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COMPANIES FORM No. 402

402**Particulars of a mortgage or charge**

Pursuant to Article 402(1) of the Companies (Northern Ireland) Order 1986

Please do not
write in
this marginPlease complete
legibly, preferably
in black type, or
bold block lettering

To the Registrar of Companies

For official use

Company Number

NI 26421

Name of company

* insert full name of
company***Premier Transmission Limited (the "Assignor")**

Date of creation of the charge

18 March 2005

Description of the Instrument (if any) creating or evidencing the charge (note 2)

Assignment in Security (the "Charge")

Amount secured by the mortgage or charge

The Secured Liabilities**See Paper Apart 1**

Names and addresses of the mortgages or persons entitled to the charge

**Prudential Trustee Company Limited (as security trustee for the Senior Creditors)
(the "Security Trustee"), Laurence Pountney Hill, London**

Postcode

EC4R 0HHPresentor's name, address and
Reference (if any):**L'Estrange & Brett
Arnott House
12/16 Bridge Street
Belfast
BT1 1LS**For official use
Public Office

Mortgage Section

**DEPARTMENT OF ENTERPRISE
TRADE & INVESTMENT****14 JUL 2005****POST RECEIVED
COMPANIES REGISTRY**

Ref: DA/DLM/ 45890/431

Short particulars of all the property mortgaged or charged

(1) the Contracts; and

(2) all rights of the Assignor relative thereto.

The Assignor undertakes that it shall not during the Security Period create, incur, assume or permit to subsist any Security Interest on all or any part of the Assigned Rights save for:-

(a) any Security Interest arising under or pursuant to or expressly permitted by the terms of any Finance Document (including all Permitted Security Interests); or

(b) any Security Interest created with the prior written consent of the Security Trustee.

Please do not
write in this
margin

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

Particulars as to commission, allowance or discount (note 3)

Nil

Signed

L. Estrada & B. Bell

Date

8/7/05

On behalf of ~~company~~ mortgagee/chargee*

* delete as
appropriate

Notes

1. The original instrument (if any) creating or evidencing the charge, together with these prescribed particulars correctly completed must be delivered to the Registrar of Companies within 21 days after the date of creation of the charge (Article 402). If the property is situated and the charge was created outside the United Kingdom delivery to the Registrar must be effected within 21 days after the date on which the instrument could in due course of post, and if dispatched with due diligence, have been received in the United Kingdom (Article 405). A copy of the instrument creating the charge will be accepted where the property charged is situated and the charge was created outside the United Kingdom (Article 405), and in such cases the copy must be verified to be a correct copy either by the company or by the person who has delivered or sent the copy to the Registrar. The verification must be signed by or on behalf of the person giving the verification and where this is given by a body corporate it must be signed by an officer of that body. A verified copy will also be accepted where Article 405(4) applies (property situate in Great Britain) and Form No.405 is submitted.

2. A description of the instrument, eg "Trust Deed", "Debenture", "Mortgage" or "Legal charge", etc, as the case may be, should be given.

3. In this Box there should be inserted the amount or rate per cent, of the commission, allowance or discount (if any) paid or made either directly or indirectly by the company to any person in consideration of his:

(a) subscribing or agreeing to subscribe, whether absolutely or conditionally, or

(b) procuring or agreeing to procure subscriptions, whether absolute or conditional,

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

4. If any of the spaces in this form are insufficient the particulars must be entered on the prescribed continuation sheet.

This is the Paper Apart 1 referred to in the foregoing Form 395 in respect of an Assignment in Security dated 18 March 2005 and granted by Premier Transmission Limited (Company Number NI26421) in favour of Prudential Trustee Company Limited

Amount secured by the mortgage or charge:

All present and future obligations and liabilities (whether actual or contingent and whether owed jointly or severally or in any other capacity whatsoever) of:

- (a) the Issuer to any Senior Creditor under any Finance Document; and
- (b) the Assignor to any Senior Creditor under any Finance Document,

in each case together with all costs, charges and expenses incurred by any Senior Creditor in connection with the protection, preservation or enforcement of its rights under the Finance Documents or any other document evidencing or securing any such liabilities, except for any obligation or liability which, if it were so included, would result in the Charge contravening any law (including article 161 of the Companies (Northern Ireland) Order 1986) (the **"Secured Liabilities"**).

See Paper Apart 2 for Definitions.

This is the Paper Apart 2 referred to in the foregoing Form 395 in respect of an Assignment in Security dated 18 March 2005 and granted by Premier Transmission Limited (Company Number NI26421) in favour of Prudential Trustee Company Limited

In the interpretation of this Form 395:

Accounts Agreements" means:

- a) the accounts agreement dated on or about the date of the Collateral Deed between the Bond Trustee, the Issuer, FGIC and the Security Trustee (all as defined therein); and
- b) the accounts mandate agreement dated on or about the date of the Collateral Deed between the Account Bank, the Bond Trustee, the Assignor, the Issuer, FGIC and the Security Trustee;

"Accounts Charges" means the PTL Accounts Charge and the PTF Accounts Charge (both as defined in the Collateral Deed);

"Assignment in Security" means the Charge;

"Authority" means the Northern Ireland Authority for Energy Regulation and any successor or replacement body which takes over its functions;

"Authority Comfort Letter" means the letter from the Authority addressed to, *inter alia*, the Assignor, FGIC and the Security Trustee dated on or about the date of the Collateral Deed in relation to, amongst other things, the actions which the Authority may take with respect to a revocation of the PTL Licence (all as defined therein);

"Authority Security Consent Letter" means the letter from the Authority addressed to the Assignor, the Issuer, Holdings, Northern Ireland Energy Holdings Limited and the Security Trustee dated on or about the date of the Collateral Deed in relation to the grant of the Security Documents and the ability of the Security Trustee to enforce its rights thereunder (all as defined therein);

"Barclays Swap Agreement" means the ISDA Master Agreement dated on or about the date of the Collateral Deed between the Issuer and the Barclays Swap Counterparty together with all related schedules and confirmations (all as defined therein);

"Barclays Swap Guarantee" means the financial guarantee no. UK 05080008 dated on or about the date of the Collateral Deed in respect of the Barclays Swap Agreement pursuant to which FGIC has guaranteed payments under the Barclays Swap Agreement;

"BGE (UK)" means BGE (UK) Ltd;

"BGE (UK) Direct Agreement" means the direct agreement in relation to the Transportation Agreement dated on or about the date of the Collateral Deed between the Assignor, BGE (UK) and the Security Trustee;

"Bonds" means the Bonds, Coupons, Receipts and Talons (each as defined in the Bond Trust Deed);

"Bond and Floating Charge" means the bond and floating charge governed by the laws of Scotland to be granted by the Assignor in favour of the Security Trustee as security for the Secured Liabilities (all as defined therein);

"Bond Documents" means:

- a) the Bonds;
- b) the Bond Trust Deed;
- c) the Fee Letters;
- d) the Financial Guarantee;
- e) the Guarantee and Reimbursement Agreement;
- f) the FGIC Fee Letter;
- g) the Indemnification Agreement;
- h) the Offering Circular;
- i) the Paying Agency Agreement;
- j) the Subscription Agreement; and
- k) any document which amends any of the documents listed above;

"Bond Trust Deed" means the trust deed dated on or about the date of the Collateral Deed between the Bond Trustee, the Issuer and FGIC and constituting the Bonds;

"Bond Trustee" means Prudential Trustee Company Limited;

"CEC" means The Crown Estate Commissioners on behalf of the Queen's Most Excellent Majesty acting in exercise of the powers of the Crown Estate Act 1961;

"CEC Agreements" means:

- a) the Lease of Easement dated 3 December 1996 between The Queen's Most Excellent Majesty, CEC, the Assignor and British Gas plc, and
- b) the Minute of Agreement dated 26 November 1996 and 20 February 1997 between CEC on behalf of the Queen's Most Excellent Majesty, the Assignor and British Gas plc,

in each case as varied and amended by the CEC Novation Documents;

"CEC Direct Agreement" means the direct agreement in relation to the CEC Agreements dated on or about the date of the Collateral Deed between CEC, the Assignor and the Security Trustee;

"CEC Novation Documents" means:

- a) a deed of novation (incorporating variations) between (1) the Queen's Most Excellent Majesty (2) CEC (3) the Assignor (4) BG Energy Holdings Limited and (5) the Issuer and entered into on or shortly prior to the date of the Collateral Deed;
- b) a novation agreement dated 13 December 1999 between (1) the Queen's Most Excellent Majesty (2) CEC (3) Transco plc (under one of its former names, BG plc) and (4) BGE Energy Holdings Limited; and
- c) a novation agreement dated 8 and 9 December 1999 between Transco plc (under one of its former names, BG plc) (2) CEC and (3) BGE Energy Holdings Limited;

"Collateral Deed" means the collateral deed dated on or around the date of the Charge and entered into between the Issuer, the Security Trustee, the Bond Trustee and FGIC (all as defined therein) (to which the Chargor has acceded on the date of the Charge);

"Contracts" means the contracts of the Assignor, particulars of which are set out in Part I of the Schedule to the Charge (and set out in Paper Apart 3);

"Controlling Creditor" means FGIC unless and until:

a) such time as the Security Trustee has received notice (a copy of which shall be served on FGIC) from the Bond Trustee that an FGIC Default has occurred and is continuing (and has not otherwise been waived by or cured to the satisfaction of the Bond Trustee);

b) the date on which the Financial Guarantee and the Swap Guarantees terminate,

when, in either case, the Controlling Creditor means the Bond Trustee;

"DETI" means the Department of Enterprise, Trade and Investment including any successor or replacement body which takes over its functions;

"DETI Comfort Letter" means the letter from DETI addressed to, amongst others, the Assignor, FGIC and the Security Trustee dated on or about the date of the Collateral Deed in relation to, amongst other things, the actions which DETI may take with respect to a revocation of the PTL Licence;

"Direct Agreements" means:

a) the CEC Direct Agreement; and

b) the BGE (UK) Direct Agreement;

"Enabling Loan Agreement" means the loan agreement dated on or about the date of the Collateral Deed between the Issuer, the Assignor and the Security Trustee (all as defined therein);

"ERDF Document" means the letters relating the European Regional Development Funding between the Department of Economic Development and the Assignor dated 24 May 2003 and 22 November 1994 and accepted by the Assignor, as amended from time to time (all as defined therein);

"ERDF Subordination Letter" means the subordination letter dated on or about the date of the Collateral Deed from DETI and addressed to the Assignor and the Security Trustee (all as defined therein);

"Fee Letters" means the fee letters between the Obligors, the Bond Trustee, the Liquidity Facility Provider, the Principal Paying Agent and the Security Trustee (all as defined therein);

"FGIC" means the Financial Guaranty Insurance Company;

"FGIC Default" has the meaning given to it in the Intercreditor and Security Trust Deed;

"FGIC Fee" has the meaning given to that term in the Guarantee and Reimbursement Agreement;

"FGIC Fee Letter" means the side letter between FGIC and the Issuer dated on or about the date of the Collateral Deed in respect to the FGIC Fee and the Swap Guarantee Fee and other amounts payable by the Issuer in consideration of the issue of the Financial Guarantee and the Swap Guarantees;

"Final Offering Circular" means the final offering circular dated 9 March 2005 for use in connection with the issue of the Bonds;

"Finance Documents" means:

- a) the Collateral Deed;
- b) the Accounts Agreements;
- c) the Bond Documents;
- d) the Enabling Loan Agreement;
- e) the ERDF Document;
- f) the ERDF Subordination Letter;
- g) the Intercompany Loan Agreement;
- h) the Liquidity Facility Agreement;
- i) the Swap Agreements;
- j) the Swap Guarantees;
- k) the PTL Deed of Accession;
- l) the Direct Agreements;
- m) the Authority Comfort Letter;
- n) the Authority Security Consent Letter;
- o) the DETI Comfort Letter;

- p) the Security Documents;
- q) any other document designated as such under the Collateral Deed by the Controlling Creditor and the Assignor; and
- r) any document that amends any of the documents listed above;

"Financial Guarantee" means the financial guarantee no UK05080001 dated on or about the date of the Collateral Deed in respect of the Bonds pursuant to which FGIC has guaranteed scheduled payments of principal and interest in respect of the Bonds;

"Gas Order" means the Gas (Northern Ireland) Order 1996 (as amended);

"Guarantee" means the guarantee granted by the Chargor pursuant to Clause 15 (Guarantee) of the Collateral Deed;

"Guarantee and Reimbursement Agreement" means the agreement dated on or about the date of the Collateral Deed whereby the Issuer agrees, amongst other things, to indemnify FGIC for any payments made by FGIC under the Financial Guarantee and the Swap Guarantees;

"Holdings Security Agreement" means the debenture governed by the laws of Northern Ireland dated on or about the date of the Collateral Deed granted by Holdings in favour of the Security Trustee as security for the Secured Liabilities (all as defined therein);

"Indemnification Agreement" means the agreement dated 9 March 2005 between the Issuer, FGIC and the Managers (all as defined therein);

"Intercompany Loan Agreement" means the loan agreement dated on or about the date of the Collateral Deed between the Issuer, the Security Trustee and the Assignor (all as defined therein);

"Intercreditor and Security Trust Deed" means the intercreditor and security trust deed dated on or around the date of the Collateral Deed and entered into among *inter alios* the Bond Trustee, FGIC, the Issuer, the Liquidity Facility Provider and the Security Trustee (all as defined therein);

"Issuer" means Premier Transmission Financing plc, incorporated under the laws of Northern Ireland (registered number NI053751) whose registered office is at Ballylumford Power Station, Islandmagee, Larne, Co Antrim BT40 3RS;

"Liquidity Facility Agreement" means the liquidity facility agreement documenting a £4,500,000 working capital facility and a £4,500,000 reserve liquidity facility to be entered into between the Assignor, Barclays Bank plc and the Security Trustee (all as defined therein);

"Offering Circulars" means the Final Offering Circular and the Preliminary Offering Circular and references to 'Offering Circular' shall be construed as references to either of them;

"NI Debentures" means the PTL NI Debenture and PTF NI Debenture (both as defined in the Collateral Deed);

"Paying Agency Agreement" means the paying agency agreement dated on or about the date of the Collateral Deed between, amongst others, the Paying Agents and the Bond Trustee (all as defined therein);

"Permitted Security Interest" means:

- a) any Security Interest arising under the Finance Documents or as expressly permitted by a Finance Document;
- b) any lien or other Security Interest arising solely by operation of law;
- c) any Security Interest arising from retention of title rights on normal commercial terms in respect of goods supplied, including contractual liens and rights of set-off in respect of goods or services supplied, in the ordinary course of the business of the Assignor;
- d) any Security Interest granted by the Assignor to CEC in respect of decommissioning obligations pursuant to the arrangements set out in the schedule to the deed of novation referred to in paragraph (a) of the definition of "CEC Novation Documents";
- e) any Security Interest granted by the Assignor to BGE (UK) in respect of the Escrow Account (as defined in the BGE (UK) Direct Agreement); and
- f) any Security Interest approved in writing by the Controlling Creditor;

"Preliminary Offering Circular" means the preliminary offering circular or circulars prepared in relation to the Bonds;

"PTF Security Assignment" means the security assignment of agreements governed by the laws of England and Wales dated on or about the date of the Collateral Deed granted by the Issuer in favour of the Security Trustee as security for the Secured Liabilities (all as defined therein) ;

"PTL Deed of Accession" means a deed in the form set out in Schedule 9 (*Form of PTL Deed of Accession*) of the Collateral Deed;

"PTL Licence" means the licence to convey gas dated 3 March 2005 granted to the Assignor under the Gas Order (as such licence may, from time to time, be amended);

"PTL Security Assignment" means the security assignment of agreements and insurance governed by the laws of England and Wales to be granted by the Assignor in favour of the Security Trustee as security for the Secured Liabilities (all as defined therein);

"RBC Swap Agreement" means the ISDA Master Agreement dated on or about the date of the Collateral Deed between the Issuer and the RBC Swap Counterparty together with all related schedules and confirmations (all as defined therein);

"RBC Swap Counterparty" means Royal Bank of Canada actions through its London branch;

"RBC Swap Guarantee" means the financial guarantee no. UK 05080003 dated on or about the date of the Collateral Deed in respect of the RBC Swap Agreement pursuant to which FGIC has guaranteed payments under the RBC Swap Agreement;

"Scottish Agreement" means the minute of agreement governed by Scots law, dated 12 November 1996, 26 November 1996 and 20 February 1997 and made between, amongst others, The Crown Estate Commissioners and the Assignor which regulates, *inter alia*, the rights granted by The Crown Estate Commissioners in respect of the laying of a pipeline on the foreshore and bed of the River Cree and Palnure Burn and foreshore and seabed from Rhin's Peninsula, Wigtownshire to the Scotland/Northern Ireland territorial sea boundary;

"Security Documents" means:

- a) the Accounts Charges;
- b) the Assignment in Security;
- c) the Bond and Floating Charge;

- d) the Holdings Security Agreement;
- e) the PTL Security Assignment;
- f) the PTF Security Assignment;
- g) the NI Debentures;
- h) the Standard Security;
- i) the Intercreditor and Security Trust Deed;
- j) any other document from time to time executed in favour of the Security Trustee for the purpose of securing all or any of the Secured Liabilities;
- k) any other document or agreement entered into pursuant to, or contemplated in, any of the foregoing, including all notices and acknowledgements of assignment, and
- l) any deed of accession entered into in respect of any document referred to in paragraphs (a) to (i);

"Security Interest" means any mortgage, standard security, pledge, lien, charge, assignment, hypothecation, security interest or any other agreement or arrangement having a similar effect;

"Security Period" means the period beginning on the date of the Charge and ending on the Senior Discharge Date;

"Senior Creditor" has the meaning given to it in the Intercreditor and Security Trust Deed;

"Senior Discharge Date" has the meaning given in the Intercreditor and Security Trust Deed;

"SNIP" means all gas plan owned and/or operated and/or utilised by the Assignor from and about Twynholm in Scotland to and in Northern Ireland (comprising in respect of Northern Ireland, the Network as defined in the PTL Licence);

"SNIP Business" means the business of the Assignor in conveying, or participating in the conveyance of, gas through SNIP and all activities and matters connected or incidental thereto (including the entering into and performance of the Finance Documents) and any other activities and matters (including any social enhancement projects) approved by the Authority and the Controlling Creditor from time to time;

"Standard Security" means the standard security governed by the laws of Scotland to be granted by the Assignor in favour of the Security Trustee as security for the Secured Liabilities (all as defined therein);

"Subscription Agreement" means the agreement dated 9 March 2005 made between the Issuer and the Managers in respect of the Bonds (all as defined therein);

"Swap Agreements" means the Barclays Swap Agreement and the RBC Swap Agreement;

"Swap Guarantees" means the Barclays Swap Guarantee and the RBC Swap Guarantee;
and

"Swap Guarantee Fee" has the meaning given to that term in the Guarantee and Reimbursement Agreement.

This is the Paper Apart 3 referred to in the foregoing Form 395 in respect of an Assignment in Security dated 18 March 2005 and granted by Premier Transmission Limited (Company Number NI26421) in favour of Prudential Trustee Company Limited

THE SCHEDULE

Part I - The Contracts

1. The Scottish Agreement.
2. Any document which replaces or supplements any of the documents referred to in this Part I of the Schedule.
3. Any other agreement governed by Scots Law to which the Assignor or the Issuer is a party for the time being and which relates to the SNIP Business.
4. Any other agreement designated as a Contract for the purposes of the Charge by the Assignor and the Security Trustee in writing.
5. Any side letter relating to any of the documents referred to in this Part I of the Schedule.



NI026421

CERTIFICATE OF REGISTRATION OF A MORTGAGE

Pursuant to Article 409(3) of the
Companies (Northern Ireland) Order 1986

I HEREBY CERTIFY that a Assignment in Security dated the
EIGHTEENTH day of MARCH two-thousand and FIVE and created
by

Premier Transmission Limited

for securing all monies now due, or hereafter to become due, or
from time to time accruing due from the Company to

PRUDENTIAL TRUSTEE COMPANY LIMITED

on any account whatsoever, was this day REGISTERED pursuant to
Part XIII of the Companies (Northern Ireland) Order 1986.

Given under my hand at Belfast, this FOURTEENTH day of JULY
Two Thousand and FIVE

The time of registration having been extended to the TWENTY-
FIRST day of JULY Two Thousand and FIVE by Order of the High
Court of Justice in Northern Ireland (Chancery Division) dated the
THIRTIETH day of JUNE Two Thousand and FIVE.

For the Registrar of Companies
for Northern Ireland