

Particulars of a mortgage or charge

A fee of £10 is payable to Companies House in respect of each register entry for a mortgage or charge.

COMPANIES HOUSE

395

Pursuant to section 395 of the Companies Act 1985

To the Registrar of Companies
(Address overleaf - Note 6)

For official use

Company number

E111A

00579409

Name of company

* Darrington Quarries Limited (the "Charging Company")

Date of creation of the charge

15 December, 2004 (the "Charge Date")

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

Supplemental Deed to the Debentures dated 12th August, 2003 and 5th September, 2003 respectively, (the "Supplemental Deed")

Amount secured by the mortgage or charge

See Part 2 of the attached Continuation Sheet

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

Barclays Bank PLC (as Security Agent) 5 The North Colonnade, Canary Wharf, London

Postcode E14 4BB

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

Shearman & Sterling LLP
Broadgate West
9 Appold Street
London EC2A 2AP

Ref: 632/204/PJB

Time critical reference

391230

For official Use
Mortgage Section

Post room



LD3
COMPANIES HOUSE

LQP0019Y

0453
21/12/04

Short particulars of all the property mortgaged or charged

Please see Part 3 of the attached Continuation Sheet.

Part 4 of the attached Continuation Sheet contains covenants by and restrictions on the Charging Company which protect and further define the Charges and which must be read as part of the Charges.

N.B. Please refer to Part 1 of the attached Continuation Sheet for definitions.

Please do not write in this margin

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

Particulars as to commission allowance or discount (note 3)

Nil

Signed

Shearman + Sterling (London) LLP

Date 21 December 2004

On behalf of [company] [mortgagee/chargee] †

A fee of £10 is payable to Companies House in respect of each register entry for a mortgage or charge. (See Note 5)

† delete as appropriate

Notes

- 1 The original instrument (if any) creating or evidencing the charge, together with these prescribed particulars correctly completed must be delivered to the Registrar of Companies within 21 days after the date of creation of the charge (section 395). If the property is situated and the charge was created outside the United Kingdom delivery to the Registrar must be effected within 21 days after the date on which the instrument could in due course of post, and if dispatched with due diligence, have been received in the United Kingdom (section 398). A copy of the instrument creating the charge will be accepted where the property charged is situated and the charge was created outside the United Kingdom (section 398) and in such cases the copy must be verified to be a correct copy either by the company or by the person who has delivered or sent the copy to the Registrar. The verification must be signed by or on behalf of the person giving the verification and where this is given by a body corporate it must be signed by an officer of that body. A verified copy will also be accepted where section 398(4) applies (property situate in Scotland or Northern Ireland) and Form No. 398 is submitted.
- 2 A description of the instrument, eg "Trust Deed", "Debenture", "Mortgage" or "Legal charge", etc, as the case may be, should be given.
- 3 In this section there should be inserted the amount or rate per cent. of the commission, allowance or discount (if any) paid or made either directly or indirectly by the company to any person in consideration of his;
 - (a) subscribing or agreeing to subscribe, whether absolutely or conditionally, or
 - (b) procuring or agreeing to procure subscriptions, whether absolute or conditional,for any of the debentures included in this return. The rate of interest payable under the terms of the debentures should not be entered.
- 4 If any of the spaces in this form provide insufficient space the particulars must be entered on the prescribed continuation sheet.
- 5 Cheques and Postal Orders are to be made payable to **Companies House**.
- 6 The address of the Registrar of Companies is:-

Companies House, Crown Way, Cardiff CF14 3UZ

Continuation Sheet to Form 395

PART 1

Definitions

In this form 395, so far as the context admits, the following expressions have the following meanings:

"Accession Document" means an agreement substantially in the form set out in Schedule 7 (*Accession Document*) of the Facilities Agreement pursuant to which a member of the Group becomes a Borrower and/or a Guarantor;

"Acquisitions" means Cholet Acquisitions Limited, subsequently re-registered as WRG Acquisitions PLC;

"Advances" has the meaning given to it in the Facilities Agreement;

"Agency Fees Letter" means the letter from the Facility Agent and the Security Agent to Acquisitions dated 9th June, 2003, setting out details of the agency fees payable by Acquisitions in connection with the Facilities Agreement and referred to in Clause 10.3 (*Agency Fees*) of the Facility Agreement;

"Aldeby Restricted Property" means the freehold land on the north west side of St. Mary's Road, Aldeby registered at HM Land Registry under Title Number NK189961;

"Ancillary Documents" has the meaning given to it in the Facilities Agreement;

"Ancillary Facilities" means working capital facilities made available by a Revolving Lender by redefinition of a portion of its Revolving Commitment in accordance with Clause 2.2 (*Ancillary Facilities*) and Schedule 8 (*Ancillary Facilities*) of the Facilities Agreement;

"Ancillary Lender" means a Revolving Lender in its capacity as provider of Ancillary Facilities;

"Arrangement Fees Letter" means the letter from the Joint Mandated Lead Arrangers to the Acquisitions setting out details of certain fees payable in connection with the Facilities and referred to in Clause 10.2(a) (*Arrangement Fees*) or the Facilities Agreement dated 9th June, 2003;

"Aveley Property" means that land on the north side of Sandy Lane, Aveley as the same is comprised in Title Number EX213345;

"Bonding Letter of Credit" has the meaning given to that term in the Facilities Agreement;

"Borrower" means the Term Borrowers and the Revolving Borrowers but excluding any such person that has ceased to be an Obligor in accordance with Clause 17.9 (*Release of an Obligor*) and **"Borrower"** means any of them;

"Charged Assets" means the assets from time to time the subject of any Security Interests created or purported to be created by or pursuant to the Supplemental Deed and, where the context permits, the proceeds of sale of such assets;

"Charged Property" means all freehold and leasehold property forming part of the Charged Assets;

"Charges" means Security Interests from time to time created by or pursuant to the Supplemental Deed;

"Cinergy" means Cinergy Global Trading Limited;

"Cinergy Contract" means the agreement dated 1 May 2002 between the Target and Cinergy;

"Cinergy Properties" means those Properties which the Cinergy Contract provides may not be subject to a Security Interest without the consent of Cinergy including, without limitation, (i) freehold and leasehold land at the Darrington landfill site, Darrington Leys; (ii) leasehold land at Cridlington Stubbs, Knottingly, Yorkshire WF11 0AH; and (iii) freehold land at the Aveley Waste to Energy Plant, Sandy Lane, Aveley, Essex RM15 4HL;

"Commitments" has the meaning given to it in the Facilities Agreement;

"Delegate" means a delegate or sub-delegate appointed, directly or indirectly, pursuant to Clause 9.3 (*Delegation*) of the Debenture;

"Drawing" means a utilisation by a Borrower of the Tranche A Term Facility, the Tranche A-1 Term Facility, the Tranche B Term Facility, the Tranche B-1 Term Facility, the Capex Facility, the Revolving A Facility or the Revolving B Facility as the case may be;

"EA Bond" has the meaning given to that term in the Facilities Agreement;

"Event of Default" means any of the events specified in Clause 16.1 (*Event of Default*) of the Facilities Agreement;

"Excluded Properties" means the properties described in Section 2 of Part 5 of this Continuation Sheet;

"Existing Debenture Amendment Deed" means the amendment deed in respect of the First Stage Debenture, the Second Stage Debenture, the Third Stage Debenture, the Shanks First Stage Debenture and the Shanks Second Stage Debenture, between certain members of the Group and the Security Agent dated 15 December, 2004;

"Facility Agent" means Barclays Bank PLC acting in its capacity as agent for the Lenders or such other agent for the Lenders as shall be appointed pursuant to Clause 18.9 (*Resignation of Agents*) of the Facilities Agreement;

"Facilities Agreement" means the facilities agreement dated 9 June, 2003 between inter alios, Cholet Investments Limited (subsequently re-registered as WRG Investments Ltd), Barclays Capital and Merrill Lynch International as Joint Mandated Lead Arrangers and Syndication Agents, the Original Lenders and Barclays Bank PLC as Facility Agent and Security Agent as amended by an amendment letter dated 11 June, 2003 and an amendment letter dated 11 August, 2003, as amended and waived by an amendment and waiver letter dated 29 March, 2004 as amended and restated by a supplemental agreement dated 26 August, 2004 and by a second supplemental agreement dated 9 December, 2004 and as further amended, novated, waived and supplemented from time to time;

"Fees Letters" means the Agency Fees Letter, the Arrangement Fees Letter and the Second Restatement Supplemental Arrangement Fee Letter;

"Finance Documents" means the Facilities Agreement, the First Supplemental Agreement, the Second Supplemental Agreement, each Security Document, the Intercreditor Deed, the Third Intercreditor Amendment Deed, the Fourth Intercreditor Amendment Deed, each Standard Security Ranking Agreement, the Hedging Agreements, the Hedging Strategy Letter, the Second Restatement Supplemental Hedging Strategy Letter, the Syndication Letter, the Ancillary Documents, each Accession Document, each Transfer Certificate, the Fees Letters and any other document designated as a Finance Document by the Facility Agent and Acquisitions;

"Finance Parties" means each Joint Mandated Lead Arranger, the Shanks Sole Mandated Lead Arranger, each Second Restatement Mandated Lead Arranger, the Facility Agent, each Syndication Agent, the Shanks Syndication Agent, each Second Restatement Syndication Agent, the Security Agent, each Lender, each Ancillary Lender, each Issuing Lender and each Hedging Lender and "Finance Party" means any of them;

"Financial Group" means the Fixed Rate Note Issuer and its Subsidiaries at that time;

"First Stage Debenture" means the debenture, in the agreed form, dated 9th June, 2003 and entered into by each Parent Group Company (other than the Fixed Rate Note Issuer), as amended pursuant to the Existing Debenture Amendment Deed;

"First Supplemental Agreement" means the supplemental agreement to the Facilities Agreement dated on or about 26th August, 2004;

"First Supplemental Debenture" means the supplemental debenture in relation to each of the Second Stage Debenture and the Third Stage Debenture entered into by certain members of the Target Group in favour of the Security Agent and dated 15 December, 2004;

"First Supplemental Standard Security" means the standard security granted by Waste Recycling Group (Scotland) Limited in respect of Oatslie Sandpit Landfill Site, Cleugh Road, Roslin, Midlothian EH2 9QW;

"Fixed Rate Note Issuer" means WRG Finance plc, a company incorporated in England and Wales with registered number 5256841;

"Fixed Rate Notes" mean the high yield notes issued under the Fixed Rate Note Indenture;

"Fixed Rate Note Finance Documents" means the Fixed Rate Note Indenture, the Fixed Rate Notes, the Fixed Rate Note Guarantees, the Fixed Rate Note Security and any other document entered into in connection with the Fixed Rate Notes;

"Fixed Rate Note Guarantees" has the meaning given to it in the Intercreditor Deed;

"Fixed Rate Note Indenture" means any indenture pursuant to which any Fixed Rate Note is issued;

"Fixed Rate Note Proceeds Loan" means any loan of the proceeds of the Fixed Rate Notes from the Fixed Rate Note Issuer to Acquisitions;

"Fixed Rate Note Proceeds Loan Agreement" means the loan agreement in the agreed form pursuant to which the Fixed Rate Note Proceeds Loan is made and entered into between the Fixed Rate Note Issuer and Acquisitions and complying with the requirements of Clause 7.4 (*Fixed Rate Note Proceeds Loan*) of the Intercreditor Deed;

"Fixed Rate Note Security" has the meaning given to it in the Intercreditor Deed;

"Fixtures" means trade and other fixtures and fittings and fixed plant, machinery and other apparatus;

"Fourth Intercreditor Amendment Deed" means the fourth amendment deed relating to the Intercreditor Deed entered into on 10 December, 2004 and made between, amongst others, Holdco, the Fixed Rate Note Issuer, Acquisitions, the companies named therein as Obligors, the companies and institutions named therein as equity investors and Barclays Bank plc as senior agent and senior security agent;

"Guarantors" means the Original Guarantors and any other member of the Group which shall have become a guarantor hereunder by executing an Accession Document unless it has ceased to be a Guarantor in accordance with Clause 17.9 (*Release of an Obligor*) or Clause 17.11 (*Release of Guarantors*), and **"Guarantor"** means any of them;

"Group" means, at any time, Acquisitions and its Subsidiaries at that time and **"Group Company"** and "member of the Group" means any one of them;

"Hedging Agreements" means agreements entered into with the Hedging Lenders for the purpose of hedging interest rate and currency risk in relation to the Term Facilities, the Second Secured Notes and/or the Fixed Rate Notes;

"Hedging Lender" means any Lender, any other Finance Party or any affiliate of any Lender or any other Finance Party in its capacity as provider of interest rate and currency hedging in relation to the Term Facilities, the Second Secured Notes and/or the Fixed Rate Notes and which provides such hedging under the Hedging Agreements (and, for the avoidance of doubt, a Hedging Lender shall be or continue to be a Hedging Lender for the purposes of the Finance Documents in the event that its Commitments are zero or are reduced to zero);

"Hedging Strategy Letter" means the letter dated on or about 9th June, 2003 from Acquisitions to the Joint Mandated Lead Arrangers setting out the interest rate hedging strategy of the Group;

"Holdco" means Cholet Investments Limited (re-registered as WRG Investments Limited) (company number 04770256), a limited liability company incorporated under the laws of England and Wales;

"Holdco Loan Note Amendment Deed" means the amendment deed in respect of the Holdco Loan Notes and the Holdco Loan Note Instruments entered into on or prior to the Second Restatement Date;

"Holdco Loan Note Instruments" means the zero coupon bond commitment facility agreement and the related deed of covenant constituting the Holdco Loan Notes in the agreed form entered into or to be entered into by Holdco on or before the First Drawing Date as defined in the Facilities Agreement, as amended on the Second Restatement Date pursuant to the Holdco Loan Note Amendment Deed;

"Holdco Loan Notes" means the zero coupon subordinated loan notes in the agreed form issued or to be issued on or prior to the First Drawing Date under the Holdco Loan Note Instruments, as amended on or prior to the Second Restatement Date pursuant to the Holdco Loan Note Amendment Deed;

"Intercreditor Deed" means the intercreditor deed dated 9th June, 2003 between the Finance Parties, the Obligors, Holdco and each Original Equity Investor as amended pursuant to amendment deeds dated 5th August, 2003 and 10th September, 2003, as amended pursuant to the Third Intercreditor Amendment Deed,

as amended and restated pursuant to the Fourth Intercreditor Deed and as further amended, extended or supplemented from time to time;

"Issuing Lender" means Barclays Bank PLC in its capacity as issuer of any Letter of Credit or Lender Guarantee and/or any other Lender which agrees to issue a Letter of Credit and/or Lender Guarantee in accordance with Clause 5.7 (*Issue of Letters of Credit/Lender Guarantees*) of the Facilities Agreement in its capacity as issuer of such Letter of Credit or Lender Guarantee;

"Joint Mandated Lead Arrangers" means Barclays Capital and Merrill Lynch International acting in their capacity as joint mandated lead arrangers and bookrunners in connection with the Facilities Agreement;

"LA Bond" has the meaning given to that term in the Facilities Agreement;

"Leasehold Restricted Property" means the Aldeby Restricted Property, any Cinergy Property and any leasehold property held by the Charging Company under a lease the terms of which either preclude absolutely the Charging Company from creating any Security Interest over its leasehold interest in such property or require the consent of any third party prior to the creation of such Security Interest where such consent shall not have been previously obtained;

"Lender" means:

- (a) when designated **"Tranche A"**, the Original Lenders identified in Schedule 1 (*The Original Lenders*) of the Facilities Agreement as participating in the Tranche A Term Facility;
- (b) when designated **"Tranche A-1"**, the Original Lenders identified in Schedule 1 (*The Original Lenders*) as participating in the Tranche A-1 Term Facility;
- (c) when designated **"Tranche B"**, the Original Lenders identified in Schedule 1 (*The Original Lenders*) of the Facilities Agreement as participating in the Tranche B Term Facility;
- (d) when designated **"Tranche B-1"**, the Original Lenders identified in Schedule 1 (*The Original Lenders*) as participating in the Tranche B-1 Term Facility;
- (e) when designated **"Capex"**, the Original Lenders identified in Schedule 1 (*The Original Lenders*) of the Facilities Agreement or as participating in the Capex Facility;
- (f) when designated **"Revolving A"**, the Original Lenders identified in Schedule 1 (*The Original Lenders*) of the Facilities Agreement as participating in the Revolving A Facility;
- (g) when designated **"Revolving B"**, the Original Lenders identified in Schedule 1 (*The Original Lenders*) of the Facilities Agreement as participating in the Revolving B Facility;

and in each case any New Lender to whom rights and/or obligations are assigned or transferred in accordance with Clause 19 (*Assignments and Transfers*) of the Facilities Agreement (until, in each case, its entire participation in the Facilities has been assigned or transferred to a New Lender in accordance with Clause 19 (*Assignments and Transfers*) of the Facilities Agreement) (collectively the **"Lenders"**);

"Lender Guarantee" means (i) any bank guarantee or performance bond issued or to be issued by an Issuing Lender under the Revolving B Facility in the form provided for in Schedule 14 (*Forms of Letter of Credit/Lender Guarantee*) of the Facilities Agreement or in such other form as may be agreed between

Acquisitions and the relevant Issuing Lender such agreement not to be unreasonably withheld, (ii) any EA Bond or (iii) any LA Bond;

"Letter of Credit" means (i) a letter of credit issued or to be issued by an Issuing Lender under the Revolving B Facility in the form set out in Schedule 14 (*Forms of Letter of Credit/Lender Guarantees*) of the Facilities Agreement or in such other form as may be agreed between Acquisitions and an Issuing Lender such agreement not to be unreasonably withheld or (ii) a Bonding Letter of Credit;

"Material After-Acquired Property" means any Property acquired by the Charging Company after the date of the Supplemental Deed which is a land fill site in respect of which there is in excess of 2 million cubic metres of fully consented void capacity;

"Material Adverse Effect" means any event or circumstance which:-

- (a) is or is reasonably likely to be materially adverse to:-
 - (i) the ability of the Obligors (taken as whole) to perform any of their payment obligations under any Finance Document (together with the Fixed Rate Note Issuer) or comply with the financial covenants contained in Clause 15.7 (*Financial Covenants*) of the Facilities Agreement; or
 - (ii) the business, assets (taken as whole) or financial condition of the Group (taken as a whole);
- (b) which results in any of the Finance Documents not being (in each case subject to the reservations) legal, valid and binding on and enforceable against the Fixed Rate Note Issuer or any member of the Group and/or in the case of any Security Documents not providing to the Security Agent security over the assets expressed to be secured under the Security Documents in each case in a manner and to an extent which is materially prejudicial to the interests of the Finance Parties under the Finance Documents;

"New Lender" means:

- (a) a bank or financial institution; or
- (b) any trust, fund or other entity which is regularly engaged in or established for the purpose of making, purchasing or investing in loans, securities or other financial assets,

to whom any Lender assigns any of its rights or transfers any of its rights and obligations under the Facilities Agreement;

"Obligors" means at any time each Borrower and each Guarantor at that time and **"Obligor"** means any of them;

"Original Guarantors" means from the date on which each such person becomes a guarantor by executing the Facilities Agreement, each member of the Group identified in Part C of Schedule 2 (*The Obligors*) of the Facilities Agreement;

"Original Lenders" means each of the banks and financial institutions identified in Schedule 1 (*The Original Lenders*) or the Facilities Agreement and **"Original Lender"** means any one of them;

"Parent Group" means Holdco, the Fixed Rate Note Issuer and Acquisitions and **"Parent Group Company"** and **"member of the Parent Group"** means any of them;

"Permitted Security Interest" means any Security Interest which is permitted pursuant to Clause 15.3(d) (*Negative Pledge*) of the Facilities Agreement;

"Property" means freehold and leasehold property in England or Wales and other real estate anywhere in the world, and any reference to any charges over Property or any estate or interest therein includes a charge over:

- (a) the benefit of any covenant for title given or entered into by any predecessor in title of the Charging Company in respect of that Property and any moneys paid or payable in respect of those covenants;
- (b) all buildings and Fixtures on the Property; and
- (c) the proceeds of sale of all or any part thereof,

(the assets referred to in paragraphs (a), (b) and (c) being **"Related Property Rights"**);

"Receiver" means an administrative receiver, receiver and manager or other receiver appointed in respect of the Charged Assets by the Security Agent pursuant to the Supplemental Deed;

"Revolving A Facility" means the revolving credit facility to be made available by the Revolving A Lenders pursuant to Clause 2.1(f) (*Facilities*) of the Facilities Agreement;

"Revolving B Facility" means the revolving credit facility to be made available by the Revolving Lenders pursuant to Clause 2.1(g) (*Facilities*) of the Facilities Agreement;

"Revolving Borrowers" means, from the date on which each such person becomes a borrower by either being party to the Facilities Agreement or by executing an Accession Document, each member of the Group identified in Part B of Schedule 2 (*The Obligors*) of the Facilities Agreement and each other member of the Group which is entitled to become and becomes a borrower by executing an Accession Document pursuant to the Facilities Agreement;

"Revolving Facilities" means the Revolving A Facility and the Revolving B Facility and **"Revolving Facility"** means any of them;

"Revolving Lenders" means the Revolving A Lenders and the Revolving B Lenders and **"Revolving Lender"** means any of them;

"rights" shall be construed as including rights, benefits, privileges, consents, authorities, discretions, remedies and powers and **"right"** shall be construed accordingly;

"Scheduled Property" means the Property described in Part 5 of this Continuation Sheet and all Related Property Rights;

"Second Restatement Date" means 15 December, 2004;

"Second Restatement Mandated Lead Arrangers" means Barclays Capital, Deutsche Bank AG London and Merrill Lynch International;

"Second Restatement Supplemental Arrangement Fee Letter" means the supplemental letter to the Arrangement Fees Letter entered into on 15 December, 2004 setting out details of certain fees payable in connection with the Facilities and referred to in Clause 10.2(b) (*Arrangement Fees*) of the Facilities Agreement;

"Second Restatement Supplemental Hedging Strategy Letter" means the letter dated on or about the Second Restatement Date from Acquisitions to the Second Restatement Mandated Lead Arrangers in relation to the hedging strategy of the Financial Group after the Second Restatement Date;

"Second Restatement Syndication Agents" means Barclays Capital, Deutsche Bank AG London and Merrill Lynch International;

"Second Secured Note Indenture" means any indenture pursuant to which the Second Secured Notes are issued;

"Second Secured Notes" means the second secured notes issued under the Second Secured Notes Indenture by Acquisitions;

"Second Secured Note Security" has the meaning given to it in the Intercreditor Deed;

"Second Stage Debenture" means the debenture dated 12 August 2003 executed by certain numbers of the Target Group pursuant to the Facilities Agreement for the purpose of securing certain of the Refinancing Advances and Drawings of the Revolving Facilities made available to members of the Target Group, as amended pursuant to the Existing Debenture Amendment Deed;

"Second Supplemental Agreement" means the second supplemental agreement to the Facilities Agreement dated on or about 9 December, 2004;

"Security Agent" means Barclays Bank PLC, acting in its capacity as trustee and security agent for the Finance Parties in relation to the Security Documents, or such other agent as may from time to time be appointed in that capacity pursuant to Clause 21 (*Appointment and Duties of the Security Agent*) of the Intercreditor Deed;

"Security Documents" means the documents comprising the First Stage Debenture, the Second Stage Debenture, the Third Stage Debenture, the First Supplemental Debenture, the Standard Security, the First Supplemental Standard Security, the Shanks Security Documents, the Third Party Security and any other document providing for a guarantee or Security Interest in favour of the Finance Parties (or any of them) in respect of the obligations of the Obligors under the Finance Documents;

"Security Interest" means any mortgage, charge (fixed or floating), standard security, pledge, lien, hypothecation, right of set-off, security trust, assignment by way of security, reservation of title, or any other security interest whatsoever, howsoever created or arising or any other agreement or arrangement entered into for the purposes of conferring security and any agreement to create or establish any of the foregoing;

"Shanks First Stage Debenture" means the debenture dated 26th August, 2004 entered into or to be entered into by WRG Acquisitions 2 Limited (formerly Cholet Acquisitions 2 Limited) securing all

Drawings other than the WRG Acquisition Advances made available under the Facilities Agreement, as amended pursuant to the Existing Debenture Amendment Deed;

"Shanks First Stage Security" means the Shanks First Stage Debenture and (prior to the Second Restatement Date) the Cholet Investments 2 Debenture;

"Shanks Second Stage Security" means:

- (a) a debenture (the **"Shanks Second Stage Debenture"**) dated 26th August, 2004 executed by certain members of the Shanks Target Group pursuant to the Facilities Agreement, as amended pursuant to the Existing Debenture Amendment Deed; and
- (b) a bond and floating charge and standard security dated 26th August, 2004 executed by certain members of the Shanks Target Group incorporated in Scotland,

in each case for the purpose of securing all Drawings under the Facilities Agreement other than Shanks Acquisition Advances and the WRG Acquisition Advances each as defined in the Facilities Agreement;

"Shanks Security Documents" means the documents comprising the Shanks First Stage Security, the Shanks Second Stage Security and the Shanks Third Stage Security and (prior to the Second Restatement Date) the Cholet Investment 2 Debenture;

"Shanks Sole Mandated Lead Arranger" means Barclays Capital acting in its capacity as sole mandated lead arranger in respect of the Tranche A-1 Term Facility and the Tranche B-1 Term Facility;

"Shanks Syndication Agent" means Barclays Capital acting in its capacity as syndication and documentation agent in respect of the Tranche A-1 Term Facility and the Tranche B-1 Term Facility;

"Shanks Targets" means WRG (management) Limited (No. 2563475) and WRG Environmental Limited (No. 2206141);

"Shanks Target Group" means the shanks Targets and all of their Subsidiaries and **"Shanks Target Group Company"** and **"member of the shanks Target Group"** means any of them;

"Shanks Third Stage Security" means:

- (a) a debenture in substantially the same form as the Shanks Second Stage Debenture granted by certain members of the Shanks Target Group pursuant to the Facilities Agreement; and
- (b) a bond and floating charge and standard security substantially in the same form as that granted as Shanks Second Stage Security granted by certain members of the Shanks Target Group incorporated in Scotland,

in each case securing all Drawings made available to the Group;

"Standard Security" means the standard security granted by Waste Recycling Group (Scotland) Limited in respect of the heritable part of the Drummond Moor site (as to the commercial effect on substantially the same terms in respect of real property as the Third Stage Debenture) pursuant to the Facilities Agreement securing the obligations of the Obligor under the Finance Documents;

"Standard Security Ranking Agreements" means:

- (a) the ranking agreement in relation to the Standard Security, the standard security forming part of the Shanks Third Stage Security and the standard security forming part of the Second Secured Note Security entered into on the Second Restatement Date; and
- (b) the ranking agreement in relation to the First Supplemental Standard Security and the standard security forming part of the Second Secured Note Security in respect of Oatslie Sandpit Landfill Site, Cleugh Road, Roslin, Midlothian EH2 9QW entered into on the Second Restatement Date;

"Syndication Agents" means Barclays Capital and Merrill Lynch International acting in their capacity as syndication agents and documentation agents in connection with the Facilities;

"Syndication Letter" means the syndication letter dated on or about the date of the Facilities Agreement between Terra Firma, Acquisitions and the Joint Mandated Lead Arrangers;

"Target" means Waste Recycling Group Limited (formerly known as Waste Recycling Group plc);

"Target Group" means Target and all of its Subsidiaries and **"Target Group Company"** and **"member of the Target Group"** means any of them;

"Term Borrowers" means, from the date on which each such person becomes a borrower by either being party to the Facilities Agreement or by executing an Accession Document, each member of the Group identified in Part A of Schedule 2 (*The Obligors*) of the Facilities Agreement and each other member of the Group which is entitled to become and becomes a borrower thereunder for the purposes of drawing the Term Facilities by executing an Accession Document;

"Term Facilities" means the Tranche A Term Facility, the Tranche A-1 Term Facility, the Tranche B Term Facility and the Tranche B-1 Term Facility and **"Term Facility"** means any of them;

"Terra Firma" means Terra Firma Investments GP(2) Ltd, a company incorporated in Guernsey whose registered office is at Fort Complex, has Tracheries, St Sampson, Guernsey;

"Third Intercreditor Amendment Deed" means the third amendment deed relating to the Intercreditor Deed entered into on 26 August, 2004 and made between, inter alios, Holdco, Acquisitions, the companies named therein as Obligors, the companies and institutions named therein as equity investors and Barclays Bank plc as senior agent and security agent;

"Third Party Security" means the first ranking charge over the Acquisitions Shares and the first ranking assignment of the Fixed Rate Note Proceeds Loan and any other loan made by the Fixed Rate Note Issuer to any of its Subsidiaries granted by the Fixed Rate Note Issuer in favour of the Security Agent on or prior to the Second Restatement Date;

"Third Stage Debenture" means the debenture dated 5th September 2003 executed by certain members of the Target Group pursuant to the Facilities Agreement securing all Advances made available to the Group, as amended pursuant to the Existing Debenture Amendment Deed;

"Tranche A Term Facility" means the term loan facilities to be made available by the Tranche A Lenders pursuant to Clause 2.1(a) (*Facilities*) of the Facilities Agreement;

"Tranche A-1 Term Facility" means the term loan facilities to be made available by the Tranche A Lenders pursuant to Clause 2.1(b) (*Facilities*) of the Facilities Agreement;

"Tranche B Term Facility" means the term loan facilities to be made available by the Tranche B Lenders pursuant to Clause 2.1(b) (*Facilities*) of the Facilities Agreement;

"Tranche B-1 Term Facility" means the term loan facilities to be made available by the Tranche B Lenders pursuant to Clause 2.1(d) (*Facilities*) of the Facilities Agreement;

"Transfer Certificate" means a certificate substantially in the form set out in Schedule 6 (*Transfer Certificate*) of the Facilities Agreement or any other form agreed between the Facility Agent and Acquisitions;

Note Save where a contrary intention appears in this Continuation Sheet:

- (1) reference to a party or person is, where relevant, a reference to or to include, as appropriate, its successor, permitted assignees or transferees; and
- (2) a reference to any agreement, deed or instrument is a reference to that agreement, deed or instrument as it may from time to time be amended, varied, supplemented, restated or novated.

PART 2

Amount Secured by the Mortgage or Charge

The following definition of the Secured Liabilities as contained in each of the Second Stage Debenture and the Third stage Debenture (the "**Debentures**") applies to the Security Interests created by the Supplemental Deed and granted by the Charging Company as if repeated therein in extenso.

All present and future obligations and other liabilities of any nature of each Obligor due, owing or incurred under the Finance Documents (or any of them) to the Security Agent and/or the Finance Parties and/or any Receiver (including, without limitation, under any amendments, supplements or restatements of any of the Finance Documents or in relation to any new or increased advances or utilisations under the Finance Documents), and whether indebtedness or liabilities originally owed to all or any of the Finance Parties and/or any Receiver actual or contingent, matured or not matured, liquidated or unliquidated, whether incurred solely or jointly and/or severally or in any other capacity whatsoever and whether as principal or surety, in any currency or currencies, including all interest accruing thereon (calculated in accordance with Clause 2.3 (*Interest*) of each of the Debentures), after as well as before judgment, and all costs, charges and expenses incurred in connection therewith which are payable by the relevant Obligor in accordance with the terms of the Finance Documents, in each case, and notwithstanding any other provision of each of the Debentures except for any obligations or liabilities which, if they did form part of the Secured Liabilities would result in each of the Debentures (or any part thereof) constituting unlawful financial assistance in contravention of Section 151 of the Companies Act 1985, (together, the "**Secured Liabilities**").

PART 3

Short Particulars of all property mortgaged or charged

1. **Security Interests: Property:** Pursuant to Clause 2.2 (*Charge*) of the Supplemental Deed, the Charging Company, as security for the payment of all Secured Liabilities on the Charge Date charged and agreed to charge:
 - (a) by way of first legal mortgage and floating charge the Property described in Part 5 (*Details of Scheduled Property*) hereto and all Related Property Rights (together the “**Scheduled Property**”); and
 - (b) by way of first fixed charge and floating charge, all estates and interests now or subsequently belonging to it in, or in relation to, the Scheduled Property (save to the extent charged by paragraph (a) above).

PART 4

Covenants by and restrictions on the Charging Company

The following covenants and restrictions contained in each of the Debentures apply to the Security Interests created by the Supplemental Deed and granted by the Charging Company as if repeated therein in extenso.

1. **Charging Company's Obligations Continuing:** Pursuant to Clause 2.1 (*Charging Company's Obligations Continuing*) of each of the Debentures, the Charging Company's obligations under Clause 2 (*Covenant To Pay*) of each of the Debentures and the Charges shall constitute and be continuing obligations and will extend to the ultimate balance of Secured Liabilities payable by the Charging Company and will remain in full force and effect until no Secured Liabilities remain outstanding, unsatisfied or capable of arising under the Finance Documents regardless of any intermediate discharge in whole or in part.
2. **Retention of Documents:** Pursuant to Clause 3.13 (*Retention of Documents*) of each of the Debentures, the Security Agent is entitled to continue to retain any document delivered to it under each of the Debentures relating to a Charged Asset until the Charges over such Charged Asset are released in accordance with each of the Debentures. If, for any reason, the Security Agent ceases to hold any such document before such time, it may by notice to the Charging Company require that the relevant document be redelivered to it and the Charging Company shall immediately comply with that requirement or procure that it is complied with.
3. **Property Searches and Registration Undertaking:** Pursuant to Clause 4.2(b) (*Property Searches and Registration Undertaking*) of each of the Debentures the Charging Company agreed that it would, on the date required in accordance with the Facilities Agreement procure a letter or letters from a reputable firm or firms of solicitors addressed to the Security Agent and in such terms as the Security Agent may reasonably require undertaking:-
 - (a) during the priority period allowed by the searches referred to in Clause 4.2(a) of the Debenture or (in the case of unregistered land where first registration is triggered by the Debenture) such longer period as may be permitted by HM Land Registry for registration to lodge at HM Land Registry applications for the registration of the Security Agent's legal charge over such of the relevant properties listed in Section 1 of Part 5 to this Continuation Sheet as are registered or capable of registration and as are situate in England and Wales;
 - (b) subject as required to comply with paragraph (i) above, to hold the title deeds to such properties to the order of the Security Agent; and
 - (c) within 14 days of the Charge Date in respect of such properties where title is leasehold (other than any Leasehold Restricted Property) to serve notice of charge on all landlords paying all registration fees prescribed by the relevant lease.
4. **Property Obligations: Leasing and Other Undertakings:** Pursuant to Clause 4.3 (*Leasing and Other Undertakings*) of each of the Debentures, the Charging Company shall (whether in exercise of any statutory power or otherwise) save where the Security Agent has agreed otherwise:
 - (a) not grant, or agree to grant, any lease or tenancy of all or any part of any Charged Property or confer or agree to confer upon any person any contractual licence or right to occupy or use any Charged Property other than as permitted by the Finance Documents;

- (b) nor determine or extend or accept, any surrender of any lease, tenancy or licence comprised in the Charged Property or agree to do any of these things where this would have a Material Adverse Effect.
5. **Registered Land:** Pursuant to Clause 4.5 (*Registered Land*) each of the Debentures:
- (a) in respect of any Scheduled Property situated in England or Wales which is charged under Clause 3.2 (*Property*) each of the Debentures, the Charging Company shall apply to the Chief Land Registrar for a restriction in the following terms to be entered on the registers of the title of such Scheduled Property as is now or thereafter registered under the Land Registration Act 1925:

"Except under an order of the Registrar no disposition or dealing by the proprietor of the land is to be registered without the consent of the proprietor for the time being of the Debenture dated [•], 2003 between the Charging Companies named therein and Barclays Bank PLC as security agent and trustee for certain finance parties."
 - (b) To the extent that the Finance Parties are under an obligation to make further advances the Charging Company shall also make an application to the Registrar for a note to be entered on such register to that effect.
6. **Future Acquired Leases:** Pursuant to Clause 4.8 (*Future Acquired Leases*) of each of the Debentures, the Charging Company undertook that it would use its reasonable endeavours, or procure its Subsidiaries to use their reasonable endeavours, to ensure that any leasehold interest acquired after the Charge Date does not constitute a Leasehold Restricted Property.
7. **General Restrictions and Obligations:** Pursuant to Clause 5.1 (*General Restrictions and Obligations*) of the Debenture except with the consent of the Security Agent, the Charging Company shall not:
- (a) create or permit to be outstanding any Security Interest over any Charged Assets other than a Permitted Security Interest; or
 - (b) sell, transfer, assign, lease, hire out, grant, lend or otherwise dispose of any of the Charged Assets or the equity of redemption therein or permit any person to do any such thing except as permitted under the Facilities Agreement.
8. **Further Assurance:** Pursuant to Clause 6 (*Further Assurance*) of the Supplemental Deed, the Charging Company shall, at its own expense, promptly do all such acts and things as the Security Agent may require for:
- (a) creating, registering, perfecting, maintaining or protecting the Charges or any of the Charged Assets; or
 - (b) facilitating the realisation of any Charge after the Charge has become enforceable in accordance with Clause 6.2(b) (*Enforceability of Security*) of each of the Debentures or the exercise of any right, power or discretion in relation to any Charged Asset or Charge vested in the Security Agent, any Receiver or any Delegate,

including, without limitation, the execution (including by sealing) of any transfer, assignment, mortgage, charge or Security Interest or any document required to enable the Security Agent or its nominee to obtain legal title to any Charged Assets in circumstances in which it is entitled to obtain such legal title under the

Supplemental Deed or the giving of any notice, order or direction.

9. **Power of Attorney: Appointment:** Pursuant to Clause 12.1 (*Appointment*) of each of the Debentures the Charging Company by way of security irrevocably appointed the Security Agent, every Receiver and every Delegate severally to be its attorney:
- (a) to do all acts and things which the Charging Company is obliged to do under each of the Debentures but has failed to do, including, without limitation, to fill in the name of the transferee and to date and complete any instrument of transfer in respect of any Charged Investments which has been executed in blank by the Charging Company and, in the case of registered Charged Investments, to procure the registration of the transferee as the holder of the relevant Charged Investments in circumstances in which the Charged Investments are to be transferred under the terms of each of the Debentures;
 - (b) after the occurrence of an Event of Default which is continuing unremedied and unwaived, to transfer any interest in any Charged Assets in the circumstances in which such transfer may be required under each of the Debentures including on an enforcement of the Charges over such Charged Assets;
 - (c) after the occurrence of an Event of Default which is continuing unremedied and unwaived, in its name and on its behalf to exercise any right conferred on the Security Agent, any Receiver or any Delegate in relation to the Charged Assets or under each of the Debentures; and
 - (d) to register the existence of the Charges or the restrictions on dealing with the Charged Assets in any register in which the Charging Company is obliged (but has failed) to effect registration under the terms of each of the Debentures.
10. **Power of Attorney: Ratification:** Pursuant to Clause 12.2 (*Ratification*) of each of the Debentures the Charging Company agreed to ratify and confirm whatever any such attorney shall do or purport to do in the exercise or purported exercise of the power of attorney granted by Clause 12.1 (*Appointment*) of each of the Debentures. All moneys expended by any such attorney shall be deemed to be expenses incurred by the Security Agent under each of the Debentures.
11. **Set Off:** Pursuant to Clause 19.1 (*Set-Off*) of each of the Debentures, after an Event of Default has occurred and for so long as it is continuing, the Security Agent and each other Finance Party may (without notice to the Charging Company) set off or otherwise apply any deposits (irrespective of the terms applicable to such deposits) at any time held and any other indebtedness (whether or not then matured or due), owing by it to or for the account of the Charging Company against any indebtedness owing to the Security Agent or such other Finance Party by the Charging Company under the Finance Documents which is due and unpaid.
12. **Set Off: Currency Conversion:** Pursuant to clause 19.2 (*Currency Conversion*) of each of the Debentures, a Finance Party may exercise such rights notwithstanding that the obligations concerned may be expressed in different currencies and each Finance Party is authorised to convert either obligation at a market rate of exchange in its usual course of business for the purpose of the set-off.
13. **Set Off: Rights Cumulative:** Pursuant to Clause 19.3 (*Rights Cumulative*) of each of the Debentures, Clause 19 (*Set-Off*) of each of the Debentures shall be in addition to and without prejudice to any rights of set-off or any other rights or remedies which a Finance Party may have.

14. **The Aveley Property:** Pursuant to Clause 7.1 (*The Aveley Property*) of the Supplemental Deed, until the relevant consent has been obtained, there shall be excluded from the charge created by Clause 2.2 (*Charge*) of the Supplemental Deed and from the operation of the further assurance provisions set out in Clause 6 (*Further Assurance*) of the Supplemental Deed, the Aveley Property.
15. **The Aveley Property:** Pursuant to Clause 7.2 (*The Aveley Property*) of the Supplemental Deed, in relation to the Aveley Property the Charging Company undertakes:
- (a) to apply within 90 days of the Second Restatement Date for the consent of the relevant third party to the creation of the charge constituted by the terms of this Deed over the Aveley Property;
 - (b) if, at the end of such 90 day period, such consent has not been obtained but the Charging Company reasonably believes that the consent of the relevant third party will be forthcoming, it will continue to use reasonable endeavours for a further period of 90 days to obtain such consent as soon as possible; and
 - (c) to keep the Security Agent informed of the progress of its negotiations with the relevant third party to obtain the required consent Provided That the Charging Company shall not be in breach of the provisions of Clause 7 (*The Aveley Property*) of the Supplemental Deed if the terms imposed by the relevant third party as a condition of its granting its consent are unduly onerous or restrictive. It is agreed that if, after the initial 90 day period or, where applicable, the further 90 day period referred to in (b) above, the consent of the relevant third party has not been obtained the Charging Company shall have no further obligations in respect of the Aveley Property.

Forthwith upon receipt of the relevant third party's consent as aforesaid the Aveley Property shall thereupon stand charged to the Security Agent pursuant to the charges constituted by the terms of the Supplemental Deed with immediate effect in accordance with the provisions of Clause 2.2 (*Charge*) of the Supplemental Deed. The Charging Company shall provide the Security Agent with a copy of the third party consent within seven days of such consent having been given. If required by the Security Agent at any time following receipt of such consent, the Charging Company will execute a valid legal mortgage in such form as the Security Agent, acting reasonably, shall require in respect of the Aveley Property.

PART 5

Section 1 - Details of the Scheduled Property

Registered Land

	Charging Company	County and district	Address or Description	Title No.
Freehold				
1.	Darrington Quarries Limited	Sutton, Doncaster	Manor Farm, Sutton, Doncaster	SYK27885
2.	Integrated Waste Management Limited	Carnaby	Land on the North West side of Moor Lane, Carnaby	HS251957
3.	Integrated Waste Management Limited	Gallymoor, East Yorkshire	Land on the north side of Market Weighton Road, Holme upon Spalding Moor (Gallymoor Landfill Site)	HS248015
4.	Integrated Waste Management Limited	Immingham	Land lying to the South of Queen's Road, Immingham	HS148313
5.	Integrated Waste Management Limited	Winterton	Land lying to the west of Top Road, Winterton	HS50877
			Land at Winterton Grange, Winterton	HS151094
			Land lying southwest of Winterton Grange, Winterton	HS224783
			Land on the North Side of Winterton Grange, Winterton	HS95492

	Charging Company	County and district	Address or Description	Title No.
6.	Waste Recycling Group (Central) Limited	Offham, Kent	Offham Quarry, Comp Road, Offham White Ladies, Teston Road, Offham, Addington Land lying to the North of Comp Lane, Offham, West Malling	K264492, K78676, K841882
7.	Waste Recycling Limited	Bradgate, Leicestershire	Land lying to the North east of Bradgate Hill, Groby	LT331868
Leasehold				
1.	3C Waste Limited	Danes Moss CA	Land and Buildings on the east side of Congleton Road, Gawsworth	CH423302
2.	3C Waste Limited	Gowy, Chester	Gowy Landfill Site, Ince Lane, Wimbold Trafford, Chester, Cheshire	CH423313
3.	3C Waste Limited	Maw Green	Maw Green Landfill Site, Maw Green Road, Coppenhall, Near Crewe, Cheshire	CH423312

Unregistered Land

Waste Recycling Limited	Land at Bradgate Quarry, Groby, Leicestershire	Lease dated 12 Mach 2001 made between Midland Quarry Products Limited (1) WasteNotts Limited (2) Hanson Quarry Products Europe Limited (3) Waste Recycling Group PLC (4)
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Section 2 - Details of Leasehold Restricted Properties

Registered Land

[None]

Unregistered Land

3C Waste Limited	Gowy Chester	Lease dated 10 May 2001 made between Thomas Littler (1) 3C Waste Limited (2)
3C Waste Limited	Rigby Quarry Chorley Lancashire	Underlease made between (1) Crossco (281) Limited and (2) 3C Waste Limited
Darrington Quarries Limited	Land to Skelbrooke Quarry, Doncaster South	Lease dated 14 th January 1991 made between (1) Annie Lockwood and (2) Darrington Quarries Limited

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CERTIFICATE OF THE REGISTRATION OF A MORTGAGE OR CHARGE

Pursuant to section 401(2) of the Companies Act 1985

COMPANY No. 00579409

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES HEREBY CERTIFIES THAT A SUPPLEMENTAL DEED DATED THE 15th DECEMBER 2004 AND CREATED BY DARRINGTON QUARRIES LIMITED FOR SECURING ALL MONIES DUE OR TO BECOME DUE FROM EACH OBLIGOR TO BARCLAYS BANK PLC (AS SECURITY AGENT) AND/OR THE FINANCE PARTIES AND/OR ANY RECEIVER ON ANY ACCOUNT WHATSOEVER UNDER THE TERMS OF THE AFOREMENTIONED INSTRUMENT CREATING OR EVIDENCING THE CHARGE WAS REGISTERED PURSUANT TO CHAPTER 1 PART XII OF THE COMPANIES ACT 1985 ON THE 21st DECEMBER 2004.

GIVEN AT COMPANIES HOUSE, CARDIFF THE 24th DECEMBER 2004.



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES



Companies House

— for the record —