

Particulars of a mortgage or charge

395

A fee of £13 is payable to Companies House in respect of each register entry for a mortgage or charge.

CHFP025

Please do not write in this margin

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

*insert full name of Company

Pursuant to section 395 of the Companies Act 1985

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

For official use

Company number

2111

5719062

Name of company

* WRG Operations 2 Limited (the "**Charging Company**")

Date of creation of the charge

18 April 2006

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

Debenture dated 18 April 2006 between, inter alios, the Charging Company and Barclays Bank PLC as security agent (the "**Security Agent**") (the "**Debenture**").

Amount secured by the mortgage or charge

Please refer to Part 2 of the attached Continuation Sheet.

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

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

Barclays Bank PLC, 5 The North Colonnade, Canary Wharf, London

Postcode E14 4BB

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

Shearman & Sterling
Broadgate West
9 Appold Street
London
EC22AP

Time critical reference

For official Use (06/2005)
Mortgage Section

Post room



Short particulars of all the property mortgaged or charged

Please refer to Part 3 and Part 5 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

(No
Building
Flooded)
C-1 P
85

Particulars as to commission allowance or discount (note 3)

Nil

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

Signed Shearman & Sterling (London) LLP Date 27/04/2006

On behalf of ~~XXXXXXXXXXXXXXXXXXXX~~ [chargee] †

Notes

† delete as appropriate

- 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 A fee of £13 is payable to Companies House in respect of each register entry for a mortgage or charge. Cheques and Postal Orders must be made payable to **Companies House**.
- 6 The address of the Registrar of Companies is: Companies House, Crown Way, Cardiff CF14 3UZ

Continuation Sheets to Form 395

PART 1

Definitions

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

"**Acquisitions**" means WRG Acquisitions PLC (formerly known as Cholet Acquisitions Limited);

"**Administrator**" means an administrator appointed under Schedule B1 of the Insolvency Act 1986;

"**Bank Balances**" means the amounts now or subsequently standing to the credit of any Charged Account which each Charging Company has, or has an interest in, with any person and the debts represented thereby;

"**Book Debts**" means all book and other debts and monetary claims now or subsequently due or owing to the Charging Company, the proceeds of the same and the benefit of all Investments, Security Interests and guarantees or other rights of any nature now or subsequently enjoyed or held by it in relation thereto (other than Bank Balances);

"**Charged Accounts**" means any Cash Collateral Account;

"**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 Debenture and, where the context permits, the proceeds of sale of such assets;

"**Charged Investments**" means Investments forming part of the Charged 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 Debenture;

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

"**Environment Agency**" means the Environment Agency, being the Waste Regulation Authority for the purposes of the Environmental Protection Act 1990 (and includes, for the avoidance of doubt, the Scottish Environment Protection Agency) and references to the Environment Agency shall include its successors in title as the statutory regulatory authority in relation to waste;

"**Event of Default**" has the meaning given to that term in the Facilities Agreement;

"**Excluded Account**" means any bank account which is subject to Escrow Security as defined in the Facilities Agreement;

"**Excluded Contract**" means an agreement the terms of which either preclude absolutely the Charging Company from creating any Security Interest over the benefit of or from assigning its rights arising from such agreement or requiring the consent of any third party prior to the creation of such Security Interest or to the assignment of such rights and such consent shall not have been previously obtained;

"**Excluded Insurances**" shall have the meaning ascribed thereto in Clause 3.11(a) (*Assignment by way of Security*) of the Debenture;

"Excluded Material Contract" shall have the meaning ascribed thereto in Clause 3.16 (*Material Contracts Containing Prohibition on Charging*) of the Debenture;

"Facilities Agreement" means the facilities agreement dated 9th June 2003 between, inter alios, Cholet Investments Limited (subsequently re-registered as WRG Investments Limited), Cholet Acquisitions Limited (subsequently re-registered as WRG Acquisitions PLC), 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 11th June, 2003, and an amendment letter dated 11th August, 2003, as amended and waived by an amendment and waiver letter dated 29th March, 2004, as amended and restated by a supplemental agreement dated 26th August, 2004 and as amended and restated by a second supplemental agreement dated 9th December, 2004 and as further amended, novated, restated, and supplemented from time to time;

"Finance Documents" has the meaning given to that term in the Facilities Agreement;

"Finance Parties" has the meaning given to that term in the Facilities Agreement;

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

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

"Hedging Agreements" has the meaning given to that term in the Facilities Agreement;

"Insurances" means all benefits, rights and interest of the Charging Company under or in respect of any present or future contract or policy of insurance;

"Intellectual Property" means all patents and patent applications, trade and service marks and trade and service mark applications, all brand and trade names, all copyrights (including any rights in computer software) and rights in the nature of copyrights, all design rights, all registered designs, and applications for registered designs, domain name rights, trade secrets, know-how and all other intellectual property rights throughout the world or interests in any of the foregoing, and all rights under any agreements relating to the use or exploitation of any such rights in each case of the Charging Company;

"Intercompany Loan Agreements" means all loans between members of the Group in respect of which the Charging Company is the lender;

"Investment" means any debenture, bond, share, stock, certificate of deposit or other security now or in the future owned at law or in equity by the Charging Company and all dividends, interest and other moneys paid or payable in respect thereof and all rights, moneys and assets related to or accruing or offered or arising thereon from time to time, whether by way of redemption, conversion, exercise of option rights, substitution, exchange, preference, bonus or otherwise;

"Leasehold Restricted Property" shall have the meaning ascribed thereto in paragraph 13 of Part 3 of these continuation sheets and shall include without limitation the properties listed in Part 2 of Schedule 2 (*Details of Leasehold Restricted Properties*) of the Debenture;

"Local Authority Contract" means any agreement entered into by the Charging Company with a local authority pursuant to which the Charging Company agreed to provide for the disposal of waste by means of either landfill or incineration;

"Material Adverse Effect" has the meaning given to that term in the Facilities Agreement;

"Material After-Acquired Property" means any Property acquired by the Charging Company after the date of the Debenture, 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 Contracts" means the Local Authority Contracts and any other agreement designated as such by the Security Agent and Acquisitions at the date of the Debenture or thereafter;

"Notice of Document Assignment" means a notice of assignment in the form set out in Part 1 of Schedule 6 (*Form of Notice of Assignment of Document*) of the Debenture;

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

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

"Personal Chattels" means plant, machinery, equipment, goods and other personal chattels (including all spare parts, replacements, modifications and additions) but not Fixtures on Property charged under paragraph 1 of Part 3 of these continuation sheets or stock in trade or work in progress;

"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 Debenture;

"Relevant Documents" means the Hedging Agreements, the Insurances and the Intercompany Loan Agreements;

"Scheduled Investments" means the Investments described in Schedule 3 (*Details of the Scheduled Investments*) of the Debenture and Part 5 to this Form 395;

"Scheduled Property" means the Property described in Schedule 2 of the Debenture and all Related Property Rights;

"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;

"Security Documents" has the meaning given to that term in the Facilities Agreement;

"Site Waste Management Licences" means any waste management licence issued by the Environment Agency to the Charging Company in relation to a specified site; and

"Subsidiary" has the meaning given to that term in the Facilities Agreement.

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

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 the Debenture), 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 the Debenture, except for any obligations or liabilities which, if they did form part of the Secured Liabilities, would result in the Debenture (or any part thereof) constituting unlawful financial assistance in contravention of section 151 of the Companies Act 1985 (the "**Secured Liabilities**").

PART 3

Short Particulars of all property mortgaged or charged

1. **Security Interests: Property:** Pursuant to Clause 3.2 (*Property*) of the Debenture, the Charging Company charged and agreed to charge:
 - (a) by way of first legal mortgage, the relevant Scheduled Property in respect of which it is listed in Schedule 2 of the Debenture as the relevant Charging Company other than any Leasehold Restricted Property, in relation to which the provisions of paragraph 13 of Part 3 of these continuation sheets shall apply; and
 - (b) by way of first fixed charge, all estates or interests now or subsequently belonging to it in, or in relation to, any Scheduled Property and any Material After-Acquired Property (save to the extent charged by paragraph (a) above) other than any Leasehold Restricted Property, in relation to which the provisions of paragraph 13 of Part 3 of these continuation sheets shall apply.
2. **Security Interests: Investments:** Pursuant to Clause 3.3 (*Investments*) of the Debenture, the Charging Company charged by way of first fixed charge all of its Investments (including the Scheduled Investments) now or subsequently belonging to it or held by any nominee on its behalf.
3. **Security Interests: Book Debts:** Pursuant to Clause 3.4 (*Book Debts*) of the Debenture (and subject to paragraph 16 of Part 3 of these continuation sheets), the Charging Company charged by way of first fixed charge, all rights which it may have now or subsequently in respect of any Book Debts.
4. **Security Interests: Intellectual Property:** Pursuant to Clause 3.5 (*Intellectual Property*) of the Debenture, the Charging Company charged (to the extent not prohibited to do so by the terms on which such Intellectual Property is held by it) by way of first fixed charge all rights in respect of Intellectual Property now or subsequently belonging to it.
5. **Security Interests: Bank Balances:** Pursuant to Clause 3.6 (*Bank Balances*) of the Debenture, the Charging Company charged by way of first fixed charge all of its Bank Balances.
6. **Security Interests: Plant and Machinery:** Pursuant to Clause 3.7 (*Plant and Machinery*) of the Debenture, the Charging Company charged by way of first fixed charge all of its Personal Chattels now or subsequently belonging to the Charging Company and its interest in any such Personal Chattels in its possession.
7. **Security Interests: Contracts:** Pursuant to Clause 3.8 (*Contracts*) (and subject to paragraph 17 of Part 3 of these continuation sheets), the Charging Company charged and agreed to charge by way of first fixed charge all its rights (including, without limitation, the right to receive any compensation) now or subsequently of the Charging Company in respect of:
 - (a) the Material Contracts and any other agreement to which it is party;
 - (b) any warranty, bond, guarantee or letter of credit issued in its favour;
 - (c) any bill of exchange or any other negotiable instrument held by it,(to the extent that the same are not otherwise subject to an effective fixed charge or security assignment pursuant to Clause 3 (*Security Interests*) of the Debenture) but excluding any Excluded Contract in relation to which the provisions of paragraph 14 of Part 3 of these continuation sheets shall apply.
8. **Security Interests: Pension Fund:** Pursuant to Clause 3.9 (*Pension Fund*) of the Debenture, the Charging Company charged (to the extent not prohibited to do so by the terms applicable to such

interests, claims or rights) by way of first fixed charge any interest, claim or right which it has now or subsequently in respect of any pension fund or plan.

9. **Security Interests: Other Charges:** Pursuant to Clause 3.10 (*Other Charges*) of the Debenture, the Charging Company charged by way of first fixed charge:

- (a) all its uncalled capital;
- (b) all its goodwill; and
- (c) subject to paragraph 17 of Part 3 of these continuation sheets, the Site Waste Management Licences and (to the extent it is permitted to do so by the terms applicable to the same) any other authorisation, licence or consent in relation to any Charged Assets (including the right to receive compensation in respect thereof).

10. **Security Interests: Assignment by way of Security:** Pursuant to Clause 3.11 (*Assignment by way of Security*) of the Debenture:

- (a) The Charging Company assigned absolutely (subject to the right to reassignment on redemption pursuant to Clause 16.7 (*Redemption*) of the Debenture and, in the case of any Insurances which constitute an Excluded Material Contract, to obtaining the relevant third party consent in accordance with paragraph 14 of Part 3 of these continuation sheets) to the Security Agent all rights and interest present or future of such Charging Company in respect of the Relevant Documents (other than any Insurances which relate to any third party liability, employees' liability, public liability or any directors and officers insurance (together, the "Excluded Insurances")) together with the benefit of all its rights, claims and remedies in respect of such Relevant Documents.
- (b) Until the Charges are enforceable in accordance with paragraph 18 of Part 3 of these continuation sheets and the Security Agent serves a notice to the contrary in accordance with a Notice of Document Assignment, the Charging Company shall be entitled to exercise all its rights in the Relevant Documents, subject to the other provisions of the Debenture.

11. **Security Interests: Floating Charge:** Pursuant to Clause 3.12 (*Floating Charge*) of the Debenture:

- (a) The Charging Company charged by way of first floating charge, its undertaking and all its assets both present and future not otherwise effectively mortgaged, charged or assigned by the Debenture (other than the Leasehold Restricted Properties, the Excluded Contracts, the Excluded Insurances and the Excluded Accounts). The floating charge created by the Charging Company under this paragraph 11 shall:
 - (i) except as otherwise agreed in writing by the Security Agent, rank in priority to any other Security Interest which shall subsequently be created or permitted to arise by the Charging Company (other than any Security Interest permitted under Clause 15.3(d)(i), 15.3(d)(v), 15.3(d)(xi) and 15.3(d)(xiii) (*Negative Pledge*) of the Facilities Agreement) or any Security Interest created by a Receiver appointed under the Debenture; and
 - (ii) be a qualifying floating charge for the purposes of paragraph 14 of Schedule B1 to the Insolvency Act 1986.
- (b) Notwithstanding the provisions of paragraph 18 of Part 3 of these continuation sheets, the Security Agent may by notice to the Charging Company convert the floating charge created by the Charging Company pursuant to this Clause into a fixed charge as regards such assets (other than any heritable property located in Scotland) as may be specified (whether generally or specifically) in such notice if:

- (i) an Event of Default is outstanding and continuing unremedied and unwaived; or
 - (ii) the Security Agent reasonably considers those assets to be in jeopardy of being seized or sold pursuant to any distress, attachment, execution, sequestration or other legal process.
- (c) Notwithstanding any other provision of the Debenture (and without prejudice to the circumstances in which the floating charge created under Clause 3 (*Security Interests*) of the Debenture will crystallise under general law):
- (i) if any person presents or makes an application for a writ of execution, writ of *fiery facias*, garnishee order or charging order or otherwise levies or attempts to levy any distress, execution, attachment, expropriation, sequestration or other legal process against any of the assets which are charged by way of the first floating charge of the Charging Company; or
 - (ii) the Charging Company breaches paragraph 4 of Part 4 of these continuation sheets; or
 - (iii) a petition is presented for the winding up or administration in relation to the Charging Company which is not discharged within 28 days (in the case of a winding up petition) or 5 days (in the case of a petition for an administration order) or in any event before such petition is heard; or
 - (iv) an Administrator or Receiver is appointed in respect of the Charging Company or the Security Agent receives notice of an intention to appoint an Administrator pursuant to paragraphs 15 or 26 of Schedule B1 of the Insolvency Act 1986 in respect of the Charging Company,

then with immediate effect and without notice the floating charge shall automatically convert into a fixed charge as regards such assets.

- (d) No floating charge created by this Clause 3 (*Security Interests*) of the Debenture may be converted into a fixed charge or otherwise crystallise solely by reason of:
- (i) the obtaining of a moratorium by the Charging Company; or
 - (ii) anything done with a view to obtaining a moratorium,

under section 1A and Schedule A1 to the Insolvency Act 1986.

- (e) Any charge which has crystallised under paragraphs (b) or (c) above may be reconverted into a floating charge by notice given at any time by the Security Agent to the Charging Company in relation to the assets specified in such notice.

12. **Security Interests: Fixed and Floating Security:** Pursuant to Clause 3.14 (*Fixed and Floating Security*) of the Debenture, if for any reason any Security Interest in respect of any asset created or purported to be created pursuant to Clause 3 (*Security Interests*) of the Debenture as a fixed charge or assignment, does not, or ceases to, take effect as a fixed charge or assignment, then it shall take effect as a first floating charge in respect of such asset without the Charging Company being in breach of any provision of the Finance Documents. However it is the intent of the parties that the Security Interests over other Charged Assets shall remain unaffected.
13. **Security Interests: Leasehold Interests Containing Restrictions on Charging:** Pursuant to Clause 3.15 (*Leasehold Interests Containing Restrictions on Charging*) of the Debenture:

- (a) Until the relevant consent has been obtained, there shall be excluded from the charge created by paragraph 1 of Part 3 of these continuation sheets and from the floating charge created by paragraph 11 of Part 3 of these continuation sheets and from the operation of the further assurance provisions set out in paragraph 5 of Part 4 of these continuation sheets, 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 (each a "**Leasehold Restricted Property**").
- (b) With regard to each Leasehold Restricted Property the Charging Company undertakes (i) to apply, within 90 days of the date of the Debenture, for the consent of the relevant third party to the creation of the Charges constituted by the terms of the Debenture, (ii) if, at the end of such 90 day period, the Charging Company reasonably believes that the consent of the relevant third party will be forthcoming, to continue to use reasonable endeavours for a further period of 90 days to obtain such consent as soon as possible and (iii) to keep the Security Agent informed of the progress of its negotiations with such third parties, provided that the Charging Company shall not be in breach of the provisions of this paragraph 13 if the terms imposed by such 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 this paragraph 13, the consent of the relevant third party has not been obtained, the Charging Company shall have no further obligations in respect of that Leasehold Restricted Property under this paragraph 13.
- (c) Forthwith, upon receipt of the relevant third party's consent as aforesaid, the relevant Leasehold Restricted Property shall thereupon stand charged to the Security Agent pursuant to the Charges constituted by the terms of the Debenture with immediate effect in accordance with paragraph 1 of Part 3 of these continuation sheets only if such Leasehold Restricted Property is a Scheduled Property or a Material After-Acquired Property and paragraph 11 of Part 3 of these continuation sheets. The Charging Company shall provide the Security Agent with a copy of the third party consent within 7 days of such consent being given and shall notify such third party of such Charges in accordance with the terms of Clause 4.7 (*Notice to Landlords*) of the Debenture. 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 any relevant Leasehold Restricted Property which is a Scheduled Property.

14. Security Interests: Material Contracts Containing Prohibition on Charging: Pursuant to Clause 3.16 (*Material Contracts Containing Prohibition on Charging*) of the Debenture:

- (a) Until the relevant consent has been obtained, there shall be excluded from the Charge created by paragraph 7 of Part 3 of these continuation sheets and from the floating charge created by paragraph 11 of Part 3 of these continuation sheets and from the operation of the further assurance provision set out in paragraph 5 of Part 4 of these continuation sheets, any rights, title, assets, benefits or interest enjoyed by the Charging Company under a Material Contract and/or any Insurances which constitutes an Excluded Contract (an "**Excluded Material Contract**").
- (b) With regard to each Excluded Material Contract, the Charging Company undertakes (i) to apply, within 90 days of the date of the Debenture, for the consent of the relevant third party to the creation of the Charges constituted by the Debenture, (ii) if, at the end of such 90 day period, the Charging Company reasonably believes that the consent of the relevant third party will be forthcoming, to continue to use reasonable endeavours for a further period of 90 days to obtain such consent as soon as possible and (iii) to keep the Security Agent informed of the progress of its negotiations with such third parties, provided that the Charging Company shall not be in breach of the provisions of this paragraph 14 if the terms imposed by such third party

as a condition of it 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 this paragraph 14, the consent of the relevant third party has not been obtained, the Charging Company shall have no further obligations in respect of that Excluded Material Contract under this paragraph 14.

- (c) Forthwith, upon receipt of the relevant third party's consent as aforesaid, the relevant Excluded Material Contract shall thereupon stand (in the case of a Material Contract which is an Excluded Material Contract) charged to the Security Agent pursuant to the Charges constituted by the terms of the Debenture in accordance with paragraph 7 and paragraph 11 of Part 3 of these continuation sheets and (in the case of Insurances which are Excluded Material Contracts) assigned to the Security Agent pursuant to the Charges constituted by the terms of the Debenture in accordance with paragraph 10 and paragraph 11 of Part 3 of these continuation sheets. The Charging Company shall provide the Security Agent with a copy of the third party consent within 7 days of such consent being given.
15. **Security Interests: Miscellaneous:** Pursuant to Clause 3.17 (*Miscellaneous*) of the Debenture, notwithstanding any other provision of the Debenture, none of the Leasehold Restricted Properties, the Excluded Contracts, the Excluded Insurances or the Excluded Accounts shall be subject to any Security Interest pursuant to the Debenture except in respect of:
- (a) a Leasehold Restricted Property, in accordance with paragraph 13 of Part 3 of these continuation sheets; and
 - (b) an Excluded Material Contract, in accordance with paragraph 14 of Part 3 of these continuation sheets.
16. **Other Obligations: Book Debts:** Pursuant to Clause 5.3(c) (*Book Debts*) of the Debenture, except when the Charges are enforceable in accordance with paragraph 18 of Part 3 of these continuation sheets, any moneys in respect of the Book Debts received by the Charging Company shall be automatically released from the fixed charge created by paragraph 3 of Part 3 of these continuation sheets and shall only be subject to the floating charge created by paragraph 11 of Part 3 of these continuation sheets and the Charging Company shall be free to apply those monies as it sees fit subject to any applicable restrictions set out in the Facilities Agreement.
17. **Other Obligations: Payments under Contracts:** Pursuant to Clause 5.8 (*Payments under Contracts*) of the Debenture, except when the Charges are enforceable in accordance with paragraph 18 of Part 3 of these continuation sheets, any monies in respect of the Material Contracts or other matters referred to in paragraph 7 or paragraph 9(c) (together the "**Relevant Contracts**") of Part 3 of these continuation sheets received by the Charging Company shall be automatically released from the fixed charge created by paragraph 7 of Part 3 of these continuation sheets and shall only be subject to the floating charge created by paragraph 11 of Part 3 of these continuation sheets and the Charging Company shall be free to apply those monies and exercise its rights under the Relevant Contracts as it sees fit, subject to any applicable restrictions set out in the Finance Documents.
18. **Enforcement: Enforceability of Security:** Pursuant to Clause 6.2(b) (*Enforceability of Security*) of the Debenture, the Charges given by the Charging Company shall become enforceable upon:
- (a) The occurrence of an Event of Default which is continuing unremedied and unwaived; or
 - (b) A step or proceeding is taken (including the giving of notice of an intention to appoint an administrator under paragraph 15 or 26 of Schedule B1 of the Insolvency Act 1986) for the appointment of an Administrator, liquidator or provisional liquidator; or

- (c) The Charging Company requests the Security Agent to appoint a Receiver or Administrator or the Security Agent appoints a Receiver or Administrator in accordance with the provisions of the Debenture,

and the power of sale conferred by Section 101 of the Law of Property Act 1925 as extended by the Debenture shall be exercisable in relation to the Charges and the Security Agent may take possession of any Charged Asset at any time after the Charges have become enforceable in accordance with this paragraph 18.

PART 4

Covenants and Restrictions

1. **Covenant to Pay: Charging Company's Obligations Continuing:** Pursuant to Clause 2.1 (*Charging Company's Obligations Continuing*) of the Debenture, the Charging Company's obligations under Clause 2 (*Covenant to Pay*) of the Debenture 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. **Property Obligations: Acquisition of Property:** Pursuant to Clause 4.1(c) (*Acquisition of Property*) of the Debenture, the Charging Company shall, promptly on request of the Security Agent and at the cost of the Charging Company, execute and deliver to the Security Agent a legal mortgage in favour of the Security Agent over any Material After-Acquired Property acquired by it.
3. **Property Obligations: Leasing and Other Undertakings:** Pursuant to Clause 4.3 (*Leasing and Other Undertakings*) of the Debenture, the Charging Company shall (whether in exercise of any statutory power or otherwise) save where the Security Agent has agreed otherwise:
 - (d) 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 the any Charged Property other than as permitted by the Finance Documents;
 - (e) 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.
4. **Other Obligations: General Restrictions and Obligations:** Pursuant to Clause 5.1 (*General Restrictions and Obligations*) of the Debenture:
 - (f) Except with the consent of the Security Agent, the Charging Company shall not:
 - (i) create or permit to be outstanding any Security Interest over any Charged Assets other than a Permitted Security Interest; or
 - (ii) 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.
 - (g) The Charging Company hereby undertakes that it shall use reasonable endeavours, or procure its Subsidiaries to use their reasonable endeavours, to ensure that any Material Contracts entered into after the date of the Debenture do not constitute an Excluded Material Contract, provided that the Charging Company shall not be required to take any steps pursuant to this paragraph 4 that could reasonably be expected to prejudice negotiations in respect of, or the terms applicable to, any Material Contract entered into after the date of the Debenture.
 - (h) The Charging Company, when the Charges are enforceable in accordance with paragraph 18 of Part 3 of these continuation sheets, undertakes, if so requested by the Security Agent, to use all reasonable endeavours to procure the consent of the Environment Agency to the transfer of any Site Waste Management Licences to such person or persons as the Security Agent shall specify.
5. **Further Assurance:** Pursuant to Clause 11 (*Further Assurance*) of the Debenture, the Charging Company shall, at its own expense, promptly do all such acts and things as the Security Agent may require for:

- (i) creating, registering, perfecting, maintaining or protecting the Charges or any of the Charged Assets;
- (j) at any time after the occurrence of an Event of Default which is continuing unremedied and unwaived or the Charges shall have otherwise become enforceable in accordance with paragraph 18 of Part 3 of these continuation sheets, a legal assignment of Book Debts; or
- (k) facilitating the realisation of any Charge after the Charge has become enforceable in accordance with paragraph 18 of Part 3 of these continuation sheets 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 Debenture or the giving of any notice, order or direction.

6. **Power of Attorney: Appointment:** Pursuant to Clause 12.1 (*Power of Attorney*) of the Debenture, the Charging Company by way of security irrevocably appointed the Security Agent, every Receiver and every Delegate severally to be its attorney:

- (l) to do all acts and things which the Charging Company is obliged to do under the Debenture 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 Charged Investments in circumstances in which the Charged Investments are to be transferred under the terms of the Debenture;
- (m) 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 the Debenture including on an enforcement of the Charges over such Charged Assets;
- (n) 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 the Debenture; and
- (o) 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 the Debenture.

7. **Power of Attorney: Ratification:** Pursuant to Clause 12.2 (Ratification) of the Debenture, 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 paragraph 6 of Part 4 of these continuation sheets. All moneys expended by any such attorney shall be deemed to be expenses incurred by the Security Agent under the Debenture.

8. **Set-Off: Set-Off:** Pursuant to Clause 19.1 (*Set-Off*) of the Debenture, 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.

9. **Set-Off: Currency Conversion:** Pursuant to Clause 19.2 (*Currency Conversion*) of the Debenture, 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.
10. **Set-Off: Set-Off Rights Cumulative:** Pursuant to Clause 19.3 (*Set-Off Rights Cumulative*) of the Debenture, Clause 19 (*Set-Off*) of the Debenture 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.

PART 5

Details of the Scheduled Investments

Charging Company	Company Number	Investment	Company Number	Shareholding
WRG Operations 2 Limited	5719062	Waste Recycling Group Limited	02902416	100%

FILE COPY



CERTIFICATE OF THE REGISTRATION OF A MORTGAGE OR CHARGE

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

COMPANY No. 05719062

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES HEREBY CERTIFIES THAT A DEBENTURE DATED THE 18th APRIL 2006 AND CREATED BY WRG OPERATIONS 2 LIMITED FOR SECURING ALL MONIES DUE OR TO BECOME DUE FROM EACH OBLIGOR TO BARCLAYS BANK PLC 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 27th APRIL 2006.

GIVEN AT COMPANIES HOUSE, CARDIFF THE 4th MAY 2006.

P. Paul



Companies House

— for the record —



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES