

G

CHFP000

Please do not
write in
this margin

COMPANIES FORM No. 155(6)(a)

Declaration in relation to assistance for the acquisition of shares

155(6)a

Pursuant to section 155(6) of the Companies Act 1985

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

To the Registrar of Companies
(Address overleaf - Note 5)

For official use

Company number

--	--	--

03782700

Name of company

* EGGBOROUGH POWER LIMITED

Note
Please read the notes
on page 3 before
completing this form.

* insert full name
of company

Ø insert name(s) and
address(es) of all
the directors

WE Ø PETER THOMAS HOLLINS OF 10 D KINNEAR ROAD EDINBURGH
EH3 5PE
MICHAEL RALPH KIRWAN OF 18 GREENHILL GARDENS EDINBURGH
EH10 4BW
ROBERT MALCOLM ARMOUR OF 88 RAVELSTON DYRES EDINBURGH
EH12 6HE
MICHAEL JAMES LANGLEY OF 13 NELSON STREET EDINBURGH EH3 6LF

† delete as
appropriate

§ delete whichever
is inappropriate

~~The sole director~~† all the directors† of the above company do solemnly and sincerely declare that:

The business of the company is:

~~(a) that of a [recognised bank]~~† within the meaning of the Banking Act 1979§

~~(b) that of a person authorised under section 3 or 4 of the Insurance Companies Act 1982 to carry on~~
~~insurance business in the United Kingdom§~~

(c) something other than the above§

The company is proposing to give financial assistance in connection with the acquisition of shares in
the ~~company~~† ~~company's holding company~~†

Limited†

The assistance is for the purpose of ~~that acquisition~~† reducing or discharging a liability incurred for the
purpose of that acquisition†

The number and class of the shares acquired or to be acquired is: ONE MILLION AND ONE
(1,000,001) ORDINARY SHARES OF ONE POUND EACH

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

BRITISH ENERGY PLC
10 LOCHSIDE PLACE
EDINBURGH
EH12 9DF
(REF ASCM)

For official Use (02/00)
General Section

Post room



A48
COMPANIES HOUSE

0584
09/12/00

The assistance is to be given to: (note 2)

Please do not
write in
this margin

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

EGGBOROUGH POWER (HOLDINGS) LIMITED (SC 201083)

10 LOCKSIDE PLACE, EDINBURGH, MIDLOTHIAN, EH12 9DF

The assistance will take the form of:

SEE SCHEDULE 1

The person who ~~has acquired~~ ~~will acquire~~ the shares is:

† delete as
appropriate

EGGBOROUGH POWER (HOLDINGS) LIMITED (SC 201083)

10 LOCKSIDE PLACE, EDINBURGH, MIDLOTHIAN EH12 9DF

The principal terms on which the assistance will be given are:

SEE SCHEDULE 2

The amount of cash to be transferred to the person assisted is £ 35,159,728.98

The value of any asset to be transferred to the person assisted is £ 0

The date on which the assistance is to be given is WITHIN 8 WEEKS OF THE DATE HEREOF

Please do not
write in
this margin

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

* delete either (a) or
(b) as appropriate

~~1/~~We have formed the opinion, as regards the company's initial situation immediately following the date on which the assistance is proposed to be given, that there will be no ground on which it could then be found to be unable to pay its debts. (note 3)

(a) ~~1/~~We have formed the opinion that the company will be able to pay its debts as they fall due during the year immediately following that date ~~1/~~ (note 3)

~~(b) [It is intended to commence the winding up of the company within 12 months of that date, and I/we have formed the opinion that the company will be able to pay its debts in full within 12 months of the commencement of the winding up.]* (note 3)~~

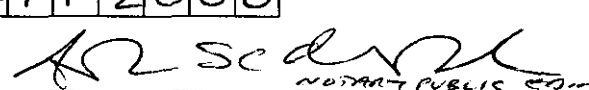
And ~~1/~~we make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act 1835.

Declared at EAST KILBRIDE

Declarants to sign below

on

Day	Month	Year
22	11	2000

before me 
NOTARY PUBLIC EDINBURGH
ANDREW STEWART CAMERON MACMILLAN
A Commissioner for Oaths or Notary Public or Justice of
the Peace or a Solicitor having the powers conferred on
a Commissioner for Oaths.

NOTES

- 1 For the meaning of "a person incurring a liability" and "reducing or discharging a liability" see section 152(3) of the Companies Act 1985.
- 2 Insert full name(s) and address(es) of the person(s) to whom assistance is to be given; if a recipient is a company the registered office address should be shown.
- 3 Contingent and prospective liabilities of the company are to be taken into account - see section 156(3) of the Companies Act 1985.
- 4 The auditors report required by section 156(4) of the Companies Act 1985 must be annexed to this form.
- 5 The address for companies registered in England and Wales or Wales is:-

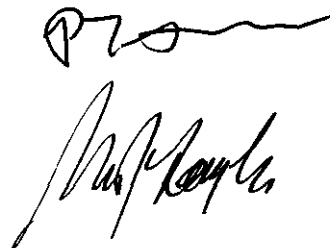
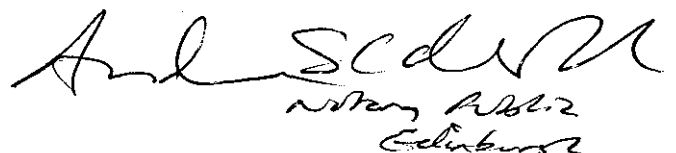
The Registrar of Companies
Companies House
Crown Way
Cardiff
CF14 3UZ

or, for companies registered in Scotland:-

The Registrar of Companies
37 Castle Terrace
Edinburgh
EH1 2EB

Schedule 1 to Statutory Declaration dated 22 November 2000

The execution, delivery and performance by the Company of its obligations under the Intercompany Loan Agreement to be dated on or about the date hereof between the Company and Eggborough Power (Holdings) Limited. In accordance with the terms of the Loan Agreement, no amount of interest shall be charged by the Company on the loan to be made to Eggborough Power (Holdings) Limited by the Company.

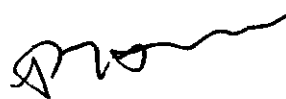
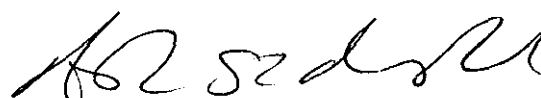

A handwritten signature in black ink, appearing to be 'P. J. ...'.A handwritten signature in black ink, followed by the text 'notary Public' and 'Edinburgh' on two separate lines.

overdue default interest) from the due date up to the date of actual payment at a rate of 5% (five per cent) per annum above the base rate for the time being of the Royal Bank of Scotland plc;

- (f) EPHL shall indemnify the Company on demand against all payments and liabilities (other than the repayment of principal and the payment of any default interest thereon) incurred by the Company as a consequence of any default by EPHL in the performance of any of the obligations expressed to be assumed by it in the Intercompany Loan Agreement.

In the Intercompany Loan Agreement:

"**Repayment Date**" means each date specified by the Company to EPHL in a notice delivered under the Intercompany Loan Agreement to repay the principal amount of the loan or such part thereof as specified in such notice.



Notary Public
Glasgow

Schedule 2 to Statutory Declaration dated 22 November 2000

Financial assistance will be given as follows:

1. INTERCOMPANY LOAN AGREEMENT

By Eggborough Power Limited (the "**Company**") entering into and performing its obligations under the Loan Agreement (the "**Intercompany Loan Agreement**") between the Company and Eggborough Power (Holdings) Limited ("**EPHL**") dated on or about the date hereof, which provides that:

- (a) the Company intends to withdraw the amount of £35,159,728.98 standing to the credit of the Company's Debt Service Reserve Account No. 10002348 with Barclays Bank PLC (the "**Withdrawn Amount**") on or about the date hereof and procuring that British Energy plc put in place therefor a letter of credit in accordance with the provisions of the accounts agreement dated 8 September 2000 (as amended by an amendment letter dated 24 October 2000) between the Company and Barclays Bank PLC as agent and account bank (the "**Relevant DSRA Letter of Credit**")
- (b) the Company has agreed, upon and subject to the terms and conditions of the Intercompany Loan Agreement, to make an interest-free loan to EPHL to assist EPHL to meet its payment obligations under an agreement dated 24 March 2000 between EPHL and British Energy plc relating to a loan in connection with the sale and purchase of the business carried on at Eggborough power station and under other ancillary and related agreements and for EPHL's general corporate purposes;
- (c) the Company shall forthwith upon withdrawing the Withdrawn Amount from the said Debt Service Reserve Account make the advance to EPHL to such amount as EPHL may specify in the same amount (the "**Advance Amount**"). The maximum amount outstanding at any time under the Intercompany Loan Agreement (excluding default interest) shall not exceed the Advance Amount;
- (d) the Company shall be entitled at any time by notice in writing served on EPHL to request the repayment forthwith of all or any part of the loan provided that, at the time of service of notice by the Company, no demand has been made under the Relevant DSRA Letter of Credit;
- (e) no interest shall be payable on the loan or any part thereof or any other sums passing under the Intercompany Loan Agreement, unless the loan or any part thereof is not repaid on the applicable Repayment Date. In this case, EPHL shall, on demand by the Company, pay interest on such overdue amount (including

G

CHFP000

Please do not
write in
this margin

COMPANIES FORM No. 155(6)(a)

Declaration in relation to
assistance for the acquisition
of shares

155(6)a

Pursuant to section 155(6) of the Companies Act 1985

Please complete
legibly, preferably
in black type, or
bold block letteringTo the Registrar of Companies
(Address overleaf - Note 5)

For official use

Company number

--	--	--

03782700

Name of company

* EGGBOROUGH POWER LIMITED

Note
Please read the notes
on page 3 before
completing this form.* insert full name
of companyWe ~~0~~ PETER THOMAS HOLLINS OF 10D KINNEAR ROAD EDINBURGH
EH3 5PEØ insert name(s) and
address(es) of all
the directorsMICHAEL RALPH KIRWAN OF 18 GREENHILL GARDENS EDINBURGH
EH10 4BWROBERT MALCOLM ARMOUR OF 88 RAVELSTON DYKES EDINBURGH
EH12 6HE

MICHAEL JAMES LANGLEY OF 13 NELSON STREET EDINBURGH EH3 6LF

† delete as
appropriate~~the sole director~~† all the directors† of the above company do solemnly and sincerely declare that:

The business of the company is:

§ delete whichever
is inappropriate(a) ~~that of a [recognised bank] licensed institution† within the meaning of the Banking Act 1979§~~(b) ~~that of a person authorised under section 3 or 4 of the Insurance Companies Act 1982 to carry on
insurance business in the United Kingdom§~~

(c) something other than the above§

The company is proposing to give financial assistance in connection with the acquisition of shares in
the ~~company~~† ~~company's holding company~~ _____

Limited†

The assistance is for the purpose of ~~that acquisition~~† reducing or discharging a liability incurred for the
purpose of that acquisition†The number and class of the shares acquired or to be acquired is: ONE MILLION AND
ONE (1,000,001) ORDINARY SHARES OF ONE POUND EACHPresentor's name address and
reference (if any) :BRITISH ENERGY PLC
10 LOCHSIDE PLACE
EDINBURGH
EH12 9DF
(REF ASCM)For official Use (02/00)
General Section

The assistance is to be given to: (note 2)

Please do not
write in
this margin

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

EGGBOROUGH POWER (HOLDINGS) LIMITED (SC 201083),

10 LOCHSIDE PLACE, EDINBURGH, MIDLOTHIAN EH12 9DF

The assistance will take the form of:

SEE SCHEDULE 1

The person who ~~has acquired~~ ~~will acquire~~ the shares is:

+ delete as
appropriate

EGGBOROUGH POWER (HOLDINGS) LIMITED (SC 201083),

10 LOCHSIDE PLACE, EDINBURGH, MIDLOTHIAN EH12 9DF

The principal terms on which the assistance will be given are:

SEE SCHEDULE 2

The amount of cash to be transferred to the person assisted is £ 35,159,728.98

The value of any asset to be transferred to the person assisted is £ 0

The date on which the assistance is to be given is WITHIN 8 WEEKS OF DATE HEREOF

Please do not
write in
this margin

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

* delete either (a) or
(b) as appropriate

~~1~~ We have formed the opinion, as regards the company's initial situation immediately following the date on which the assistance is proposed to be given, that there will be no ground on which it could then be found to be unable to pay its debts. (note 3)

(a) ~~1~~ We have formed the opinion that the company will be able to pay its debts as they fall due during the year immediately following that date¹ (note 3)

~~(b) It is intended to commence the winding up of the company within 12 months of that date, and I/we have formed the opinion that the company will be able to pay its debts in full within 12 months of the commencement of the winding up.* (note 3)~~

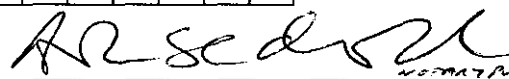
And ~~1~~ we make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act 1835.

Declared at EDINBURGH

Declarants to sign below

on

Day	Month	Year
22	11	2000

before me 
ANDREW STEWART CAMERON MACMILLAN NOTARY PUBLIC
EDINBURGH
A Commissioner for Oaths or Notary Public or Justice of
the Peace or a Solicitor having the powers conferred on
a Commissioner for Oaths.

NOTES

- 1 For the meaning of "a person incurring a liability" and "reducing or discharging a liability" see section 152(3) of the Companies Act 1985.
- 2 Insert full name(s) and address(es) of the person(s) to whom assistance is to be given; if a recipient is a company the registered office address should be shown.
- 3 Contingent and prospective liabilities of the company are to be taken into account - see section 156(3) of the Companies Act 1985.
- 4 The auditors report required by section 156(4) of the Companies Act 1985 must be annexed to this form.
- 5 The address for companies registered in England and Wales or Wales is:-


The Registrar of Companies
Companies House
Crown Way
Cardiff
CF14 3UZ

or, for companies registered in Scotland:-

The Registrar of Companies
37 Castle Terrace
Edinburgh
EH1 2EB

Schedule 1 to Statutory Declaration dated 22 November 2000

The execution, delivery and performance by the Company of its obligations under the Intercompany Loan Agreement to be dated on or about the date hereof between the Company and Eggborough Power (Holdings) Limited. In accordance with the terms of the Loan Agreement, no amount of interest shall be charged by the Company on the loan to be made to Eggborough Power (Holdings) Limited by the Company.

A handwritten signature in black ink, appearing to read 'McKinnon'.A handwritten signature in black ink, appearing to read 'R. J.'.A handwritten signature in black ink, appearing to read 'R. Seddon'.

Notary Public
Edinburgh

Schedule 2 to Statutory Declaration dated 22 November 2000

Financial assistance will be given as follows:

1. INTERCOMPANY LOAN AGREEMENT

By Eggborough Power Limited (the "**Company**") entering into and performing its obligations under the Loan Agreement (the "**Intercompany Loan Agreement**") between the Company and Eggborough Power (Holdings) Limited ("**EPHL**") dated on or about the date hereof, which provides that:

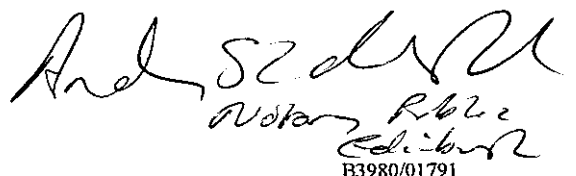
- (a) the Company intends to withdraw the amount of £35,159,728.98 standing to the credit of the Company's Debt Service Reserve Account No. 10002348 with Barclays Bank PLC (the "**Withdrawn Amount**") on or about the date hereof and procuring that British Energy plc put in place therefor a letter of credit in accordance with the provisions of the accounts agreement dated 8 September 2000 (as amended by an amendment letter dated 24 October 2000) between the Company and Barclays Bank PLC as agent and account bank (the "**Relevant DSRA Letter of Credit**")
- (b) the Company has agreed, upon and subject to the terms and conditions of the Intercompany Loan Agreement, to make an interest-free loan to EPHL to assist EPHL to meet its payment obligations under an agreement dated 24 March 2000 between EPHL and British Energy plc relating to a loan in connection with the sale and purchase of the business carried on at Eggborough power station and under other ancillary and related agreements and for EPHL's general corporate purposes;
- (c) the Company shall forthwith upon withdrawing the Withdrawn Amount from the said Debt Service Reserve Account make the advance to EPHL to such account as EPHL may specify in the same amount (the "**Advance Amount**"). The maximum amount outstanding at any time under the Intercompany Loan Agreement (excluding default interest) shall not exceed the Advance Amount;
- (d) the Company shall be entitled at any time by notice in writing served on EPHL to request the repayment forthwith of all or any part of the loan provided that, at the time of service of notice by the Company, no demand has been made under the Relevant DSRA Letter of Credit;
- (e) no interest shall be payable on the loan or any part thereof or any other sums passing under the Intercompany Loan Agreement, unless the loan or any part thereof is not repaid on the applicable Repayment Date. In this case, EPHL shall, on demand by the Company, pay interest on such overdue amount (including

overdue default interest) from the due date up to the date of actual payment at a rate of 5% (five per cent) per annum above the base rate for the time being of the Royal Bank of Scotland plc;

- (f) EPHL shall indemnify the Company on demand against all payments and liabilities (other than the repayment of principal and the payment of any default interest thereon) incurred by the Company as a consequence of any default by EPHL in the performance of any of the obligations expressed to be assumed by it in the Intercompany Loan Agreement.

In the Intercompany Loan Agreement:

"Repayment Date" means each date specified by the Company to EPHL in a notice delivered under the Intercompany Loan Agreement to repay the principal amount of the loan or such part thereof as specified in such notice.



Notary Public
Edinburgh

The Directors
Eggborough Power Limited
10 Lochside Place
EDINBURGH
EH12 9DF

PricewaterhouseCoopers
PO Box 90
Erskine House
68-73 Queen Street
Edinburgh EH2 4NH
Telephone +44 (0) 131 226 4488
Facsimile +44 (0) 131 260 4008
Direct Phone 0131 260 4260
Direct Fax 0131 260 4008

22 November 2000

Dear Sirs

Auditors' report to the directors of Eggborough Power Limited pursuant to Section 156(4) of the Companies Act 1985

We have examined the attached statutory declaration of the directors of Eggborough Power Limited ('the Company') dated 22 November 2000 in connection with the proposal that the Company should give financial assistance for the purchase of 1,000,001 of the ordinary shares of the Company.

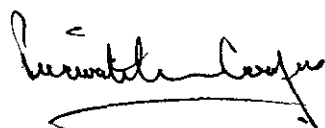
Basis of opinion

We have enquired into the state of the Company's affairs in order to review the bases for the statutory declaration.

Opinion

We are not aware of anything to indicate that the opinion expressed by the directors in their declaration as to any of the matters mentioned in Section 156(2) of the Companies Act 1985 is unreasonable in all the circumstances.

Yours faithfully



PricewaterhouseCoopers

Chartered Accountants and Registered Auditors