

# DEED OF GUARANTEE

THIS DEED OF GUARANTEE is made on 4 DECEMBER 2009

## BETWEEN:

**SSE GENERATION LIMITED** a company registered in England and Wales (registered number 02310571) whose registered office is at 55 Vastern Road, Reading, Berkshire RG1 8BU (the "Guarantor"); and

**SSE ENERGY SUPPLY LIMITED** a company registered in England and Wales (registered number 03757502) whose registered office is at 55 Vastern Road, Reading, Berkshire RG1 8BU (the "Company").

- A. **WHEREAS** the Guarantor has agreed to give the guarantee in respect of the Company's liabilities set out below.

**NOW IT IS AGREED** as follows:

## 1. DEFINITIONS AND INTERPRETATION

- 1.1 In this Agreement the following words and phrases have the meanings stated:

**"Effective Date"** means the date of this Agreement;

**"Guaranteed Sum"** means any present or future indebtedness, liabilities or other payment obligations which is due, owing or payable by the Company to any creditor and which is incurred by the Company in the ordinary course of business, whether incurred solely, severally or jointly with any other person, and in whatever currency; and

**"Termination Date"** has the meaning given in Clause 3.1.

- 1.2 The Clause headings used in this Agreement are inserted for ease of reference only and shall not affect construction.
- 1.3 References in this Agreement to a "party" or a "Clause" are references respectively to the relevant party to, or clause of, this Agreement.

## 2. GUARANTEE

- 2.1 Subject to the provisions of Clause 3, the Guarantor undertakes that if the Company defaults in the payment of any Guaranteed Sum, the Guarantor will, within 14 days from receipt by it of notice in writing of such default from the creditor (containing full details of the sum claimed), pay such Guaranteed Sum as guarantor.
- 2.2 The provisions of this Agreement shall enure for the benefit of every person who is a creditor of the Company in respect of any Guaranteed Sum, and shall be enforceable against the Guarantor by any such creditor.
- 2.3 This Agreement shall become effective from the Effective Date and shall be a continuing security and remain in full force until this Agreement is terminated in accordance with Clause 3.

## 3. TERMINATION

- 3.1 The Guarantor may terminate this Agreement at any time by notice to the Company with effect from the date (the "**Termination Date**") specified in such notice.
- 3.2 Notwithstanding any notice of termination given under Clause 3.1, the liability of the Guarantor under the Guarantee shall continue in full force in relation to all Guaranteed Sums which:
- 3.2.1 have become due prior to the Termination Date; or
- 3.2.2 may become due, owing or incurred by the Company to any third party pursuant to any transaction, dealing commitment or other engagement entered into or effected prior to the Termination Date.

## 4. GENERAL

- 4.1 This Agreement is personal to the Company and may not be assigned without the prior written consent of the Guarantor.
- 4.2 Any notice or communication given under this Agreement shall be delivered personally, or sent by special delivery or by commercial courier, to the party required to receive the notice or communication as set out below:

To the Guarantor:

Inveralmond House, 200 Dunkeld Road, Perth PH1 3AQ

For the attention of: Company Secretary, SSE Generation Limited

To the Company:


Inveralmond House, 200 Dunkeld Road, Perth PH1 3AQ

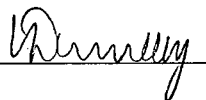
For the attention of: Company Secretary, SSE Energy Supply Limited

- 4.3 Any notice or other communication shall be deemed to have been duly received:
- (a) if delivered personally, when left at the address and for the contact referred to in Clause 4.2;
  - (b) if sent by special delivery post, at 9.00 am on the second Business Day after posting; or
  - (c) if delivered by commercial courier, on the date and at the time that the courier's delivery receipt is signed.
- 4.4 This Agreement may be executed in any number of counterparts, each of which when executed and delivered shall constitute an original of this Agreement, but all the counterparts shall together constitute the same agreement.
- 4.5 This Agreement and any non-contractual obligations arising out of or in connection with it shall be governed by and construed in accordance with the laws of England and the parties submit to the exclusive jurisdiction of the English courts in respect of any dispute arising from or in connection with this Agreement.

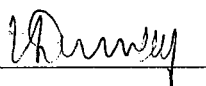
**IN WITNESS WHEREOF** the parties have executed this Agreement as a Deed the day and year above mentioned.

Executed as a Deed for and on behalf of  
SSE Generation Limited  
(the Guarantor)  
acting by

Director 

Director/Secretary 

Executed as a Deed for and on behalf of  
SSE Energy Supply Limited  
(the Company)  
acting by

Director 

Director/Secretary 