time for Enforcement

At any time following the occurrence of an Enforcement Event, or if the Assignor requests the Trustee to exercise any of their powers under this Deed, the Security shall become

immediately enforceable and the Trustee may without notice to the Assignor or prior authorisation from any court, in their absolute discretion (subject to Clause 12.3 (*Payments from the Specified Account*)):

- (a) deliver an Enforcement Notice to the EDF Parent;
- (b) secure and perfect their title to all or any part of the Security Assets (including transferring the same into the name of the Trustee or its nominee(s)) or otherwise exercise in relation to the Security Assets all the rights of an absolute owner;
- (c) enforce all or any part of the Security (at the times, in the manner and on the terms it thinks fit) and appropriate, hold, sell, or otherwise dispose of all or any part of the Security Assets (at the time, in the manner and on the terms it thinks fit);
- (d) whether or not it has appointed a Receiver, exercise all or any of the powers, authorisations and discretions conferred by the Law of Property Act 1925 (as varied or extended by this Deed), or by this Deed or otherwise conferred by law;
- (e) demand, collect, recover or compromise, and give good discharge for any moneys paid or payable to the Assignor under or in respect of the Security Assets, and enforce (in any way whatsoever including, without limitation, by way of instituting proceedings in the Assignor's name) any rights or claims arising or in respect of the Security Assets; and
- (f) take over and implement the EDF Loan Agreement in relation to the Assigned Property and exercise all of the present and future rights, powers and remedies of the Assignor in and to the Assigned Property as if the Trustee was an original party to the EDF Loan Agreement in relation to the Assigned Property.

12.2 Payments under the EDF Loan Agreement and action before delivery of Enforcement Notice

- (a) The Assignor shall hold on trust for the Trustee (i) any payment in respect of the Assigned Property received by the Assignor otherwise than in accordance with the Assigned Property Notice of Assignment and (ii) any payment received by the Assignor if an Act of Insolvency occurs in respect of the EDF Parent, in each case up to the amount certified by the Trustee as required to discharge the Secured Obligations in full.
- (b) The Assignor shall promptly pay to the Trustee: (i) any payment which the Assignor is required to hold on trust for the Trustee, (ii) if any such trust is invalid or unenforceable, an amount equal to the payment which it would have otherwise been bound to hold on trust for the Trustee and (iii) the amount of any obligations under the EDF Loan Agreement in respect of the Assigned Property which is discharged by set-off (including any mandatory set-off under any law following an Act of Insolvency), in each case up to the amount certified by the Trustee as required to discharge the Secured Obligations in full.
- (c) Prior to the occurrence of an Enforcement Event, the Trustee shall have no right to take any of the actions specified in Clause 12.1 (*Time for Enforcement*) above.

12.3 Payments from the Specified Account

If at any time an amount becomes due and payable under the EDF Guarantee and is not paid within five Business Days of such amount becoming due and payable, but not otherwise

or in any other circumstances or any other time, the Trustee may request or direct the withdrawal from the Specified Account of an amount equal to such due but unpaid sum and apply it in discharge of an equivalent amount of the Secured Obligations.

12.4 Trustee may exercise Receiver Powers

In addition, to the fullest extent permitted by law, any right, power or discretion conferred by this Deed (either expressly or impliedly) or by law upon a Receiver of the Security Assets may after this Security becomes enforceable be exercised by the Trustee in relation to any Security Assets without first appointing a Receiver or notwithstanding the appointment of a Receiver.

12.5 Power of sale

- (a) The power of sale or other disposal conferred on the Trustee and on the Receiver by this Deed shall operate as a variation and extension of the statutory power of sale under Section 101 of the Law of Property Act 1925 and such power shall arise (and the Secured Obligations shall be deemed due and payable for that purpose) on execution of this Deed.
- (b) The restrictions contained in Sections 93 and 103 of the Law of Property Act 1925 shall not apply to this Deed or to the exercise by the Trustee of its right to consolidate all or any of the Security created by or pursuant to this Deed with any other security in existence at any time or to their power of sale.

12.6 Certificate

A certificate in writing by an officer or agent of the Trustee that the power of sale or disposal has arisen and is exercisable shall be conclusive evidence of that fact, in favour of a purchaser of all or any part of the Security Assets.

12.7 Assignee's liability

Neither the Trustee nor any Receiver will be liable to account as mortgagee or mortgagee in possession in respect of the Security Assets or be liable for any loss upon realisation or for any neglect or default of any nature whatsoever in connection with the Security Assets for which a mortgagee or mortgagee in possession might as such be liable.

12.8 Right of Appropriation

Subject to Clause 12.3 (*Payments from the Specified Account*), to the extent that any part of the Security Assets constitutes "financial collateral" and this Deed and the obligations of the Assignor hereunder constitute a "security financial collateral arrangement" (in each case as defined in, and for the purposes of, the Financial Collateral Arrangements (No. 2) Regulations 2003 (SI 2003 No. 3226) (the "**Regulations**") the Trustee shall have the right to appropriate all or any part of such financial collateral in or towards discharge of the Secured Obligations and may exercise such right to appropriate upon giving written notice to the Assignor. For this purpose, the Parties agree that the value of such financial collateral so appropriated shall be the market price of the Security Assets determined by the Trustee by reference to such public index or by such other process as the Trustee may select, including independent valuation. The Parties further agree that the method of valuation provided for in this Deed shall constitute a commercially reasonable method of valuation for the purposes of the Regulations.

12.9 Statutory powers

The powers conferred by this Deed on the Trustee are in addition to and not in substitution for the powers conferred on mortgagees and mortgagees in possession under the Law of Property Act 1925, the Insolvency Act 1986 or otherwise by law and in the case of any conflict between the powers contained in any such Act and those conferred by this Deed the terms of this Deed will prevail.

12.10 Delegation

The Trustee may delegate in any manner to any Person any powers, authorities, rights and discretions conferred on the Trustee under this Deed. Any such delegation may be made upon such terms and conditions (including the power to sub-delegate) as the Trustee thinks fit.

13. Receivers

13.1 Appointment and Removal

At any time after having been requested to do so by the Assignor or after the Security becomes enforceable in accordance with Clause 12 (*Security Enforcement*) above, the Trustee may, in its absolute discretion, by deed or otherwise (acting through an authorised officer of the Trustee), without prior notice to the Assignor:

- (a) appoint one or more Person(s) to be a Receiver of the whole or any part of the Security Assets;
- (b) appoint one or more Receivers of separate parts of the Security Assets;
- (c) remove (so far as it is lawfully able) any Receiver so appointed; and
- (d) appoint another Person(s) as an additional or replacement Receiver(s).

13.2 Capacity of Receivers

Each Person appointed to be a Receiver pursuant to Clause 13.1 (*Appointment and Removal*) above will be:

- (a) entitled to act individually or together with any other Person appointed or substituted as Receiver;
- (b) for all purposes deemed to be the agent of the Assignor which shall be solely responsible for his acts, defaults and liabilities and for the payment of his remuneration and no Receiver shall at any time act as agent for the Trustee; and
- (c) entitled to remuneration for his services at a rate to be fixed by the Trustee from time to time (without being limited to the maximum rate specified by the Law of Property Act 1925).

13.3 Statutory powers of appointment

The powers of appointment of a Receiver conferred on the Trustee by this Deed shall be in addition to all statutory and other powers of appointment of the Trustee under the Law of

Property Act 1925 (as extended by this Deed) or otherwise and such powers shall remain exercisable from time to time by the Trustee in respect of any part of the Security Assets.

13.4 Powers of Receivers

Every Receiver shall (subject to any restrictions in the instrument appointing him but notwithstanding any winding-up or dissolution of the Assignor) have and be entitled to exercise, in relation to the Security Assets in respect of which he was appointed, and as varied and extended by the provisions of this Deed (in the name of or on behalf of the Assignor or in his own name and, in each case, at the cost of the Assignor):

- (a) all the rights, discretions and powers conferred by the Law of Property Act 1925 on mortgagors and on mortgagees in possession and on receivers appointed under that Act or otherwise conferred by applicable law;
- (b) all the rights, discretions and powers of a receiver or an administrative receiver set out in the Insolvency Act 1986 (whether or not the Receiver is an administrative receiver) or otherwise conferred by applicable law;
- (c) all the powers and rights of an absolute owner and power to do or omit to do anything which the Assignor itself could do or omit to do;
- (d) the power to delegate (either generally or specifically) the powers, authorities and discretions conferred on it by this Deed (including the power of attorney) on such terms and conditions as it shall see fit which delegation shall not preclude either the subsequent exercise any subsequent delegation or any revocation of such power, authority or discretion by the Receiver itself; and
- (e) the power to do all things (including bringing or defending proceedings in the name or on behalf of the Assignor) which seem to the Receiver to be incidental or conducive to:
 - (i) any of the functions, powers, authorities or discretions conferred on or vested in him;
 - (ii) the exercise of any of the Collateral Rights (including realisation of all or any part of the Security Assets); or
 - (iii) bringing to his hands any assets of the Assignor forming part of, or which when got in would be, the Security Assets.

13.5 Consideration

The receipt of the Trustee or any Receiver shall be an absolute and conclusive discharge to any purchaser of the Security Assets and shall relieve such purchaser of any obligation to see to the application of any monies paid to or by the direction of the Trustee or Receiver and, in making any sale or disposal of any of the Security Assets or making any acquisition, the Trustee or any Receiver may do so for such consideration, in such manner and on such terms as it thinks fit.

13.6 Protection of purchasers

No purchaser or other Person dealing with the Trustee or any Receiver shall be bound to inquire whether the right of the Trustee or such Receiver to exercise any of its powers has

arisen or become exercisable or be concerned with any propriety or regularity on the part of the Trustee or such Receiver in such dealings.

13.7 Discretions

Any liberty or power which may be exercised or any determination which may be made under this Deed by the Trustee or any Receiver may be exercised or made in its absolute and unfettered discretion without any obligation to give reasons.

14. Effectiveness of Collateral

14.1 Collateral Cumulative

The collateral constituted by this Deed and the Collateral Rights shall be cumulative, in addition to and independent of every other security which the Trustee may at any time hold for the Secured Obligations or any rights, powers and remedies provided by law. No prior security held by the Trustee over the whole or any part of the Security Assets shall merge into the collateral constituted by this Deed.

14.2 No Waiver

No failure to exercise, nor any delay in exercising, on the part of the Trustee, any Receiver or Delegate any right or remedy under this Deed shall operate as a waiver of any such right or remedy or constitute an election to affirm this Deed. No single or partial exercise of any right or remedy shall prevent any further or other exercise or the exercise of any other right or remedy of the Trustee, any Receiver or Delegate. The rights and remedies are cumulative and not exclusive of any rights or remedies provided by law.

14.3 Illegality, Invalidity, Unenforceability

If, at any time, any provision of this Deed is or becomes illegal, invalid or unenforceable in any respect under the law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions of this Deed nor the legality, validity or enforceability of such provision under the law of any other jurisdiction will in any way be affected or impaired.

14.4 No liability

None of the Trustee, its nominee(s) or any Receiver or Delegate appointed pursuant to this Deed shall be liable by reason of (a) taking any action permitted by this Deed or in exercise or purported exercise of any Collateral Right or (b) any neglect or default in connection with the Security Assets or (c) the taking possession or realisation of all or any part of the Security Assets, except in the case of gross negligence or wilful default upon their part.

14.5 Implied Covenants for Title

- (a) The covenants set out in Sections 3(1), 3(2) and 6(2) of the Law of Property (Miscellaneous Provisions) Act 1994 will not extend to Clause 3 (*Creation of Security*) above.
- (b) It shall be implied in respect of Clause 3 (*Creation of Security*) above that the Assignor is assigning the Security Assets free from all charges and encumbrances (whether monetary or not) and from all other rights exercisable by third parties (including liabilities imposed and rights conferred by or under any enactment).

14.6 Continuing security

- (a) The Security from time to time constituted by this Deed is a continuing security and will remain in full force and effect as a continuing security until released or discharged by the Trustee.
- (b) No part of the Security from time to time constituted by this Deed will be considered satisfied or discharged by any intermediate payment, discharge or satisfaction of the whole or any part of the Secured Obligations.

14.7 Immediate recourse

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

14.8 Avoidance of Payments

Notwithstanding Clause 7 (*Full release*) above, if the Trustee considers that any amount paid or credited to it is capable of being avoided or reduced by virtue of any bankruptcy, insolvency, liquidation or similar laws, the liability of the Assignor under this Deed and the Security constituted by this Deed shall continue and that amount shall not be considered to have been irrevocably paid.

14.9 Deferral of Assignor's rights

Until all the Secured Obligations have been irrevocably paid in full and unless the Trustee otherwise directs, the Assignor will not exercise any rights which it may have by reason of any amount being payable, or liability arising, under or in connection with this Deed or the EDF Loan Agreement:

- (a) to exercise any right of set-off against the EDF Parent; and/or
- (b) to claim or prove as a creditor of the EDF Parent in competition with the Trustee.

If the Assignor receives any benefit, payment or distribution in relation to such rights it shall hold that benefit, payment or distribution to the extent necessary to enable all amounts which may be or become payable to the Trustee to be repaid in full on trust for the Trustee and shall promptly pay or transfer the same to the Trustee or as the Trustee may direct.

15. Indemnity and enforcement expenses

15.1 Indemnity

The Assignor shall, notwithstanding any release or discharge of all or any part of the Security, indemnify the Trustee, its attorneys and any Receiver or Delegate against any action, proceeding, claims, losses, liabilities and costs which it may sustain as a consequence of any breach by the Assignor of the provisions of this Deed, the exercise or purported exercise of any of the rights and powers conferred on it by this Deed or otherwise relating to the Security Assets.

15.2 Enforcement expenses

The Assignor shall, within 20 Business Days of demand pay to the Trustee all the costs and expenses (including legal fees) on a full indemnity basis incurred by it in connection with the exercise, preservation and/or enforcement of any of the rights, powers or remedies of the Trustee under or in connection with the Security (including in relation to any waiver, consent or release) or any proceedings instituted by or against the Trustee as a consequence of taking or holding the Security or of enforcing any rights, powers or remedies of the Trustee.

16. Application of Proceeds

All moneys received or recovered by the Trustee or any Receiver or Delegate pursuant to this Deed or the powers conferred by it shall (subject to the claims of any Person having prior rights thereto and by way of variation of the provisions of the Law of Property Act 1925) be applied first in the payment of the costs, charges and expenses incurred and payments made by the Receiver or Delegate, the payment of his remuneration and the discharge of any liabilities incurred by the Receiver or Delegate in, or incidental to, the exercise of any of his powers, and thereafter shall be applied by the Trustee (notwithstanding any purported appropriation by the Assignor) as the Trustee shall think fit in discharge of the Secured Obligations.

17. Other Security Interests

17.1 Redemption or transfer

In the event of any action, proceeding or step being taken to exercise any powers or remedies conferred by any prior ranking security in case of exercise by the Trustee or any Receiver or Delegate of any power of sale under this Deed the Trustee may redeem such prior security or procure the transfer thereof to itself.

17.2 Accounts

The Trustee may settle and pass the accounts of the prior security and any accounts so settled and passed will be conclusive and binding on the Assignor.

17.3 Costs of redemption or transfer

All principal monies, interest, costs, charges and expenses of and incidental to any redemption or transfer will be paid by the Assignor to the Trustee within 45 days of demand as the Trustee, acting reasonably, shall specify.

17.4 Subsequent Interests

If the Trustee at any time receives notice of any subsequent mortgage, assignment, charge or other interest affecting all or any part of the Security Assets, all payments made by the Assignor to the Trustee after that time shall be treated as having been credited to a new account of the Assignor and not as having been applied in reduction of the Secured Obligations as at the time when the Trustee received notice.

18. Currency Conversion

For the purpose of or pending the discharge of any of the Secured Obligations, the Trustee may, to the extent that money which is in a currency other than Sterling is received, recovered or realised or subject to application by it under this Deed, convert such money into

Sterling, as the Trustee thinks fit and any such conversion shall be effected at the then prevailing commercial rate of exchange for obtaining Sterling with the other currency.

19. Assignment

19.1 Permitted Successors

This Deed shall be binding upon and shall inure to the benefit of each Party and its direct or subsequent legal successors, permitted transferees and assigns.

19.2 Trustee's Successors

This Deed shall remain in effect despite any amalgamation or merger (however effected) relating to the Trustee; and references to the Trustee shall include any assignee or successor in title of the Trustee and any Person who has assumed the rights and obligations of the Trustee under this Deed or to which those rights and obligations have been transferred.

19.3 Assignor's Successors

This Deed shall remain in effect despite any amalgamation or merger (however effected) relating to the Assignor; and references to the Assignor shall include any assignee or successor in title of the Assignor and any Person who has assumed the rights and obligations of the Assignor under this Deed or to which those rights and obligations have been transferred.

19.4 Divestment by Assignor

- (a) The Assignor may assign or transfer in whole or in part any of its rights and obligations under this Deed to a Person to whom rights or obligations are assigned or transferred pursuant to clause 18.2 (*Assignment*) of the EDF Guarantee:
- (b) For the avoidance of doubt, nothing in this sub-Clause shall prejudice the right of the Trustee to refuse to support any application made under sections 42 or 46 of the Pensions Act 2004 to obtain clearance from the Pensions Regulator in relation to any transaction to which this sub-Clause relates or any other rights that the Trustee may have in respect of such a transaction under the applicable law (including, without limitation, the Pensions Act 2004 as amended by the Pension Schemes Act 2021). Without prejudice to the generality of the foregoing, this paragraph is not intended to restrict in anyway the consultation obligations of the Assignor, whether owing to the Trustee, relevant works councils or otherwise.
- (c) Prior to any assignment or transfer under paragraph (a) above, the Parties will, taking into account their respective obligations under the Pensions Act 2004 (including as amended by the Pension Schemes Act 2021) have good faith discussions as to whether the arrangements documented under the Finance Documents would continue to be appropriate if the assignment or transfer occurred and a review of the amount of the Financial Support Measures (as defined in the Memorandum of Understanding) will be triggered by reference to the revised covenant support that would apply following such assignment or transfer as if clauses 2.2 to 2.4 of the Memorandum of Understanding and paragraph 1.5 of the Financial Support Appendix applied. The Assignor will use all reasonably endeavours to involve the proposed Assignee and, if applicable, the proposed Associated Guarantor in such discussions.

- (d) The Parties acknowledge that where an assignment or transfer under paragraph (a) above has occurred the Trustee reserves its rights in relation to the matters to which clause 1.3 of the Memorandum of Understanding refers.
- (e) The Trustee may transfer its rights under this Deed to the Pension Protection Fund as a result of the operation of Section 161 of and Schedule 6 to the Pensions Act 2004.

19.5 Disclosure

The Trustee and the Assignor shall be entitled to disclose such information concerning the Trustee or the Assignor or any other Person and this Deed as the Trustee or the Assignor consider appropriate to any actual or proposed direct or indirect successor or Assignee or Associated Guarantor or to any Person to whom information may be required to be disclosed by applicable law.

20. Notices

20.1 Communications in Writing

20.2 Any communication to be made under or in connection with this Agreement shall be made in writing and, unless otherwise stated, may be made by, letter, electronic mail or other electronic means and shall be delivered to, in respect of each Party, such address, or other address as is identified with its name below (or any substitute address, or other address as each Party may notify to the other Party). Such communication or document made or to be delivered under or in connection with this Deed will be effective only when actually received by the Party to which they are given, as evidenced by written acknowledgment or affidavit of hand delivery or courier receipt except in the case of notices by email which shall only be deemed to have been received when acknowledged by the relevant recipient.

20.3 All notices, communications or demands shall be valid in accordance with this Clause 20 if sent or delivered as follows:

If to the **Trustee**, to:

Address: BEGG Trustee Limited
90 Whitfield Street, London W1T 4EZ

Attention: Group Administrator for the Scheme

Email: laura.lemay@edfenergy.com

If to the **Assignor**, to:

Address: 90 Whitfield Street, London W1T 4EZ

Attention: Company Secretary

Email: Joe.Souto@edfenergy.com

21. Limited Recourse

- (a) The sole recourse of the Trustee to the Assignor under this Deed is to the Assignor's interest in the Security Assets.

- (b) The total amount recoverable by the Trustee from the Assignor in relation to the Secured Obligations under this Deed shall be limited to the amount realised from the disposal or realisation of the Security Assets and satisfied only from the proceeds of sale or other disposal or realisation of the Security Assets pursuant to this Deed.
- (c) The Trustee shall not initiate, or join any Person in initiating, any insolvency proceedings in relation to the Assignor under this Deed, provided that this Clause shall not prevent the Trustee (or any Receiver or Delegate) from taking any steps against the Assignor which do not amount to the initiation of any insolvency proceedings in relation to the Assignor.
- (d) Paragraph (c) above shall not prevent the Trustee from claiming or proving in any insolvency process of the Assignor which it did not initiate.

22. Waivers and Counterparts

22.1 Waivers

No waiver by the Trustee of any of its rights under this Deed shall be effective unless given in writing.

22.2 Counterparts

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

23. Governing Law

This Deed and any non-contractual obligations arising out of or in connection with it are governed by English law.

24. Enforcement

24.1 English Courts

The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed (including a dispute relating to the existence, validity or termination of this Deed or the consequences of its nullity) or any non-contractual obligations arising out of or in connection with this Deed.

24.2 Convenient Forum

The Parties agree that the courts of England are the most appropriate and convenient courts to settle disputes and accordingly no Party will argue to the contrary.

EXECUTED as a deed and delivered on the date stated at the beginning of this document.

Schedule 1

Form of Assigned Property Notice of Assignment

To: Electricité de France SA

[Address]

Date: [•]

Dear Sirs,

1. EDF Energy Lake Limited ("**EDF Lake**") hereby gives you notice that, pursuant to a security assignment agreement entered into by EDF Lake in favour of BEGG Trustee Limited of the British Energy Generation Group of the Electricity Supply Pension Scheme, (the "**Trustee**") dated [•] 2021 (the "**Security Assignment**") (and a copy of which is attached hereto), EDF Lake has assigned to the Trustee, by way of security, all its rights, title, interest and benefits under the loan agreement dated [•] 2021 between you and EDF Lake (the "**EDF Loan Agreement**") including all monies which may be payable pursuant to the terms of the EDF Loan Agreement (but excluding any interest payable to the Assignor under the EDF Loan Agreement).
2. Under Clause 3.1 of the Security Assignment, at any time when the Loan under the EDF Loan Agreement is split into an A Loan and a B Loan, the assignment applies only to EDF Lake's rights, title, interest and benefits arising under the EDF Loan Agreement in connection with the A Loan.
3. Unless a contrary indication appears or unless otherwise defined herein, any capitalised term used herein has the same meaning given to it in the Security Assignment.
4. We hereby irrevocably direct that:
 - (a) at all times, any money payable by you under the EDF Loan Agreement in respect of interest or in respect of the B Loan shall be made (at the time such amounts become due) by transfer to the account of EDF Lake notified to you by EDF Lake (the "**Lender's Account**") to be received free of the Security and used as EDF Lake sees fit;
 - (b) subject to paragraph (c), any amounts payable by you under the EDF Loan Agreement in respect of the Loan (or, if at the relevant time the Loan is split into an A Loan and a B Loan, the A Loan) (excluding any interest) shall be paid directly into the Specified Account (if opened at that time) or, if the Trustee so directs in writing prior to such repayment, directly to the Trustee;
 - (c) any amounts payable by you under the EDF Loan Agreement in respect of the Loan (or, if at the relevant time the Loan is split into an A Loan and a B Loan, the A Loan) (excluding any interest) on or after the earlier of: (i) the first date upon which the Trustee is satisfied that the Secured Obligations have been unconditionally and irrevocably paid or discharged in full; and (ii) the date upon which the EDF Guarantee is terminated in accordance with its terms, shall be paid (at the time that such amounts become due) by transfer to the Lender's Account to be received free of the Security and used as EDF Lake sees fit.

5. With effect from your receipt of an Enforcement Notice and subject to paragraph 2 above:
- (a) all remedies and powers that relate to the Loan (or, if at the relevant time the Loan is split into an A Loan and a B Loan, the A Loan) provided for in the EDF Loan Agreement or available at law or in equity shall be exercisable by the Trustee;
 - (b) all rights and powers to compel performance of the EDF Loan Agreement shall be exercisable by the Trustee (unless the Loan under the EDF Loan Agreement has been split into an A Loan and a B Loan in which case all rights and powers to compel performance of the EDF Loan Agreement shall be exercisable by the Trustees only insofar as such rights and powers relate to the A Loan); and
 - (c) all rights, interests and benefits whatsoever accruing to or for the benefit of ourselves arising from the Loan (or, if at the relevant time the Loan is split into an A Loan and a B Loan, the A Loan) shall belong to the Trustee.

Prior to the receipt of an Enforcement Notice, subject to paragraph 2 above and the terms of the Security Assignment, the rights, remedies and powers described above shall remain exercisable by EDF Lake.

6. EDF Lake shall continue to be solely responsible for the performance of its obligations under or in connection with the EDF Loan Agreement.
7. You are authorised and instructed, without requiring further approval from EDF Lake, to provide the Trustee with such information relating to the Loan (or, if at the relevant time the Loan is split into an A Loan and a B Loan, the A Loan) as it may from time to time reasonably request and to send copies of all notices issued by you in connection with the Loan (or, if at the relevant time the Loan is split into an A Loan and a B Loan, the A Loan) to the Trustee as well as to EDF Lake.
8. These instructions and authorisations may not be revoked, nor may the EDF Loan Agreement be amended, varied, waived or terminated, without the prior written consent of the Trustee save to the extent that, at any time that the Loan under the EDF Loan Agreement is split into an A Loan and a B Loan, the amendment, variation, restatement or waiver relates solely to the B Loan or interest under the EDF Loan Agreement.
9. Please acknowledge receipt of this notice by signing the acknowledgement on the enclosed copy letter and returning it to the Trustee at [address] marked for the attention of [individual].
10. This notice and any non-contractual obligations arising out of or in connection with it are governed by English law.

Yours faithfully,

.....

For and on behalf of

EDF ENERGY LAKE LIMITED

Acknowledgement

[On copy only]

To: [Trustee]

[Address]

[Date]

Dear Sirs,

We acknowledge receipt of a notice in the terms set out above and confirm that we have not received notice of any previous assignments or charges of or over any of the rights, interests and benefits in and to the Loan. We hereby undertake in your favour that:

1. we will comply with the terms set out in the notice;
2. we will comply with the terms of any instructions given to us by you following the delivery of any Enforcement Notice;
3. we will not exercise any rights of set-off we may have in relation to any amounts payable by us under the Loan; and
4. we will notify you of any change in any rating of our senior, unsecured debt obligations issued from time to time by Moody's, Standard & Poor's, Fitch or any other major credit rating agency except where such change has been publicly announced to the market.

Yours faithfully

.....

For and on behalf of

Electricité de France SA

Schedule 2

Form of Notice of Charge of Specified Account

To: [Account Bank]

Address: [•]

[Date]

Dear Addressee

Security Assignment and Account Security Agreement dated [•] (the "Security Agreement") between EDF Energy Lake Limited and BEGG Trustee Limited (the "Trustee")

1. This letter constitutes notice to you that under the Security Agreement we have charged by way of first fixed charge in favour of the Trustee all our rights, title and interest in all sums of money which may now or in the future be held with you for our account in the account identified in the schedule to this notice (the "**Account**") together with all interest from time to time earned on such sums and the debts represented by such sums and interest.
2. With effect from the date of your receipt of this notice:
 - (a) all sums from time to time standing to the credit of the Account should be held to the order of the Trustee;
 - (b) such sums may only be paid or released in accordance with the written instructions of the Trustee at any time;
 - (c) the terms and conditions relating to the Account may not be amended, varied or waived without the prior written consent of the Trustee; and
 - (d) we are not permitted to withdraw any amount from the Account without the prior written consent of the Trustee.
3. You are authorised and instructed, without requiring further approval from us:
 - (a) to pay all monies received by you for the Account to (and only to) the credit of the Account;
 - (b) to provide the Trustee with such information relating to the Account as it may from time to time request; and
 - (c) to comply with the terms of any written notice or instructions in any way relating to, or purporting to relate to, the Security Agreement, the sums standing to the credit of the Account from time to time or the debts represented by them which you receive at any time from the Trustee without any reference to or further authority from us and without any enquiry by you as to the justification for or validity of such notice or instruction.
4. These instructions may not be revoked without the prior written consent of the Trustee.

5. We acknowledge that you may comply with the instructions in this letter without any further permission from us.
6. Please confirm your agreement to the above by signing the attached acknowledgement and returning it to the Trustee at [*insert address and email address*] with a copy to ourselves.
7. This notice and any non-contractual obligations arising out of or in relation to this notice shall be governed by, and interpreted in accordance with, English law.

Yours faithfully

For and on behalf of

.....

EDF Energy Lake Limited as Assignor

SCHEDULE

Account Number	Sort Code
[●]	[●]

Schedule 3

Form of Acknowledgement of Account Bank

To: **BEGG TRUSTEE LIMITED** a company registered in England and Wales (company registration number 12369679) whose registered office is at 90 Whitfield Street, London W1T 4EZ in its capacity as Trustee of the Scheme.

Copy: **EDF ENERGY LAKE LIMITED**

[Date]

Dear Addressee

Security Assignment and Account Security Agreement dated [•] (the "Security Agreement") between EDF Energy Lake Limited and BEGG Trustee Limited

We confirm receipt from EDF Energy Lake Limited (the "**Assignor**") of a notice dated [•] (the "**Notice**") of a charge upon the terms of the Security Agreement over all of the Assignor's present and future claims, rights, title and interest in or to, or in respect of:

- (a) the account maintained by the Assignor with us, the details of which are set out below (as the same may be renumbered at any time, and any sub-accounts thereof, the "Account"), together with (i) all additions to or renewals or replacements of such account (in whatever currency); and (ii) all rights, benefits and proceeds in respect of such account (including interest and rights to repayment of any monies standing to the credit of such account); and
- (b) all monies at any time standing to the credit of the Account and all interest at any time accrued or accruing on such monies, all investments at any time made out of such monies or account, and all rights to repayment of any of the same.

Name of Account: [•]

Sort code: [•]

Account no. [•]

We confirm that we:

- (a) accept the instructions contained in the Notice and agree to comply with the Notice;
- (b) have not received notice of the interest of any third party in the Account or any credit balance thereof;
- (c) have neither claimed nor exercised, nor will claim or exercise, any security interest, set-off, counter-claim or other equivalent right in respect of the Account and any credit balance thereof;

- (d) will not permit any amount to be withdrawn from the Account without your prior written consent; and
- (e) we will promptly act on any written instruction received from you at any time to withdraw any amount from the Account.

We confirm our address for notices is as set out below.

This letter and any non-contractual obligations arising out of or in connection with it are governed by English law.

Yours faithfully,

.....
(Authorised signatory)
[Account Bank]

Address for notices:

[•]

SIGNATURES

THE ASSIGNOR

EXECUTED as a **DEED** by **EDF ENERGY LAKE LIMITED**
acting by two directors:



Signature of director



Signature of director

THE TRUSTEE

EXECUTED as a **DEED** by **BEGG TRUSTEE LIMITED**
acting by two directors:



Signature of director



Signature of director