

Nuclear Administration and Statutory Transfers Agreement

Dated _____

THE SECRETARY OF STATE FOR ENERGY SECURITY AND
NET ZERO

as the Secretary of State

SIZEWELL C LIMITED

as GenCo

SIZEWELL C (PLEDGECO) LIMITED

as PledgeCo

SIZEWELL C (HOLDING) LIMITED

as HoldCo

THE ENTITIES LISTED IN SCHEDULE 1

as the HoldCo Shareholders

and

[REDACTED]

as the Security Trustee

Disclaimer

IMPORTANT NOTE: This document and its contents (this “**Document**”) is provided by His Majesty’s Government (“**HMG**”) to each recipient on the understanding that:

- This Document is provided for information and discussion purposes only to assist in the development of proposals for a RAB new nuclear project at Sizewell C (the “**Project**”).
- This Document is provided on the condition that it (and any discussion or other engagement on the part of HMG or its representatives or officials or advisers) is and will continue to be non-binding and exploratory, and shall not constitute or form part of, or be interpreted as being or giving rise to: (i) any approved HMG policy or policy proposal; or (ii) any legal, financial, technical or other professional advice; or (iii) any offer or invitation (or the solicitation of any offer or invitation) to negotiate or provide any investment or other participation by HMG in any transaction; or (iv) any express or implied representation, concerning the availability or terms of any HMG participation in any project or transaction, whether on the basis contemplated in this Document or any other basis.
- This Document is being provided pursuant to and is subject to the terms of a Non-Disclosure Agreement dated 13 May 2021 between Sizewell C Limited (formerly NNB Generation Company (SZC) Ltd) (“**GenCo**”) and the Department for Energy Security and Net Zero (formerly the Department for Business, Energy & Industrial Strategy).
- Neither HMG, GenCo nor any of their representatives; officials; advisers; shareholders; subsidiaries; or affiliates (as the case may be) makes any express or implied representation or warranty with respect to the accuracy or completeness or status of this Document or shall have any liability or responsibility for any error or omission in this Document or for any loss which may arise from reliance on this Document.
- HMG participation (if any) in any transaction in relation to the Project will (in addition to, and without limiting the generality of, the above) be subject to and conditional upon the satisfaction of all relevant transaction conditions, including (without limitation): (i) compliance with all applicable legal and regulatory requirements and constraints (including any subsidy control requirements and constraints); (ii) satisfactory completion of due diligence on all relevant financial, technical, legal, commercial and other relevant matters; (iii) the preparation, negotiation and execution of all definitive documentation and the satisfaction of all conditions precedent to their coming into effect; and (iv) receipt of all necessary ministerial, regulatory, administrative and other relevant approvals.

Table of Contents

Contents	Page
1 Definitions and Interpretation	2
2 Commencement and duration	19
3 Expiry of the Initial Regulatory Period or Extended Regulatory Period.....	21
4 Discontinuation Transfer Exit	22
5 Nuclear Administration.....	23
6 Insolvency Event Exit	26
7 Pre-Consent to a Pre-Consented Nuclear Transfer Scheme	27
8 Consequences of GenCo Transfer Exit or Asset Transfer Exit	29
9 Co-operation, Access and Information	29
10 GenCo undertakings, warranties and representations	32
11 Continuing obligations	34
12 Accession and Resignation of HoldCo Shareholders and the Security Trustee.....	34
13 Deed of Undertaking	36
14 VAT	36
15 Confidentiality and Freedom of Information	36
16 No partnership or agency.....	39
17 Notices	39
18 Partial Invalidity.....	41
19 Remedies and Waivers	41
20 Consequential Loss	41
21 Amendments.....	41
22 Counterparts.....	41
23 Entire Agreement	42
24 Restrictions on Assignment	42
25 No Third Party Enforcement Rights	44
26 Waiver of Sovereign Immunity.....	44
27 Governing Law	44

28	Jurisdiction and disputes.....	44
	Schedule 1 Original HoldCo Shareholders	45
	Schedule 2 Material Contracts	46
	Schedule 3 Conduct of Business during RLNC Administration Order.....	48
	Schedule 4 Form of NASTA Accession Deed	50
	Schedule 5 Form of Direct Agreement	1
1	Definitions and Interpretation	2
2	Continuing Rights and Obligations.....	8
3	[Guarantor's confirmation.....	8
4	Secretary of State Enforcement Notification.....	9
5	Suspension Period.....	9
6	Step-In	11
7	Step-Out	13
8	Novation	13
9	Representations and Warranties	15
10	Co-operation with Technical Adviser	15
11	Duration.....	15
12	Changes to the Parties	16
13	Notices	16
14	Miscellaneous.....	17
15	Employer Acknowledgement	18
16	Governing Law	18
17	Enforcement	19
	Schedule 6 Form of Deed of Undertaking.....	31

This Agreement is made as a deed on _____ **between:**

- (1) **THE SECRETARY OF STATE FOR ENERGY SECURITY AND NET ZERO**, whose office is at 55 Whitehall, London, SW1A 2HP (the “**Secretary of State**”) (in their capacity as GSP Provider);
- (2) **SIZEWELL C LIMITED**, a limited liability company incorporated in England and Wales with registration number 09284825 and whose registered address is at 25 Copthall Avenue, London, England, EC2R 7BP (“**GenCo**”);
- (3) **SIZEWELL C (PLEDGECO) LIMITED**, a limited liability company incorporated in England and Wales with registration number 16480404 and whose registered address is at 25 Copthall Avenue, London, England, EC2R 7BP (“**PledgeCo**”);
- (4) **SIZEWELL C (HOLDING) LIMITED**, a limited liability company incorporated in England and Wales with registration number 09284751 and whose registered address is at 25 Copthall Avenue, London, England, EC2R 7BP (“**HoldCo**”);
- (5) the entities listed in Schedule 1 (*Original HoldCo Shareholders*) (the “**Original HoldCo Shareholders**”); and
- (6) [REDACTED], acting as agent on behalf of the Secured Creditors (the “**Security Trustee**”),

each a “**Party**” and together the “**Parties**”.

Recitals:

- (A) The Secretary of State has designated GenCo as a designated nuclear company pursuant to section 2 of the NEFA and has modified GenCo’s electricity generation licence in accordance with section 6 of the NEFA.
- (B) GenCo, as a relevant licensee nuclear company, has been established to undertake the Project in accordance with all applicable laws and the Transaction Documents.
- (C) The Secretary of State has agreed to provide financial assistance to the Group Companies for, and in connection with, providing infrastructure at places in the United Kingdom (including infrastructure in connection with electricity and other services (potentially including the provision of heat)) pursuant to section 50 of the United Kingdom Internal Market Act 2020.
- (D) The Parties acknowledge that part 3 of the NEFA applies in respect of any Nuclear Administration.
- (E) The Parties also acknowledge that chapter 2 of part 1 of, section 159 of, and schedules 5 and 21 to, the Energy Act 2004 apply in respect of any nuclear transfer scheme.
- (F) The Parties have entered into this nuclear administration and statutory transfers agreement (this “**Agreement**”) in order to provide for a Pre-Consented Nuclear Transfer Scheme in the circumstances set out in this Agreement.
- (G) It is intended that this document takes effect as a deed notwithstanding the fact that a party may only execute this document under hand.

The Parties agree as follows:

1 Definitions and Interpretation

1.1 Definitions

In this Agreement:

“**Alternative Secretary of State Transfer**” has the meaning given to it in Clause 24.5.3;

“**Approved Discontinuation Plan**” has the meaning given to that term in the Discontinuation and Compensation Agreement;

“**Asset Transfer**” has the meaning given to it in Clause 9.2.1;

“**Asset Transfer Exit**” has the meaning given to it in Clause 5.7.3;

“**Assurance Services Agreement**” means the contract of that name entered into between GenCo and [REDACTED] on 12 February 2025 in relation to certain assurance services with respect to a number of Project implementation areas;

“**BSC**” means the ‘Balancing and Settlement Code’ provided for in standard condition C3 (*Balancing and Settlement Code (BSC)*) of the Transmission Licence;

“**Business Day**” means any day (other than a Saturday or a Sunday) on which banks in London are open for business;

“**CFA Provider**” means the Secretary of State in their capacity as the provider of contingent financing pursuant to the Contingent Financing Agreement;

“**Civil Works Alliance Agreement**” means the contractual alliancing agreement entered into on 24 June 2025 between GenCo, [REDACTED] in relation to the civil works and related works in connection with the design, construction and completion of the Project;

“**Codes**” means the Department for Constitutional Affairs’ Code of Practice on the Discharge of Functions of Public Authorities under Part I of the FOIA and the Code of Practice on the discharge of obligations of public authorities under the Environmental Information Regulations;

“**Code Subsidiary Documents**” has the meaning given to that term in the BSC;

“**Collaboration Agreement**” means the collaboration agreement to be entered into between GenCo and [REDACTED];

“**Commercially Sensitive Information**” has the meaning given to that term in the Liaison Agreement;

“**Commercial Manager Partner Contract**” means the contract of that name entered into between GenCo and [REDACTED] on 27 January 2025 in relation to project management, contract management and other services for the Project;

“**Common Terms Agreement**” has the meaning given to that term in the Financing MDA;

“**Competent Authority**” has the meaning given to that term in the Economic Licence;

“Conditions Precedent and Escrow Agreement” means the conditions precedent and escrow agreement entered into on _____ July 2025 between, among others, the Secretary of State, GenCo, HoldCo, the Secured Creditors, the Security Trustee and each Original HoldCo Shareholder;

“Confidential Information” means all data and information either indicated or marked as such or being of a nature which it would be reasonable to assume is of a confidential nature, regardless of form or characteristic, and shall include drawings, files, tapes, specifications or related performance or design type documents, or commercial or price information or data of any kind, whether or not patentable, disclosed orally (if confirmed in writing by the originating party no later than 30 Business Days after disclosure as being confidential), in writing or howsoever by one party to another party or parties in connection with the Project or otherwise being acquired by or coming into the knowledge of such party or parties but does not include information that at the date of disclosure is publicly known or at any time after that date becomes publicly known not as a result of a breach of any duty of confidentiality;

“Consequential Loss” means:

- (a) any indirect or consequential loss;
- (b) any cost of interest or other financing charges; and
- (c) any loss of production, loss of profit, loss of revenue, loss of contract or liability under other agreements,

in each case whether or not the Party knew, or ought to have known, that such loss would be likely to be suffered, but not including costs, losses or liabilities due to third party losses and/or damages (including for injury or death) and/or fines imposed on any party;

“Contingent Financing Agreement” means the agreement of that name entered into between the CFA Provider, PledgeCo, GenCo and HoldCo on or about the date of Revenue Commencement;

“Cross-Regulatory Information Sharing Platform” means the working group of that name comprising representatives from, among others, GenCo, the Secretary of State, the Economic Regulator, the Environment Agency and the Office for Nuclear Regulation;

“CUSC” means the ‘Connection and Use of System Code’ provided for in standard condition C10 (*Connection and Use of System Code (CUSC)*) of the Transmission Licence;

“DCA Provider” means the Secretary of State acting in their capacity pursuant to the Discontinuation and Compensation Agreement;

“Debt Assumption Documentation” has the meaning given to that term in the Financing MDA;

“Deed of Undertaking” means a deed between the Secretary of State and a Significant Shareholder in the form set out at Schedule 6 (*Form of Deed of Undertaking*);

“Decommissioning and Waste Management Plan” means GenCo’s decommissioning and waste management plan for the purposes of section 45 of the Energy Act 2008, as updated from time to time in accordance with the Funding Arrangements Plan, the Energy Act 2008 and any other applicable law;

“Deed of Adherence” has the meaning given to that term in the Shareholders’ Agreement;

“Delivery Partner Contract” means the contract of that name entered into between GenCo and [REDACTED] on 16 January 2025 in relation to project management, contract management and other services for the Project;

“Designated Technical Matters” has the meaning given to that term in the Funding Arrangements Plan;

“Difference Payments” means the annual aggregate difference payments (payable by or to GenCo or the Revenue Collection Counterparty (as applicable)), in accordance with special condition 25 (*Difference Payments*) of the Economic Licence and the terms of the Revenue Collection Contract;

“Direct Agreement” has the meaning given to it in Clause 10.1.1(i);

“Directive” means, in relation to any Party, any ordinance, code, decision, directive, order, decree, regulation, determination, award, standard or rule of any Competent Authority that is legally binding upon that Party or, if not legally binding upon that Party, with which that Party would ordinarily comply, acting (in the case of GenCo) in accordance with Good Industry Practice;

“Discharge Application Exit” has the meaning given to it in Clause 5.7.4;

“Disclosure of Tax Avoidance Scheme” means the “Disclosure of Tax Avoidance Schemes” rules which require a promoter of tax schemes to inform HM Revenue and Customs of any specified notifiable arrangements or proposals and to provide prescribed information on those arrangements or proposals within set time limits as contained in part 7 of the Finance Act 2004 and in secondary legislation made under vires contained in part 7 of the Finance Act 2004 and as extended to National Insurance Contributions by the National Insurance Contributions (Application of Part 7 of the Finance Act 2004) Regulations 2012, SI 2012/1868, made under section 132A of the Social Security Administration Act 1992;

“Discontinuation and Compensation Agreement” means the discontinuation and compensation agreement entered into between the DCA Provider, PledgeCo, HoldCo, GenCo and the Security Trustee on or about the date of Revenue Commencement;

“Discontinuation Date” has the meaning given to that term in the Discontinuation and Compensation Agreement;

“Discontinuation Notice” has the meaning given to that term in the Discontinuation and Compensation Agreement;

“Discontinuation Transfer Exit” means any transfer of Nuclear Assets and Nuclear Liabilities in accordance with the provisions of Clause 4.1.4, Clause 4.1.5 or Clause 4.2;

“Discontinue” has the meaning given to that term in the Discontinuation and Compensation Agreement, and **“Discontinued”** and **“Discontinuation”** shall be construed accordingly;

“Disposal” has the meaning given to that term in the Economic Licence and **“Dispose”**, **“Disposed”** and **“Disposes”** shall be construed accordingly;

“Dispute” has the meaning given to it in Clause 28.1;

“Distribution Code” means any distribution code required to be prepared by a licensed electricity distributor pursuant to standard condition 9 (*Distribution Code*) of a Distribution Licence and approved by the Economic Regulator and revised from time to time with the approval of the Economic Regulator;

“Distribution Connection and Use of System Agreement” means the “Distribution Connection and Use of System Agreement” designated by the Economic Regulator in accordance with standard condition 9B (*Distribution Connection and Use of System Agreement*) of the Distribution Licence;

“Distribution Licence” means a licence granted or treated as granted pursuant to section 6(1)(c) of the Electricity Act 1989;

“DTM Payments” has the meaning given to that term in the Funding Arrangements Plan;

“Economic Guidance” means the guidance issued by the Economic Regulator from time to time in respect of its approach to the economic regulation of GenCo;

“Economic Licence” means the electricity generation licence issued by the Economic Regulator to GenCo in accordance with section 6(1) of the Electricity Act 1989, as such generation licence has been modified by the Secretary of State (in their statutory capacity) in accordance with section 6 of the NEFA;

“Economic Regulator” means the Gas and Electricity Markets Authority or the Office of Gas and Electricity Markets, as the case may be;

“Environmental Information Regulations” means the Environmental Information Regulations 2004 together with any guidance and/or codes of practice issued by the Information Commissioner or relevant Government department in relation to such regulations;

“Equity Documents” means the:

- (a) Shareholders’ Agreement;
- (b) Investment Agreement;
- (c) Shareholder Loan Agreements; and
- (d) Sell Down Option Agreement;

“Equivalent Holding Company” has the meaning given to it in Clause 2.4.2(i);

“Expiry Date” has the meaning given to it in Clause 2.1;

“Extended Regulatory Period” has the meaning given to that term in the Economic Licence;

“Extended RLNC Administration Exit” has the meaning given to it in Clause 5.8;

“FDP Account” has the meaning given to that term in the Economic Licence;

“FDP Allowance Building Block” has the meaning given to that term in the Economic Licence;

“FDP Documents” means the following documents in relation to the Funded Decommissioning Programme, as approved by the Secretary of State:

- (a) the Funding Arrangements Plan;
- (b) the Decommissioning and Waste Management Plan;
- (c) the Waste Agreements;
- (d) the Section 46 Agreement;
- (e) the FundCo Budget and Services Agreement;

- (f) the FundCo Shareholders' Agreement;
- (g) the FundCo Articles of Association;
- (h) any other document defined as a "Document" in and for the purposes of the Funding Arrangements Plan; and
- (i) any other document designated as an "FDP Document" by agreement between the Secretary of State and GenCo;

"FDP Shortfall" has the meaning given to that term in the Economic Licence;

"Finance Documents" has the meaning given to that term in the Financing MDA;

"Finance Party" has the meaning given to that term in the Financing MDA;

"Financing MDA" means the master definitions agreement entered into between, among others, FundCo, GenCo, HoldCo, PledgeCo, the Secretary of State and the Security Trustee on or around the date of Revenue Commencement;

"First Criticality" has the meaning given to that term in the Economic Licence;

"FOIA" means the Freedom of Information Act 2000 and any subordinate legislation (as defined in section 84 of the Freedom of Information Act 2000) made under the Freedom of Information Act 2000, together with any guidance and/or codes of practice issued by the Information Commissioner or relevant Government department in relation to such legislation;

"Fund Assets" has the meaning given to that term in the Funding Arrangements Plan;

"FundCo" means SZC Nuclear Decommissioning Fund Company, a company to be incorporated in England prior to Revenue Commencement, being the company incorporated for the purposes of managing and investing GenCo's FDP fund and holding the account into which Funded Decommissioning Programme contributions are made by GenCo;

"FundCo Articles of Association" means the articles of association (or other constitutional documents) of FundCo in force from time to time;

"FundCo Budget and Services Agreement" means the agreement between FundCo and GenCo governing how FundCo is administered and funded, dated on or about the date of Revenue Commencement;

"FundCo Costs" means any costs incurred (or forecast to be incurred) by FundCo in implementing its obligations and, if applicable, exercising its rights under or in relation to the Funded Decommissioning Programme, subject to GenCo's obligations and the Economic Regulator's audit process under Pass-Through Costs Audit;

"FundCo Shareholders' Agreement" means the shareholders' agreement between GenCo, each of the Independent Director Shareholders and FundCo dated on or around the date of Revenue Commencement;

"Funded Decommissioning Programme" or "FDP" has the meaning given to that term in the Economic Licence;

"Funding Arrangements Plan" means the funding arrangements plan entered into between GenCo and FundCo which will form part of the Funded Decommissioning Programme;

"GenCo Transfer Exit" has the meaning given to it in Clause 5.7.2;

“General Anti-Abuse Rule” means:

- (a) part 5 of the Finance Act 2013; and
- (b) any future legislation introduced to counteract tax advantages arising from abusive arrangements to avoid national insurance contributions or other tax charges;

“GLF Provider” means the Secretary of State in their capacity as lender under the Government Liquidity Facility Agreement;

“Good Industry Practice” has the meaning given to that term in the Economic Licence;

“Government Liquidity Facility Agreement” means the agreement of that name entered into between, among others, the GLF Provider and GenCo dated on or about the date of Revenue Commencement;

“Government Support Package” or **“GSP”** means:

- (a) the Supplemental Compensation Agreement;
- (b) the Government Liquidity Facility Agreement;
- (c) the Contingent Financing Agreement;
- (d) the Discontinuation and Compensation Agreement; and
- (e) this Agreement;

“Grid Code” means the grid code provided for in standard condition C14 (*Grid Code*) of the Transmission Licence;

“Gross Equity Compensation” has the meaning given to that term in the Discontinuation and Compensation Agreement;

“Group Company” means each of GenCo, HoldCo and PledgeCo, together the **“Group Companies”**;

“GSP Call Option” has the meaning given to that term in the Discontinuation and Compensation Agreement;

“GSP Call Option Agreement” has the meaning given to that term in the Discontinuation and Compensation Agreement;

“GSP Provider” means the Secretary of State in their capacity as provider of the Government Support Package;

“Halifax Abuse Principle” means the principle explained in the Court of Justice of the European Union Case C-255/02, *Halifax and Others*;

“HoldCo Shareholders” means each of:

- (a) the Original HoldCo Shareholders; and
- (b) any legal person who has become a direct shareholder in HoldCo and has acceded to this Agreement as a HoldCo Shareholder in accordance with Clause 12 (*Accession and Resignation of HoldCo Shareholders and the Security Trustee*),

which in each case has not ceased to be a HoldCo Shareholder in accordance with the terms of this Agreement, and **“HoldCo Shareholder”** shall be construed accordingly;

“HoldCo Shares” means the entire issued share capital of HoldCo;

“holding company” has the meaning given to that term in section 1159 of the Companies Act 2006;

“Immaterial Real Property” means any fixtures, fittings, fixed plant or machinery with a value of less than £200,000 from time to time situated on or forming part of any freehold, leasehold or immovable property (provided that GenCo must not seek to circumvent the £200,000 limit by valuing separate batches of a single item);

“Independent Director Shareholders” has the meaning given to that term in the FundCo Shareholders’ Agreement;

“Independent Technical Adviser” means the company appointed by GenCo under the ITA Deed of Appointment;

“Industry Documents” means all agreements, codes, standards and instruments regulating the generation, transmission, distribution, supply or trading of electricity in Great Britain, including the Transmission Licence, the Grid Code, the SOTO Code, the BSC, the Code Subsidiary Documents, the CUSC, any Distribution Code, any Distribution Connection and Use of System Agreement and any other connection or use of system agreement with a Transmission Licensee or Licensed Distributor and **“Industry Document”** shall be construed accordingly;

“Information”, for the purposes of Clause 15.5 (*Freedom of Information*), has the meaning given under section 84 of the FOIA;

“Initial Regulatory Period” has the meaning given to that term in the Economic Licence;

“Insolvency Event” means, in relation to GenCo or (for the purposes of Clause 10.1.3, HoldCo), that such entity:

- (a) is dissolved (other than pursuant to a consolidation, amalgamation or merger);
- (b) becomes insolvent or is unable to pay its debts (in either case, other than in the circumstances described in section 123(2) of the Insolvency Act 1986) or fails or admits in writing its inability generally to pay its debts as they become due (other than in the circumstances already excluded from this definition under paragraph (c) below);
- (c) makes a general assignment, arrangement or composition, or enters into a restructuring plan, with or for the benefit of its creditors other than a general assignment, arrangement, composition or restructuring plan agreed and being implemented by or for the benefit of any Finance Party (in its capacity as such) or with respect to any Subordinated Intragroup Liabilities or Subordinated Equity Investor Liabilities;
- (d) save as provided for in the Security Trust and Intercreditor Deed, becomes subject to a moratorium;
- (e) institutes or has instituted against it, by a regulator, supervisor or any similar official with primary insolvency, rehabilitative or regulatory jurisdiction over it in the jurisdiction of its incorporation or organisation or the jurisdiction of its head or home office, 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 a petition is presented for its winding-up or liquidation by it or such regulator, supervisor or other official;

- (f) 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 a petition is presented for its winding-up or liquidation, and, in the case of any such proceeding or petition instituted or presented against it, such proceeding or petition is instituted or presented by a person or entity not described in paragraph (e) above and:
 - (a) results in a judgment of insolvency or bankruptcy or the entry of an order for relief or the making of an order for its winding-up or liquidation; or
 - (b) is not dismissed, discharged, stayed, restrained or otherwise ceases to apply, in each case, within 30 days of the institution or presentation thereof;
- (g) has a resolution passed for its winding-up, official management or liquidation (other than pursuant to a consolidation, amalgamation or merger);
- (h) seeks or becomes subject to the appointment of a Nuclear Administrator or a RLNC Administration Order or in any way enters into Nuclear Administration;
- (i) seeks or becomes subject to the appointment of an administrator, provisional liquidator, conservator, receiver, trustee, custodian, monitor or other similar official for it or for all or substantially all its assets (other than, for so long as it is required by law or regulation not to be publicly disclosed, any such appointment which is to be made, or is made, by a person or entity described in paragraph (e) above);
- (j) has 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, restrained or otherwise ceases to apply, in each case, within 30 days thereafter;
- (k) causes or is subject to any event with respect to it which, under the applicable laws and regulations of any jurisdiction, has an analogous effect to any of the events specified in paragraphs (a) to (j) above; or
- (l) takes any action in furtherance of, or indicating its consent to, approval of or acquiescence in, any of the foregoing acts;

"Insolvency Exit" has the meaning set out in Clause 6.1;

"Instrumentation and Controls Contract" means the contract of that name between GenCo and [REDACTED] in relation to the design, manufacture, procurement, integration, assembly, storage, packing, transport and delivery of the operational instrumentation and controls equipment entered into on 29 September 2023;

"Instrumentation and Controls LTSA" means the long-term services agreement between GenCo and [REDACTED] in relation to the design, manufacture, procurement, integration, assembly, storage, packing, transport and delivery of the operational instrumentation and controls equipment entered into on 4 December 2024;

"Investment Agreement" means the investment agreement entered into between HoldCo, GenCo, PledgeCo, the Secretary of State, EDF Energy Holdings Limited and each Investor Shareholder (as such term is defined therein) on or around the date of Revenue Commencement;

“ITA Deed of Appointment” means the deed of appointment entered into between the Independent Technical Adviser, the Secretary of State, the Economic Regulator, the Security Trustee and GenCo on or around the date of Revenue Commencement;

“Land Rights” means any legal or beneficial estate or interest (or right, title or interest) in land upon which assets falling within sub-paragraphs (a) to (c) of the definition of “Relevant Asset” in the Economic Licence are situated (including any estate, interest, easement, right of access or other leasehold right in or over land including any leasehold interests or other rights to occupy or use and any contractual or personal rights in favour of the licensee relating to the occupation, use or acquisition of such property for the purposes of the Project, the Regulated Business or Regulated Activities (as such terms are defined in the Economic Licence);

“Liaison Agreement” means the agreement of that name entered into between the Secretary of State, GenCo, the Independent Technical Adviser and the Economic Regulator on or about the date of Revenue Commencement;

“Licence Expiry Transfer Exit” means any transfer of Nuclear Assets and Nuclear Liabilities (or such assets, rights, obligations and liabilities as the Secretary of State may require under a Pre-Consented Nuclear Transfer Scheme) in accordance with the provisions of Clause 3.1.2, Clause 3.1.3, Clause 3.2.2, Clause 3.2.3 or Clause 3.3;

“Licensed Distributor” means a person who is authorised pursuant to a Distribution Licence to distribute electricity, acting in that capacity;

“Main Works Contracts” means the:

- (a) Nuclear Services Agreement;
- (b) Nuclear Services Agreement LTSA;
- (c) Turbine Hall Contract;
- (d) Turbine Hall LTSA;
- (e) N4S Contract;
- (f) N4S LTSA;
- (g) Nuclear Fuel Supply Contract;
- (h) Instrumentation and Controls Contract;
- (i) Instrumentation and Controls LTSA;
- (j) Civil Works Alliance Agreement;
- (k) MEH Alliance Agreement;
- (l) Delivery Partner Contract;
- (m) Commercial Manager Partner Contract; and
- (n) Assurance Services Agreement;

“Material Contracts” means each of the contracts listed in Schedule 2 (*Material Contracts*) and **“Material Contract”** shall be construed accordingly;

“MEH Alliance Agreement” means the agreement of that name to be entered into between GenCo, [REDACTED];

“Minister of the Crown” has the meaning given to that term in the Ministers of the Crown Act 1975;

“N4S Contract” means the contract for the design, manufacture, installation and commissioning of the nuclear steam supply system for the two Units at the Site entered into between GenCo and [REDACTED] on 9 April 2024;

“N4S LTSA” means the contract for the provision of certain long-term services (including any call-off contracts thereunder) in relation to the nuclear steam supply system entered into between GenCo and [REDACTED] on 9 April 2024;

“NASTA Accession Deed” means a deed in substantially the same form as the draft set out at Schedule 4 (*Form of NASTA Accession Deed*);

“Nationalisation Event” has the meaning given to that term in the Discontinuation and Compensation Agreement;

“NDA” means the Nuclear Decommissioning Authority as defined in section 1 of the Energy Act 2004;

“NEFA” means the Nuclear Energy (Financing) Act 2022;

“Net Equity Compensation” has the meaning given to that term in the Discontinuation and Compensation Agreement;

“Non-HMG HoldCo Shareholder” means a HoldCo Shareholder other than the Secretary of State;

“NSCo” means [REDACTED] incorporated and registered in England and Wales with company number [REDACTED] whose registered office is at [REDACTED];

“NSCo Agreements” means the:

- (a) NSCo Share Purchase Agreement;
- (b) NSCo Shareholders’ Agreement;
- (c) NSCo Master Secondment Agreement;
- (d) NSCo Corporate Services Agreement;
- (e) the disclosure letter between the [REDACTED] and GenCo dated 20 December 2024;
- (f) the asset transfer agreement between NSCo and [REDACTED] dated 15 October 2024;
- (g) the technical services agreement between GenCo and NSCo dated 30 January 2025 as amended from time to time; and
- (h) the intellectual property licence agreement to be entered into between GenCo and [REDACTED] dated 29 January 2025;

“NSCo Corporate Services Agreement” means the services agreement entered into between [REDACTED] and NSCo on 24 January 2025;

“NSCo Master Secondment Agreement” means the master secondment agreement originally dated 16 October 2024 and novated on 17 October 2024 between NSCo, [REDACTED];

“NSCo Shareholders’ Agreement” means the shareholders’ agreement entered into between NSCo, [REDACTED] and GenCo on or around 30 January 2025;

“NSCo Share Purchase Agreement” means the share purchase agreement entered into between [REDACTED] and GenCo on or around 20 December 2024;

“Nuclear Administration” means a relevant licensee nuclear company administration for the purposes of part 3 of the NEFA;

“Nuclear Administrator” has the meaning given to that term in section 31(2) of the NEFA;

“Nuclear Assets” means the nuclear island, the nuclear store for low level waste, any nuclear fuel, the Protected Assets and such other assets as are required to be decommissioned under the Funded Decommissioning Programme;

“Nuclear Fuel Supply Contract” means the fuel supply contract for the purposes of the Project entered into between GenCo and [REDACTED] on 9 April 2024;

“Nuclear Installations Act” means the Nuclear Installations Act 1965;

“Nuclear Liabilities” means any liability for, or in respect of, decommissioning the Nuclear Assets as set out under the Funded Decommissioning Programme;

“Nuclear Services Agreement” means the nuclear services agreement entered into between GenCo, [REDACTED] on 3 July 2024;

“Nuclear Services Agreement LTSA” means the long-term services agreement in respect of certain design and engineering services to be entered into by GenCo, [REDACTED];

“Nuclear Site Licence” means the nuclear site licence granted to GenCo by the Office of Nuclear Regulation in accordance with the Nuclear Installations Act 1965;

“Nuclear Transfer Scheme” means a nuclear transfer scheme in respect of the GenCo shares, the Plant or the Regulated Assets (as applicable) enacted by:

- (a) the Secretary of State pursuant to chapter 2 of part 1 of the Energy Act 2004 and schedule 5 to the Energy Act 2004; or
- (b) a Nuclear Administrator pursuant to section 159 of the Energy Act 2004 and schedule 21 to the Energy Act 2004;

“Office for Nuclear Regulation” or **“ONR”** means the Office for Nuclear Regulation;

“Operator DTM Control Account” means the UK bank account designated by GenCo from time to time for the receipt of DTM Payments;

“Original HoldCo Shareholders” means the HoldCo Shareholders named in Schedule 1 (*Original HoldCo Shareholders*) as at the date of this Agreement, and **“Original HoldCo Shareholder”** shall be construed accordingly;

“Partial Revocation” has the meaning given to that term in the Economic Licence;

“Partial Revocation Period” has the meaning given to that term in the Economic Licence;

“Pass-Through Costs Audit” has the meaning given to that term in the Economic Licence;

“Payee” has the meaning given to it in Clause 14 (VAT);

“Plant” has the meaning given to that term in the Economic Licence;

“Pre-Consented Nuclear Transfer Scheme” means:

- (a) a GenCo Transfer Exit (if implemented by way of a Nuclear Transfer Scheme);
- (b) an Asset Transfer Exit (if implemented by way of a Nuclear Transfer Scheme);
- (c) a Discharge Application Exit;
- (d) an Extended RLNC Administration Exit;
- (e) a Licence Expiry Transfer Exit;
- (f) a Discontinuation Transfer Exit; or
- (g) an Insolvency Exit;

“Price Control Financial Model” has the meaning given to that term in the Economic Licence;

“Project” has the meaning given to that term in the Economic Licence;

“Project Documents” means:

- (a) the Main Works Contracts;
- (b) the NSCo Agreements;
- (c) the Collaboration Agreement;
- (d) the Material Contracts; and
- (e) any other contract entered into between GenCo and any works contractor or supplier through which any payment is to be made by GenCo and for which GenCo intends to apply for such cost to be logged to the RAB;

“Protected Assets” has the meaning given to it in Clause 5.3;

“Pro Forma Direct Agreement” has the meaning given to it in Clause 10.1.1(i)(a);

“RAB” has the meaning given to that term in the Economic Licence;

“Real Property” means:

- (a) any freehold, leasehold or immovable land or property; and
- (b) any buildings, fixtures, fittings, fixed plant or machinery from time to time situated on or forming part of that freehold, leasehold or immovable property other than Immaterial Property;

“Regulated Assets” has the meaning given to that term in the Economic Licence and, to the extent not included in that definition, any assets that may be required for the purposes of decommissioning the Regulated Assets (as defined in the Economic Licence) and the Site;

“Regulatory Documents” means the:

- (a) Economic Licence;
- (b) Price Control Financial Model;
- (c) Economic Guidance;
- (d) Revenue Collection Contract;
- (e) Liaison Agreement; and
- (f) ITA Deed of Appointment;

“Regulatory Period” has the meaning given to that term in the Economic Licence;

“Relinquish Operational Control” has the meaning given to that term in the Economic Licence;

“Replacement Documentation” has the meaning given to it in Clause 24.5.2;

“Request for Information”, for the purposes of Clause 13 (*Confidentiality and Freedom of Information*), has the meaning set out in the FOIA or the Environmental Information Regulations as relevant (where the meaning set out for the term “request” shall apply);

“Revenue Collection Contract” means the revenue collection contract in respect of the Project entered into between GenCo and the Revenue Collection Counterparty on or about the date of Revenue Commencement;

“Revenue Collection Counterparty” means the Low Carbon Contracts Company Ltd or such other entity as is designated by the Secretary of State as the revenue collection counterparty for the purposes of the Revenue Collection Contract in accordance with section 16 of the NEFA;

“Revenue Commencement” means the date on which the Revenue Collection Contract becomes effective in accordance with its terms;

“Revised List of Land Rights” has the meaning given to it in Clause 10.6.2(ii);

“Revised Site Map” has the meaning given to it in Clause 10.6.2(ii);

“Rfi Recipient” means a Party that is subject to the FOIA and/or the Environmental Information Regulations who receives a Request for Information;

“RLNC Administration Order” has the meaning given to the term “relevant licensee nuclear company administration order” in section 31(1) of the NEFA;

“Safety Critical Opex Reserve Account” has the meaning given to that term in the Economic Licence;

“SCA Provider” means the Secretary of State in their capacity as the provider of supplemental compensation pursuant to the Supplemental Compensation Agreement;

“Secretary of State Replacement” means:

- (a) any Minister of the Crown or any entity directly wholly-owned or controlled by a Minister of the Crown to which the Secretary of State transfers or novates its rights and obligations under this Agreement; or
- (b) any other UK public body (being a single entity):
 - (i) with the legal capacity, power and authority to become a party to and to perform the obligations of the Secretary of State under this Agreement; and
 - (ii) whose obligations under this Agreement are unconditionally and irrevocably guaranteed, sponsored and/or funded by the Secretary of State, a Minister of the Crown or other Government department with the legal capacity, power and authority to perform the obligations under the guarantee, sponsorship and/or funding arrangement (as applicable) and the obligations of the Secretary of State under this Agreement,

to which the Secretary of State transfers or novates its rights and obligations under this Agreement;

“Section 46 Agreement” means the agreement entered into between, *inter alia*, GenCo, FundCo and the Secretary of State under section 46(3A) of the Energy Act 2008 on or about the date of Revenue Commencement;

“Secured Creditors” has the meaning given to that term in the Financing MDA (and, for the purposes of and in accordance with clause 10.3 (*Secured Creditor*) of the Discontinuation and Compensation Agreement, includes the DCA Provider) and **“Secured Creditor”** shall be construed accordingly;

“Security Documents” has the meaning given to that term in the Financing MDA;

“Security Interest” has the meaning given to that term in the Financing MDA;

“Security Trust and Intercreditor Deed” or **“STID”** has the meaning given to that term in the Financing MDA;

“Sell Down Option Agreement” has the meaning given to that term in the Shareholders’ Agreement;

“Senior Debt Compensation” has the meaning given to that term in the Discontinuation and Compensation Agreement;

“Senior Debt Compensation Lump Sum Amount” has the meaning given to that term in the Discontinuation and Compensation Agreement;

“Shareholder Loans” has the meaning given to that term in the Shareholders’ Agreement;

“Shareholder Loan Agreements” has the meaning given to that term in the Shareholders’ Agreement;

“Shareholders’ Agreement” means the Shareholders’ Agreement originally entered into between, among others, HoldCo, GenCo, the Secretary of State, EDF Energy Holdings Limited and each Investor Shareholder (as defined therein) on or around the date of Revenue Commencement;

“Shares” has the meaning given to that term in the Shareholders’ Agreement;

“Significant Shareholder” means a HoldCo Shareholder who, at any time post Revenue Commencement, holds an equity interest of 20% or more in HoldCo and who does not already have the benefit of a Deed of Undertaking;

“Site” means:

- (a) as at Revenue Commencement, the freehold, leasehold interests and Land Rights:
 - (i) shown edged and hatched pink on the plans set out in the Site Maps Data Room and/or listed in the list of Land Rights set out in the Site Maps Data Room (as applicable); and/or
 - (ii) otherwise held by GenCo in connection with the Project; and
- (b) any Land Rights acquired by GenCo in connection with the Project whether before or during the Regulatory Period,

but does not include any Land Rights Disposed of by GenCo in accordance with special condition 9 (*Disposals*) of the Economic Licence and Clauses 5.4 and 10.6 of this Agreement;

“Site Maps Data Room” has the meaning given to it in Clause 10.3;

“SOTO Code” means the ‘System Operator – Transmission Owner Code’ required to be in place pursuant to standard condition B12 (*System Operator – Transmission Owner Code*) of the Transmission Licence;

“Strategic Spares” has the meaning given to that term in the Economic Licence;

“Subordinated Intragroup Liabilities” has the meaning given to that term in the Financing MDA;

“Subordinated Equity Investor Liabilities” has the meaning given to that term in the Financing MDA;

“Supplemental Compensation Agreement” means the supplemental compensation agreement entered into between, among others, the SCA Provider, GenCo and the Security Trustee on or about the date of Revenue Commencement;

“Transaction Documents” means the:

- (a) Regulatory Documents;
- (b) Project Documents;
- (c) Finance Documents;
- (d) GSP;
- (e) Equity Documents; and
- (f) FDP Documents;

“Transmission Licence” means an electricity transmission licence granted or treated as granted pursuant to section 6(1)(b) of the Electricity Act 1989 that authorises a person to transmit electricity;

“Transmission Licensee” means any person who is authorised by a Transmission Licence to transmit electricity, acting in that capacity;

"Turbine Hall Contract" means the contract in respect of the Project to be entered into between GenCo, [REDACTED] for the design, manufacture, installation, commissioning and testing of a turbine hall for both Units;

"Turbine Hall LTSA" means the contract for the provision of certain long-term services in respect of the turbine hall to be entered into by GenCo, [REDACTED];

"Unit" has the meaning given to that term in the Economic Licence, and **"Units"** shall be construed accordingly;

"Unsuitable Party" means:

- (a) any person whose activities, in the reasonable opinion of the Secretary of State, pose or could pose a threat to national security relating to the Project; or
- (b) any person whose tax returns submitted on or after 1 October 2012 have been found to be incorrect as a result of:
 - (i) His Majesty's Revenue and Customs successfully challenging it under the General Anti-Abuse Rule or the Halifax Abuse Principle (and such challenge has not been subsequently successfully overturned);
 - (ii) a tax authority in a jurisdiction in which the person is obliged to submit a tax return successfully challenging it under any tax rules or legislation that have an effect equivalent or similar to the General Anti-Abuse Rule or the Halifax Abuse Principle (and such challenge has not been subsequently successfully overturned); and/or
 - (iii) the failure of an avoidance scheme which the person was involved in and which was, or should have been, notified under the Disclosure of Tax Avoidance Scheme or any equivalent or similar regime in a jurisdiction in which the person is established;

"VAT" means value added tax as provided for in the Value Added Tax Act 1994 and any other tax of a similar nature;

"Waste Agreements" means the:

- (a) Waste Contract for Spent Fuel; and
- (b) Waste Contract for Intermediate Level Waste;

"Waste Contract for Intermediate Level Waste" means the waste transfer agreement relating to the transfer of intermediate level waste arising from the Project entered into between the Secretary of State and GenCo dated on or about the date of Revenue Commencement; and

"Waste Contract for Spent Fuel" means the waste transfer agreement relating to the transfer of spent fuel arising from the Project entered into between the Secretary of State and GenCo dated on or about the date of Revenue Commencement.

1.2 Interpretation

- 1.2.1 In this Agreement, unless the context otherwise requires, the headings are inserted for convenience only and shall not affect the construction of this Agreement.

- 1.2.2 All representations, warranties, indemnities, covenants, agreements, undertakings and obligations made or given or entered into by more than one person in this Agreement are made or given or entered into severally and not jointly.
- 1.2.3 Expressions in this Agreement that are appropriate to companies shall be construed, in relation to an undertaking that is not a company, as references to the corresponding persons, officers, documents or organs, as the case may be, appropriate to undertakings of that nature.
- 1.2.4 Unless a contrary indication appears, any reference in this Agreement to:
- (i) any agreement, deed, instrument, licence, code or other document (including this Agreement and any Transaction Document) or to a provision contained in any of these, shall be construed, at the particular time, as a reference to it as it may then have been amended, restated, varied, supplemented, modified, suspended, replaced, assigned or novated;
 - (ii) a **“person”** includes any person, firm, company, corporation, government, state or agency of a state, or any unincorporated body, association, foundation, trust or partnership (whether or not having separate legal personality) or two or more of the foregoing and words denoting natural persons include any other persons;
 - (iii) the Secretary of State, GenCo, HoldCo, PledgeCo, the HoldCo Shareholders, the Security Trustee, the Secured Creditors or any other person includes its respective successors in title, permitted assigns and permitted transferees to, or of, its rights and/or obligations under this Agreement;
 - (iv) a **“company”** includes any body corporate, wherever incorporated;
 - (v) a **“Clause”** is a reference to a Clause of this Agreement;
 - (vi) a provision of law or a technical standard is a reference to that provision as amended, updated, extended or re-enacted and includes all laws and official requirements made under or deriving validity from it or enacting such modification;
 - (vii) a time of day is a reference to London time;
 - (viii) a reference to a **“day”** means a calendar day;
 - (ix) a reference to a **“month”** means a calendar month;
 - (x) words indicating one gender include all genders;
 - (xi) words indicating the singular also include the plural and vice versa;
 - (xii) provisions including the word **“agree”**, **“agreed”** or **“agreement”** require the agreement to be recorded in writing;
 - (xiii) unless provided otherwise, **“written”** or **“in writing”** means hand-written, type-written, printed or electronically made, in each case resulting in a permanent record; and
 - (xiv) **“includes”**, **“including”**, **“other”** and **“otherwise”** are to be construed without limitation and the *eiusdem generis* rule shall not apply to this Agreement.

2 Commencement and duration

2.1 Subject to satisfaction of the conditions precedent set out in the Conditions Precedent and Escrow Agreement, this Agreement shall come into force on Revenue Commencement and, subject to Clause 2.2 and Clause 11 (*Continuing obligations*), shall continue in full force and effect until the earlier of:

2.1.1 in the event that a Discontinuation Notice has been issued in respect of the Project in accordance with the Discontinuation and Compensation Agreement prior to First Criticality, the date on which:

(i) either:

(a) all Senior Debt Compensation and (if applicable) Gross Equity Compensation has been paid in accordance with the terms of the Discontinuation and Compensation Agreement; or

(b) the DCA Provider and the Secured Creditors have entered into Debt Assumption Documentation, the Senior Debt Compensation Lump Sum Amount has been paid and (if applicable) the Gross Equity Compensation has been paid in accordance with the terms of the Discontinuation and Compensation Agreement; and

(ii) all of the activities and obligations set out in the Approved Discontinuation Plan have been completed or discharged (as applicable);

2.1.2 in the event that a Discontinuation Notice has been issued under the Discontinuation and Compensation Agreement after First Criticality, the date on which each of the events in Clause 2.1.1(i)(a) or 2.1.1(i)(b) (as applicable) and 2.1.1(ii) above have occurred and the Nuclear Assets and Nuclear Liabilities have transferred to an entity nominated by the Secretary of State in accordance with the terms of the Discontinuation and Compensation Agreement and this Agreement;

2.1.3 in the event that a revocation of the special conditions of the Economic Licence has occurred, the later of:

(i) the date on which the Economic Licence is revoked; and

(ii) if such revocation occurs after First Criticality, the date on which the Nuclear Assets and Nuclear Liabilities have transferred to an entity nominated by the Secretary of State under Clause 3 (*Expiry of the Initial Regulatory Period or Extended Regulatory Period*) of this Agreement;

2.1.4 upon the expiry of the Initial Regulatory Period, the date on which the shares in GenCo are transferred to a replacement owner at the direction of the Secretary of State under Clause 3 (*Expiry of the Initial Regulatory Period or Extended Regulatory Period*) of this Agreement;

2.1.5 a transfer of the shares of GenCo or the transfer of the whole or any part of GenCo's nuclear assets under, in each case, a Nuclear Transfer Scheme; or

2.1.6 termination of this Agreement in accordance with Clause 2.2 or 2.4,

(the "**Expiry Date**").

2.2 If a transfer of the Regulated Assets (whether partially or wholly constructed), whether by share sale or asset transfer, is directed or agreed pursuant to the Economic Licence, this

Agreement, the NEFA, any Nuclear Transfer Scheme, the Discontinuation and Compensation Agreement or otherwise in accordance with law which, subject to Clause 2.3:

- 2.2.1 excludes the ITA Deed of Appointment, the Liaison Agreement, this Agreement or any other document forming part of the Government Support Package;
- 2.2.2 excludes the Economic Licence and the relevant transferee has not been granted a modification to its electricity generation licence pursuant to section 6 of the NEFA; or
- 2.2.3 where there is more than one transferee for the transfer, excludes the ITA Deed of Appointment, the Liaison Agreement, this Agreement or any other document forming part of the Government Support Package in a transfer to a single transferee,

and the Secretary of State has not given their express consent to such transfer, the Secretary of State may, by notice to the other Parties, terminate this Agreement with effect from the date of such transfer. Such termination shall be without prejudice to any accrued rights or obligations under this Agreement and no Party shall have any claim against any other Party in respect of such termination.

- 2.3 For the purposes of Clauses 2.2.1 and 2.2.3 only, the references to **“the ITA Deed of Appointment”, “the Liaison Agreement”, “this Agreement” or “any other document forming part of the Government Support Package”** shall each be construed to exclude:

- 2.3.1 any documents which are not capable of being transferred at law; and
- 2.3.2 any documents which have already expired or terminated by operation of their terms.

- 2.4 If:

- 2.4.1 a transfer of:

- (i) the Regulated Assets (whether partially or wholly constructed), whether by share sale or asset transfer; or
- (ii) the shares of any of the Group Companies which results in:
 - (a) GenCo ceasing to maintain tax residency status in the United Kingdom;
 - (b) HoldCo ceasing to retain ownership of 100 per cent. of the issued share capital of PledgeCo; or
 - (c) PledgeCo ceasing to retain ownership of 100 per cent. of the issued share capital of GenCo,

in each case occurs as a result of, or arising from the process of, the enforcement of any security under the Finance Documents; and

- 2.4.2 either:

- (i) the ITA Deed of Appointment, the Liaison Agreement, this Agreement and/or any other document forming part of the Government Support Package has a counterparty who ceases to be a holding company of GenCo and has not been transferred to an equivalent holding company of GenCo (an **“Equivalent Holding Company”**);
- (ii) the transferee, any Equivalent Holding Company or any shareholder of any Equivalent Holding Company has not entered a Deed of Adherence or a

replacement shareholders' agreement in form and substance satisfactory to the Secretary of State (in their capacity as GSP Provider);

- (iii) the transferee, any Equivalent Holding Company or any shareholder of any Equivalent Holding Company is an Unsuitable Party; and/or
- (iv) the transferee, any Equivalent Holding Company or any direct shareholder of any Equivalent Holding Company is not resident in the United Kingdom for tax purposes; and

2.4.3 the Secretary of State (in their capacity as GSP Provider) has not given their express consent to such transfer,

the Secretary of State may, by notice to the other Parties, terminate this Agreement with effect from the date of such transfer. Such termination shall be without prejudice to any accrued rights or obligations under this Agreement and no Party shall have any claim against any other Party in respect of such termination.

3 Expiry of the Initial Regulatory Period or Extended Regulatory Period

3.1 On and from the expiry of the Initial Regulatory Period or following a Partial Revocation, the Secretary of State may either:

- 3.1.1 exercise their GSP Call Option in accordance with clause 7.5 (*GSP Provider's Call Option*) of the Discontinuation and Compensation Agreement and the terms of the GSP Call Option Agreement, in which case the provisions of clauses 7.5 (*GSP Provider's Call Option*) and 7.6 (*Conduct of Business before GSP Call Option Completion*) of the Discontinuation and Compensation Agreement and the terms of the GSP Call Option Agreement shall apply;
- 3.1.2 exercise their right to call for a transfer of the Nuclear Assets and Nuclear Liabilities under a Pre-Consented Nuclear Transfer Scheme, in which case the provisions of Clause 7 (*Pre-Consent to a Pre-Consented Nuclear Transfer Scheme*) shall apply;
- 3.1.3 exercise their right to call for the transfer of such of those assets, rights, obligations and liabilities as the Secretary of State may require under a Pre-Consented Nuclear Transfer Scheme, in which case the provisions of Clause 7 (*Pre-Consent to a Pre-Consented Nuclear Transfer Scheme*) shall apply; or
- 3.1.4 direct the Economic Regulator to extend the term of the Economic Licence to GenCo in accordance with special condition 12 (*Revocation*) of the Economic Licence.

3.2 If applicable, on and from the expiry of any Extended Regulatory Period, the Secretary of State may either:

- 3.2.1 exercise their GSP Call Option in accordance with clause 7.5 (*GSP Provider's Call Option*) of the Discontinuation and Compensation Agreement and the terms of the GSP Call Option Agreement, in which case the provisions of clauses 7.5 (*GSP Provider's Call Option*) and 7.6 (*Conduct of Business before GSP Call Option Completion*) of the Discontinuation and Compensation Agreement and the terms of the GSP Call Option Agreement shall apply;
- 3.2.2 exercise their right to call for the transfer of such of those assets, rights, obligations and liabilities as the Secretary of State may require under a Pre-Consented Nuclear

Transfer Scheme, in which case the provisions of Clause 7 (*Pre-Consent to a Pre-Consented Nuclear Transfer Scheme*) shall apply; or

- 3.2.3 exercise their right to call for a transfer of the Nuclear Assets and Nuclear Liabilities under a Pre-Consented Nuclear Transfer Scheme, in which case the provisions of Clause 7 (*Pre-Consent to a Pre-Consented Nuclear Transfer Scheme*) shall apply.

- 3.3 In the event that the Secretary of State has not notified GenCo and HoldCo which option they intend to exercise no later than 12 months prior to the end of the Initial Regulatory Period or a Partial Revocation in accordance with Clause 3.1 or the Extended Regulatory Period in accordance with Clause 3.2 (as the case may be), HoldCo shall be entitled to request that the Secretary of State exercise their right to call for the transfer of the Nuclear Assets and the Nuclear Liabilities, in which case the Secretary of State shall purchase the Nuclear Assets and the Nuclear Liabilities for consideration of £1 and the provisions of Clause 7.5.3 shall apply.

4 Discontinuation Transfer Exit

- 4.1 In the event that the Project is Discontinued in accordance with the Discontinuation and Compensation Agreement after First Criticality, and:

- 4.1.1 either:

- (i) all Senior Debt Compensation and (if applicable) Gross Equity Compensation has been paid; or
- (ii) the DCA Provider and the Secured Creditors have entered into Debt Assumption Documentation, the Senior Debt Compensation Lump Sum Amount has been paid and (if applicable) all Gross Equity Compensation has been paid,

in each case, in accordance with the terms of the Discontinuation and Compensation Agreement; and

- 4.1.2 all of the activities and obligations set out in the Approved Discontinuation Plan have been completed or discharged (as applicable),

the Secretary of State may either:

- 4.1.3 exercise their GSP Call Option in accordance with clause 7.5 (*GSP Provider's Call Option*) of the Discontinuation and Compensation Agreement and the terms of the GSP Call Option Agreement, in which case the provisions of clauses 7.5 (*GSP Provider's Call Option*) and 7.6 (*Conduct of Business before GSP Call Option Completion*) of the Discontinuation and Compensation Agreement and the terms of the GSP Call Option Agreement shall apply;
- 4.1.4 exercise their right to call for the transfer of such of those assets, rights, obligations and liabilities as the Secretary of State may require under a Pre-Consented Nuclear Transfer Scheme, in which case the provisions of Clause 7 (*Pre-Consent to a Pre-Consented Nuclear Transfer Scheme*) shall apply; or
- 4.1.5 exercise their right to call for a transfer of the Nuclear Assets and the Nuclear Liabilities under a Pre-Consented Nuclear Transfer Scheme, in which case the provisions of Clause 7 (*Pre-Consent to a Pre-Consented Nuclear Transfer Scheme*) of this Agreement shall apply.

- 4.2** In the event that the Secretary of State has not notified GenCo and HoldCo which option they intend to exercise within 12 months after the Discontinuation Date, HoldCo shall be entitled to request that the Secretary of State exercise their right to call for the transfer of the Nuclear Assets and the Nuclear Liabilities, in which case the Secretary of State shall purchase the Nuclear Assets and the Nuclear Liabilities for consideration of £1 and the provisions of Clause 7.5.3 shall apply.

5 Nuclear Administration

- 5.1** The Parties acknowledge that, in accordance with chapter 3 of part 3 of the Energy Act 2004 (as amended by part 3 of the NEFA), the Secretary of State or the Economic Regulator with the consent of the Secretary of State may apply for a RLNC Administration Order (and the court may only make a RLNC Administration Order if it is satisfied that):

5.1.1 GenCo is, or is likely to be, unable to pay its debts; or

5.1.2 in accordance with section 124A of the Insolvency Act 1986, the Secretary of State would be permitted to petition for GenCo to be wound up.

- 5.2** The Parties acknowledge and agree that the objectives of a Nuclear Administration set out in section 32 of the NEFA shall apply in the event that the court grants a RLNC Administration Order pursuant to section 157 of the Energy Act 2004 (as amended by section 33 of the NEFA).

- 5.3** The Parties acknowledge and agree that the following assets are protected assets for the purposes of section 56 of the Energy Act 2008:

5.3.1 sums received by GenCo from either market revenues or Difference Payments which are equivalent to the payments which GenCo is required to make to FundCo in respect of the Funding Arrangements Plan and Funded Decommissioning Programme which are determined by the Economic Regulator in accordance with the contribution notices provided to the Economic Regulator and as determined by the Economic Regulator in accordance with the FDP Allowance Building Block as set out in the Economic Licence;

5.3.2 any amounts standing to the credit of the Safety Critical Opex Reserve Account;

5.3.3 any shareholding in FundCo;

5.3.4 any shares held by PledgeCo in GenCo;

5.3.5 any shareholding in NSCo and any NSCo Agreements;

5.3.6 the sums, assets, bank accounts, investments and other securities held by FundCo at any relevant time;

5.3.7 any amounts standing to the credit of the FDP Account;

5.3.8 any amounts standing to the credit of the Operator DTM Control Account;

5.3.9 the Site;

5.3.10 any Strategic Spares; and

5.3.11 such other assets of FundCo as there may be from time to time,

together the **"Protected Assets"**.

5.4 The Parties also acknowledge and agree that:

- 5.4.1** subject to Clause 5.4.2, the Secretary of State has security over the Protected Assets and, notwithstanding any provision of the Security Documents, neither the Security Trustee nor any Secured Creditor has any security whatsoever and howsoever arising over the Protected Assets other than the shares in GenCo;
- 5.4.2** any security over the shares in GenCo granted in favour of the Secured Creditors shall be subject to the terms of this Agreement and shall be granted on the basis that the granting, operation and/or enforcement of any such security shall not impede the rights and obligations of the Secretary of State under this Agreement;
- 5.4.3** the provisions of:
 - (i) Special Condition 9 (*Disposals*) of the Economic Licence shall apply as if set out in full in this Agreement in respect of the Protected Assets listed in Clause 5.3.3, Clause 5.3.4, Clause 5.3.5, Clause 5.3.9 and Clause 5.3.10 (as if references to “the Authority” in the Economic Licence were references to “the Secretary of State”); and
 - (ii) the FDP Documents (to the extent applicable) shall apply as if set out in full in this Agreement in respect of the Protected Asset listed in Clause 5.3.3;
- 5.4.4** GenCo shall not without the prior written consent of the Secretary of State (such consent not to be unreasonably withheld or delayed) Dispose of, or Relinquish Operational Control over, any Protected Asset listed in Clauses 5.3.3, Clause 5.3.4, Clause 5.3.5, Clause 5.3.9 or Clause 5.3.10 except as permitted pursuant to Clause 5.4.3.
- 5.4.5** GenCo shall:
 - (i) provide to the Secretary of State all information reasonably requested by the Secretary of State in connection with a consent request issued by GenCo pursuant to this Clause 5.4.5, and all such information shall be true, complete and accurate to the best of GenCo's knowledge and belief, save that GenCo shall not be responsible for the truth, completeness or accuracy of any information, reports, valuations or opinions prepared by independent third parties;
 - (ii) provide to the Secretary of State in connection with a consent request issued by GenCo pursuant to this Clause 5.4.5 any independent land valuation provided to the Economic Regulator in accordance with Special Condition 9 (*Disposals*) of the Economic Licence in respect of the same Disposal; and
 - (iii) at all times comply with any reasonable conditions which the Secretary of State has attached to any consent granted pursuant to this Clause 5.4.5.

5.5 The Parties agree and acknowledge that if GenCo is subject to a RLNC Administration Order, GenCo shall continue to make all required payments as determined in accordance with the contribution notices under the Funding Arrangements Plan and as determined by the Economic Regulator in accordance with the Economic Licence in respect of the FDP Allowance Building Block in connection with the Funded Decommissioning Programme.

5.6 If:

5.6.1 either:

- (i) the Secretary of State has directed that the Economic Regulator may wholly revoke the special conditions of the Economic Licence in accordance with special condition 12.5 of the Economic Licence before any FDP Shortfall has been paid under the terms of the Economic Licence; or
- (ii) the Economic Regulator has implemented a Partial Revocation in accordance with the terms of the Economic Licence; and

5.6.2 there is still an FDP Shortfall outstanding at the time when either the Secretary of State directs that the Economic Regulator may wholly revoke the special conditions of the Economic Licence or the Partial Revocation Period ends (as applicable); and

5.6.3 the Secretary of State has not otherwise removed from GenCo its liabilities in respect of such FDP Shortfall (including through the implementation of a Pre-Consented Nuclear Transfer Scheme),

the Secretary of State shall pay to FundCo or the holder of the Nuclear Site Licence (as applicable in the circumstances) an amount equal to the FDP Shortfall and any FundCo Costs.

5.7 The Parties acknowledge and agree that a RLNC Administration Order in respect of GenCo may be discharged by the court under the NEFA if:

5.7.1 in accordance with section 32(2)(a) of the NEFA, there is a rescue of GenCo as a going concern;

5.7.2 in accordance with section 32(3)(a) of the NEFA, the Nuclear Administrator makes a transfer as a going concern of GenCo's issued share capital from its existing shareholders to one or more new shareholders (a "**GenCo Transfer Exit**"); and/or

5.7.3 in accordance with section 32(4)(b) of the NEFA, the Nuclear Administrator makes a transfer as a going concern of all or part of the undertaking of GenCo to a new entity (an "**Asset Transfer Exit**"); and/or

5.7.4 after 36 months from the date on which the court granted the RLNC Administration Order, either:

- (i) the Secretary of State; or
- (ii) the Economic Regulator, with the prior written consent of the Secretary of State,

has applied to discharge the RLNC Administration Order and all or part of the Regulated Assets are to be transferred under a Pre-Consented Nuclear Transfer Scheme (a "**Discharge Application Exit**").

5.8 In the event that the RLNC Administration Order has been in place for more than 36 months, HoldCo shall be entitled to request that the Secretary of State removes the Nuclear Assets and Nuclear Liabilities from GenCo, in which case the Secretary of State may apply to the Nuclear Administrator to:

5.8.1 buy the shares in GenCo for consideration of £1;

5.8.2 buy the Nuclear Assets and Nuclear Liabilities under a Pre-Consented Nuclear Transfer Scheme for consideration of £1, in which case the provisions of Clause 7 (*Pre-Consent to a Pre-Consented Nuclear Transfer Scheme*) shall apply; or

5.8.3 buy such of those assets, rights, obligations and liabilities as the Secretary of State may require under a Pre-Consented Nuclear Transfer Scheme for consideration of £1, in which case the provisions of Clause 7 (*Pre-Consent to a Pre-Consented Nuclear Transfer Scheme*) shall apply,

(an “**Extended RLNC Administration Exit**”).

5.9 In the event that the Secretary of State has not notified GenCo and HoldCo which option they intend to exercise no later than 12 months after the date on which the RLNC Administration Order has been in place for 36 months in accordance with Clause 5.8, HoldCo shall be entitled to request that the Secretary of State exercise their right to transfer the Nuclear Assets and the Nuclear Liabilities, in which case the Secretary of State shall purchase the Nuclear Assets and the Nuclear Liabilities for consideration of £1 and the provisions of Clause 7.5.3 shall apply.

5.10 Conduct of Business during RLNC Administration Order

The Parties acknowledge, and GenCo agrees to comply with, the obligations set out in Schedule 3 (*Conduct of Business during RLNC Administration Order*), subject to any legal rights, obligations and duties of a Nuclear Administrator.

6 Insolvency Event Exit

6.1 If an Insolvency Event (other than an Insolvency Event pursuant to paragraph (h) of the definition of “Insolvency Event”) has occurred in respect of GenCo and GenCo has served a notice on the Secretary of State and the Economic Regulator that such an Insolvency Event has occurred and within a period of 20 days after the service of such notice neither the Secretary of State or the Economic Regulator (with the consent of the Secretary of State) has applied to the court for a RLNC Administration Order, HoldCo may request that the Secretary of State takes over the Nuclear Assets and the Nuclear Liabilities under a Pre-Consented Nuclear Transfer Scheme (an “**Insolvency Exit**”).

6.2 If HoldCo makes such a request, the Secretary of State may apply to any administrator or receiver or other insolvency practitioner appointed as a result of the Insolvency Event:

6.2.1 for a transfer of such of those assets, rights, obligations and liabilities as the Secretary of State may require under a Pre-Consented Nuclear Transfer Scheme for consideration of £1, in which case the provisions of Clause 7 (*Pre-Consent to a Pre-Consented Nuclear Transfer Scheme*) shall apply; or

6.2.2 for a transfer of the Nuclear Assets and Nuclear Liabilities under a Pre-Consented Nuclear Transfer Scheme for consideration of £1, in which case the provisions of Clause 7 (*Pre-Consent to a Pre-Consented Nuclear Transfer Scheme*) shall apply.

6.3 In the event that the Secretary of State has not notified HoldCo which option they intend to exercise in accordance with Clause 6.2 within 12 months of HoldCo making such request, the Secretary of State shall purchase the Nuclear Assets and the Nuclear Liabilities from GenCo, the administrator, receiver or other insolvency practitioner (as the case may be) for consideration of £1 and the provisions of Clause 7.6.3 shall apply.

7 Pre-Consent to a Pre-Consented Nuclear Transfer Scheme

7.1 The Parties acknowledge and agree that a Pre-Consented Nuclear Transfer Scheme may arise in the following circumstances:

- 7.1.1** a Licence Expiry Transfer Exit in accordance with the provisions of Clause 3.1.2, Clause 3.1.3, Clause 3.2.2, Clause 3.2.3 or Clause 3.3;
- 7.1.2** a Discontinuation Transfer Exit in accordance with the provisions of Clause 4.1.4, Clause 4.1.5 or Clause 4.2;
- 7.1.3** a GenCo Transfer Exit in accordance with Clause 5.7.2;
- 7.1.4** an Asset Transfer Exit in accordance with Clause 5.7.3;
- 7.1.5** a Discharge Application Exit in accordance with Clause 5.7.4;
- 7.1.6** an Extended RLNC Administration Exit in the circumstances set out in Clause 5.8.2, Clause 5.8.3 or Clause 5.9; or
- 7.1.7** an Insolvency Exit in the circumstances set out in Clause 6.2 or Clause 6.3.

7.2 The HoldCo Shareholders, GenCo, PledgeCo and HoldCo hereby irrevocably consent to a Pre-Consented Nuclear Transfer Scheme (and each Non-HMG HoldCo Shareholder shall procure that each of its direct or indirect shareholders or members grants the consents required by the relevant legislation to give effect to the transfer scheme) and confirms, subject to Clause 8 (*Consequences of GenCo Transfer Exit or Asset Transfer Exit*), that no compensation is payable to the relevant Party as a result of the transfer of either the shares in GenCo and/or the Regulated Assets and/or the Nuclear Assets unless:

- 7.2.1** in the case of a GenCo Transfer Exit or an Asset Transfer Exit implemented by way of Pre-Consented Nuclear Transfer Scheme, the Nuclear Administrator receives value in respect of such GenCo Transfer Exit or Asset Transfer Exit from the transferee; or
- 7.2.2** in the case of a Discontinuation Transfer Exit, in which event the provisions for compensation as set out in the Discontinuation and Compensation Agreement shall apply.

7.3 The Security Trustee on behalf of the Secured Creditors hereby irrevocably consents to a Pre-Consented Nuclear Transfer Scheme to a person other than GenCo, PledgeCo or HoldCo (and the Security Trustee shall ensure that each Secured Creditor also irrevocably consents to such a transfer and grants any consents required by the relevant legislation to give effect to the applicable transfer scheme) and confirms, subject to Clause 8 (*Consequences of GenCo Transfer Exit or Asset Transfer Exit*), that no compensation is payable to the relevant Secured Creditors as a result of the transfer of either the shares in GenCo and/or the Regulated Assets and/or the Nuclear Assets unless:

- 7.3.1** in the case of a GenCo Transfer Exit or an Asset Transfer Exit, the Nuclear Administrator receives value in respect of such GenCo Transfer Exit or Asset Transfer Exit from the transferee; or
- 7.3.2** in the case of a Discontinuation Transfer Exit, in which event the provisions for compensation as set out in the Discontinuation and Compensation Agreement shall apply.

7.4 The pre-consent to a Pre-Consented Nuclear Transfer Scheme provided under this Agreement by the Security Trustee on behalf of the Secured Creditors is not intended to cut across any rights of the Security Trustee on behalf of the Secured Creditors or the Secured Creditors under the Insolvency Act 1986 in the event that no RLNC Administration Order is in place.

7.5 Consent to Nuclear Transfer Scheme

7.5.1 The Parties acknowledge and agree that where a Pre-Consented Nuclear Transfer Scheme applies the Secretary of State may implement a Nuclear Transfer Scheme to transfer all or part of GenCo's property, rights and liabilities to the NDA or a publicly owned company in accordance with chapter 2 of part 1 of the Energy Act 2004 and schedule 5 to the Energy Act 2004.

7.5.2 In the event of:

- (i) a Licence Expiry Transfer Exit in accordance with the provisions of Clause 3.1.2, Clause 3.1.3, Clause 3.2.2, Clause 3.2.3 or Clause 3.3;
- (ii) a Discontinuation Transfer Exit in accordance with the provisions of Clause 4.1.4, Clause 4.1.5 or Clause 4.2;
- (iii) a Discharge Application Exit in accordance with Clause 5.7.4;
- (iv) an Extended RLNC Administration Exit in the circumstances set out in Clause 5.8.2, Clause 5.8.3 or Clause 5.9; or

(v) an Insolvency Exit in the circumstances set out in Clause 6.2 or Clause 6.3, each HoldCo Shareholder, GenCo, PledgeCo, HoldCo and the Security Trustee (on behalf of the Secured Creditors) hereby irrevocably consents to the making of a Pre-Consented Nuclear Transfer Scheme (to the extent required under section 40(2) of the Energy Act 2004) in accordance with Clause 7.5.1 to a person other than GenCo, PledgeCo or HoldCo, and (i) HoldCo and each HoldCo Shareholder shall procure that each other direct or indirect shareholder or member of HoldCo and (ii) the Security Trustee on behalf of each of the Secured Creditors grants the consents required by the relevant legislation to give effect to the scheme, in each case subject to the following:

- (vi) a Pre-Consented Nuclear Transfer Scheme under Clauses 3.1.2, 3.1.3, 3.2.2, 3.2.3, 3.3, 4.1.4, 4.1.5, 4.2, 5.7.4, 5.8.2, 5.8.3, 6.2, 6.3 or 7.4 must include the Nuclear Assets and Nuclear Liabilities; and
- (vii) the liabilities transferred (whether by way of a transfer of shares or otherwise) shall exclude any liabilities whatsoever and howsoever arising under the Finance Documents, including any liability in respect of any Shares or any Shareholder Loans.

7.5.3 Each Party and the Security Trustee on behalf of the Secured Creditors hereby acknowledges and agrees that the making of a Pre-Consented Nuclear Transfer Scheme or the purchase by the Secretary of State of the Nuclear Assets and the Nuclear Liabilities for £1 under Clauses 3.3, 4.2, 5.8, 5.9, 6.2 or 6.3:

- (i) shall not give rise to any claim for compensation by any of them pursuant to the Discontinuation and Compensation Agreement or otherwise, other than where a Discontinuation Transfer Exit arises;

- (ii) shall not give rise to any claim for compensation under schedule 5 of the Energy Act 2004;
- (iii) shall not give rise to any claim for compensation under the Human Rights Act 1998;
- (iv) shall not give rise to any claim for compensation under the Energy Charter Treaty 1994 and/or any bilateral investment treaty;
- (v) does not constitute a compulsory acquisition of prescribed substances, stocks of minerals and plant for the purposes of the Atomic Energy Act 1946, and therefore shall not give rise to any claim for compensation under schedule 2 to the Atomic Energy Act 1946; and
- (vi) is not and does not constitute an expropriation or a measure equivalent to expropriation or nationalisation of GenCo and is not a Nationalisation Event.

7.6 Consequences of a Pre-Consented Nuclear Transfer Scheme

The Parties agree and acknowledge that on the date when a Pre-Consented Nuclear Transfer Scheme is implemented, subject to:

- 7.6.1 clause 2.2 of the Supplemental Compensation Agreement;
- 7.6.2 clause 4.2 (*Continuing obligations*) of the Discontinuation and Compensation Agreement;
- 7.6.3 clause 2.2 (*Commencement and Duration*) of the Contingent Financing Agreement;
- 7.6.4 clause 2.3 (*Continuing Rights*) of the Liaison Agreement; and
- 7.6.5 clause 12.15 of the ITA Deed of Appointment,

each document forming part of the GSP shall automatically terminate.

8 Consequences of GenCo Transfer Exit or Asset Transfer Exit

- 8.1 The Parties acknowledge that, following a GenCo Transfer Exit or an Asset Transfer Exit, the Nuclear Administrator shall apply the net proceeds, if any, of such GenCo Transfer Exit or Asset Transfer Exit (if any) in accordance with the provisions of clause 28.12.2 of the STID.
- 8.2 The Parties also acknowledge and agree that the proceeds (if any) will be net of any cost of the Nuclear Administration, including any funding which has been provided by the Secretary of State to support the Nuclear Administration pursuant to its powers under the NEFA.

9 Co-operation, Access and Information

9.1 Provision of access and accuracy of information

- 9.1.1 Each HoldCo Shareholder, HoldCo, PledgeCo, GenCo and the Security Trustee on behalf of the Secured Creditors shall (and the Non-HMG HoldCo Shareholders shall procure that each of their direct or indirect shareholders and members shall, and the HoldCo Shareholders shall procure that HoldCo, PledgeCo and GenCo shall) co-operate in the making of a Pre-Consented Nuclear Transfer Scheme, including providing all such information and assistance as the Secretary of State may reasonably require in order for the Secretary of State to assess whether or not to

make a Pre-Consented Nuclear Transfer Scheme or a Nuclear Transfer Scheme and for the purposes of conducting due diligence on the business, finances, property, assets, rights, liabilities and other affairs of GenCo. Subject to the requirements of applicable law and regulation, such information and assistance shall include:

- (i) making available to the Secretary of State and the Secretary of State's representatives any books and records of GenCo, PledgeCo or HoldCo as are required by the Secretary of State for inspection and copying;
- (ii) providing access to the Site and the Regulated Assets to the Secretary of State and the Secretary of State's representatives and any proposed transferee; and
- (iii) providing access to the directors, officers, employees, agents, consultants and advisers of GenCo, PledgeCo and HoldCo, who shall be instructed to give, as soon as reasonably practicable, all such information and explanation as is reasonably requested by or on behalf of the Secretary of State or the proposed transferee,

in each case, to the extent within their respective powers to so do at the relevant time.

- 9.1.2** The HoldCo Shareholders shall ensure that all information provided to the Secretary of State and the Secretary of State's representatives pursuant to Clause 9.1 is, to the best of their knowledge and belief (having made all due and careful enquiries), true and accurate in all material respects and not misleading in any material respect.

9.2 Asset Transfer assistance

- 9.2.1** The Parties acknowledge and agree that an "**Asset Transfer**" means a Pre-Consented Nuclear Transfer Scheme that arises in the following circumstances:

- (i) a Licence Expiry Transfer Exit in accordance with the provisions of Clause 3.1.2, Clause 3.1.3, Clause 3.2.2, Clause 3.2.3 or Clause 3.3;
- (ii) a Discontinuation Transfer Exit in accordance with the provisions of Clause 4.1.4, Clause 4.1.5 or Clause 4.2;
- (iii) an Asset Transfer Exit in accordance with Clause 5.7.3;
- (iv) a Discharge Application Exit in accordance with Clause 5.7.4 in circumstances where the Pre-Consented Nuclear Transfer Scheme is implemented through:
 - (a) an Asset Transfer Exit;
 - (b) the transfer of such of GenCo's assets, rights, obligations and liabilities as may be required under the relevant Pre-Consented Nuclear Transfer Scheme; or
 - (c) the transfer of the Nuclear Assets and Nuclear Liabilities under a Pre-Consented Nuclear Transfer Scheme;
- (v) an Extended RLNC Administration Exit in the circumstances set out in Clause 5.8.2, Clause 5.8.3 or Clause 5.9; or
- (vi) an Insolvency Exit in the circumstances set out in Clause 6.2 or Clause 6.3.

9.2.2 Subject to Clause 9.4 (*No fettering of discretion*), the Parties acknowledge and agree that:

- (i) as a pre-requisite to the implementation of an Asset Transfer, the relevant transferee must:
 - (a) either obtain or hold a nuclear site licence from the Office for Nuclear Regulation in respect of the Site or such part of the Site which is relevant to the Nuclear Assets that are being transferred; and
 - (b) submit to and/or have approved by the Secretary of State (in their statutory capacity) a funded decommissioning programme in relation to the Site for such part of the Site on which the Nuclear Assets are located in accordance with section 45 of the Energy Act 2008; and
- (ii) each HoldCo Shareholder, HoldCo, PledgeCo, GenCo and the Security Trustee on behalf of the Secured Creditors shall (and the Non-HMG HoldCo Shareholders shall procure that each of their direct or indirect shareholders and members shall and the HoldCo Shareholders shall procure that HoldCo, PledgeCo and GenCo shall) provide all such information and assistance as the relevant transferee may reasonably require in order to (a) obtain such nuclear site licence and (b) submit (and obtain approval of) such funded decommissioning programme.

9.3 Assistance with transfer of FundCo

9.3.1 The Parties acknowledge and agree that if the terms of a Pre-Consented Nuclear Transfer Scheme require the transfer of the shares in FundCo, and/or the property, assets, rights and liabilities of FundCo, the relevant transferee must submit to the Secretary of State (in their statutory capacity) in accordance with section 45 of the Energy Act 2008 a funded decommissioning programme in relation to the Site (or such part of the Site in which the Nuclear Assets are located) which requires:

- (i) the Fund Assets to continue to be held on a segregated basis by a special purpose vehicle entity that is separate and independent from GenCo and/or (if applicable) any transferee of GenCo's property, rights, assets and liabilities pursuant to an Asset Transfer;
- (ii) the Fund Assets to be used only to discharge the costs relating to the Designated Technical Matters in relation to the Site; and
- (iii) the Fund Assets to be invested so as to meet the costs relating to the Designated Technical Matters as envisaged in the Funding Arrangements Plan.

9.3.2 Subject to Clause 9.4 (*No fettering of discretion*), each HoldCo Shareholder, HoldCo, PledgeCo, GenCo and the Security Trustee on behalf of the Secured Creditors shall (and the Non-HMG HoldCo Shareholders shall procure that each of their direct or indirect shareholders and members shall, and the HoldCo Shareholders shall procure that HoldCo, PledgeCo and GenCo shall) provide all such information and assistance as GenCo and/or the relevant transferee (as applicable) may reasonably require in order to submit (and obtain approval of) such funded decommissioning programme.

9.4 No fettering of discretion

Nothing in this Clause 9 shall constitute a fetter of the statutory and/or regulatory rights and obligations of the Secretary of State (acting in their statutory capacity) or the Office for Nuclear Regulation, and the Parties acknowledge and agree that neither the Secretary of State (acting in their statutory capacity) nor the Office for Nuclear Regulation shall be required to approve any request for a funded decommissioning programme or a nuclear site licence (as applicable) or issue any notice, decision or determination, or otherwise to exercise any statutory or regulatory right or obligation, in connection with the provisions of this Agreement.

10 GenCo undertakings, warranties and representations

10.1 GenCo undertakes that:

10.1.1 it shall:

- (i) not enter into a Material Contract after the date of this Agreement unless such Material Contract is subject to a direct agreement between the Secretary of State, GenCo and any counterparty to that Material Contract, which is either:
 - (a) substantially in the form set out in Schedule 5 (*Form of Direct Agreement*) (such form being the “**Pro Forma Direct Agreement**”); or
 - (b) in such other form as the Secretary of State may agree (acting reasonably), provided that it shall be reasonable for the Secretary of State not to agree to such other form of direct agreement where such alternative form of direct agreement would (i) remove, amend or otherwise exclude the Secretary of State’s step-in rights, step-out rights and/or novation rights as set out in the Pro Forma Direct Agreement, or otherwise prejudice such rights; or (ii) seek to remove or alter the rights of the Secretary of State during a step-in period as set out in the Pro Forma Direct Agreement,
- (each, a “**Direct Agreement**”); and
- (ii) in respect of each Material Contract entered into prior to or on the date of this Agreement, procure a Direct Agreement between the Secretary of State, GenCo and any counterparty to such Material Contract which shall come into force and effect on or before the date of Revenue Commencement,

provided that the Secretary of State shall within five Business Days of receipt execute and deliver any such direct agreement received by the Secretary of State if it appears on its face to have been completed, executed and delivered by the other parties to it in substantially the form set out in Schedule 5 (*Form of Direct Agreement*);

10.1.2 it shall procure that each Direct Agreement provided pursuant to Clause 10.1.1 shall remain in full force and effect during the term (or, in the case of Clause 10.1.1(ii), the remainder thereof) of the applicable Material Contract; and

10.1.3 it shall procure that the terms of any agreement that GenCo enters into with a member of its group (as such term is defined in section 1261(1) of the Companies Act 2006) for the provision of goods or services from time to time (including, but not

limited to, Strategic Spares, utilities, personnel, intellectual property rights or financial arrangements), whether written or otherwise, shall prohibit the termination of such arrangement for any reason following an Insolvency Event in respect of GenCo or HoldCo or the commencement of a Nuclear Administration in respect of GenCo without provision for step-in rights for GenCo and/or the Secretary of State.

- 10.2** If, at any time, all or a material part of the scope of work of a Material Contract (including any related task orders, work orders or call-off contracts in connection with a Material Contract) is terminated, assigned, sub-contracted, delegated or otherwise transferred to a third party and a new contract is entered into by GenCo with respect to such work, the terms of Clause 10.1.1(i) and 10.1.2 shall apply to such new contract as if it were a Material Contract.
- 10.3** GenCo shall establish and maintain a virtual data room which must contain copies of all maps and plans of the Site and the list of Land Rights (the “**Site Maps Data Room**”), each of which must be downloadable and printable by the Secretary of State and the Economic Regulator, provided that where GenCo has established a data room for the same purpose pursuant to Special Condition 2 (*General Licensee Obligations*) of the Economic Licence then that data room can be treated as the Site Maps Data Room for the purposes of this Agreement.
- 10.4** Each time a new document is uploaded to or removed from the Site Maps Data Room, a notification must be provided to such Secretary of State and Economic Regulator personnel as may be notified to GenCo from time to time.
- 10.5** GenCo warrants and represents that as at the date of Revenue Commencement:
- 10.5.1** the maps of the Site and the list of Land Rights set out in the Site Maps Data Room are complete, accurate and together show all of the land, real estate or other Real Property (in any jurisdiction, whether in the United Kingdom or overseas):
- (i) that GenCo owns;
 - (ii) in relation to which GenCo has the benefit of any option agreements;
 - (iii) in relation to which GenCo is a leaseholder or licensee; and
 - (iv) in relation to which GenCo holds any other Land Rights including, but not limited to, licences to occupy, easements, covenants and other rights,
- and no such land or property has been omitted from the maps of the Site and the list of Land Rights set out in the Site Maps Data Room;
- 10.5.2** GenCo owns, has the benefit of option agreements, is a leaseholder or licensee and/or holds all other required Land Rights in respect of all of the land, real estate or other Real Property as may be required for the purposes of the Nuclear Site Licence; and
- 10.5.3** GenCo has available all of the land, real estate, or other Real Property (in any jurisdiction, whether in the United Kingdom or overseas) as may be required at such time for the purposes of carrying out the Project.
- 10.6** If at any time during the term of this Agreement GenCo acquires or Disposes of any land, real estate, Real Property or any other Land Rights:

10.6.1 any such acquisition or Disposal shall be made in accordance with the terms of the Transaction Documents and in particular the Economic Licence and this Agreement; and

10.6.2 GenCo shall on an annual basis:

- (i) deliver to the Secretary of State a notice confirming the details of such acquisition or Disposal; and
- (ii) make available to the Secretary of State in the Site Maps Data Room an updated set of maps and/or list of Land Rights identifying the revised scope of the Site following such acquisition or Disposal (any such set of maps being a **“Revised Site Map”** and the revised list of Land Rights being a **“Revised List of Land Rights”**), which shall be uploaded to the Site Maps Data Room in accordance with Clause 10.3 as a result of any completed acquisition or Disposal notified under Clause 10.6.2(i).

10.7 The representation and warranty set out in Clause 10.5 shall be deemed to be repeated on the date on which the Revised Site Map and/or Revised List of Land Rights are delivered to the Secretary of State pursuant to Clause 10.6.2, except that the reference to Revenue Commencement in Clause 10.5 shall be deemed to be a reference to the date on which the Revised Site Map and Revised List of Land Rights is delivered to the Secretary of State.

11 Continuing obligations

Immediately following the Expiry Date, each Party shall cease to have any rights or obligations under this Agreement save that the rights and obligations under this Clause 11 to Clause 28 (*Jurisdiction and disputes*) shall continue in full force and effect.

12 Accession and Resignation of HoldCo Shareholders and the Security Trustee

12.1 HoldCo Shareholders

12.1.1 Each person who accedes to the Shareholders' Agreement shall also execute a NASTA Accession Deed in accordance with paragraph 3.3 of part A (*Deed of Adherence (Subscription)*) of schedule 5 to the Shareholders' Agreement and/or paragraph 3.4 of part B (*Deed of Adherence (Transfer)*) of schedule 5 to the Shareholders' Agreement.

12.1.2 Subject to Clause 12.2.1, as soon as reasonably practicable after receiving a NASTA Accession Deed from a proposed new HoldCo Shareholder, each of the Parties shall sign and accept such NASTA Accession Deed if it appears on its face to have been completed, executed and, where applicable, delivered in the form contemplated by this Agreement.

12.1.3 With effect from the date of acceptance by the Parties of a NASTA Accession Deed duly executed and delivered to the Parties by the relevant acceding HoldCo Shareholder (or, if later, the date specified in that NASTA Accession Deed), as from that date the replacement or new HoldCo Shareholder shall assume the same obligations and become entitled to the same rights as if it had been an Original HoldCo Shareholder.

12.1.4 If a HoldCo Shareholder ceases entirely to be a HoldCo Shareholder, such HoldCo Shareholder shall submit to the other Parties within one Business Day of ceasing to

be a HoldCo Shareholder a written notice confirming that such HoldCo Shareholder has, as at the date upon which the HoldCo Shareholder ceased to be a HoldCo Shareholder:

- (i) ceased to be a HoldCo Shareholder for the purposes of this Agreement; and
- (ii) been discharged from further obligations towards the other Parties under this Agreement and that their respective rights against one another have been cancelled (except in each case for those rights which arose prior to that date).

12.2 Security Trustee

12.2.1 If there is a change of Security Trustee in accordance with clause 36 (*Retirement and Removal of Security Trustee*) of the Security Trust and Intercreditor Deed and the replacement Security Trustee submits a NASTA Accession Deed to the remaining Parties, each of those Parties shall, as soon as reasonably practicable after receiving such NASTA Accession Deed, sign and accept that NASTA Accession Deed if it appears on its face to have been completed, executed and, where applicable, delivered in the form contemplated by this Agreement. The Secretary of State shall not be obliged to sign and accept a NASTA Accession Deed submitted to it by a replacement Security Trustee unless the replacement Security Trustee delivers to the Secretary of State such evidence as the Secretary of State may require to demonstrate that the replacement Security Trustee has validly been appointed as replacement Security Trustee in accordance with clause 36 (*Retirement and Removal of Security Trustee*) of the Security Trust and Intercreditor Deed.

12.2.2 If there is a change of Security Trustee in accordance with clause 36 (*Retirement and Removal of Security Trustee*) of the Security Trust and Intercreditor Deed and the replacement Security Trustee accedes to this Agreement in accordance with Clause 12.2.1, the outgoing Security Trustee shall submit to the other Parties a written notice confirming that it shall:

- (i) immediately cease to be the Security Trustee for the purposes of this Agreement; and
- (ii) be discharged from further obligations towards the other Parties under this Agreement and their respective rights against one another shall be cancelled (except in each case for those rights which arose prior to that date).

12.2.3 With effect from the date of acceptance by the Parties of a NASTA Accession Deed duly executed and delivered to the Parties by the acceding Security Trustee (or, if later, the date specified in that NASTA Accession Deed), as from that date the replacement Security Trustee shall assume the same obligations and become entitled to the same rights as if it had been the original Security Trustee.

12.3 “Know your customer” requirements

12.3.1 The Secretary of State shall only be obliged to sign and accept a NASTA Accession Deed delivered to it once it is satisfied it has completed all necessary “know your customer” or other similar checks, including those under all applicable laws and regulations in relation to the accession by the prospective party to this Agreement.

12.3.2 Each Party shall promptly upon the request of the Secretary of State supply, or procure the supply of, such documentation and other evidence as is reasonably

requested by the Secretary of State (for itself) in order for the Secretary of State to carry out and be satisfied it has completed all necessary “know your customer” or other similar checks, including under all applicable laws and regulations.

13 Deed of Undertaking

- 13.1** At any time prior to the liabilities of GenCo under the FDP being fully and finally discharged, a Significant Shareholder may request a Deed of Undertaking from the Secretary of State.
- 13.2** As soon as reasonably practicable following a request from a Significant Shareholder in accordance with Clause 13.1, the Secretary of State agrees to enter into a Deed of Undertaking with that Significant Shareholder.

14 VAT

- 14.1** Where under the terms of this Agreement one party is liable to indemnify or reimburse another party in respect of any costs, charges or expenses, the payment shall include an amount equal to any VAT thereon not otherwise recoverable by the other party or the representative member of any VAT group of which it forms part. If the costs, charges or expenses are incurred by the party being indemnified or reimbursed (the “Payee”) in its capacity as agent of the payer and the relevant supply is treated for VAT purposes as made direct to the payer, the Payee shall use reasonable endeavours to procure that the supplier issues to the payer a valid VAT invoice.

15 Confidentiality and Freedom of Information

15.1 Confidential Information

Subject to Clause 15.2 (*Disclosure of Confidential Information*) and Clause 15.5 (*Freedom of Information*) the Parties shall at all times keep all Confidential Information confidential to the Party receiving it and shall not disclose such Confidential Information to any other person, except with the written authority of each Party to whom the information is confidential.

15.2 Disclosure of Confidential Information

15.2.1 Subject to Clause 15.3 (*Obligations preserved*) and Clause 15.5 (*Freedom of Information*), a Party shall, without the prior consent of the relevant other Party, be entitled to disclose Confidential Information of that other Party:

- (i) that is reasonably required by the Party for the performance of its obligations under the Transaction Documents, including the disclosure of any Confidential Information to any employee, consultant, agent, officer, sub-contractor (of any tier) or professional adviser to the extent necessary to enable that Party to perform its obligations under the Transaction Documents;
- (ii) to any Secured Creditors or their professional advisers (including any rating agencies, if applicable) or insurance advisers or, where it is proposed that a person should or may provide funds (whether directly or indirectly and whether by loan, equity participation or otherwise) to GenCo or a Group Company to enable GenCo to carry out its obligations under the Transaction

Documents, to that person and their advisers but only to the extent reasonably necessary to enable a decision to be taken on the proposal;

- (iii) to the extent required by the Nuclear Installations Act, the NEFA or any other applicable law or pursuant to an order of any court of competent jurisdiction, any parliamentary obligation or the rules of any stock exchange or governmental or regulatory authority having the force of law, including for the purposes of the National Audit Act 1983, the Comptroller and Auditor General (as such terms are defined under the National Audit Act 1983);
- (iv) to register or record any authorisations and to effect property registration that may be required;
- (v) for the purpose of the examination and certification of any Party's accounts;
- (vi) to enable a determination to be made under a dispute resolution process arising out of or in connection with this Agreement;
- (vii) in relation to disclosure by GenCo, in order to fulfil the Economic Licence obligations;
- (viii) in relation to disclosure by GenCo, to any person in connection with that person being (or in anticipation of that person becoming) a shareholder of GenCo or a Group Company, subject to the terms of any non-disclosure agreement between GenCo and any of the Parties;
- (ix) required under the Nuclear Industries Security Regulations 2003 or in accordance with the ONR's Security Assessment Principles;
- (x) to prospective providers of financing to GenCo and/or a Group Company; and
- (xi) to any Group Company,

in each case, provided that any such disclosure is made honestly, reasonably (having regard to the terms of the Transaction Documents) and to the extent required for a legitimate purpose as set out in this Clause 15.2.

15.2.2 Nothing in this Clause 13 shall be deemed to prohibit, prevent or hinder, or render any Party liable for, the disclosure of any information by that Party to the Economic Regulator, the Parliamentary Commissioner for Administration, a Minister of the Crown or any department of the Government of the United Kingdom, Parliament, the Scottish Parliament, the National Assembly of Wales, or any department or officer of any of them for the purpose of facilitating the carrying out of its functions.

15.2.3 If the Secretary of State, the Economic Regulator and GenCo agree in writing, the Parties shall be permitted to release Confidential Information (including the contents of any Reports (as that term is defined in the Liaison Agreement)) to the Cross-Regulatory Information Sharing Platform, subject to such redactions as the Secretary of State, the Economic Regulator and GenCo agree are required.

15.3 Obligations preserved

Where disclosure is permitted under Clause 15.2 (*Disclosure of Confidential Information*), other than Clauses 15.2.1(iii) and 15.2.1(iv), the Party making such disclosure shall ensure

that the recipient of the information is subject to the same obligation of confidentiality as that contained in this Agreement.

15.4 Exploitation of information

Subject to use of the information for the purposes expressly contemplated in Clauses 15.2.1(ii), 15.2.1(iii) and 15.2.1(v), no Party shall make use of any information arising out of the Project issued or provided by or on behalf of any Party in connection with the Transaction Documents otherwise than for the purposes of the Transaction Documents, except with the written consent of the Party by whom or on whose behalf the information was provided.

15.5 Freedom of Information

15.5.1 The Parties acknowledge that the Secretary of State is, and that GenCo and/or HoldCo may become, subject to the requirements of the FOIA and the Environmental Information Regulations and each Party may, subject to the remaining provisions of this Clause 13, elect to make representations to each other Party (as the case may be) with its Information disclosure requirements pursuant to the same in the manner provided for in Clauses 15.5.3 to 15.5.7 (inclusive).

15.5.2 Except where a Request for Information is subject to confidentiality restrictions, where an RfI Recipient receives a Request for Information in relation to Information that may in the RfI Recipient's reasonable opinion be confidential to another Party, the RfI Recipient shall provide a copy of such Request for Information to the relevant other Party within three Business Days of receiving the Request for Information.

15.5.3 The RfI Recipient may within 10 Business Days of delivering a Request for Information to the relevant other Party consult with such other Party in connection with such Request for Information, in which case the relevant other Party may make representations to the RfI Recipient as to whether:

- (i) such Information requested should be disclosed and, if so, on what basis;
- (ii) such Information may be or is Confidential Information or Commercially Sensitive Information; or
- (iii) further Information should reasonably be provided in order to identify and locate the Information requested,

provided always that, without prejudice to the relevant other Party's rights against the RfI Recipient in respect of any disclosure of Information made otherwise than in accordance with the FOIA or the Environmental Information Regulations, the RfI Recipient shall be responsible for determining, subject to Clause 15.5.4:

- (iv) whether Information is exempt from disclosure under the FOIA, the Environmental Information Regulations or any other relevant law (including the Utilities Act 2000); and
- (v) whether Information is to be disclosed in response to a Request for Information,

and in no event shall the relevant other Party respond directly, or allow its sub-contractors to respond directly, to a Request for Information unless expressly authorised to do so by the RfI Recipient. If the relevant other Party elects to make representations pursuant to this Clause 15.5.3, it shall respond to the RfI Recipient

within the time for compliance set out in section 10 of the FOIA or regulation 5 of the Environmental Information Regulations.

15.5.4 Subject to Clause 15.5.6, in deciding how to respond to a Request for Information which relates, or may relate, to Confidential Information or Commercially Sensitive Information, the RfI Recipient shall take into account any relevant representations by the relevant other Party in that regard that are made before expiry of the time period referred to in Clause 15.5.3, and the RfI Recipient shall not issue a response to the Request for Information before such date.

15.5.5 If the RfI Recipient decides to respond to a Request for Information which relates, or may relate, to Confidential Information or Commercially Sensitive Information by confirming that it holds Confidential Information or Commercially Sensitive Information and/or by disclosing Confidential Information or Commercially Sensitive Information, it shall notify the relevant other Party of its decision in writing at least three Business Days before issuing such response.

15.5.6 The Parties acknowledge that (notwithstanding the other provisions of this Clause 13) the RfI Recipient may, acting in accordance with the Codes, be obliged under the FOIA or the Environmental Information Regulations to disclose Information concerning the other Parties or the Project:

- (i) in certain circumstances without consulting with the relevant other Party; or
- (ii) following consultation with the relevant other Party and having taken their views into account,

provided always that where Clause 15.5.6(i) applies, the RfI Recipient shall, in accordance with the recommendations of the Codes, take reasonable steps, where appropriate, to give the relevant other Party notice, or failing that, to draw the disclosure to the attention of the relevant other Party after any disclosure. Where disclosure is made under this Clause 15.5.6, the RfI Recipient shall provide the relevant other Party with a copy of the information disclosed following the disclosure.

15.5.7 The RfI Recipient shall not be liable for any loss, damage, harm or other detriment suffered by any other Party arising out of any Information in the RfI recipient's reasonable opinion required to be disclosed under the FOIA or Environmental Information Regulations, provided the RfI Recipient has complied with this Clause 15.5.

16 No partnership or agency

16.1 Nothing in this Agreement shall be construed as creating a partnership.

16.2 No Party shall be deemed to be an agent of any other Party and no Party shall hold itself out as having authority or power to bind any other Party in any way.

17 Notices

17.1 Communications in writing

Any communication to be made under or in connection with this Agreement shall be made in writing.

17.2 Addresses

The address (and the department or officer, if any, for whose attention the communication is to be made) of each Party for any communication or document to be made or delivered is as follows:

17.2.1 Secretary of State

[REDACTED]
[REDACTED]

17.2.2 GenCo

[REDACTED]
[REDACTED]

17.2.3 PledgeCo

[REDACTED]
[REDACTED]

17.2.4 HoldCo

[REDACTED]
[REDACTED]

17.2.5 EDF Energy Holdings Limited

[REDACTED]

Attention: [●]

17.2.6 Other Original HoldCo Shareholders

Address: [●]

Attention: [●]

17.2.7 Security Trustee

Address: [●]

Attention: [●],

or any substitute address or department or officer as any Party may notify in writing to each of the other Parties by not less than five Business Days' notice.

17.3 Delivery

17.3.1 Subject to Clause 17.4 (*Electronic communication*), any communication or document made or delivered by one Party to another Party under or in connection with this Agreement shall only be effective:

- (i) if by hand or recorded delivery, when so delivered; and
- (ii) if by post (other than recorded delivery), two Business Days after being deposited in the post (postage prepaid) in an envelope addressed to the relevant Party at the relevant address,

and, if a particular department or officer is specified as part of its address details provided under Clause 17.2 (*Addresses*), if addressed to that department or officer.

17.3.2 Any notice under this Agreement shall be irrevocable.

17.4 Electronic communication

17.4.1 Any communication to be made under or in connection with this Agreement may be made by electronic mail or other electronic means, if the Parties:

- (i) agree that, unless and until notified to the contrary, this is to be an accepted form of communication;
- (ii) notify the other Parties in writing of their electronic mail address and any other information required to enable the sending and receipt of information by that means; and
- (iii) notify the other Parties of any change to their address or any other such information supplied by them by not less than five Business Days' notice.

17.4.2 Any electronic communication made between the Parties will be effective only when actually received in readable form.

18 Partial Invalidity

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

19 Remedies and Waivers

No failure to exercise, nor any delay in exercising, any right or remedy under this Agreement shall operate as a waiver of any such right or remedy or constitute an election to affirm this Agreement. No election to affirm this Agreement by any Party shall be effective unless it is in writing. 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. The rights and remedies provided in this Agreement are cumulative and not exclusive of any rights or remedies provided by law.

20 Consequential Loss

Except where expressly stated otherwise, in no event shall the Secretary of State be liable to any other Party in respect of any Consequential Loss (whether on the basis of breach of contract, indemnity, warranty, tort, breach of statutory duty or otherwise) for any matter arising out of or in connection with this Agreement.

21 Amendments

This Agreement may be amended only by an instrument in writing signed by duly authorised representatives of each Party.

22 Counterparts

This Agreement may be executed in any number of counterparts and by each Party on separate counterparts. Each counterpart is an original, but all counterparts shall together

constitute one and the same instrument. Delivery of a counterpart of this Agreement by email attachment shall be an effective mode of delivery.

23 Entire Agreement

23.1 This Agreement, in conjunction with the other documents forming part of the Government Support Package, the ITA Deed of Appointment and the Liaison Agreement, constitutes the entire agreement between the Parties with respect to the Government Support Package the ITA Deed of Appointment and the Liaison Agreement and supersedes and extinguishes all previous drafts, agreements, arrangements and understandings between them, whether written or oral, relating to the subject matter of the Government Support Package, the ITA Deed of Appointment and the Liaison Agreement.

23.2 Subject to Clause 23.3, each Party agrees that it shall have no remedies in respect of any representation or warranty (whether made innocently or negligently) that is not set out in this Agreement. No Party shall have any claim for innocent or negligent misrepresentation based upon any statement in this Agreement.

23.3 Nothing in this Agreement shall exclude or limit liability in respect of fraud, fraudulent misstatement or any other matter to the extent not permitted by law to be excluded or limited.

24 Restrictions on Assignment

24.1 This Agreement shall benefit and bind the relevant Parties, their permitted assignees and their respective successors. Any reference in this Agreement to any Party shall be construed accordingly.

24.2 Restriction on Group Companies

Subject to Clause 24.3 (*Group Company exception*), none of the Group Companies shall assign, novate or otherwise transfer its rights or obligations under this Agreement in whole or in part except with the prior written consent of the Secretary of State (such consent not to be unreasonably withheld or delayed).

24.3 Group Company exception

Each of the Group Companies may create a security assignment of this Agreement in favour of any Secured Creditor and the Secretary of State shall:

24.3.1 assist in facilitating this, provided that all costs and expenses properly incurred by the Secretary of State in giving effect to such assignment are paid by the relevant Group Company (as applicable); and

24.3.2 execute such documents as may reasonably and customarily be required to give effect to such assignment.

24.4 Restriction on the Secretary of State

Subject to Clause 24.5 (*Secretary of State exception*), the Secretary of State shall not assign, novate or otherwise transfer their rights or obligations under this Agreement in whole or in part except with the prior written consent of each of GenCo, PledgeCo and HoldCo.

24.5 Secretary of State exception

Subject to Clause 20.2.1 (*Assignments and transfers by the GLF Provider*) of the Government Liquidity Facility Agreement, the Secretary of State may transfer or novate its

rights and its obligations under the ITA Deed of Appointment, the Liaison Agreement, this Agreement and any other document forming part of the Government Support Package to any Secretary of State Replacement, provided that:

- 24.5.1 such transfer or novation is in respect of all of the Secretary of State's, or, as applicable, the previous Secretary of State Replacement's, rights and obligations under the ITA Deed of Appointment, the Liaison Agreement, this Agreement and any other document forming part of the Government Support Package;
- 24.5.2 the Secretary of State Replacement enters into documentation, in the same form or otherwise in a form reasonably acceptable to each of GenCo and HoldCo (in each case, such approval not to be unreasonably withheld or delayed), agreeing to be bound by the terms of the ITA Deed of Appointment, the Liaison Agreement, this Agreement and any other document forming part of the Government Support Package, with any consequential amendments which may be appropriate, as fully as if the Secretary of State Replacement had been a party to this Agreement and named in the ITA Deed of Appointment, the Liaison Agreement, this Agreement and any other document forming part of the Government Support Package in place of the Secretary of State or, as applicable, the previous Secretary of State Replacement (the "**Replacement Documentation**");
- 24.5.3 the Replacement Documentation shall specify that if at any time the Secretary of State Replacement ceases to be a Minister of the Crown, any entity directly wholly-owned or controlled by a Minister of the Crown or a public body of the nature described in paragraph (b) of the definition of Secretary of State Replacement, then prior to such cessation the Replacement Documentation shall be transferred or novated to a Minister of the Crown or any entity directly wholly-owned or controlled by a Minister of the Crown or a public body of the nature described in paragraph (b) of the definition of Secretary of State Replacement (such transfer or novation being an "**Alternative Secretary of State Transfer**");
- 24.5.4 where the Secretary of State Replacement is an entity directly wholly owned or controlled by a Minister of the Crown or a public body of the nature described in paragraph (b) of the definition of Secretary of State Replacement, the Secretary of State has produced evidence to the satisfaction of GenCo and HoldCo (acting reasonably) that:
 - (i) the Secretary of State Replacement has the power and financial capability to enter into, perform and deliver, and has taken all necessary action to authorise its entry into, performance and delivery of, this Agreement; and
 - (ii) all approvals, consents, updates and assurances required for the purposes of Clause 24.5.4(i) are, at the time of such transfer or novation, in full force and effect;
- 24.5.5 if at any time the Secretary of State Replacement ceases to be a Minister of the Crown, an entity directly wholly-owned or controlled by a Minister of the Crown or a public body of the nature described in paragraph (b) of the definition of "Secretary of State Replacement", the Secretary of State shall procure that an Alternative Secretary of State Transfer (as contemplated by the Replacement Documentation and Clause 24.5.3) is effected and the requirements set out in Clause 24.5.4 shall apply in respect of such Alternative Secretary of State Transfer; and

24.5.6 all costs and expenses properly incurred by each of GenCo and HoldCo in effecting such transfer or novation are paid by the Secretary of State Replacement.

24.6 Restriction on the HoldCo Shareholders

The HoldCo Shareholders shall not assign, novate or otherwise transfer its rights or obligations under this Agreement in whole or in part except with the prior written consent of the Secretary of State (such consent not to be unreasonably withheld or delayed).

24.7 Restriction on the Security Trustee

Subject to Clause 12.2.1 (*Security Trustee*), the Security Trustee shall not assign, novate or otherwise transfer its rights or obligations under this Agreement in whole or in part except to any replacement Security Trustee appointed in accordance with, or as otherwise permitted pursuant to, the Finance Documents or with the prior written consent of the Secretary of State (such consent not to be unreasonably withheld or delayed).

25 No Third Party Enforcement Rights

A person who is not a party to this Agreement shall have no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any of its terms, provided however that nothing in this Clause 25 shall prejudice the rights of any person who accedes to this Agreement in accordance with Clause 12 (*Accession and Resignation of HoldCo Shareholders and the Security Trustee*).

26 Waiver of Sovereign Immunity

The Secretary of State irrevocably waives all immunity to which they may be or become entitled in relation to this Deed, including immunity from enforcement and all legal proceedings, both in respect of themselves and their assets to the fullest extent permitted by the laws of England and Wales.

27 Governing Law

This Agreement and any non-contractual obligations arising out of or in relation to this Agreement are governed by the law of England and Wales.

28 Jurisdiction and disputes

28.1 The courts of England and Wales have exclusive jurisdiction to settle any dispute arising out of or in connection with this Agreement (including, without limitation, a dispute regarding the existence, validity or termination of this Agreement and a dispute relating to any non-contractual obligations arising out of or in connection with this Agreement) (a “**Dispute**”).

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

Schedule 1
Original HoldCo Shareholders

1. The Secretary of State for Energy Security and Net Zero
2. EDF Energy Holdings Limited
3. [*Others to be inserted*]

Schedule 2

Material Contracts

In this Agreement “**Material Contracts**” shall mean:

- 1 each of the Main Works Contracts;
- 2 the Collaboration Agreement;
- 3 the contract for the design, manufacture, installation and commissioning of polar cranes for the Project with reference number SZ2611 entered into between GenCo and [REDACTED] on 20 December 2024;
- 4 the contract in respect of the delivery support and design of civil engineering works for the Project with reference number CIV000-003 to be entered into between GenCo and [REDACTED] on or around 30 August 2025;
- 5 the supply contract in respect of the provision of classified heating, ventilation and air conditioning equipment for the Project with reference number SZ2721 entered into between GenCo, [REDACTED] on 3 December 2024;
- 6 the contract for the design, manufacturing, installation, commissioning, testing and completion of emergency diesel generators for the Project with reference number SZ5211-001 to be entered into between GenCo and [REDACTED] on or around 23 December 2025;
- 7 the contract for the design, manufacturing, installation and commissioning support in respect of the classified chillers for the Project with reference number SZ2731-001 to be entered into between GenCo and [REDACTED] on or around 31 December 2025;
- 8 the contract for the design, manufacturing and supply of low voltage switchgear and transformers for the Project with reference number SZ5111-001 to be entered into between GenCo and [REDACTED] on or around 26 August 2025;
- 9 the contract for the design, manufacturing and supply of two sets of circulating seawater pumps for the Project with reference number SZ3251-001 entered into between GenCo and [REDACTED] on 18 July 2025;
- 10 the contract for the procurement of enriched uranium product to be incorporated into the fuel assemblies manufactured by [REDACTED] under the Nuclear Fuel Supply Agreement with reference number SZ4000-559 to be entered into between GenCo and [REDACTED] on or around 31 July 2025;
- 11 the engineering and construction contract in respect of the heating, ventilation and air conditioning conventional works for the Project with reference number SZC3712 entered into between GenCo and [REDACTED] on 20 December 2024;
- 12 the contract for the design, manufacturing and delivery of combustible gas control and leak protection systems for the Project with reference number SZC4541-001 entered into between GenCo and [REDACTED] on 29 May 2025;
- 13 the contract for the design, manufacturing and delivery of certain instrumentation and controls for the Project with reference number SZ5801-001 entered into between GenCo and [REDACTED] on 26 March 2025;

- 14** the contract for the design, manufacturing, installation and commissioning in respect of the power transmission works for the Project with reference number SZ3001-001 to be entered into between GenCo and successful bidder on or around 27 February 2026;
- 15** the contract for the design, manufacturing, delivery to site, complete installation, testing, pre-commissioning, commissioning, start-up and integrated systems commissioning (including supervision and assistance during the commissioning process) of the electrical penetrations system for the Project with reference number SZ5141-001 entered into between GenCo and [REDACTED] on 2 October 2024;
- 16** the contract for the design, manufacturing, installation, commissioning, testing and completion of fuel handling equipment for the Project with reference number SZ5810 entered into between GenCo and [REDACTED] on 28 March 2024;
- 17** the contract for the design, manufacturing, procurement, integration, assembly, storage, packaging, transportation and delivery of goods (including embedded frames, security doors, grids, blast dampers, burst membranes and aeroplane crash doors) for the Project with reference number SZC3441-001 entered into between GenCo and [REDACTED] on 5 March 2025; and
- 18** the contract for the supply of ultimate diesel generators for the Project with reference number SZ5221-001 entered into between GenCo and [REDACTED] on 26 March 2025.

Schedule 3

Conduct of Business during RLNC Administration Order

During the period during which a RLNC Administration Order is in place, GenCo shall not without the prior written consent of the Secretary of State:

- 1** enter into or amend any contracts, commitments or transactions, whether voluntary or involuntary;
- 2** enter into any transaction for the sale, lease, transfer or other disposal of any asset other than:
 - 2.1** in the ordinary course of trading and where the asset is no longer required for the purposes of the Project; or
 - 2.2** where directed by His Majesty's Government of the United Kingdom;
- 3** grant any guarantee or indemnity for the obligations or liabilities of any person;
- 4** fail to take any action required to maintain any of its insurances in force or knowingly do anything to make any policy of insurance void or voidable;
- 5** in any way alter the provisions of its memorandum or articles of association or adopt or pass further regulations or resolutions inconsistent therewith;
- 6** make any substantial change to the nature or organisation of its business (other than as a necessary consequence of the event giving rise to the Nuclear Administration);
- 7** engage (or offer to engage) any new employee or consultant, dismiss any employee or consultant, or amend (including increase in emoluments, salaries, pensions, commissions and other benefits) the terms of employment of any employee or consultant, whether individually or in the aggregate involving a financial cost to GenCo in excess of [REDACTED];
- 8** issue, borrow or grant:
 - 8.1** any shares or other securities (including convertible securities and warrants and options in respect of shares or securities (excluding options granted under this Agreement)) or other equity, partnership or other ownership interests in GenCo;
 - 8.2** any loans, loan capital or other debt interests (whether or not subordinated); or
 - 8.3** any other economic interest, direct or indirect, in GenCo;
- 9** create or grant any Security Interest on, over or affecting the whole or any part of the undertaking or assets of GenCo;
- 10** pass any resolutions in a general meeting or by way of written resolution, including any resolution for winding up or to capitalise any profits or any sum standing to the credit of the accounts set out in paragraph 3 (*Borrower Accounts*) of schedule 10 (*Cash Management*) to the Common Terms Agreement or any other account permitted to be opened by GenCo pursuant to paragraph 1.4 of schedule 10 (*Cash Management*) to the Common Terms Agreement; and
- 11** enter into any agreement (conditional or otherwise) to do any of the foregoing,

unless expressly permitted or required pursuant to this Agreement or unless necessary, acting in accordance with Good Industry Practice, to comply with the Nuclear Site Licence or its obligations under law, Directives or Industry Documents.

Schedule 4

Form of NASTA Accession Deed

This NASTA Accession Deed is made on [●] 20[●]

BY [name of entity] of [address of entity] ("**Acceding Party**") in favour of the persons whose names are set out in the Schedule to this Deed and is supplemental to the nuclear administration and statutory transfers agreement dated [●] made by (1) The Secretary of State for Energy Security and Net Zero as the Secretary of State and an Original HoldCo Shareholder, (2) Sizewell C Limited as GenCo, (3) Sizewell C (PledgeCo) Limited as PledgeCo; (4) Sizewell C (Holding) Limited as HoldCo, (5) the entities listed therein as Original HoldCo Shareholders, and (6) [REDACTED] as the Security Trustee (the "**NASTA**").

Terms defined in the NASTA shall bear the same meanings in this Deed.

It is agreed:

- 1 In consideration of the Acceding Party being accepted as a party in their capacity as [a HoldCo Shareholder][the Security Trustee] for the purposes of the NASTA by the parties thereto, as from [insert date] (the "**Accession Date**") the Acceding Party hereby confirms that it shall be a party to the NASTA as [a HoldCo Shareholder][the Security Trustee] and agrees to be bound by all of the relevant provisions of the NASTA from the Accession Date.
- 2 The Acceding Party warrants and represents to each of the persons whose names are set out in the Schedule to this Deed, that the Acceding Party is not an Unsuitable Party.
- 3 The Acceding Party grants the pre-consents set out in Clause 7 (*Pre-Consent to a Pre-Consented Nuclear Transfer Scheme*) of the NASTA.
- 4 The Acceding Party's details for the purposes of Clause 17 (*Notices*) of the NASTA are as follows [●].
- 5 This Deed and any other non-contractual obligations arising out of or in connection with it is governed by English law.

In witness whereof this Deed has been executed by the Acceding Party and is intended to be and is hereby delivered on the date first above written

[Insert signature blocks]

SCHEDULE

[Parties to the NASTA including those who have executed earlier deeds of accession].

Schedule 5
Form of Direct Agreement

Direct agreement

relating to [Supply Chain Agreement[and Parent Company Guarantee]]

Dated [_____]

[NAME OF CONTRACTOR]

as the Contractor

and

[[NAME OF GUARANTOR]]

[as the Guarantor

and]

SIZEWELL C LIMITED

as the Employer

and

**THE SECRETARY OF STATE FOR ENERGY SECURITY AND
NET ZERO**

as the Secretary of State

Ref: L-267352

This Agreement is dated _____ and made as a deed between:

- (1) **[Name of Contractor]**, a company incorporated under the laws of [●] with registered number **[registration number of Contractor]** whose registered office is at **[address of Contractor]** (the “**Contractor**”);
- (2) **[[Name of Contractor’s Parent Company Guarantor]**, a company incorporated under the laws of [●] with registered number **[registration number of Contractor’s Parent Company Guarantor]** whose registered office is at **[address of Contractor’s Parent Company Guarantor]** (the “**Guarantor**”);]
- (3) **SIZEWELL C LIMITED**, a company incorporated under the laws of England and Wales with registered number 09284825 whose registered office is at 25 Copthall Avenue, London EC2R 7BP (the “**Employer**”); and
- (4) **THE SECRETARY OF STATE FOR ENERGY SECURITY AND NET ZERO**, whose office is at 55 Whitehall, London, SW1A 2HP as Secretary of State (the “**Secretary of State**”).

Background:

- (A) The Secretary of State has designated the Employer as a designated nuclear company pursuant to section 2 of the Nuclear Energy (Financing) Act 2022 (“**NEFA**”) and has modified the Employer’s electricity generation licence in accordance with section 6 of the NEFA.
- (B) The Employer, as a relevant licensee nuclear company, has been established to undertake the Project in accordance with all applicable laws, the Project Documents, the Economic Licence and the Government Support Package.
- (C) The Employer has entered into the [Supply Chain Agreement] for the [design, supply and construction of []]] for the Project.
- (D) [The Guarantor has entered into a guarantee in favour of the Employer, guaranteeing the obligations of the Contractor under the Supply Chain Agreement (the “**Guarantee**”).]
- (E) It is a condition precedent to the availability of funding under the Government Support Package that this Agreement is executed and delivered by the Parties hereto.

It is agreed as follows:

1 Definitions and Interpretation

1.1 Definitions

In this Agreement, except to the extent that the context requires otherwise:

“**Appointed Representative**” means the Representative identified in the Step-In Notice.

“**Business Day**” means a day (other than Saturday or Sunday) when banks are open for general business in London.

“**Contingent Financing Agreement**” means the agreement of that name entered into between the Secretary of State, the Employer and HoldCo dated on or around Revenue Commencement.

“**Contractor Enforcement Action**” means the taking of any step by the Contractor towards:

- (a) terminating, rescinding or accepting a purported repudiation of the Supply Chain Agreement;

- (b) commencing or supporting any proceedings for the winding up, dissolution, administration, restructuring or reorganisation of the Employer;
- (c) participating in any compromise, plan or arrangement with the Employer;
- (d) appointing a liquidator, receiver, administrator, custodian, monitor or other similar officer in respect of the Employer or any part of its undertaking or assets;
- (e) commencing or continuing any enforcement action against the Employer or any part of its property, undertaking or assets, including enforcement of a judgment or award;
- (f) commencing or continuing any legal proceedings or other legal process other than, subject to paragraphs (a) to (e) above, to pursue its contractual remedies in accordance with the Supply Chain Agreement [Documents]; or
- (g) any analogous action in any jurisdiction.

“Contractor Enforcement Notice” means a notice given by the Contractor to the Secretary of State specifying the Contractor Enforcement Action which the Contractor intends to take and, in reasonable detail, the grounds for such intended action.

“Discontinuation and Compensation Agreement” means the discontinuation and compensation agreement entered into between the Secretary of State, HoldCo, PledgeCo, the Employer and the Security Trustee on or around Revenue Commencement.

“Discontinuation Event” means a Secretary of State Discontinuation Event and/or a GenCo Discontinuation Event.

“Economic Licence” means the electricity generation licence issued by the Gas and Electricity Authority or the Office of Gas and Electricity Markets (as the case may be) to the Employer in accordance with section 6(1) of the Electricity Act 1989, as such licence has been modified by the Secretary of State in accordance with section 6 of the NEFA.

“Enforcement Notice” means each of a Contractor Enforcement Notice and/or a Secretary of State Enforcement Notice.

“Event of Default” means:

- (a) the occurrence of an Insolvency Event in respect of the Employer; and/or
- (b) a breach by the Employer of the Supply Chain Agreement[and/or the Guarantee] which entitles the Contractor to terminate the Supply Chain Agreement or take any other form of Contractor Enforcement Action[and/or entitles the Guarantor to terminate the Guarantee].

“Extended Regulatory Period” has the meaning given to that term in the Economic Licence.

“GenCo Discontinuation Event” has the meaning given in the Discontinuation and Compensation Agreement.

“Government Liquidity Facility Agreement” means the agreement of that name entered into between, among others, the Secretary of State and the Employer dated on or around Revenue Commencement.

“Government Support Package” means the following agreements entered into between, among others, the Secretary of State and the Employer:

- (a) the Supplemental Compensation Agreement;

- (b) the Government Liquidity Facility Agreement;
- (c) the Contingent Financing Agreement;
- (d) the Discontinuation and Compensation Agreement; and
- (e) the Nuclear Administration and Statutory Transfers Agreement.

“HoldCo” means Sizewell C (Holding) Limited as the Employer’s holding company.

“HoldCo Shareholders” means the shareholders who hold a legal interest in the shares of HoldCo from time to time.

“Holding Company” means, in relation to a company or corporation, any other company or corporation in respect of which it is a Subsidiary.

“Initial Regulatory Period” has the meaning given to that term in the Economic Licence.

“Initial Statement” means the statement referred to in Clause 5.4 (*Initial Statement*).

“Insolvency Event” has the meaning given to that term in the Nuclear Administration and Statutory Transfers Agreement.

“NEFA” has the meaning given in Recital A.

“Novation Agreement” means a novation agreement entered into in accordance with Clause 8.4 (*Substitution Procedure*) between the Contractor, [the Guarantor,] the Employer and the Substitute substantially in the form set out in Schedule 2 (*Form of Novation Agreement*).

“Novation Date” means the date on which the Supply Chain Agreement [Documents] [is/are] novated to the Substitute in accordance with Clause 8.4 (*Substitution Procedure*).

“Novation Notice” means a notice given by the Secretary of State pursuant to Clause 8.1 (*Proposed Novation*).

“Nuclear Administration and Statutory Transfers Agreement” means the nuclear administration and statutory transfers agreement entered into between the Secretary of State, the Employer, HoldCo, PledgeCo, the HoldCo Shareholders and the Security Trustee on or around Revenue Commencement.

“Nuclear Administrator” has the meaning given to it in section 31(2) of the NEFA.

“Party” means a party to this Agreement.

“PledgeCo” means Sizewell C (PledgeCo) Limited.

“Project” means the design, development, construction, commissioning, financing, operation, management, maintenance and decommissioning of the Sizewell C Nuclear Power Project, located at the Site, and all activities ancillary thereto.

“Project Documents” means any agreement, document or deed entered into or to be entered into by the Employer in relation to the Project, including this Agreement.

“Proposed Novation Date” means the date proposed by the Secretary of State in a Novation Notice for the novation to a Substitute of the Employer’s rights and obligations under the Supply Chain Agreement [Documents], as such date may be adjusted in accordance with Clause 8.3.4(ii) (*Approval of Substitute*).

“Proposed Step-In Date” means the date proposed by the Secretary of State in a Step-In Notice upon which the Appointed Representative shall issue a Step-In Undertaking.

“Representative” means:

- (a) the Secretary of State;
- (b) an administrative receiver, receiver or receiver and manager of the Employer appointed by the Secretary of State;
- (c) an administrator or Nuclear Administrator of the Employer;
- (d) a person directly or indirectly owned or controlled by the Secretary of State; or
- (e) any other person approved by the Contractor (such approval not to be unreasonably withheld or delayed).

“Revenue Collection Contract” means the revenue collection contract in respect of the Project entered into between the Employer and the Revenue Collection Counterparty on or about the date of Revenue Commencement.

“Revenue Collection Counterparty” means the Low Carbon Contracts Company Ltd or such other entity as is designated by the Secretary of State as the revenue collection counterparty for the purposes of the Revenue Collection Contract in accordance with section 16 of the NEFA.

“Revenue Commencement” means the date on which the Revenue Collection Contract becomes effective in accordance with its terms.

“RLNC Administration Order” has the meaning given to the term “relevant licensee nuclear company administration order” in section 31(1) of the NEFA.

“Secretary of State Discontinuation Event” has the meaning given in the Discontinuation and Compensation Agreement.

“Secretary of State Enforcement Notice” means a notice given by the Secretary of State to the Employer specifying that either:

- (a) an Event of Default has occurred and is subsisting in respect of which the Secretary of State intends to take action in accordance with its rights under this Agreement, the Government Support Package, the NEFA and/or any other legislation; or
- (b) the Initial Regulatory Period or the Extended Regulatory Period (as the case may be) under the Economic Licence has expired and the Secretary of State has elected to:
 - (i) exercise its GSP Call Option under the Discontinuation and Compensation Agreement; or
 - (ii) call for a transfer of the Nuclear Assets and Nuclear Liabilities under section 32(4)(a) of the NEFA; or
 - (iii) call for the transfer of such of those assets, rights, obligations and liabilities as the Secretary of State may require under section 32(4)(b) of the NEFA; or
- (c) a Discontinuation Event has occurred;

- (d) the Secretary of State or the Economic Regulator (with the consent of the Secretary of State), as applicable, has applied for, or is contemplating applying for, a RLNC Administration Order;
- (e) an Insolvency Event (other than an Insolvency Event constituting the application for or granting of a RLNC Administration Order) has occurred in respect of the Employer and the Employer has served a notice on the Secretary of State and the Economic Regulator that such Insolvency Event has occurred and neither the Secretary of State nor the Economic Regulator (with the consent of the Secretary of State) has applied for a RLNC Administration Order; or
- (f) the Secretary of State has taken, or intends to take, any action analogous to those set out in sub-paragraphs (a), (b) (c), (d) and (e) above.

“Secretary of State Replacement” means:

- (a) any Minister of the Crown or any entity directly wholly-owned or controlled by a Minister of the Crown (as defined in the Ministers of the Crown Act 1975) to which the Secretary of State transfers or novates its rights and obligations under this Agreement; or
- (b) any other UK public body (being a single entity):
 - (i) with the legal capacity, power and authority to become a party to and to perform the obligations of the Secretary of State under this Agreement; and
 - (ii) whose obligations under this Agreement are unconditionally and irrevocably guaranteed, sponsored and/or funded by the Secretary of State, a Minister of the Crown or other Government department with the legal capacity, power and authority to perform the obligations under the guarantee, sponsorship and/or funding arrangement (as applicable) and the obligations of the Secretary of State under this Agreement,

to which the Secretary of State transfers or novates its rights and obligations under this Agreement.

“Secured Creditors” has the meaning given to that term in the Nuclear Administration and Statutory Transfers Agreement.

“Site” has the meaning given to it in the Nuclear Administration and Statutory Transfers Agreement.

“Statement” means each of an Initial Statement and any Updated Statement.

“Step-In Date” means the date upon which the Appointed Representative gives a Step-In Undertaking to the Contractor [and the Guarantor] as contemplated by Clause 6.1.4 (*Step-In Notice and Step-In Undertaking*).

“Step-In Notice” means a notice given by the Secretary of State to the Contractor [and the Guarantor] pursuant to Clause 6.1.1 (*Step-In Notice and Step-In Undertaking*).

“Step-In Period” means the period from the Step-In Date to the Step-Out Date.

“Step-In Undertaking” means an undertaking, substantially in the form set out in Schedule 1 (*Form of Step-In Undertaking*), given by the Appointed Representative.

“Step-Out Date” means the earlier of:

- (a) the date of termination of a Step-In Undertaking as specified in a Step-Out Notice; and
- (b) the Novation Date.

“Step-Out Notice” means a notice given by the Appointed Representative to the Contractor [and the Guarantor] in accordance with Clause 7 (*Step-Out*), specifying the date of termination of a Step-In Undertaking.

“Subsidiary” means a subsidiary within the meaning of section 1159 of the Companies Act 2006.

“Substitute” means a person nominated by the Secretary of State in accordance with Clause 8.1 (*Proposed Novation*) as the transferee of the Employer's rights and obligations under the Supply Chain Agreement [Documents].

“Supplemental Compensation Agreement” means the supplemental compensation agreement entered into between, among others, the SCA Provider, GenCo and the Security Trustee on or around Revenue Commencement.

“Supply Chain Agreement” means the [engineering, procurement and construction] agreement dated [on] [or about] [the date of this Agreement] between the Employer and the Contractor for the [design, construction and commissioning] of [●] by the Contractor.

“Supply Chain Agreement Documents” means the Supply Chain Agreement and the Guarantee.]

“Suspension Period” means a period of [120] days commencing on the earlier of:

- (a) the date of receipt by the Secretary of State from the Contractor of any Contractor Enforcement Notice; and
- (b) the date of receipt by the Contractor from the Secretary of State of notification of service of a Secretary of State Enforcement Notice.

“Technical Adviser” means [●] or such other person as the Secretary of State may appoint from time to time to perform this role.

“Updated Statement” means a statement given by the Contractor to the Secretary of State in accordance with Clause 5.5 (*Updated Statements*) comprising a statement updating (in respect of the relevant calendar month), to the extent relevant, all information supplied previously in the Initial Statement and/or any other Updated Statement, together with supporting information and materials in respect of any update illustrating, in reasonable detail, the matters specified.

“Works” means the works to be executed under and in accordance with the Supply Chain Agreement, including the provision of all materials, services, equipment, labour and plant required for the purposes of carrying out the works, as more particularly defined in the Supply Chain Agreement.

1.2 Interpretation

1.2.1 In this Agreement, except where the context requires otherwise, any reference to the “Contractor”, [the “Guarantor”,] the “Employer”, the “Secretary of State”, or any

“Appointed Representative” shall be construed so as to include its successors in title, permitted assigns and permitted transferees.

- 1.2.2 [The provisions of *[cross-reference to the interpretation clause of the Supply Chain Agreement]* of the Supply Chain Agreement apply to this Agreement as if they were set out in full, except that reference in that clause to the Supply Chain Agreement shall be read as reference to this Agreement.]

2 Continuing Rights and Obligations

2.1 The Employer agrees that it will not:

- 2.1.1 amend, supplement, vary or waive (or agree to amend, supplement, vary or waive) any provision of [any of] the Supply Chain Agreement [Documents] that would have a material adverse impact on the Secretary of State's ability to exercise their step-in and novation rights under this Agreement;
- 2.1.2 exercise any right to rescind, cancel or terminate [any of] the Supply Chain Agreement [Documents]; or
- 2.1.3 except as provided for in this Agreement, novate, transfer or assign any of its rights under [any of] the Supply Chain Agreement [Documents],

without first obtaining the written consent of the Secretary of State (not to be unreasonably withheld or delayed in the case of sub-paragraph 2.1.2).

2.2 The Contractor [and the Guarantor] agree[s] that no purported action as referred to in Clauses 2.1.1 to 2.1.3 by the Employer shall be of any effect unless the Employer has received written consent from the Secretary of State.

2.3 Subject to the provisions of this Agreement and until such time as the Secretary of State serves a Secretary of State Enforcement Notice on the Employer, the Employer shall be entitled to exercise its rights, powers and discretions under the [Supply Chain Agreement].

2.4 The Contractor acknowledges that it will remain liable to observe and perform the obligations expressed to be assumed by it under the Supply Chain Agreement.

2.5 No liability of Secretary of State

The Contractor [and the Guarantor] [each] acknowledge[s] that Secretary of State neither accepts or assumes any liabilities or obligations under the [Supply Chain Agreement], except to the extent that it becomes an Appointed Representative or Substitute.

3 [Guarantor's confirmation]

The Guarantor irrevocably confirms that:

- 3.1 it consents to the matters set out in this Agreement, including all provisions which constitute or might be construed as constituting variations to the obligations of the Contractor under the Supply Chain Agreement which the Guarantor has undertaken to guarantee under the Guarantee;
- 3.2 the Guarantee extends to all the obligations and liabilities of the Contractor under the Supply Chain Agreement as varied or supplemented by this Agreement and any Novation Agreement, and to any and all new obligations imposed on the Contractor by this Agreement and any Novation Agreement;

- 3.3** the Guarantee will remain in full force and effect until all of the obligations of the Contractor under both the Supply Chain Agreement and this Agreement have been fully discharged; and
- 3.4** neither the Guarantor's obligations and liabilities, nor the Employer's rights, under the Guarantee shall be in any way discharged, released or reduced by reason of this Agreement or any Novation Agreement.]

4 Secretary of State Enforcement Notification

4.1 Secretary of State Enforcement Notice

The Secretary of State shall notify the Contractor [and the Guarantor] as soon as reasonably practicable after serving a Secretary of State Enforcement Notice on the Employer.

4.2 Notices from the Secretary of State

After receiving notification of a Secretary of State Enforcement Notice from the Secretary of State, the Contractor [and the Guarantor] shall accept as validly given by the Employer any notices or demands pursuant to and in accordance with the Supply Chain Agreement given or made by the Secretary of State, provided, in each case, that such notice or demand would have been validly given had it been given by the Employer itself. The Employer consents to the giving of such notices or demands.

5 Suspension Period

5.1 Contractor Notification of Default

Promptly after becoming aware of the same, the Contractor shall notify the Secretary of State of any material default, event or circumstance which could give the Contractor a right to take any Contractor Enforcement Action.

5.2 Contractor Enforcement Notice and Suspension of Rights

5.2.1 The Contractor undertakes to the Secretary of State that it shall not take any Contractor Enforcement Action:

- (i) without first giving a Contractor Enforcement Notice to the Secretary of State, copied to the Employer; and
- (ii) subject to Clause 5.9 (*Enforcement Action*) and Clause 6.3 (*Contractor Enforcement Action during a Step-In Period*) and the terms of any Novation Agreement, in any event until the expiry of the Suspension Period, as the same may be extended in accordance with Clause 5.8 (*Extension of Suspension Period*).

5.2.2 The Contractor confirms that as at the date of this Agreement no circumstances have arisen of which it is, or should properly be, aware which might give rise to the right of the Contractor to take any Contractor Enforcement Action.

5.3 Remedial Action

During a Suspension Period, the Secretary of State may, where applicable, procure remedial action, consistent with the terms of the Supply Chain Agreement, as may be necessary to remedy the effects of any event or circumstance which has given rise to a Contractor

Enforcement Notice and the Contractor [and the Guarantor] agree[s] that any such action shall, to the extent of such remedy, constitute a valid discharge of the Employer's relevant obligations under the Supply Chain Agreement[and/or the Guarantee].

5.4 Initial Statement

5.4.1 The Contractor shall give a written notice (the "**Initial Statement**") to the Secretary of State within 10 Business Days of:

- (i) the commencement of a Suspension Period;
- (ii) where a Step-In Notice is issued in the circumstances contemplated by Clause 6.1.1 (*Step-In Notice and Step-In Undertaking*), the date of the Step-In Notice; or
- (iii) where a Novation Notice is issued in the circumstances contemplated by Clause 8.1.1 (*Proposed Novation*), the date of the Novation Notice,

whichever is the earlier.

5.4.2 The Initial Statement shall set out:

- (i) all amounts due and payable by the Employer to the Contractor under the Supply Chain Agreement on or before the date of the relevant Enforcement Notice and which remain unpaid at the date of the Initial Statement;
- (ii) all amounts under the Supply Chain Agreement which are likely to or will become due and payable to the Contractor on or before the expiry of the Suspension Period;
- (iii) the nature and the amount of any claim asserted by the Contractor against the Employer under or arising out of the Supply Chain Agreement in respect of matters occurring up to and including the date of the relevant Enforcement Notice; and
- (iv) any obligations or liabilities of the Employer owed to the Contractor under the Supply Chain Agreement, the performance or discharge of which is reasonably expected to be or will be outstanding on or prior to the expiry of the Suspension Period,

together with supporting information and materials illustrating in reasonable detail the matters specified.

5.5 Updated Statements

After giving an Initial Statement, the Contractor shall, within [three] Business Days of the end of each calendar month falling within the Suspension Period, give the Secretary of State an Updated Statement.

5.6 Obligation to Update

The Contractor shall promptly give the Secretary of State a notice updating any Statement if the Contractor becomes aware that:

- 5.6.1** the information contained in such Statement is or has become untrue, incomplete and/or inaccurate; or

5.6.2 any information relevant to such Statement has yet to be disclosed to the Secretary of State.

5.7 Verification

The Contractor shall ensure that every Statement is true, complete and accurate and, to the best of its knowledge, has been prepared with reasonable skill and care. The Secretary of State may instruct the Technical Adviser to verify, at the Employer's cost, the Statements submitted by the Contractor.

5.8 Extension of Suspension Period

If during a Suspension Period a Novation Notice is given to the Contractor by the Secretary of State, the Suspension Period shall be extended as follows:

5.8.1 if the Contractor objects to a proposed Substitute, by the total of the time period for determination of the Contractor's objection to the proposed Substitute, in accordance with Clauses 8.3.2 (*Approval of Substitute*) and 8.3.4 (*Approval of Substitute*); or

5.8.2 if the Contractor does not object to a proposed Substitute or is deemed to approve a proposed Substitute in accordance with Clause 8.3.2 (*Approval of Substitute*), until the Novation Date.

5.9 Enforcement Action

The Contractor undertakes that on the expiry of any Suspension Period (as the same may be extended under Clause 5.8 (*Extension of Suspension Period*)):

5.9.1 it will not take any Contractor Enforcement Action regarding any event or circumstance specified in a Contractor Enforcement Notice relating to such Suspension Period, if, at the expiry of that Suspension Period:

- (i) such event or circumstance no longer subsists;
- (ii) if such event or circumstance is a breach or default under the Supply Chain Agreement, such breach or default has been remedied or, if not capable of remedy, the events or circumstances giving rise to such breach or default are not continuing; and

5.9.2 it will comply with all of its obligations under the Supply Chain Agreement in accordance with its terms.

6 Step-In

6.1 Step-In Notice and Step-In Undertaking

6.1.1 At any time:

- (i) on or after the occurrence of any Event of Default; or
- (ii) during a Suspension Period,

the Secretary of State may give a Step-In Notice to the Contractor [copied to the Guarantor] specifying:

- (a) the entity (the "**Appointed Representative**") who will give a Step-In Undertaking to the Contractor; and

(b) the Proposed Step-In Date.

6.1.2 The Step-In Date must fall on or before the expiry of the Suspension Period.

6.1.3 The Secretary of State may revoke a Step-In Notice at any time prior to the Step-In Date by notice to the Contractor [copied to the Guarantor].

6.1.4 The Secretary of State shall procure that the Appointed Representative gives a Step-In Undertaking to the Contractor [copied to the Guarantor] on the Step-In Date.

6.2 Step-In Period

From the Step-In Date and during a Step-In Period:

6.2.1 the Appointed Representative shall only be entitled to exercise the rights of the Employer under the Supply Chain Agreement [Documents] to:

- (i) take any action consistent with the terms of the Supply Chain Agreement [Documents], as may be necessary to remedy the effects of any event or circumstance which has given rise to a Contractor Enforcement Notice;
- (ii) require the provision of information or carrying out of studies by the Contractor; and/or
- (iii) where an RLNC Administration Order is in effect in respect of the Employer, suspend performance of the Works under the Supply Chain Agreement [Documents] in accordance with the terms of the Supply Chain Agreement [Documents],

and the Employer agrees that any such exercise of rights by the Appointed Representative shall also bind the Employer under the Supply Chain Agreement [Documents];

6.2.2 save as provided in any Step-In Undertaking, [each of] the Contractor [and the Guarantor] agrees that no Appointed Representative shall have any obligation (whether in place of the Employer or otherwise) under the Supply Chain Agreement [Documents]; and

6.2.3 the Contractor [and the Guarantor] shall owe [their]/[its] obligations under the Supply Chain Agreement [Documents] to the Employer and the Appointed Representative jointly but performance by the Contractor [and/or (as the case may be) the Guarantor] in favour of the Appointed Representative alone shall be a good discharge (to the extent applicable) of [their]/[its] respective obligations under the Supply Chain Agreement [Documents].

6.3 Contractor Enforcement Action during a Step-In Period

During a Step-In Period, the Contractor may only take Contractor Enforcement Action if:

6.3.1 the Appointed Representative breaches the terms of a Step-In Undertaking; and

6.3.2 such breach would, save for the terms of Clause 5.2.1 (*Contractor Enforcement Notice and Suspension of Rights*), entitle the Contractor to take the relevant Contractor Enforcement Action under or in connection with the Supply Chain Agreement; and

- 6.3.3 such failure is not remedied within five Business Days of receipt by the Secretary of State and the Appointed Representative of notice in writing from the Contractor of the breach.

The provisions of Clause 5.2.1 (*Contractor Enforcement Notice and Suspension of Rights*) shall not apply to any Contractor Enforcement Action taken pursuant to this Clause 6.3 (*Contractor Enforcement Action during a Step-In Period*).

7 Step-Out

At any time after the Step-In Date, the Appointed Representative may give not less than (10) Business Days' notice to the Contractor, copied to the [Guarantor and the] Secretary of State, of its intention to terminate the Step-In Undertaking (a "**Step-Out Notice**"). The Step-In Undertaking shall terminate at the end of the period stated in the Step-Out Notice. On and from the Step-Out Date, the Appointed Representative shall be released from any and all liability under the Step-In Undertaking save in respect of obligations of the Appointed Representative under the Step-In Undertaking before the Step-Out Date.

8 Novation

8.1 Proposed Novation

At any time:

- 8.1.1 on or after the occurrence of any Event of Default which is continuing and has not been remedied or waived; and
- 8.1.2 the Secretary of State has, as a result, unconditionally and irrevocably commenced measures to transfer the Project or a material part of it to a third party in accordance with a Pre-Consented Nuclear Transfer Scheme (as defined in the Nuclear Administration and Statutory Transfers Agreement),

the Secretary of State may give a written notice (a "**Novation Notice**") to the Contractor [and the Guarantor].

8.2 Novation Notice

A Novation Notice must specify:

- 8.2.1 the proposed date on which the Secretary of State wishes another person (the "**Substitute**") to assume the obligations and exercise the rights of the Employer under the Supply Chain Agreement [Documents] (the "**Proposed Novation Date**"), which date must be not less than 10 Business Days after the Novation Notice; and
- 8.2.2 the identity of the proposed Substitute.

8.3 Approval of Substitute

- 8.3.1 The Contractor may only object to a proposed Substitute on the grounds that it [is a Competitor (as defined in the Supply Chain Agreement (if applicable); or it]¹ does not have the necessary:
- (i) legal capacity or authority;

¹ Provision only to be included where the Supply Chain Contract includes restrictions in relation to Competitors.

(ii) technical competence; or

(iii) financial resources,

to become a party to, or perform the obligations and exercise the rights of the Employer under, the Supply Chain Agreement.

8.3.2 Any objection by the Contractor to a proposed Substitute must be given in writing to the Secretary of State within 10 Business Days of receipt of the Novation Notice, setting out in detail the reasons for the objection. If the Contractor does not give notice in writing within 10 Business Days of receipt of the Novation Notice, it shall be deemed to have approved the Substitute.

8.3.3 The Secretary of State shall respond promptly to any reasonable request from the Contractor for any further information about the proposed Substitute, provided such request is received by the Secretary of State within five Business Days of the date of the Novation Notice.

8.3.4 If the Contractor gives notice under Clause 8.3.2:

(i) the Secretary of State and the Contractor shall then consult, for a period not exceeding three Business Days, upon the issues raised in the notice; and

(ii) the Proposed Novation Date shall be adjusted to be the date being 10 Business Days after either the date on which the Contractor withdraws its objections or the date on which the relevant dispute arising out of such objections is resolved in favour of the acceptability of the Substitute pursuant to Clause 8.3.5.

8.3.5 If by the expiry of the period specified in Clause 8.3.4(i):

(i) the Contractor has not withdrawn its objection; or

(ii) the Secretary of State has not agreed to withdraw the Novation Notice,

then the Secretary of State shall, having considered the Contractor's objection and acting reasonably, decide whether or not to proceed with the Novation Notice and nothing in this Clause 8.3 shall prevent the Secretary of State from issuing a subsequent Novation Notice.

8.4 Substitution Procedure

On the Proposed Novation Date, the Contractor[, the Guarantor] and the Employer shall enter into a Novation Agreement in the form of Schedule 2 (*Form of Novation Agreement*) with the Substitute and any other agreements reasonably required in order to effect the transfer envisaged by this Clause 8 (*Novation*).

8.5 Termination of Step-In Undertaking

Any Step-In Undertaking issued and still outstanding as at the Novation Date shall automatically terminate with effect from the Novation Date.

8.6 New Direct Agreement

If requested to do so by the Secretary of State, the Contractor [and the Guarantor] shall enter into a direct agreement with the Substitute and the Secretary of State, on substantially the same terms as this Agreement.

9 Representations and Warranties

[Each of] the Contractor [and the Guarantor] represent[s] and warrant[s] to the Secretary of State as follows:

- 9.1** it is duly incorporated and validly existing under the laws of its jurisdiction of incorporation;
- 9.2** it has the power to own its assets and carry on its business as contemplated by the Supply Chain Agreement [Documents];
- 9.3** 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, this Agreement and the Supply Chain Agreement [Documents];
- 9.4** the obligations expressed to be assumed by it under this Agreement and the Supply Chain Agreement [Documents] are legal, valid, binding and enforceable on it and do not conflict with any law applicable to it, agreement to which it is party or its constitutional documents; and
- 9.5** all authorisations required in relation to the entry into and performance of the obligations under the Supply Chain Agreement [Documents] and this Agreement have been obtained.

10 Co-operation with Technical Adviser

The Contractor agrees:

- 10.1** to provide the Technical Adviser with access to the Site for the purposes of discharging its responsibilities, subject to compliance with the Contractor's site rules and reasonable safety requirements;
- 10.2** to provide copies of information and documentation which the Technical Adviser may reasonably require for the purposes of discharging its responsibilities, or access to view and review such information and documentation, and which shall include:
 - 10.2.1** copies of the information and/or notices referred to in clause [●] of the Supply Chain Agreement; and
 - 10.2.2** access to correspondence, specifications, performance charts, technical and audit reports, consents and certificates relating to the Employer to allow the Technical Adviser to assess performance of the Contractor's obligations under the Supply Chain Agreement [Documents], and the Technical Adviser may request that the Contractor supply copies of extracts from such information; and
- 10.3** to co-operate with the Technical Adviser in the performance of its responsibilities, which shall include allowing the Technical Adviser to attend and participate in meetings between the Employer and the Contractor and to receive proper notice of such meetings.

11 Duration

This Agreement shall commence on the date hereof and shall continue in full force and effect until the date on which the Works have been completed and taken over by the Employer in accordance with the terms of the Supply Chain Agreement.

12 Changes to the Parties

12.1 Benefit of Agreement

This Agreement shall benefit and be binding on the Parties, their respective successors in title and any permitted assignee or transferee of all or some of a Party's rights and/or obligations under this Agreement.

12.2 No Assignment

12.2.1 Save as provided in Clause 8 (*Novation*), neither the Contractor[, the Guarantor] nor the Employer may assign, transfer, novate or otherwise dispose of all or any of their respective rights, benefits or obligations under this Agreement without first obtaining the written consent of the Secretary of State, provided that the Employer may assign, charge or transfer its rights benefits and interests under this Agreement by way of security in favour of the Secured Creditors without the consent of the other Parties.

12.2.2 The Secretary of State may assign its rights and transfer its obligations to any Secretary of State Replacement.

12.2.3 Each Party shall provide prompt notice of any assignment, pledge, charge, transfer, novation or other disposal of its rights, benefits or obligations to the other Parties.

13 Notices

13.1 Notices and other Communications

All notices and other communications to be made under or in connection with this Agreement shall be made in writing, in the English language and delivered personally or sent by registered mail or email, addressed as follows:

13.1.1 Contractor

Address:

Attention:

Email:

13.1.2 [Guarantor

Address:

Attention:

Email:]

13.1.3 Employer

Address:

Attention:

Email:

13.1.4 Secretary of State

Address:

Attention:

Email:

or any substitute address, email address or officer as the Party may notify to the other Parties on not less than [five] Business Days' notice.

13.2 Delivery

All notices addressed in accordance with Clause 13.1 (*Notices and other Communications*) which have been sent by:

13.2.1 registered mail shall be deemed to have been received two Business Days after the same shall have been posted (or five Business Days in the case of any communication posted abroad) and, in proving such service, it shall be sufficient to produce a registered mail receipt confirming the correct postage address of the addressee in accordance with Clause 13.1 (*Notices and other Communications*); and

13.2.2 electronic mail shall be deemed to have been received on the day of dispatch if dispatched prior to 17:00 hours London time, but otherwise on the next Business Day, provided that receipt shall not be taken to have occurred if the sender receives an automated message indicating that the email has not been delivered to the recipient.

14 Miscellaneous

14.1 Amendments and Waivers

This Agreement may not be amended, waived or supplemented unless in writing and signed by or on behalf of the Parties.

14.2 Remedies and Waivers

No failure or delay by the Secretary of State, any Appointed Representative or any Substitute in exercising any power, right or remedy under this Agreement shall operate as a waiver, nor shall any single or partial exercise of any right or remedy prevent any further or other exercise or the exercise of any other right or remedy. The rights and remedies provided in this Agreement are cumulative and not exclusive of any rights or remedies provided by law.

14.3 Partial Invalidity

If, at any time, any provision of this Agreement is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions 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 Partnership

Neither this Agreement nor any other agreement or arrangement of which it forms part, nor the performance by the Parties of their respective obligations under any such agreement or arrangement, shall constitute a partnership between the Parties.

14.5 Counterparts

This Agreement 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 Agreement.

14.6 Third Party Beneficiaries

This Agreement does not create any right or benefit enforceable by any person not a party to it (within the meaning of the Contracts (Rights of Third Parties) Act 1999) save for:

14.6.1 any rights of any Appointed Representative on and after the issue of a Step-In Undertaking by that Appointed Representative;

14.6.2 any rights of the Secretary of State; or

14.6.3 any rights of any Substitute on and after any Novation Date,

in each case, as if they were a party to this Agreement.

14.7 Entire Agreement

This Agreement and the Supply Chain Agreement [Documents] constitute the entire agreement between the Parties with respect to the subject matter of this Agreement and the Supply Chain Agreement [Documents].

14.8 Effect of this Agreement

14.8.1 Nothing in the Supply Chain Agreement [Documents] shall prejudice or limit the rights, powers or benefits of the Secretary of State under this Agreement.

14.8.2 In the event of any conflict between the terms of (i) [any of] the Supply Chain Agreement [Documents] and (ii) the terms of this Agreement, the terms of this Agreement shall prevail.

14.9 Further Action

[Each of the][The] Contractor [and the Guarantor] shall take whatever action the Secretary of State, any Appointed Representative or any Substitute may reasonably require for perfecting any transfer or release under Clauses 6 (*Step-In*), 7 (*Step-Out*) and 8 (*Novation*), provided always that any such action does not adversely affect its rights and/or increase or otherwise adversely affect its obligations under this Agreement and the Supply Chain Agreement [Documents].

15 Employer Acknowledgement

The Employer acknowledges that the Contractor shall not be in breach of the Supply Chain Agreement by complying with the obligations imposed upon it by this Agreement.

16 Governing Law

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

17 Enforcement

17.1 Jurisdiction of English Courts

- 17.1.1 The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Agreement (including a dispute relating to the existence, validity or termination of this Agreement or any non-contractual obligation arising out of or in connection with this Agreement) (a “**Dispute**”).
- 17.1.2 The Parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and, accordingly, no Party shall argue to the contrary.

17.2 [Process Agent²

- 17.2.1 [Each of the][The] Contractor [and the Guarantor] irrevocably appoints [●] [and [●], respectively,] as process agent to receive, for and on behalf of the Contractor [and the Guarantor, respectively], service of process in England in any legal action or proceedings arising out of or in connection with this Agreement.
- 17.2.2 Such service will be deemed valid and completed on delivery to the [relevant] process agent at its address marked for the attention of [●] [and [●], respectively,] (whether or not the process is forwarded to and received by the Contractor [or the Guarantor, as applicable]).
- 17.2.3 The Contractor [and the Guarantor] shall inform the Secretary of State, in writing, of any change in the address of a process agent within ten (10) Business Days of such change.
- 17.2.4 If for any reason a process agent ceases to be able to act as such or no longer has an address in England, the Contractor [or the Guarantor, as the case may be,] irrevocably agrees to appoint a substitute process agent acceptable to the Secretary of State, and to deliver to the Secretary of State a copy of the new process agent's acceptance of that appointment, including confirmation of the address at which process may be served, within ten (10) Business Days.
- 17.2.5 Nothing in this Agreement will affect the right to serve process in any other manner permitted by law.

² Applicable only in respect of a Contractor and/or the Guarantor incorporated outside England.

Schedule 1
Form of Step-In Undertaking

[From the Appointed Representative]

[Contractor name and address]

[Copy to:

[Guarantor name and address]]

[Step-in Date]

Dear Sirs,

[NAME OF PROJECT] CONTRACTOR DIRECT AGREEMENT (the “Agreement”)

In accordance with Clause 6.1 (*Step-In Notice and Step-In Undertaking*) of the Agreement, we undertake to you that:

- (a) we will pay you any sum due and payable but unpaid by the Employer to you as of the date of this Step-In Undertaking, to the extent that such sum was specified in a Statement given not less than five (5) Business Days prior to the date of this Step-In Undertaking:
 - (i) within five Business Days of the date of this Step-In Undertaking; or
 - (ii) if any payment is being disputed in accordance with the provisions of the Supply Chain Agreement, within 10 Business Days of the same being agreed or finally determined; and
- (b) we will pay you any sum which becomes due and payable by the Employer to you in accordance with the terms of the Supply Chain Agreement during the Step-In Period which is not paid by the Employer on the due date, provided that, in the case of payment obligations accrued as at the date of this Step-In Undertaking, such sum was specified in a Statement given not less than five Business Days prior to the date of this Step-In Undertaking;
- (c) we shall comply with the confidentiality requirements set out in clause [●] of the Supply Chain Agreement,

in each case in accordance with and subject to the terms of the Supply Chain Agreement as if we were a party in place of the Employer.

This Step-In Undertaking may be terminated by the giving of a Step-Out Notice to you in accordance with Clause 7 (*Step-Out*) of the Agreement.

This Step-In Undertaking shall automatically terminate upon a Novation Date, as contemplated by Clause 8.5 (*Termination of Step-In Undertaking*) of the Agreement.

All capitalised terms used in this letter shall have the meanings given to them in the Agreement.

This Step-In Undertaking and any non-contractual obligations arising out of or in connection with it are governed by English law and the parties hereby submit to the exclusive jurisdiction of the courts of England.

In witness whereof this Undertaking has been executed and delivered as a deed on the date first stated above.

[To be executed as a deed by the Appointed Representative]

Schedule 2

Form of Novation Agreement

This Agreement is dated _____ and made as a deed between:

- (1) **[Name of Contractor]**, a company incorporated under the laws of [●] with registered number **[registration number of Contractor]** whose registered office is at **[address of Contractor]** (the “**Contractor**”);
- (2) **[[Name of Contractor’s Parent Company Guarantor]**, a company incorporated under the laws of [●] with registered number **[registration number of Contractor’s Parent Company Guarantor]** whose registered office is at **[address of Contractor’s Parent Company Guarantor]** (the “**Guarantor**”);]
- (3) **[Name of Employer]**, a company incorporated under the laws of [●] with registered number **[registration number of Employer]** whose registered office is at **[address of Employer]** (the “**Employer**”); and
- (4) **[Name of Purchaser]**, a company incorporated under the laws of [●] with registered number **[registration number of Purchaser]** whose registered office is at **[address of Purchaser]** (the “**Purchaser**”).

Background:

- (A) The Employer, the Contractor[, the Guarantor] and the Secretary of State have entered into an agreement (the “**Contractor Direct Agreement**”) dated [●] pursuant to which the Secretary of State has the right to require the rights and obligations of the Employer under the Supply Chain Agreement [Documents] to be novated to a Substitute.
- (B) The Purchaser has been identified as the Substitute in accordance with Clause 8 (*Novation*) of the Contractor Direct Agreement.
- (C) This is the Novation Agreement referred to in Clause 8.4 (*Substitution Procedure*) of the Contractor Direct Agreement.

It is agreed as follows:

1 Definitions and Interpretation

Unless a contrary indication appears, words and expressions defined in the Contractor Direct Agreement have the same meanings in this Agreement. The term “Contractor Enforcement Action” as used in this Agreement shall have the same meaning as that defined in the Direct Agreement save that all references to the “Employer” in that definition shall be taken as referring to the Purchaser.

2 Grant of Rights, Release and Discharge

With effect from the date of this Agreement:

- 2.1 [each of] the Contractor [and the Guarantor] release[s] and discharge[s] the Employer from further performance of the Employer’s obligations under the Supply Chain Agreement [Documents] [save for the Employer’s obligations as to confidentiality under the Supply Chain Agreement] and from all claims and demands whatsoever arising out of or in respect

of the Supply Chain Agreement [Documents], [whether arising prior to, on or subsequent to/arising after] the date of this Agreement; and

- 2.2** the Employer releases and discharges [each of] the Contractor [and the Guarantor] from further performance of [the Contractor's] [their] obligations under the Supply Chain Agreement [Documents] and from all claims and demands whatsoever arising out of or in respect of the Supply Chain Agreement [Documents], whether arising prior to, on or subsequent to the date of this Agreement.

3 Purchaser Assumption of Liabilities

The Purchaser agrees to assume and perform all the liabilities, duties and obligations of the Employer under the Supply Chain Agreement [Documents] and to be bound by its terms and conditions in every way as if the Purchaser were named in the Supply Chain Agreement [Documents] as a party in place of the Employer from the date of this Agreement.

4 Contractor [and Guarantor] Agreement to Perform

[Each of the/The] Contractor [and the Guarantor] agrees to perform all its duties and obligations under the Supply Chain Agreement [Documents] and to be bound by all the terms and conditions of the Supply Chain Agreement [Documents] in every way as if the Purchaser had at all times been named in the Supply Chain Agreement [Documents] as a party in place of the Employer. [Each of the/The] Contractor [and the Guarantor] acknowledges and agrees that the Purchaser shall have the right to enforce the Supply Chain Agreement [Documents] and pursue all claims and demands whatsoever arising out of or in respect of the Supply Chain Agreement [Documents] whether existing at or arising on or subsequent to the date of this Agreement.

5 Outstanding Contractor Claims

- 5.1** The Purchaser shall only be liable to the Contractor in respect of any outstanding claim by the Contractor arising before the date of this Agreement to the extent that such claim has been:

5.1.1 set out in a Statement delivered to the Secretary of State in accordance with Clause 5 (Suspension Period) of the Contractor Direct Agreement; or

5.1.2 in the case of a claim arising during the Step-In Period, notified to the Secretary of State prior to the date of this Agreement.

- 5.2** The Purchaser shall:

5.2.1 pay to the Contractor any unpaid amounts notified to the Secretary of State in accordance with Clause 5.1.1 within 10 Business Days of the date of this Agreement; and

5.2.2 perform or discharge any outstanding obligations notified to the Secretary of State in accordance with Clause 5.1.2 within 20 Business Days of the date of this Agreement.

- 5.3** The Contractor will not take any Contractor Enforcement Action by reason of any event notified:

5.3.1 in a Contractor Enforcement Notice; or

5.3.2 to the Secretary of State prior to the date of this Agreement,
unless the Purchaser fails to comply with its obligations under Clause 5.2.

6 Extension of Time to Perform

If any time has elapsed up to (and including) the date of this Agreement in relation to an obligation of the Employer which remains unperformed and for which the Supply Chain Agreement specifies a time for performance, then (as between the Contractor and the Purchaser) the time specified for performance shall (if necessary) be extended by such period as is reasonable, given the then prevailing circumstances, to allow the Purchaser to perform or remedy the unperformed obligation

7 Continuance of Supply Chain Agreement [Documents]

It is hereby agreed and declared that the Supply Chain Agreement [Documents] shall continue in full force and effect and that, as from the date of this Agreement, [its/their] terms and conditions have only changed to the extent set out in this Agreement.

8 Further Assurance

The Parties shall perform, execute and deliver such further acts and documents as may be required by law or reasonably requested by each other to implement the purposes of and to perfect this Agreement.

9 Amendments and Waivers

This Agreement may not be amended, waived or supplemented unless in writing and signed by or on behalf of the parties hereto.

10 Counterparts

This Agreement may be executed in any number of counterparts, each of which when executed and delivered shall be an original but all the counterparts together shall constitute one and the same instrument.

11 Third Party Beneficiaries

This Agreement does not create any rights under the Contracts (Rights of Third Parties) Act 1999 enforceable by any person who is not a party to it.

12 Notices

Any notices to be served on the Purchaser pursuant to the Supply Chain Agreement [Documents] shall be served, in accordance with clause [●] of the Supply Chain Agreement, to:

[●]

13 Governing Law and Jurisdiction

This Agreement is governed by and shall be construed in accordance with the laws of England and the parties hereby submit to the exclusive jurisdiction of the courts of England.

In witness whereof this Agreement has been executed and delivered as a deed on the date first stated above.

[To be executed as a deed by the Contractor,[the Guarantor,] the Employer and the Purchaser.]

In witness whereof this Agreement has been executed and delivered as a deed on the date first stated above.

Signatories

Contractor

SIGNED as a DEED by ***{full legal name of Contractor}*** acting by ***{name of Director}*** a Director and ***{name of Director or Secretary}*** [a Director]/[the Secretary]

[signature of Director]

.....

[signature of Director or Secretary]

in the presence of:

[signature of witness]

.....

Name:

Address:

Occupation:

[OR]

SIGNED as a DEED by ***{full legal name of Contractor}*** acting by ***{name of Director}*** a Director:

}

{signature of Director}

.....

in the presence of:

{signature of witness}

Name:

Address:

Occupation:

[Construction Parent Guarantor

SIGNED as a DEED by *{full legal name of Construction Parent Guarantor}* acting by *{name of Director}* a Director and *{name of Director or Secretary}* [a Director]/[the Secretary]

[signature of Director]
.....
[signature of Director or Secretary]
.....

in the presence of:

[signature of witness]

Name:
Address:

Occupation:]

[OR]

SIGNED as a DEED by *{full legal name of Construction Parent Guarantor}* acting by *{name of Director}* a Director: }

{signature of Director}
.....

in the presence of:

{signature of witness}

Name:
Address:

Occupation:

The Employer

SIGNED as a DEED by ***{full legal name of Employer}*** acting by ***{name of Director}*** a Director and ***{name of Director or Secretary}*** [a Director]/[the Secretary]

}

[signature of Director]

.....

[signature of Director or Secretary]

in the presence of:

.....

[signature of witness]

Name:

Address:

Occupation:

[OR]

SIGNED as a DEED by ***{full legal name of Employer}*** acting by ***{name of Director}*** a Director:

}

{signature of Director}

.....

in the presence of:

{signature of witness}

Name:

Address:

Occupation:

The Secretary of State

SIGNED as a DEED by ***{full legal
name of Secretary of State}*** acting by
{name of Director} a Director and
{name of Director or Secretary} [a
Director]/[the Secretary]

}

[signature of Director]

.....

[signature of Director or
Secretary]

in the presence of:

.....

[signature of witness]

Name:

Address:

Occupation:

[OR]

SIGNED as a DEED by ***{full legal
name of Secretary of State}*** acting by
{name of Director} a Director:

}

{signature of Director}

.....

in the presence of:

{signature of witness}

Name:

Address:

Occupation:

In witness whereof this Agreement has been duly executed and delivered as a deed on the date first above written.

[Note: signature blocks to be inserted.]

Schedule 6
Form of Deed of Undertaking

Deed of Undertaking

Dated [●] 2025

THE SECRETARY OF STATE FOR ENERGY AND NET ZERO

and

[INVESTOR SHAREHOLDER]

Table of Contents

Contents	Page
1 Definitions and Interpretations	2
2 Term	5
3 Secretary of State's Power to Impose Liabilities on Associated Persons	5
4 Assignment	7
5 Costs	7
6 Third Party Rights	7
7 Announcements	8
8 Waiver of Sovereign Immunity	8
9 Execution as a Deed	8
10 Counterparts	8
11 Governing Law	8

This Deed is made on [●]

Between:

- (1) **THE SECRETARY OF STATE FOR ENERGY AND NET ZERO** (the “**Secretary of State**”);
and
- (2) **[INVESTOR SHAREHOLDER]** (the “**Investor Shareholder**”).

Whereas:

- (A) GenCo intends to construct the Facility at Sizewell C and has been granted a Nuclear Site Licence.
- (B) The Act requires GenCo to submit a funded decommissioning programme (“**FDP**”) for approval by the Secretary of State, and requires GenCo to comply with the approved FDP thereafter.
- (C) The Secretary of State has approved the FDP on the basis that the liabilities arising under the FDP will be funded through the FDP Allowance Building Block in the electricity generation licence issued to GenCo under Section 6 of the Electricity Act 1989, which has been amended by the Secretary of State in accordance with their powers under section 6 of the Nuclear Energy (Financing) Act 2022 to add special conditions (as such conditions may be modified from time to time, (the “**Economic Licence**”)).
- (D) The Secretary of State has entered into the Section 46 Agreement with, among others, GenCo. The Section 46 Agreement sets out the circumstances in which the Secretary of State may exercise their powers under section 48 of the Act, the extent to which they will exercise them and the limits which they will observe in exercising them.
- (E) This Deed is entered into under section 46(3A) of the Act and restricts the manner in which the Secretary of State may impose obligations under section 48(3) of the Act on the Investor Shareholder, the TopCo and any other Affiliate of the Investor Shareholder or the TopCo as is more fully set out in this Deed.
- (F) In entering into this Deed, the Secretary of State has taken into consideration that the FDP Allowance Building Block in the Economic Licence makes prudent provision for the liabilities arising out of the FDP.

1 Definitions and Interpretations

1.1 Definitions

Capitalised expressions which are defined in the Section 46 Agreement shall have the same meanings when used in this Deed or its recitals unless a different definition is given to them in this Clause.

1.2 In this Deed and its recitals:

“**Act**” means the Energy Act 2008;

“**Affiliate**” has the meaning given to that term in the ESHA;

“**Associated Person**” means a body corporate which is associated with GenCo for the purposes of the Act, as determined in accordance with section 67 of the Act, as at the date of this Agreement;

“**Business Day**” has the meaning given to that term in the FAP;

“Contribution” has the meaning given to that term in the FAP;

“Designated Technical Matters” has the meaning given to that term in the Act and the Nuclear Decommissioning and Waste Handling (Designated Technical Matters) Order 2010;

“Economic Licence” has the meaning given to that term in the Recital (C);

“ESHA” means the shareholders’ agreement originally entered into between, amongst others, HoldCo, GenCo, PledgeCo, the Secretary of State, EDF Energy Holdings Limited and the Investor Shareholder on or about the date of Revenue Commencement;

“FAP” means GenCo’s funding arrangements plan which forms part of the FDP as such plan may be amended or modified from time to time;

“FDP” means GenCo’s funded decommissioning programme for the Site as approved by the Secretary of State under section 46 of the Act and as may be amended and modified from time to time in accordance with section 48 of the Act;

“FDP Allowance Building Block” has the meaning given to that term in the Economic Licence;

“FDP Implementation Company” means SZC Nuclear Decommissioning Fund Company, a company incorporated in England and Wales (registered number [●]) and whose registered office is at [●];

“GenCo” means Sizewell C Generation Limited a company incorporated in England and Wales (registered number 09284825) and whose registered office is at 25 Cophall Avenue, London, England, EC2R 7BP;

“HoldCo” has the meaning given to that term in the ESHA;

“Investment Agreement” means the investment agreement entered into between, amongst others, HoldCo, GenCo, PledgeCo, the Secretary of State, EDF Energy Holdings Limited and the Investor Shareholder on or about the date of Revenue Commencement;

“Nuclear Administration and Statutory Transfers Agreement” or **“NASTA”** means the nuclear administration and statutory transfers agreement entered into between, amongst others, the Secretary of State, GenCo and the Investor Shareholder on or about the date of Revenue Commencement;

“PledgeCo” has the meaning given to that term in the ESHA;

“Revenue Collection Contract” means the revenue collection agreement entered into between the GenCo and the Revenue Collection Counterparty on or about the date of Revenue Commencement;

“Revenue Collection Counterparty” means the entity designated from time to time as revenue collection counterparty by the Secretary of State pursuant to their powers under the Nuclear Energy (Financing) Act 2022;

“Revenue Commencement” means the date on which the Revenue Collection Contract becomes effective in accordance with its terms;

“Secretary of State” means the Secretary of State for Energy Security and Net Zero or such other minister who has the right to exercise the powers conferred on the Secretary of State for Energy Security and Net Zero under Chapter 1 of Part 3 of the Energy Act 2008 at

Revenue Commencement or such other person that is authorised to act on behalf of the Secretary of State for Energy Security and Net Zero or such other minister;

"Section 46 Agreement" means the agreement entered into between GenCo, the FDP Implementation Company and the Secretary of State under section 46(3C) of the Energy Act 2008 on or about the date of Revenue Commencement;

"Securities" has the meaning given to that term in the ESHA;

"Shareholder Payments" has the meaning given to that term in the ESHA;

"Shareholder Payments Policy" means the initial policy governing Shareholder Payments as set out in schedule 8 (*Shareholder Payments Policy*) to the Investment Agreement and as may be updated or amended from time to time;

"Technical Matters" has the meaning given to that term in the Act;

"Termination Date" means the date on which this Deed terminates in accordance with Clause 2.2 of this Deed; and

"TopCo" means [●]³.

1.3 In this Deed, unless otherwise specified:

- (i) references to Clauses, paragraphs and Schedules are to clauses, paragraphs of, and schedules to, this Deed;
- (ii) a reference to any statute or statutory provision shall be construed as a reference to the same as it may have been, or may from time to time be, amended, modified or re-enacted and shall include any subordinate legislation made from time to time under that statute or statutory provision;
- (iii) references to any agreement or document include a reference to that agreement or document as amended, varied, supplemented, substituted, novated or assigned from time to time (but, in the case of the FDP, only if done in accordance with the Act and, in the case of the Economic Licence, only if done in accordance with the Nuclear Energy (Financing) Act 2022, the Electricity Act 1989 or the terms and conditions of thereof);
- (iv) references to a **"Party"** or to the **"Parties"** (other than in the expressions "third party" or "third parties") means a party or the parties to this Deed;
- (v) references to a **"company"** shall be construed so as to include any company, corporation or other body corporate, wherever and however incorporated or established;
- (vi) references to a **"person"** shall be construed so as to include any individual, firm, company, trust, agency, government, state or agency of a state, local or municipal authority or government body, unincorporated body of persons or association, any organisations having legal capacity or any joint venture, association or partnership (whether or not having separate legal personality) and shall include their successors and permitted assignees;

³ Note: To be the entity or entities which, directly or indirectly, exercise ultimate control over the Investor Shareholder, whether through ownership or voting rights.

- (vii) use of any gender includes the other genders and use of the singular only also includes the plural and vice versa;
- (viii) the expressions “**body corporate**” and “**subsidiary**” shall have the meaning given in the Companies Act 2006;
- (ix) any reference to a “**day**” (including within the phrase “Business Day”) shall mean a period of 24 hours running from midnight to midnight;
- (x) references to times of the day are to London time;
- (xi) references to writing shall include any modes of reproducing words in a legible and non-transitory form;
- (xii) the rule known as the ejusdem generis rule shall not apply and accordingly general words introduced by the word “**other**”, “**including**” or “**in particular**” shall not be given a restrictive meaning by reason of the fact that they are preceded by words indicating a particular class of acts, matters or things; and
- (xiii) general words shall not be given a restrictive meaning by reason of the fact that they are followed by particular examples intended to be embraced by the general words.

1.4 Headings to Clauses are for convenience only and do not affect the interpretation of this Deed.

1.5 This Deed is without prejudice to, and shall not be regarded as limiting, the Secretary of State's powers under any provision of the Act other than section 48(3) of the Act.

2 Term

2.1 This Deed shall take effect at Revenue Commencement and shall continue in full force and effect until the Termination Date.

2.2 This Deed shall terminate on the earlier of:

- (i) the date on which the liabilities of GenCo under the FDP have been fully and finally discharged;
- (ii) the date on which the Investor Shareholder or any assignee permitted under Clause 4 ceases to be an Associated Person; and
- (iii) the date of any transfer by scheme of the shares in, or the assets, rights, obligations and liabilities of, GenCo under the NASTA or the Energy Act 2004, provided that such transfer includes the Nuclear Assets and Nuclear Liabilities (each as defined under the NASTA).

2.3 On termination of this Deed, all rights and obligations of the Parties under this Deed shall end other than those contained in Clause 1 (*Definitions and Interpretation*), this Clause 2.3, Clause 6 (*Third Party Rights*), Clause 7 (*Announcements*), Clause 8 (*Waiver of Sovereign Immunity*) and Clause 11 (*Governing Law*) which shall continue without limit in time.

3 Secretary of State's Power to Impose Liabilities on Associated Persons

3.1 The Secretary of State is satisfied that the FDP, together with the Economic Licence includes adequate provision for the modification of the FDP in the event that the provision made by it

for Technical Matters (including the financing of the Designated Technical Matters) ceases to be prudent.

3.2 In reaching their decision that the FDP and the Economic Licence include adequate provision, the Secretary of State has taken into consideration the following matters:

3.2.1 subject to the Section 46 Agreement, the FAP can be modified to ensure prudent provision is maintained;

3.2.2 the Economic Licence, as modified by the Secretary of State at Revenue Commencement includes the FDP Allowance Building Block which creates a revenue stream to fund the FDP, including the Designated Technical Matters;

3.2.3 the Economic Licence, as modified by the Secretary of State at Revenue Commencement, includes provision for the partial revocation of the Economic Licence in accordance with special condition 12 (*Revocation*) of the Economic Licence, and provides for the provision of any shortfall in funding the FDP to be recovered under the FDP shortfall funding mechanism set out in special condition 13 (*Funded Decommissioning Programme*) of the Economic Licence; and

3.2.4 the Secretary of State has a power under section 11A(5) of the Electricity Act 1989 to direct the Authority not to make any modification to the Economic Licence and the Authority has the obligation to comply with such direction.

3.3 When approving the FDP the Secretary of State may make their approval, with or without modifications and unconditionally or subject to conditions. In particular, pursuant to section 46(3) of the Act, a modification may impose obligations on an Associated Person.

3.4 The Secretary of State hereby imposes an obligation on the Investor Shareholder, at all times during which the Investor Shareholder is an Associated Person, to:

3.4.1 use any and all powers, rights and influence as an Investor Shareholder to ensure that:

(i) in any Charging Year no dividend, distribution or other Shareholder Payment is made to any Investor Shareholder, unless and until, GenCo has made payment of a sum equivalent to the Contribution(s) that GenCo is required to make to the FDP Implementation Company in accordance with the FAP in respect of the same period to the extent the same is funded by the FDP Allowance Building Block in the Economic Licence (the “**FDP Payment**”);

(ii) no amendments are made to the Shareholder Payments Policy under the Investment Agreement (or any replacement agreement which regulates payments to the Investor Shareholder) which have, or are reasonably likely to have, any impact on GenCo’s obligation to make the FDP Payments to the FDP Implementation Company; and

3.4.2 if:

(i) GenCo fails to make an FDP Payment when due under the FAP;

(ii) GenCo has not remedied such failure within 3 Business Days; and

(iii) upon receiving notice from the Secretary of State in that respect (a “**Shareholder FDP Notice**”),

make payment within 10 Business Days of receipt of the relevant Shareholder FDP Notice, to the FDP Implementation Company of an amount equivalent to the relevant FDP Payment.

- 3.5** The Investor Shareholder acknowledges and agrees that the Secretary of State shall be entitled to enforce against the Investor Shareholder and the TopCo if and to the extent of any breach by the Investor Shareholder of Clause 3.4, whether in full or in part.
- 3.6** Subject to the Investor Shareholder complying with Clause 3.4 of this Deed, the Secretary of State agrees that they shall not impose any liability on the Investor Shareholder or the TopCo, whether or not an Associated Person, in respect of any modification of the FDP which is fully funded by the FDP Allowance Building Block in the Economic Licence.
- 3.7** Subject to the Investor Shareholder complying with Clause 3.4 of this Deed, the Secretary of State agrees that they shall not impose any liability on the Investor Shareholder or the TopCo, whether or not an Associated Person, in respect of any modification of the FDP which is not fully funded by the FDP Allowance Building Block in the Economic Licence in excess of an amount equal to the lesser of:
- 3.7.1** an amount equal to 20% of the Investor Shareholder's equity investment in HoldCo, and/or PledgeCo by way of any Securities at the time of such modification; or
- 3.7.2** [REDACTED]
- 3.8** Subject to the Investor Shareholder complying with Clause 3.4 of this Deed, the Secretary of State agrees that they shall not impose any liability in connection with the FDP on any Affiliate of the Investor Shareholder (other than the TopCo) or any Affiliate of the TopCo, whether or not such Affiliate is an Associated Person.

4 Assignment

- 4.1** Subject to Clause 4.2, no party shall assign or purport to assign all or any part of the benefit of, or its rights or benefits under, this Deed without the other party's prior written consent.
- 4.2** No party shall hold in trust for any other person all or any part of the benefit of, or its rights or benefits under, this Deed.

5 Costs

Except as otherwise stated in this Deed, the Investor Shareholder shall pay its own costs and expenses in addition to the Secretary of State's costs and expenses in relation to the execution and carrying into effect of this Deed.

6 Third Party Rights

- 6.1** The parties to this Deed do not intend that any term of this Deed should be enforceable, by virtue of the Contracts (Rights of Third Parties) Act 1999, by any person who is not a party to this Deed, provided however that nothing in this Clause 6.1 shall prejudice the rights of any permitted assignee under Clause 4.
- 6.2** Any Affiliate of the Investor Shareholder (including the TopCo) and any Affiliate of the TopCo may, subject to the Contracts (Rights of Third Parties) Act 1999, rely on Clauses 3.6 to 3.8 of this Deed.

7 Announcements

- 7.1** Subject to Clause 7.2, no announcement concerning the matters contemplated by this Deed shall be made by any party without the prior written approval of the Secretary of State, such approval not to be unreasonably withheld or delayed.
- 7.2** Any party may, after written notice to the Secretary of State, make an announcement concerning the matters contemplated by this Deed or any ancillary matter if required by:
- (i) any legislative or regulatory requirement having the force of law; or
 - (ii) any securities exchange or regulatory or governmental body to which that party is subject or submits, wherever situated, including (amongst other bodies) London Stock Exchange plc, the Prudential Regulation Authority, the Financial Conduct Authority or The Panel on Takeovers and Mergers, which has the force of law.

8 Waiver of Sovereign Immunity

The Secretary of State irrevocably waives all immunity to which they may be or become entitled in relation to this Deed, including immunity from enforcement and all legal proceedings, both in respect of themselves and their assets to the fullest extent permitted by the laws of England and Wales.

9 Execution as a Deed

Each of the parties intends this Deed to be a deed governed by English law and confirms that it is executed and delivered as a deed, notwithstanding the fact that any one or more of the Parties may only execute it under hand.

10 Counterparts

- 10.1** This Deed may be executed in any number of counterparts, and by the parties to this Deed on separate counterparts, but will not be effective until each such party has executed at least one counterpart.
- 10.2** Each counterpart shall constitute an original of this Deed, but all the counterparts shall together constitute one and the same instrument.

11 Governing Law

- 11.1** This Deed is to be governed by and construed in accordance with English law.
- 11.2** Any dispute arising out of or in connection with this Deed, whether contractual or non-contractual, is to be governed by and determined in accordance with English law.
- 11.3** The Courts of England and Wales shall have jurisdiction to determine and settle any matter arising out of or in connection with this Deed and both parties irrevocably submit to the jurisdiction of the Court of England and Wales.

IN WITNESS of which this document has been executed as a deed by each party and is delivered on the date stated at the beginning of this Deed.

[insert signature blocks]