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black type, or bold
block lettering* Insert full name of
company

COMPANIES FORM No. 466(Scot)

Particulars of an instrument of alteration to a floating charge created by a company registered in Scotland

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

Pursuant to section 410 and 466 of the Companies Act 1985

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

For official use

Company Number

Name of company

		4
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SC043286

* WRG (Midlands) Limited ("the Charging Company")

Date of creation of the charge (note 1)

26 August 2004 (the "Charge Date")

Description of the instrument creating or evidencing the charge or of any ancillary document which
has been altered (note 1)

Debenture

Names of the persons entitled to the charge

Barclays Bank (as Security Agent), 5 North Colonnade, Canary Wharf,
London E14 4BB

Short particulars of all the property charged

See Paper Apart 1

Presenter's name, address
and reference (if any):Brodies LLP (TNM)
15 Atholl Crescent
Edinburgh EH3 8HA
Tel: 0131 228 3777
DX ED10, Edinburgh-1

For official use

Charges Section

Post room

SCT
COMPANIES HOUSE

SCZ405BN

1183
16/05/05

Names, and addresses of the persons who have executed the instrument of alteration (note 2)

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See Paper Apart 2

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Date(s) of execution of the instrument of alteration

See Paper Apart 3

A statement of the provisions, if any, imposed by the instrument of alteration prohibiting or restricting the creation by the company of any fixed security or any other floating charge having, priority over, or ranking pari passu with the floating charge

See Paper Apart 4

Short particulars of any property released from the floating charge

N/A

The amount, if any, by which the amount secured by the floating charge has been increased

N/A

A statement of the provisions, if any, imposed by the instrument of alteration varying or otherwise regulating the order of the ranking of the floating charge in relation to fixed securities or to other floating charges

See Papers Apart 4 and 5

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Continuation of the statement of the provisions, if any, imposed by the instrument of alteration varying or otherwise regulating the order of the ranking of the floating charge in relation to fixed securities or to other floating charges

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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

Signed

On behalf of [company] *on behalf of Bredies Ltd*

Date

9/5/05

Notes

- 1 A description of the instrument e.g. "Instrument of Charge" "Debenture" etc as the case may be, should be given. For the date of creation of a charge see section 410(5) of the Companies Act.
- 2 In accordance with section 466(1) the instrument of alteration should be executed by the company, the holder of the charge and the holder of any other charge (including a fixed security) which would be adversely affected by the alteration.
- 3 A certified copy of the instrument of alteration, together with this form with the prescribed particulars correctly completed must be delivered to the Registrar of Companies within 21 days after the date of execution of that instrument.
- 4 A certified copy must be signed by or on behalf of the person giving the certification and where this is a body corporate it must be signed by an officer of that body.
- 5 Cheques and Postal Orders are to be made payable to **Companies House**.
- 6 The address of the Registrar of Companies is: Companies Registration Office, 37 Castle Terrace, Edinburgh EH1 2EB

FORM 466

ACCESSION DEEDS

WRG (MIDLANDS) LIMITED (SC043286)

PAPER APART 1

- 1 **Property:** Pursuant to Clause 3.2 (*Property*) of the Debenture, the Charging Company, as security for the payment of all Secured Liabilities on the Charge Date, charged and agreed to charge:
 - 1.1 by way of first legal mortgage, the relevant Scheduled Property in respect of which it is listed in Schedule 2 to the Debenture as the Charging Company other than any Leasehold Restricted Property, in relation to which the provisions of Clause 3.15 (*Leasehold Interests Containing Restrictions on Charging*) of the Debenture shall apply; and
 - 1.2 by way of first fixed charge, all estates or interests on the Charge Date 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 Clause 3.15 (*Leasehold Interests Containing Restrictions on Charging*) of the Debenture shall apply.
- 2 **Investments:** Pursuant to Clause 3.3 (*Investments*) of the Debenture, the Charging Company, as security for the payment of all Secured Liabilities on the Charge Date, charged by way of first fixed charged all of its Investments (including the Scheduled Investments) on the Charge Date or subsequently belonging to it or held by any nominee on its behalf.
- 3 **Book Debts:** Pursuant to Clause 3.4 (*Book Debts*) of the Debenture, the Charging Company, as security for the payment of all Secured Liabilities on the Charge Date (and subject to Clause 5.3(c) (*Book Debts*) of the Debenture), charged by way of first fixed charge, all rights which it may have on the Charge Date or subsequently in respect of any Book Debts.
- 4 **Intellectual Property:** Pursuant to Clause 3.5 (*Intellectual Property*) of the Debenture, the Charging Company, as security for the payment of all Secured Liabilities on the Charge Date, 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 on the Charge Date or subsequently belonging to it.
- 5 **Bank Balances:** Pursuant to Clause 3.6 (*Bank Balances*) of the Debenture, the Charging Company charged, as security for the payment of all Secured Liabilities on the Charge Date, by way of first fixed charge all of its Bank Balances.
- 6 **Plant and Machinery:** Pursuant to Clause 3.7 (*Plant and Machinery*) of the Debenture, the Charging Company, as security for the payment of all Secured Liabilities on the Charge Date, charged by way of first fixed charge all of its Personal Chattels on the Charge Date or

subsequently belonging to the Charging Company and its interest in any such Personal Chattels in its possession.

- 7 **Contracts:** Pursuant to Clause 3.8 (*Contracts*) of the Debenture (and subject to Clause 5.8 (*Payments under Contracts*) of the Debenture), the Charging Company, as security for the payment of all Secured Liabilities on the Charge Date, charged and agreed to charge by way of first fixed charge all its rights (including, without limitation, the right to receive any compensation) on the Charge Date 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 Clause 3.16 (*Material Contracts Containing Prohibition on Charging*) of the Debenture shall apply.

- 8 **Pension Funds:** Pursuant to Clause 3.9 (*Pension Fund*) of the Debenture, the Charging Company, as security for the payment of all Secured Liabilities on the Charge Date, 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 on the Charge Date or subsequently in respect of any pension fund or plan.

- 9 **Other Charges:** Pursuant to Clause 3.10 (*Other Charges*) of the Debenture, the Charging Company, as security for the payment of all Secured Liabilities on the Charge Date, charged by way of first fixed charge:

- (a) all its uncalled capital;
- (b) all its goodwill; and

subject to Clause 5.8 (*Payments under Contracts*) of the Debenture, 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 **Assignment by way of Security:** Pursuant to Clause 3.11 (*Assignment by way of Security*) of the Debenture:

- (a) the Charging Company, as continuing security for the payment of all Secured Liabilities on the Charge Date, 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 Clause 3.16 (*Material Contracts Containing Prohibition on Charging*) of the Debenture) to the Security Agent all rights and interest present or future of the 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 Clause 6.2(b) (*Enforceability of Security*) of the Debenture 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 Floating Charge: Pursuant to Clause 3.12 (Floating Charge) of the Debenture:

- 11.1 The Charging Company, as security for the payment of all Secured Liabilities on the Charge Date, 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 Contracts, the Excluded Contracts, the Excluded Insurances and the Excluded Accounts). The floating charge created by the Charging Company under Clause 3.12 (Floating Charge) of the Debenture shall:
 - 11.1.1 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) or 15.3(d)(xiii) (*Negative Pledge*) of the Facilities Agreement) or any Security Interest created by a Receiver appointed under the Debenture; and
 - 11.1.2 be a qualifying floating charge for the purposes of paragraph 14 of Schedule B1 to the Insolvency Act 1986.
- 11.2 Notwithstanding the provisions of Clause 6.2(b) (*Enforceability of Security*) of the Debenture, the Security Agent may by notice to the Charging Company convert the floating charge created by the Charging Company pursuant to Clause 3.12 (*Floating Charge*) of the Debenture 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:
 - 11.2.1 an Event of Default is outstanding and continuing unremedied and unwaived; or
 - 11.2.2 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.

- 11.3 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):
- 11.3.1 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
 - 11.3.2 the Charging Company breaches Clause 5.1(a) (*General Restrictions and Obligations*) of the Debenture;
 - 11.3.3 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
 - 11.3.4 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.
 - 11.3.5 then with immediate effect and without notice the floating charge shall automatically convert into a fixed charge as regards such assets.
- 11.4 Any charge which has crystallised under paragraphs 11.2 or 11.3 above may be reconverted into a floating charge by notice given at any time by the Security Agent to the Charging Company concerned in relation to the assets specified in such notice.
- 12 **Fixed and Floating Security:** Pursuant to Clause 3.14 (*Security Interest 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 to the Debenture that the Security Interests over other Charged Assets shall remain unaffected.
- 13 **Leasehold Interests containing Restrictions on Charging:** Pursuant to Clause 3.15 (*Leasehold Interests containing Restrictions on Charging*) of the Debenture:
- 13.1 Until the relevant consent has been obtained, there shall be excluded from the charge created by Clause 3.2 (*Property*) of the Debenture and from the floating charge created by Clause 3.12 (*Floating Charge*) of the Debenture and from the operation of the further assurance provisions set out in Clause 11 (*Further Assurance*) of the Debenture, 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**").

- 13.2 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 Clause 3.15 (*Leasehold Interests Containing Restrictions on Charging*) of the Debenture 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 Clause 3.15 (*Leasehold Interests Containing Restrictions on Charging*) of the Debenture, 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 Clause 3.15 (*Leasehold Interests Containing Restrictions on Charging*) of the Debenture.
- 13.3 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 Clause 3.2 (*Property*) of the Debenture only if such Leasehold Restricted Property is a Scheduled Property or a Material After-Acquired Property and Clause 3.12 (*Floating Charge*) of the Debenture. 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 **Material Contracts Containing Prohibition on Charging:** Pursuant to Clause 3.16 (*Material Contracts Containing Prohibition on Charging*) of the Debenture:
- 14.1 Until the relevant consent has been obtained, there shall be excluded from the Charge created by Clause 3.8 (*Contracts*) of the Debenture and from the floating charge created by Clause 3.12 (*Floating Charge*) of the Debenture and from the operation of the further assurance provision set out in Clause 11 (*Further Assurance*) of the Debenture, any rights, title, assets, benefits or interest enjoyed by the Charging Company under a Material Contract and/or by any Insurances which constitutes an Excluded Contract (an "**Excluded Material Contract**").

- 14.2 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 Clause 3.16 (*Material Contracts Containing Prohibition on Charging*) of the Debenture 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 Clause 3.16 (*Material Contracts Containing Prohibition on Charging*) of the Debenture, 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 Clause 3.16 (*Material Contracts Containing Prohibition on Charging*) of the Debenture.
- 14.3 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 Clause 3.8 (*Contracts*) of the Debenture and Clause 3.12 (*Floating Charge*) of the Debenture 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 Clause 3.11 (*Assignment by way of Security*) of the Debenture and Clause 3.12 (*Floating Charge*) of the Debenture. 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 **Miscellaneous:** In accordance with 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:
- 15.1 a Leasehold Restricted Property, in accordance with Clause 3.15 (*Leasehold Interests Containing Restrictions on Charging*) of the Debenture; and
- 15.2 an Excluded Material Contract, in accordance with Clause 3.16 (*Material Contracts Containing Prohibition on Charging*) of the Debenture.

SECTION A: Details of Leasehold Restricted Properties

Registered Land

Charging Company	County and District	Address Description	or	Nature of Interest
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WRG (Management) Limited (Co. No. 2563475)	Leicester District Land Registry	Sports Ground and Pavilion, Calvert	Licence dated 18 December 1996 between London Brick Property Ltd (1) London Brick Company Ltd (2) Shanks & McEwan Group plc (3)
WRG (Midlands) Limited (Co. No. SC043286)	Leicester District Land Registry	Land at Cowthick Ironstone Quarry, Weldon, Northamptonshire	Agreement for lease dated 16 May 1989 between British Steel plc (1) and Shanks & McEwan (Midlands) Limited (2)

Unregistered Land

Charging Company	County and District	Address Description	Nature of Interest
WRG Waste Services Limited (Co. No. 988844)	Leicester District Land Registry	Rail Sidings, Calvert	Lease dated 28 October 1981 between British Railways Board (1) and London Brick Landfill Ltd (2)
WRG (Management) Limited (Co. No. 2563475)	Leicester District Land Registry	Grazing Land, Calvert	Lease dated 18 December 1996 between London Brick Property Ltd (1) Shanks & McEwan Group plc (2)

Definitions for Paper Apart 1

In Paper Apart 1 of this Form 466, 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 WRG Acquisitions PLC, a company incorporated under the laws of England and Wales with registered number 04731536;

"Acquisitions Group" means the Parent and Acquisitions and **"Acquisitions Group Company"** and **"member of Acquisitions Group"** means any of them;

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

"Advance" means:

- (a) when designated **"Tranche A"**, the principal amount of each advance made or to be made under the Tranche A Term Facility;

- (b) when designated "**Tranche A-1**", the principal amount of each advance made or to be made under the Tranche A-1 Term Facility;
- (c) when designated "**Tranche B**", the principal amount of each advance made or to be made under the Tranche B Term Facility;
- (d) when designated "**Tranche B-1**", the principal amount of each advance made or to be made under the Tranche B-1 Term Facility;
- (e) when designated "**Capex**", the principal amount of each advance made or to be made under the Capex Facility;
- (f) when designated "**Revolving A**", the principal amount of each advance made or to be made under the Revolving A Facility;
- (g) when designated "**Revolving B**", the principal amount of each advance made or to be made under the Revolving B Facility;
- (h) when designated "**Rollover**", any Revolving A Advance or Revolving B Advance which is used to refinance a maturing Revolving A Advance or Revolving B Advance, as the case may be, the amount of which is equal to or less than the amount of the maturing Revolving A Advance or Revolving B Advance, as the case may be, and is to be drawn on the same day as such maturing Revolving A Advance or Revolving B Advance, as the case may be, is to be repaid;
- (i) without any such designation, a "**Tranche A Advance**", "**Tranche A-1 Advance**", "**Tranche B Advance**", "**Tranche B-1 Advance**", "**Capex Advance**", "**Revolving A Advance**", "**Revolving B Advance**" and/or a "**Rollover Advance**", as the context requires;

in each case as from time to time reduced by repayment or prepayment and in each case subject as provided in Clause 6 (*Interest*) of the Facilities Agreement;

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

"**Ancillary Documents**" means the documents setting out the terms on which the Ancillary Facilities are made available;

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

"**Bank Balances**" means the amounts on the Charge Date 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;

"**Bonding Letter of Credit**" means any letter of credit issued or to be issued by an Issuing Lender to an Existing Bond Provider under the Revolving A Facility in connection with the backstopping of the Existing Bonding Indebtedness substantially in the form set out in Schedule 12 (*Form of Bonding Letter of Credit*) of the Facilities Agreement with the language in square brackets and blanks completed, deleted and/or amended by the Borrower requesting the Bonding Letter of Credit as appropriate or in such other form as may be agreed between Acquisitions, the Facility Agent and an Issuing Lender (acting reasonably);

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

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

"Capex Facility" means the term loan facilities to be made available by the Capex Lenders pursuant to Clause 2.1(e) (*Facilities*) of the Facilities Agreement;

"Cash Collateral Account" means any account with the Facility Agent or any Lender opened or to be opened in the name of a Borrower into which sums are to be paid in accordance with Clause 7 (*Repayment*) of the Facilities Agreement or Clause 8 (*Prepayment*) of the Facilities Agreement or in the provision of cash cover and held as security for the obligations of such Borrower under the Finance Documents and in relation to which such Borrower shall have complied with the requirements of paragraph 7 (*Cash Cover*) of Schedule 9 (*Provisions relating to Letters of Credit/Lender Guarantees*) of the Facilities Agreement;

"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;

"Charging Companies" means each of the following companies:-

Charging Company	Registered Number
WRG (Management) Limited	2563475
WRG Environmental Limited	2206141
WRG Waste Services Limited	988844
WRG (Northern) Limited	SC098678
WRG (Midlands) Limited	SC043286
WRG Properties Limited	2181617
WRG Acquisitions 2 Limited	5056437

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

"Cholet Investments 2 Debenture" means the debenture dated 26 August, 2004 entered into by Cholet Investments 2 Limited in favour of the Security Agent;

"Commitment" means:

- (a) when designated **"Tranche A"**, in relation to an Original Lender and the Tranche A Term Facility, the amount set opposite its name in Schedule 1 (*The Original Lenders*) to the Facilities Agreement in relation to the Tranche A Term Facility and, in relation to any other Lender, the amount or the total amount of the Tranche A Commitments transferred to it under a Transfer Certificate or Transfer Certificates or other document pursuant to which it becomes party to, or acquires rights under, the Facilities Agreement;

- (b) when designated "**Tranche A-1**", in relation to an Original Lender and the Tranche A-1 Facility, the amount set opposite its name in Schedule 1 (*The Original Lenders*) to the Facilities Agreement in relation to the Tranche A-1 Facility and, in relation to any other Lender, the amount or the total amount of the Tranche A-1 Commitments transferred to it under a Transfer Certificate or Transfer Certificates or other document pursuant to which it becomes party to, or acquires rights under, the Facilities Agreement;
- (c) when designated "**Tranche B**", in relation to an Original Lender and the Tranche B Term Facility, the amount set opposite its name in Schedule 1 (*The Original Lenders*) to the Facilities Agreement in relation to the Tranche B Term Facility and, in relation to any other Lender, the amount or the total amount of the Tranche B Commitments transferred to it under a Transfer Certificate or Transfer Certificates or other document pursuant to which it becomes party to, or acquires rights under, the Facilities Agreement;
- (d) when designated "**Tranche B-1**", in relation to an Original Lender and the Tranche B-1 Term Facility, the amount set opposite its name in Schedule 1 (*The Original Lenders*) to the Facilities Agreement in relation to the Tranche B-1 Term Facility and, in relation to any other Lender, the amount or the total amount of the Tranche B-1 Commitments transferred to it under a Transfer Certificate or Transfer Certificates or other document pursuant to which it becomes party to, or acquires rights under, the Facilities Agreement;
- (e) when designated "**Capex**", in relation to an Original Lender and the Capex Facility, the amount set opposite its name in Schedule 1 (*The Original Lenders*) to the Facilities Agreement in relation to the Capex Facility and, in relation to any other Lender, the amount or the total amount of the Capex Commitments transferred to it under a Transfer Certificate or Transfer Certificates or other document pursuant to which it becomes party to, or acquires rights under, the Facilities Agreement;
- (f) when designated "**Revolving A**", in relation to an Original Lender and the Revolving A Facility, the amount set opposite its name in Schedule 1 (*The Original Lenders*) to the Facilities Agreement in relation to the Revolving A Facility, in relation to an Additional Revolving Lender and the Revolving A Facility, the amount assumed by it in relation to the Revolving A Facility in accordance with Clause 2.5 (*Increasing the Revolving Commitments*) of the Facilities Agreement and, in relation to any other Lender, the amount or the total amount of the Revolving A Commitments transferred to it under a Transfer Certificate or Transfer Certificates or other document pursuant to which it becomes party to, or acquires rights under the Facilities Agreement; and
- (g) when designated "**Revolving B**", in relation to an Original Lender and the Revolving B Facility, the amount set opposite its name in Schedule 1 (*The Original Lenders*) to the Facilities Agreement in relation to the Revolving B Facility, in relation to an Additional Revolving Lender and the Revolving B Facility, the amount assumed by it in relation to the Revolving B Facility by it in accordance with Clause 2.5 (*Increasing the Revolving Commitments*) of the Facilities Agreement , and, in relation to any other Lender, the amount or the total amount of the Revolving B Commitments transferred to it under a Transfer Certificate or Transfer Certificates or other document pursuant to which it becomes party to, or acquires rights under the Facilities Agreement;

less, in any such case:

- (a) that part thereof transferred by it in accordance with Clause 19 (*Assignments and Transfers*) of the Facilities Agreement; and
- (b) that part thereof which has been cancelled, reduced or terminated in accordance with the Facilities Agreement,

and without any such designation means "**Tranche A Commitment**", "**Tranche A-1 Commitment**", "**Tranche B Commitment**", "**Tranche B-1 Commitment**", "**Capex Commitment**", "**Revolving A Commitment**", and/or "**Revolving B Commitment**" as the context requires;

"**Controlled JVs**" means any Joint Venture (as such term is defined in clause 15.3(k) (*Joint Ventures*) of the Facilities Agreement) in relation to which, in accordance with the terms of such Joint Venture's constitutional documents and shareholders' agreement or similar agreement dealing with the management and/or control of such Joint Venture, a member of the Group is able to procure compliance with the restrictions set out in the Finance Documents;

"**Debenture**" means the debenture entered into by, inter alios, the Charging Company in favour of the Security Agent dated 26 August 2004 (the "Charge Date") and forming part of the Finance Documents as defined in the Facilities Agreement (as amended from time to time)

"**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**" means any financial provisioning bond required by, and issued or to be issued to, the Environment Agency by (a) an Issuing Lender under the Revolving A Facility or (b) an Ancillary Lender under any Ancillary Facility provided pursuant to the Revolving A Facility, in each case substantially in one of the forms set out in Schedule 10 (*Form of EA Bond*) of the Facilities Agreement (with the language in square brackets and blanks completed, deleted and/or amended by the Borrower requesting the EA Bond as appropriate) or in such other form as may be agreed between Acquisitions and an Issuing Lender, in the case of the Issuing Lender such agreement not to be unreasonably withheld, in each case in respect of the obligations of a member of the Target Group to the Environment Agency;

"**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**" means any of the events specified in Clause 16.1 (*Events of Default*) of 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 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 paragraph 10 of Paper Apart 1;

"**Excluded Material Contract**" shall have the meaning ascribed thereto in paragraph 14.1 of Paper Apart 1;

"**Excluded Subsidiary**" means any entity which is a direct or indirect Subsidiary of the Acquiror (or would be but for the exclusion in the definition of that term) and which, in accordance with the terms of the Facilities Agreement, is formed for the purposes of the Allington Incineration Project including, without limitation, Kent Enviropower Limited;

"Existing Bonding Indebtedness" means the financial provisioning bonds required to be issued by or on behalf of members of the Target Group to the Environment Agency and the performance bonds required to be issued by or on behalf of members of the Target Group to relevant Local Authorities each of which exist in the case of the Target Group at the Effective Date or, if an Election is made, the Unconditional Date or in the case of the Shanks Target Group at the Cholet Completion Date and will be backstopped pursuant to the Facilities Agreement;

"Existing Bond Providers" means ING Bank N.V., Lloyds TSB Bank plc, Yorkshire Bank Plc, National Australia Bank, Zurich Re, Euler Hermes, Barclays Bank PLC, The Royal Bank of Scotland plc and **"Existing Bond Provider"** means any of them;

"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" means the Term Facilities, the Revolving Facilities and the Ancillary Facilities and **"Facility"** means any one of them;

"Facilities Agreement" means the facilities agreement dated 9 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 11 June, 2003, and an amendment letter dated 11 August, 2003, and as amended and waived by an amendment and waiver letter dated 29 March, 2004, and as amended and restated by a supplemental agreement dated 26 August, 2004 and as amended and restated by second supplemental agreement dated 9 December 2004 and as further amended, novated and supplemented from time to time;

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

"First Stage Debenture" means the debenture dated 9 June, 2004 entered into by the charging companies listed therein in favour of the Security Agent;

"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 the charging companies listed therein 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 Indenture" means any indenture pursuant to which any Fixed Rate Note is issued;

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

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

"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 dated 10 December, 2004 and made between, amongst others, 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 senior security agent;

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

"Guarantors" means the Original Guarantors and any other member of the Group which shall have become a guarantor under the Facilities Agreement by executing an Accession Document, and **"Guarantor"** means any of them;

"Hedging Agreements" means agreements entered into with the Hedging Lenders for the purpose of hedging interest rate risk in relation to the Term Facilities;

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

"HoldCo" means WRG Investments Limited, a company incorporated under the laws of England and Wales with registered number 04770256;

"Insurances" means all benefits, rights and interest of a 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, on the Charge Date-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 any Charging Company;*

"Intercompany Loan Agreements" means the agreements in a form acceptable to the Facility Agent (acting reasonably) to be entered into between members of the Shanks Target Group, Acquisitions and WRG Acquisitions 2 Limited pursuant to which funds are advanced to enable Acquisitions or WRG Acquisitions 2 Limited to make payments under the Finance Documents and all other loans between members of the Group in respect of which the Charging Company is a lender;

"Intercreditor Deed" means the intercreditor deed dated 9 June, 2003 between the Finance Parties, the Obligors, HoldCo and each Original Equity Investor as amended pursuant to amendment deeds dated 5 August, 2003 and 10 September, 2003, as further amended pursuant to the Third Intercreditor Amendment Deed, as amended and restated pursuant to the Fourth Intercreditor Amendment Deed and as further amended, extended or supplemented from time to time;

"Investment" means any debenture, bond, share, stock, certificate of deposit or other security on the Charge Date or in the future owned at law or in equity by each 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;

"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 PLC and Merrill Lynch International acting in their capacity as joint mandated lead arrangers and bookrunners in connection with the Facilities Agreement;

"Joint Venture" means any joint venture, partnership or similar arrangement with any person where Acquisitions legally and beneficially owns (directly or indirectly) less than 90% of the shares, partnership or other interests in the relevant entity;

"Leasehold Restricted Property" shall have the meaning ascribed thereto in paragraph 13.1 of Paper Apart 1 and shall include without limitation the properties listed in Section A of Paper Apart 1;

"Lender" means:

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

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

"Material After-Acquired Property" means any Property acquired by any 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 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 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);
- (iii) 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 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;

"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;

"Material Intellectual Property" means any Intellectual Property of a Charging Company that the Security Agent (acting reasonably and following consultation with the relevant Charging Company) considers to be material in the context of the Business;

"Minor Joint Ventures" means Shelford Composting Limited, Energyline Limited and CLWR Management 2001 Limited;

"New Lender" has the meaning given to it in Clause 19.3 (*Assignments and Transfers by Lenders*) of the Facilities Agreement;

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

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

"Original Equity Investors" means the Partnerships (as defined in the Parent Loan Note Instruments) in each case acting through its general partner and the Subscriber (as defined in the Parent Loan Note Instruments) as at the date on which the Parent Loan Instruments are entered into;

"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*) of the Facility Agreement and "Original Lender" means any one of them;

"Parent" means WRG Investments Limited, a company incorporated under the laws of England and Wales with registered number 04770256;

"Parent Loan Notes" means the zero coupon subordinated loan notes in the agreed form issued or to be issued on or prior to the Completion Date under the Parent Loan Note Instruments;

"Parent Loan Note Instruments" means the zero coupon bond commitment facility agreement and the related deed of covenant constituting the Parent Loan Notes instrument in the agreed form entered into or to be entered into by the Parent on or before the First Drawing Date;

"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 Clause 3.2 (*Property*) of the Debenture 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 a 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;

"Refinancing Advances" means Advances made available to members of the Target Group under the Term Facilities for the purposes specified in Clauses 2.3(a)(ii) and 2.3(c)(ii) (*Purpose*) of the Facilities Agreement;

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

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

"Revolving A Facility" means the revolving credit facility to be made available by the Revolving A Lenders pursuant to Clause 2.1(g) (*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(h) (*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 Commitments" means the Revolving A Commitments and the Revolving B Commitments and "Revolving Commitment" 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 Investments" means the Investments described in Schedule 3 to the Debenture;

"Scheduled Property" means the Property as follows and all related Property Rights:-

Charging Company	County and District (or London Borough)	Address of Description	Title No.
Freehold			
WRG (Midlands) Limited (Co. No. SC043286)	Peterborough District and Registry	Land and buildings lying to the north of Paston Parkway, Peterborough	CB200805
WRG (Management) Limited (Co. No.02563475)	Leicester District Land Registry	Land on the east of Bletchley Road, Newton Longville, Milton Keynes	BM221284
WRG (Management) Limited (Co. No. 2563475)	Peterborough District Land Registry	Landfill site of Brogborough Martson Vale	BD198074
WRG Waste Services Limited (Co. No. 988844)	Peterborough District Land Registry	Eastwood Farm House, Eye road, Dogsthorpe	CB197552
WRG Waste Services Limited (Co. No. 988844)	Leicester District Land Registry	Seven parcels of land at Calvert Estate	BM232086 but excluding the part of the property transferred pursuant to a transfer dated 2 June 2004 between Shanks Waste Services Limited (1) and Michael Nicholas Wood and Anthony David Wood (2)
WRG Waste Services Limited (Co. No. 988844)	Pen Y Bont (aka Chirk)	Land known as land at Pen Y Bont, Chirk Land known as Pen Y	WA693090, WA511784,

		Bont Quarry, Glyndwr Newbridge, Chirk	WA586539 ¹
WRG Waste Services Limited (Co. No. 988844)	Pwllfawatkin	Land being Pwllfawatkin Farm, Rhydyfro, Pontardawe Land at Abernant Colliery, Rhydyfro, Pontardawe	WA750179 WA740316

"Second Restatement Supplemental Arrangement Fee Letter" means the supplemental letter to the Arrangement Fees Letter dated 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 Secured Note Security" has the meaning given to it in the Intercreditor Deed;

"Second Stage Debenture" means a debenture in the agreed form (such form agreed prior to the date of the Facilities Agreement) granted by certain members 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;

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

"Security Accession Deed" means a deed of accession to the Debenture in such form as the Security Agent and Acquisitions (acting on behalf of the Charging Company) may agree;

"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 Second Stage Security" means:

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

¹ No evidence yet of this title.

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

"Shanks Security Documents" means the documents comprising the Shanks First Stage Security, the WRG Investments 2 Debenture and the Shanks Second Stage Security and the Shanks Third Stage Security;

"Shanks Targets" means WRG (Management)) Limited (a company incorporated under the laws of England and Wales with registered number 2563475) and WRG Environmental Limited (a company incorporated under the laws of England and Wales with registered number 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 members of the Shanks Target Group pursuant to the Facilities Agreement; and
- (b) a bond and floating charge and standard security substantially in the agreed 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;

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

"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 Obligors 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 15 December, 2004;

"Subsidiary" means:

- (a) a subsidiary as defined in section 736 of the Companies Act 1985 and excluding the Minor Joint Ventures;
- (b) for the purposes only of the financial information to be delivered, and the financial covenants to be complied with, under the Facilities Agreement, a subsidiary undertaking as defined in section 258 of the Companies Act 1985; and
- (c) any Controlled JV,

but excluding any Excluded Subsidiary;

"Syndication Agent" means Barclays Capital PLC, acting as Syndication Agent in connection with the Facilities Agreement;

"Syndication Letter" means the syndication letter dated 9 June, 2003 between Terra Firma, Acquisitions and the Joint Mandated Lead Arrangers;

"Target" or **"WRG"** means Waste Recycling Group Limited (formerly 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 Facility by executing an Accession Document;

"Term Facilities" means the Tranche A Term Facility, the Tranche A-1 Term Facility, the Tranche B Term Facility, the Tranche B-1 Term Facility, and the Capex 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 PO Box 543, East Wing, Trafalgar Court, Admiral Park, St Peter Port, Guernsey (previously, Fort Complex, Les Tracheries, St. Sampson, Guernsey);

"Third Intercreditor Amendment Deed" means the third amendment deed relating to the Intercreditor Deed dated 26 August, 2004 and made between Cholet Holdings Limited, the Parent, 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 a debenture in substantially the same form as the Second Stage Debenture/an extension of the Second Stage Debenture granted by certain members of the Target Group pursuant to the Facilities Agreement securing all Advances made available to the Group;

"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-1 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(c) (*Facilities*) of the Facilities Agreement;

"Tranche B-1 Term Facility" means the term loan facilities to be made available by the Tranche B-1 Lenders 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.

PAPER APART 2

- (1) **WRG INVESTMENTS LIMITED**, a limited liability company incorporated under the laws of England and Wales with company number 04770256 (formerly known as Cholet Investments Limited) ("**Holdco**");
- (2) **WRG FINANCE PLC**, a public limited liability company incorporated under the laws of England and Wales with company number 5756841 (the "**Fixed Rate Note Issuer**");
- (3) **WRG ACQUISITIONS PLC**, a public limited liability company incorporated under the laws of England and Wales, with company number 04731536 (formerly known as Cholet Acquisitions Limited) ("**Acquisitions**");
- (4) **THE COMPANIES** named in Part 1 of Schedule 1 of the Intercreditor Deed (the "**Obligors**"), namely WRG Acquisitions Limited (04731536), 3C Holdings Limited (03610048), 3C Waste Limited (02632581), Anti-Waste Limited (01569257), Darrington Quarries Limited (00579409), East Waste Limited (02629972), Finstop Limited (03188850), Herrington Limited (02830895), Integrated Waste Management Limited (02433703), Lincwaste Limited (02668959), Oxfordshire Waste Limited (02693394), T. Shooter Limited (02008873), WasteNotts (Reclamation) Limited (02674169), Waste Recycling Limited (02674166), Waste Recycling Group (Yorkshire) Limited (02436946), Waste Recycling Group (Central) Limited (04000033), Waste Recycling Group (Scotland) Limited (Scottish) (SC210275), Waste Recycling Group (South West) Limited (02464345), Waste Recycling Group Limited (formerly Waste Recycling Group plc) (02902416), WRG Acquisitions 2 Limited (05056437), WRG (Management) Limited (02563475), WRG Environmental Limited (02206141), WRG Waste Services Limited (00988844), WRG (Northern) Limited (SC098678) and WRG (Midlands) Limited (SC043286)
- (5) **THE INSTITUTIONS** named Part 2 of Schedule 1 of the Intercreditor Deed (the "**Original Senior Creditors**") namely Barclays Bank PLC, Merrill Lynch Capital Corporation, The Royal Bank of Scotland PLC, HSBC Bank PLC, Lloyds TSB Bank PLC, CALYON London Branch, ING Bank N.V., London Branch, Fortis Bank S.A./N.V., National Australia Bank Limited, KBC Bank N.V., Ahli United Bank (UK) PLC, Natexis Banques Populaires, Alliance & Leicester Commercial Bank PLC, Rabobank International, London Branch, IKB Deutsche Industriebank AG, London Branch, Singer & Friedlander Limited, Banco Espírito Santo, S.A., BW Bank Ireland PLC, Metropolitan Life Insurance Company, Promus I B.V., EuroCredit CDO III B.V., Promus 2 B.V., EuroCredit CDO IV, Intercontinental CDO S.A., Clarenville CDO, S.A., Prudential Assurance Company Limited S.A., Leopard CLO II B.V., Leopard CLO I B.V and JP Morgan Chase Bank.
- (6) **THE BANK OF NEW YORK** as note trustee for the Fixed Rate Noteholders (the "**Fixed Rate Note Trustee**");
- (7) **THE BANK OF NEW YORK** as note trustee for the Second Secured Noteholders (the "**Second Secured Note Trustee**");
- (8) **BARCLAYS BANK PLC** as facility agent for the Senior Lenders (the "**Senior Facility Agent**");

PAPER APART 3

The Intercreditor Deed is made on 9 June 2003 as amended by amendment deeds dated 5 August 2003, 10 September 2003 and 26 August 2004 (the "Intercreditor Deed") as amended and restated on 10 December 2004 (the "Fourth Amendment Deed") to which the Charging Company became a party by execution, on 28 April 2005, of the Accession Deed to the Fourth Amendment Deed and the Obligor Accession Deed (the "Accession Deeds").

PAPER APART 4

1 RANKING AND PRIORITY

1.1 Liabilities

Subject to Clause 10 (*Permitted Payments*) of the Intercreditor Deed, each of the Parties agrees that the Liabilities of the Obligors rank in the following order and are postponed and subordinated to any prior ranking Liabilities of the Obligors as follows:

- (a) **first**, the Senior Liabilities, the Second Secured Note Liabilities other than the Subordinated Second Secured Note Liabilities, the Fixed Rate Note Trustee Amounts (as to Fixed Rate Note Trustee Amounts in an amount not to exceed £3,000,000 only) and the Second Secured Note Trustee Amounts (as to Second Secured Note Trustee Amounts in an amount not to exceed £3,000,000 only), *pari passu* amongst themselves;
- (b) **second**, any Second Secured Note Trustee Amounts in excess of any amounts paid pursuant to paragraph (a) above;
- (c) **third**, the Subordinated Second Secured Note Liabilities;
- (d) **fourth**, any Fixed Rate Note Trustee Amounts in excess of any such amounts paid pursuant to paragraph (a) above;
- (e) **fifth**, the Subordinated Fixed Rate Note Liabilities;
- (f) **sixth**, the Subordinated Liabilities; and
- (g) **seventh**, the Intra-Group Liabilities.

1.2 Ranking of Security Interests

Each of the Parties agrees that the Security Interests constituted by the Security Documents rank in the following order:

- (a) **first**, the Senior Security;
- (b) **second**, the Second Secured Note Security; and
- (c) **third**, the Fixed Rate Note Security,

and that all proceeds of the Senior Security, the Second Secured Note Security and the Fixed Rate Note Security shall be applied in accordance with Clause 17.1 of the Intercreditor Deed (*Order of Application*).

1.3 Subordinated Liabilities

Subject to Clause 10 of the Intercreditor Deed (*Permitted Payments*), each of the Parties agrees that the Subordinated Liabilities are postponed and irrevocably subordinated until the later of the Senior Discharge Date, the Second Secured Note Discharge Date and the Fixed Rate Note Discharge Date to the Senior Liabilities, the Second Secured Note Liabilities and the Fixed Rate Note Liabilities.

2 SENIOR CREDITORS: RIGHTS AND OBLIGATIONS

2.1 Payment

The Obligors may pay, repay, redeem or acquire the Senior Liabilities at any time in accordance with the terms of the Senior Finance Documents.

2.2 Security Interests

- (a) The Senior Creditors may take, accept or receive the benefit of any Security Interest, guarantee, indemnity or other assurance against loss in respect of the Senior Liabilities in addition to the Security Interests created pursuant to the Security Documents and guarantees, indemnities and other assurances against loss set out in the Senior Finance Documents provided that to the extent legally possible (subject as provided in paragraph (b) below) at the same time:
 - (i) in the case of any guarantee or Security Interest it is also offered to the Second Secured Note Trustee on behalf of the Second Secured Creditors in respect of, and ranking in the same order of priority as, the Subordinated Second Secured Note Liabilities and the Second Secured Note Security; and
 - (ii) in the case of any guarantee it is also offered to the Fixed Rate Note Trustee on behalf of the Fixed Rate Noteholders in respect of and ranking in the same order of priority as the *Subordinated Fixed Rate Note Liabilities*.
- (b) The requirements of the proviso in paragraph (a) above shall not apply to:
 - (i) any cash cover or netting or set off arrangement for the purposes of netting or debiting credit balances entered into in connection with any Ancillary Facility;
 - (ii) any cash cover or guarantee, indemnity or other assurance against loss provided in accordance with the Senior Facilities Agreement in respect of the contingent liability of any Issuing Lender in relation to letters of credit, bank guarantees, performance bonds or similar instruments issued under the Senior Facilities Agreement.

3 SECOND SECURED CREDITORS: RIGHTS AND OBLIGATIONS

3.1 Payment

Prior to the Senior Discharge Date, the Obligors may only pay, repay, redeem, acquire or defease the Second Secured Note Liabilities at any time in accordance with the terms of the Second Secured Note Documents if that action is either permitted under Clause 10 of the Inter-Creditor Deed. (*Permitted Payments*) or if the prior consent of the Majority Senior Creditors is obtained or if such payment is in the form of Permitted Second Secured Note Junior Securities.

3.2 Second Secured Note Guarantees and Security Interests

- (a) Subject to paragraph (b) below, the Second Secured Creditors may not take, accept or receive from any member of the Group or the Fixed Rate Note Issuer the benefit of any Security Interest, guarantee, indemnity or other assurance against loss in respect of the Second Secured Note Liabilities.
- (b) To the extent required or permitted by the Second Secured Note Documents, the Fixed Rate Note Issuer and members of the Group shall be entitled to grant and to issue and the Second Secured Note Creditors shall be entitled to benefit from the guarantees and Security Interests permitted under Part 1 of Schedule 4 (*Permitted Guarantees and Security*) of the Intercreditor Deed.

3.3 Amendments

The Second Secured Note Trustee for and on behalf of the Second Secured Creditors and Acquisitions for and on behalf of the Obligors may amend the Second Secured Note Documents (other than this Deed or any Security Document) in accordance with their terms at any time unless that amendment would cause any Second Secured Note Documents to fail to conform to the Second Secured Note Parameters or would adversely affect the rights of the Senior Creditors set out under the subordination provisions of the Second Secured Note Indenture and this the Intercreditor Deed in any material respect.

3.4 Further Assurance

Each Party (including the Second Secured Note Trustee) will promptly do all such acts and execute all such documents as are necessary to create or release, as the case may be, the guarantees and Security Interests contemplated in Clause 4.2 of the Intercreditor Deed. (*Second Secured Note Guarantees and Security Interests*) the form of which shall be determined by Acquisitions and the Second Secured Note Trustee in consultation with the Senior Security Agent consistent with the terms hereof.

4 REFINANCING AND DESIGNATED SENIOR DEBT

4.1 Refinancing of Senior Liabilities

It is hereby agreed that the Senior Liabilities may be refinanced, replaced, extended, supplemented (including additional facilities) or otherwise restructured in whole or in part on terms that do not result in a breach of any term of any Fixed Rate Note Document or Second Secured

Note Document and that any obligations incurred by the Fixed Rate Note Issuer or any Obligor on such refinancing, restructuring, replacement, extension or supplementing of the Senior Liabilities ("Refinanced Senior Liabilities") will, to the extent designated by Acquisitions to rank ahead of the Subordinated Fixed Rate Note Liabilities and the Subordinated Second Secured Note Liabilities, rank ahead of the Subordinated Fixed Rate Note Liabilities and the Subordinated Second Secured Note Liabilities on, *mutatis mutandis*, the terms set out herein and in relation to any other Liabilities shall rank as provided in Clause 2.1 (*Liabilities*) of the Intercreditor Deed.

4.2 Limits on Priority of Senior Liabilities

The Senior Creditors (or any of them) may make available new money commitments from time to time (which will be treated as Senior Liabilities for the purposes of this Deed) up to an additional total principal amount equal to the amount of Debt (as defined in the Second Secured Note Indenture (as in effect at the date hereof)) permitted to be incurred by the terms of the Second Secured Note Documents and the Fixed Rate Note Documents and to constitute Senior Liabilities.

4.3 Amendment of Senior Finance Documents

- (a) The Senior Creditors may enter into any refinancing permitted by the Intercreditor Deed and/or amend the Senior Finance Documents (other than the Intercreditor Deed), in accordance with their terms or at any time unless such refinancing or amendment is, in relation to the provisions of the Senior Finance Documents as at the Second Restatement Date, a change that would conflict with, or is prohibited by, the provisions of the Intercreditor Deed.
- (b) The Second Secured Note Trustee, the Fixed Rate Note Trustee, the Senior Facility Agent, the Senior Security Agent and/or the other Senior Creditors will enter into such agreement or agreements with the Obligors and/or the holders of the Refinanced Senior Liabilities and/or their agents and trustees, whether by way of supplement, amendment or restatement of the terms of the Intercreditor Deed or by a separate deed, as may be necessary to give effect to the terms of Clause 5.1 (*Refinancing of Senior Liabilities*) or Clause 5 (*Limits on priority of Senior Liabilities*) of the Intercreditor Deed.

4.4 Refinancing of Second Secured Notes

It is hereby agreed that, following the Senior Discharge Date, the Second Secured Note Liabilities may, subject to Clause 5.6 (*Amendments of Second Secured Notes Documents*), be refinanced, replaced, extended, supplemented or otherwise restructured in whole or in part on terms that do not result in a breach of any term of any Fixed Rate Note Documents and that any obligations incurred by the Fixed Rate Note Issuer or any Obligor on such refinancing, restructuring, replacement, extension or supplementing of the Second Secured Note Liabilities ("Restructured Second Secured Note Liabilities") will, to the extent designated by Acquisitions to rank ahead of the Subordinated Fixed Rate Note Liabilities rank ahead of the Subordinated Fixed Rate Note Liabilities on, *mutatis mutandis*, the terms set out herein (and in relation to any other Liability shall rank as provided in Clause (*Liabilities*)) of the Intercreditor Deed.

4.5 Limits on Priority of Second Secured Note Liabilities

Following the Senior Discharge Date, the Second Secured Creditors may make available new money commitments from time to time (which will be treated as Second Secured Note Liabilities for the purposes of this Agreement) up to an additional total principal amount equal to the amount of Debt (as defined in the Fixed Rate Note Indenture (as in effect at the date hereof)) permitted to be incurred by the terms of the Fixed Rate Note Documents.

4.6 Amendment of Second Secured Note Documents

- (a) Following the Senior Discharge Date, the Second Secured Creditors may enter into any refinancing permitted by this Deed and amend the Second Secured Note Documents (other than this Deed), in accordance with their terms, at any time unless such refinancing or amendment is, in relation to the provisions of the Second Secured Note Documents as at the Second Restatement Date, a change that would conflict with, or is prohibited by, the provisions of the Intercreditor Deed.
- (b) The Second Secured Note Trustee, the Fixed Rate Note Trustee, the Senior Facility Agent, the Senior Security Agent and/or the other Senior Creditors will enter into such agreement or agreements with the Obligors and/or the holders of the Restructured Second Secured Note Liabilities and/or their agents and trustees, whether by way of supplement, amendment or restatement of the terms of this Deed or by a separate deed, as may be necessary to give effect to the terms of Clause 5.4 (*Refinancing of Second Secured Notes*) or Clause 5.5 (*Limits on priority of Second Secured Note Liabilities*) of the Intercreditor Deed.

4.7 Designated Senior Debt

Prior to the Senior Discharge Date, in the event that the Majority Senior Creditors consent to any indebtedness becoming Designated Senior Debt in accordance with the Senior Facilities Agreement the Senior Creditors, the Second Secured Note Trustee, the Fixed Rate Note Trustee, the Obligors, the Fixed Rate Note Issuer and the Subordinated Creditors will to the extent necessary enter into such amendments to the Intercreditor Deed as are required in order to enable the holders of such indebtedness and/or their agents or trustees to become parties to this Deed with the rights in relation to the Second Secured Creditors contemplated by the Second Secured Notes and with the rights in relation to the Fixed Rate Note Creditors contemplated by the Fixed Rate Notes.

5 FIXED RATE NOTE CREDITORS: RIGHTS AND OBLIGATIONS

5.1 Payment

Prior to the later of the Senior Discharge Date and the Second Secured Note Discharge Date, the Obligors may only pay, repay, redeem, acquire or defease the Subordinated Fixed Rate Note Liabilities at any time in accordance with the terms of the Fixed Rate Note Documents and the Fixed Rate Note Proceeds Loan Agreement if that action is either permitted under Clause 10 of the

Intercreditor Deed. (*Permitted Payments*) or if the prior written consent of (until the Senior Discharge Date has occurred) the Majority Senior Creditors and (until the Second Secured Note Discharge Date has occurred) the Second Secured Note Trustee acting on the instructions of the Second Secured Noteholders is obtained. Following the later of the Senior Discharge Date and the Second Secured Note Discharge Date, any payment made in accordance with the terms of the *Fixed Rate Note Documents* is permitted.

5.2 Fixed Rate Note Guarantees and Security

- (a) Subject to paragraph (b) below, the Fixed Rate Note Creditors may not take, accept or receive from any member of the Group or the Fixed Rate Note Issuer the benefit of any Security Interest, guarantee, indemnity or other assurance against loss in respect of the Fixed Rate Note Liabilities.
- (b) To the extent required or permitted by the Fixed Rate Note Documents, the Fixed Rate Note Issuer and members of the Group shall be entitled to grant and to issue and the Fixed Rate Noteholders and the Fixed Rate Note Trustee on behalf of the Fixed Rate Noteholders shall be entitled to benefit from the guarantees and Security Interests listed in Part 2 of Schedule 4 (*Permitted Guarantees and Security*) of the Intercreditor Deed.

5.3 Amendments

The Fixed Rate Note Trustee for and on behalf of the Fixed Rate Note Creditors (other than the Fixed Rate Note Proceeds Lender), the Fixed Rate Note Issuer and Acquisitions for and on behalf of the Obligors may amend the Fixed Rate Note Documents in accordance with their terms at any time unless that amendment would cause any Fixed Rate Note Document to fail to conform to the Fixed Rate Note Parameters or would adversely affect the rights of the Senior Creditors and/or the Second Secured Creditors set out under the subordination provisions of the Fixed Rate Note Indenture and the Intercreditor Deed in any material respect.

5.4 Further Assurance

Each Party (including the Fixed Rate Note Trustee) will promptly do all such acts and execute all such documents as are necessary to create or release, as the case may be, the guarantees and Security Interests contemplated in Clause 6.2 of the Intercreditor Deed (*Fixed Rate Note Guarantees and Security*), the form of which shall be determined by the Fixed Rate Note Issuer and the Fixed Rate Note Trustee, consistent with the terms hereof.

6 INTRA-GROUP CREDITORS: RIGHTS AND OBLIGATIONS

6.1 Payment

Prior to the Priority Discharge Date, the Obligors may only pay, repay, redeem or acquire the Intra-Group Liabilities at any time if that action is permitted under Clause 10 of the Intercreditor Deed. (*Permitted Payments*) or if the prior written consent of (prior to the Senior Discharge Date) the Majority Senior Creditors, (after the Senior Discharge Date but prior to the Second Secured Note

Discharge Date) the Second Secured Note Trustee (on behalf of the Second Secured Creditors) and (after the Senior Discharge Date and the Second Secured Note Discharge Date but prior to the Fixed Rate Note Discharge Date) the Fixed Rate Note Trustee (on behalf of the Fixed Rate Noteholders) is obtained.

6.2 Security Interests

Prior to the Priority Discharge Date, the Intra-Group Creditors may not take, accept or receive the benefit of any Security Interest, guarantee, indemnity or other assurance against loss in respect of the Intra-Group Liabilities unless the prior written consent of the Majority Senior Creditors, the Second Secured Note Trustee (on behalf of the Second Secured Note Creditors) and the Fixed Rate Note Trustee (on behalf of the Fixed Rate Noteholders) is obtained.

6.3 Terms of Intra-Group Liabilities

Prior to the Priority Discharge Date, the Intra-Group Creditors shall ensure that the terms of any loan made to any Obligor by an Intra-Group Creditor comply with the provisions of the Finance Documents.

6.4 Fixed Rate Note Proceeds Loan

- (a) No changes may be made to the Fixed Rate Note Proceeds Loan Agreement by the parties thereto without the prior written consent of (prior to the Senior Discharge Date) the Majority Senior Creditors, (prior to the Second Secured Note Discharge Date) the Second Secured Note Trustee (on behalf of the Second Secured Creditors) and (prior to the Fixed Rate Note Discharge Date) the Fixed Rate Note Trustee (on behalf of the Fixed Rate Noteholders) unless such amendment is of a minor or technical nature or otherwise not materially prejudicial to the interests of any of the Senior Creditors, the Second Secured Creditors and the Fixed Rate Noteholders and does not cause the Fixed Rate Note Proceeds Loan to cease to comply with this Clause 7.4 (*Fixed Rate Note Proceeds Loan*) of the Intercreditor Deed.
- (b) The Fixed Rate Note Proceeds Loan must satisfy the following criteria:
 - (i) the borrower is Acquisitions;
 - (ii) the lender is the Fixed Rate Note Issuer;
 - (iii) payments of principal, premium and interest (including any tax indemnities, gross-up amount, increased costs, additional amounts or special interest but excluding any default interest other than Permitted Default Interest) required to be paid by Acquisitions under such loan do not exceed the amount of any payments of principal, premium and interest (including any tax indemnities, gross-up amount, increased costs, additional amounts or special interest but excluding any default interest other than Permitted Default Interest) required to enable the Fixed Rate Note Issuer to make payments of principal, premium and interest (including any tax indemnities, gross-up amount, increased costs, additional

amounts or special interest but excluding any default interest other than Permitted Default Interest) and to pay any costs, fees (other than any prepayment fees) and expenses properly payable under the terms of the Fixed Rate Note Documents on the date for payment thereof;

- (iv) it has a scheduled repayment date for any principal amount which is no earlier than the final original scheduled maturity date for the Second Secured Note Liabilities (it being understood that it may contain repayments corresponding to required payments under the Fixed Rate Notes as a result of asset sales or change of control to the extent such payments are permitted under (until the Senior Discharge Date) the Senior Finance Documents and (until the Second Secured Note Discharge Date) the Second Secured Note Documents and may provide for repayment in full at any time after the Second Secured Note Discharge Date;
- (v) it does not benefit from any Security Interest granted by any member of the Group or any Holding Company of any member of the Group;
- (vi) it does not benefit from any guarantee, indemnity or similar undertaking given by any member of the Group or any Holding Company of any member of the Group;
- (vii) it is in a maximum principal amount not exceeding the amount of the gross proceeds of the issue of the Fixed Rate Notes;
- (viii) it is expressed to be subject to, and does not contain any provisions which conflict with the terms of, this Deed; and
- (ix) the benefit of the Fixed Rate Note Proceeds Loan is expressed to be assignable by way of Security Interest to the Priority Creditors and on enforcement of that Security Interest to third parties.

6.5 Additional Obligor Covenant

- (a) No Obligor will, and each Obligor will procure that none of its Subsidiaries will, make, give, accept or enter into any claim, election, surrender or consent in connection with any surrender or transfer of any loss, allowance, credit, deduction, exemption or set-off with respect to Tax (as defined in the Senior Facilities Agreement as in effect at the date hereof) (including, but not limited to, group relief within the meaning of Section 402 of the Taxes Act (as defined in the Senior Facilities Agreement as in effect at the date hereof)) whether for payment or otherwise to any Holding Company of Acquisitions.
- (b) Subject to paragraph (c) below, Acquisitions will not agree to assume and Acquisitions will procure that none of its Subsidiaries agree to assume any liability for Tax of any of the Holding Companies of Acquisitions.

- (c) Paragraph (b) shall not apply in respect of any VAT grouping arrangements, whether existing or future ones.

7 SUBORDINATED CREDITORS: RIGHTS AND OBLIGATIONS

7.1 Payment

Prior to the Priority Discharge Date, neither the Fixed Rate Note Issuer nor any Obligor may pay, repay, redeem, acquire or defease any of the Subordinated Liabilities at any time unless that action is permitted under Clause 10 of the Intercreditor Deed (*Permitted Payments*) or unless the prior written consent of (prior to the Senior Discharge Date), the Majority Senior Creditors and (prior to the Second Secured Note Discharge Date) the Second Secured Note Trustee (on behalf of the Second Secured Creditors) and (prior to the Fixed Rate Note Discharge Date) the Fixed Rate Note Trustee (on behalf of the Fixed Rate Noteholders) is obtained.

7.2 Security Interests

Prior to the Priority Discharge Date, the Subordinated Creditors may not take, accept or receive the benefit of any Security Interest, guarantee, indemnity or other assurance against loss from the Fixed Rate Issuer or any member of the Group in respect of any of the Subordinated Liabilities.

7.3 Amendments

Prior to the Priority Discharge Date, the Subordinated Creditors may not after the Second Restatement Date, amend the terms of any of the documents or instruments pursuant to which the Subordinated Liabilities are constituted unless the prior consent of (prior to the Senior Discharge Date) the Majority Senior Creditors and (prior to the Second Secured Note Discharge Date) the Second Secured Note Trustee (on behalf of Second Secured Creditors) and (prior to the Fixed Rate Note Discharge Date) the Fixed Rate Note Trustee (on behalf of the Fixed Rate Noteholders) is obtained or that change is an amendment of a minor or technical nature or otherwise not materially prejudicial to the interests of the Priority Creditors under the Senior Finance Documents, the Second Secured Note Documents or the Fixed Rate Note Documents.

7.4 Representations

Each Subordinated Creditor represents and warrants to each Priority Creditor that on the Second Restatement Date:

- (a) **Incorporation:** it is duly incorporated and validly existing with limited liability under the laws of the place of its incorporation and has the power to own its assets and carry on its business as it is now being conducted;
- (b) **Power:** it has the power to enter into, exercise its rights under, and perform and comply with its obligations under the Intercreditor Deed and to carry out the transactions contemplated by the Intercreditor Deed;

- (c) **Obligations:** the obligations expressed to be assumed by it in the Intercreditor Deed are, subject to the reservations (as construed in accordance with the Senior Facilities Agreement), legal, valid, binding and enforceable obligations;
- (d) **Non-conflict:** the entry into and performance by it of the Intercreditor Deed does not and will not conflict with any law or regulation applicable to it, its constitutional documents or, in any material respect, with any agreement or instrument binding upon it or any of its assets; and
- (e) **Insolvency:** no administrator, receiver, liquidator or similar officer has been appointed with respect to it or any of its assets nor (so far as it is aware) is any petition or proceeding for any such appointment pending nor has any resolution for any such appointment been passed.

8 HEDGE COUNTERPARTIES: RIGHTS AND OBLIGATIONS

8.1 Identity of Hedge Counterparties

No person providing hedging facilities to any Obligor shall be entitled to share in any of the Security Interests constituted by the Security Documents or in the benefit of any guarantee or indemnity in respect of any of the liabilities arising in relation to those hedging facilities unless it is a party to the Intercreditor Deed as a Hedge Counterparty. No person may become a Hedge Counterparty nor shall any Liabilities arising in respect of its hedging facilities be treated as Hedging Liabilities unless that person has executed this Deed as a Hedge Counterparty or has executed and delivered to the Senior Facility Agent and the Senior Security Agent a Lender Accession Deed acceding to the Intercreditor Deed as a Hedge Counterparty.

8.2 Payment

Prior to the discharge of all Senior Liabilities other than the Hedging Liabilities, the Obligors may only pay, repay, redeem or acquire the Hedging Liabilities at any time if that action is permitted under Clause 10 of the Intercreditor Deed (*Permitted Payments*) or if the prior written consent of the Majority Senior Creditors is obtained.

8.3 Security Interest

No Hedge Counterparty may take, accept or receive the benefit of any Security Interest, guarantee, indemnity or other assurance against loss from any member of the Group in respect of the Hedging Liabilities other than pursuant to the Senior Finance Documents.

8.4 Amendments

No Hedge Counterparty may amend any Hedging Agreement at any time unless either (a) the prior written consent of the Majority Senior Creditors is obtained or (b) the amendment is an administrative, technical or procedural change only or (c) the Hedging Agreement will, following such amendment, continue to comply with the requirements of the Senior Finance Documents or (d) all Senior Liabilities other than the Hedging Liabilities have been discharged.

8.5 Terms of Hedging Agreements

The Obligors party to any Hedging Agreement and the Hedge Counterparties agree that any Hedging Agreement will provide for (a) "full two way payments" or (b) payments under the "Second Method" in the event of a termination of the hedging transaction entered into under that Hedging Agreement (whether as a result of a Termination Event or an Event of Default, each as defined in that Hedging Agreement), or (c) any other method the effect of which is that the Defaulting Party or Affected Party under (and as defined in) that Hedging Agreement will be entitled to receive payment under the relevant termination provisions if the calculation which is required by the terms of the Hedging Agreement in relation to all terminated transactions entered into under that Hedging Agreement yields value in its favour.

8.6 Termination of Hedging transactions

If, on termination of any hedging transaction under the Hedging Agreements occurring after the commencement of any Enforcement Action, an amount falls due from a Hedge Counterparty to the Obligor under that Hedging Agreement then that amount shall be paid by that Hedge Counterparty to the Senior Security Agent who will treat as the proceeds of enforcement of the Security Documents and apply it in accordance with the terms of this Deed.

PAPER APART 5**1 Ranking of Security Interests**

Each of the Parties agrees that the Security Interests constituted by the Security Documents rank in the following order:

- (a) **first**, the Senior Security;
- (b) **second**, the Second Secured Note Security; and
- (c) **third**, the Fixed Rate Note Security,

and that all proceeds of the Senior Security, the Second Secured Note Security and the Fixed Rate Note Security shall be applied in accordance with Clause 17.1 of the Intercreditor Deed (*Order of Application*).

2 Subordinated Liabilities

Subject to Clause 10 of the Intercreditor Deed (*Permitted Payments*), each of the Parties agrees that the Subordinated Liabilities are postponed and irrevocably subordinated until the later of the Senior Discharge Date, the Second Secured Note Discharge Date and the Fixed Rate Note Discharge Date to the Senior Liabilities, the Second Secured Note Liabilities and the Fixed Rate Note Liabilities.

3 Fixed Rate Notes

Without prejudice to any provision of the Intercreditor Deed, the Parties acknowledge that the Fixed Rate Notes and the Fixed Rate Note Trustee Amounts (to the extent such amounts are owed by the Fixed Rate Note Issuer) are senior obligations of the Fixed Rate Note Issuer and payments thereon and thereof by the Fixed Rate Note Issuer are not restricted by or subject hereto.

Definitions and Interpretation

In Paper Parts 4 and 5 of this Form 466, so far as the context permits or allows, the following expressions have the following meanings:

"Ancillary Facilities" has the meaning given to it in the Senior Facilities Agreement (as in effect at the date hereof);

"Ancillary Lender" means each Senior Lender which makes an Ancillary Facility available in accordance with the terms of the Senior Facilities Agreement;

"Beneficiary" means each Senior Creditor in its capacity as a beneficiary of the security held by or on its behalf by the Senior Security Agent;

"Charged Assets" means all of the assets of the Obligors and of the Fixed Rate Note Issuer which from time to time are, or are expressed to be, subject to any Security Document;

"Creditors" means the Senior Creditors, the Second Secured Creditors, the Fixed Rate Note Creditors, the Intra-Group Creditors and the Subordinated Creditors;

"Default" means a Senior Default, a Second Secured Note Default or a Fixed Rate Note Default (as the context requires);

"Delegate" means any delegate, agent, attorney or co-trustee appointed by the Senior Security Agent;

"Designated Senior Debt" means any indebtedness designated by any Obligor as **"Designated Senior Debt"** for the purposes of and in accordance with the terms of the Second Secured Note Indenture or the Fixed Rate Note Indenture;

"Early Termination Date" in relation to a Hedging Agreement means an Early Termination Date (as defined in the Hedging Agreement) resulting from an Event of Default (as defined in the Hedging Agreement);

"Enforcement Action" means:

- (a) the acceleration of any Liabilities or any declaration that any Liabilities are prematurely due and payable or the making of demand for payment of any Liabilities after such Liabilities have been made payable on demand;
- (b) the designation by a Hedge Counterparty of an Early Termination Date under any Hedging Agreement or the making of a demand by a Hedge Counterparty for payment of all or any amount which would become payable in connection with the occurrence of an Early Termination Date;
- (c) the making of any demand against any Obligor in relation to any guarantee in respect of any Liabilities which are due and payable but unpaid or exercising any right to require any member of

the Group to acquire any Liability (including exercising any put or call option against any member of the Group for the redemption or purchase of any Liability);

- (d) the enforcement of any Security Document or any other Security Interest granted by any Obligor or the Fixed Rate Note Issuer (including taking any action to crystallize any floating charge forming part of any Security Document);
- (e) the exercise of any right of set-off against any Obligor in respect of any Liabilities due and payable but unpaid;
- (f) the suing for, commencing or joining of any legal or arbitration proceedings against any Obligor to recover any Liabilities; or
- (g) the petitioning, applying or voting for, or the taking of any steps (including the appointment of any liquidator, receiver, administrator or similar officer) which could reasonably be expected to lead to an *Insolvency Event* in relation to any Obligor;

provided that the following shall not constitute Enforcement Action:

- (i) the taking of any action falling within paragraph (f) above necessary to preserve the validity and existence of claims, including the registration of such claims before any court or governmental authority;
- (ii) to the extent entitled by law, the taking of any actions against any creditor (or any agent, trustee or receiver acting on behalf of such creditor) to challenge the basis on which any sale or disposal is to take place pursuant to powers granted to such persons under any security documentation;
- (iii) bringing legal proceedings against any person in connection with any securities violation or common law fraud or to restrain any actual or putative breach of the Second Secured Note Documents and/or the Fixed Rate Note Documents or for specific performance with no claim for damages, or
- (iv) demand being made for payment of any of the Liabilities as a result of it being unlawful for any Senior Creditor to perform any obligation under the Senior Finance Documents;

unless in the case of any of the actions listed above in paragraphs (i) to (iv) above such action shall result in an *Insolvency Event*;

"Finance Document" means each of the Intercreditor Deed, the Fourth Intercreditor Amendment Deed, the other Senior Finance Documents, the Second Secured Note Documents, the Fixed Rate Note Documents, the Security Documents, any agreement evidencing the terms of the Intra-Group Liabilities and the Investor Documents;

"Fixed Rate Noteholders" means the holders, from time to time, of the Fixed Rate Notes;

"Fixed Rate Note Creditors" means the Fixed Rate Noteholders, the Fixed Rate Note Trustee and the Fixed Rate Note Proceeds Lender (but only with respect to the Fixed Rate Note Proceeds Loan);

"Fixed Rate Note Default" means an event of default under the Fixed Rate Notes and/or the Fixed Rate Note Indenture;

"Fixed Rate Note Discharge Date" means the date on which the Fixed Rate Note Liabilities have been unconditionally discharged in full;

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

"Fixed Rate Note Guarantees" means the guarantees granted in accordance with Clause 6.2 of the Intercreditor Deed (*Fixed Rate Note Guarantees and Security*) in favour of the Fixed Rate Note Creditors;

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

"Fixed Rate Note Liabilities" means the Liabilities owed by the Fixed Rate Note Issuer and the Obligors to the Fixed Rate Noteholders and the Fixed Rate Note Trustee under the Fixed Rate Note Documents;

"Fixed Rate Note Parameters" means the terms and conditions applicable to the Fixed Rate Notes set out in Part 2 of Schedule 5 of the Intercreditor Deed;

"Fixed Rate Note Payment Blockage Event" means the occurrence of any Senior Default (other than a payment default) or any Second Secured Note Default (other than a payment default);

"Fixed Rate Note Payment Stop Event" means any failure by an Obligor to pay on the due date or within any applicable grace period any amount payable under any Senior Finance Document or any Second Secured Note Document (other than an amount not constituting principal, interest or fees, not in excess of £100,000);

"Fixed Rate Note Proceeds Lender" means the Fixed Rate Note Issuer in its capacity as lender of any proceeds of the Fixed Rate Notes to Acquisitions;

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

"Fixed Rate Note Proceeds Loan Agreement" means the loan agreement 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 of the Intercreditor Deed (*Fixed Rate Note Proceeds Loan*);

"Fixed Rate Note Proceeds Loan Liabilities" means the Liabilities owed by Acquisitions to the Fixed Rate Note Proceeds Lender under the Fixed Rate Note Proceeds Loan;

"Fixed Rate Note Security" means the Security Interests granted in accordance with Clause 6.2 of the Intercreditor Deed (*Fixed Rate Note Guarantees and Security*) in favour of the Fixed Rate Note Trustee on behalf of the Fixed Rate Note Creditors;

"Fixed Rate Note Standstill Period" means a period of 179 days after written notice has been given by the Fixed Rate Note Trustee to the Senior Facility Agent and the Second Secured Note Trustee that a Fixed Rate Note Default has occurred and is continuing;

"Fixed Rate Note Stop Period" means, subject as provided in Clause 10.14 of the Intercreditor Deed (*Effect of Fixed Rate Note Payment Stop Event and Effect of Stop Notice*), the period of 179 days from the date of issue of a Stop Notice in respect of a Fixed Rate Note Payment Blockage Event;

"Fixed Rate Note Trustee Amounts" means fees and expenses of, and amounts incurred by and/or payable to, the Fixed Rate Note Trustee under the Fixed Rate Note Documents including:

- (a) any amounts payable to the Fixed Rate Note Trustee personally by way of indemnity and/or remuneration pursuant to the Fixed Rate Note Indenture (including guarantees of such amounts contained therein) or any other document entered into in connection with the issuance of the Fixed Rate Notes;
- (b) compensation for and the fees and expenses of the collection by the Fixed Rate Note Trustee of any amount payable to the Fixed Rate Note Trustee for the benefit of the Fixed Rate Noteholders; and
- (c) fees and expenses of the Fixed Rate Note Trustee's agents and counsel;

provided that, for the avoidance of doubt, Fixed Rate Note Trustee Amounts shall not include any amount of principal or interest payable in respect of the Fixed Rate Notes;

"Fixed Rate Notes" means the high yield notes issued by the Fixed Rate Note Issuer pursuant to the Fixed Rate Note Indenture;

"Fourth Intercreditor Amendment Deed" means the supplemental deed in relation to this Deed dated on or about 15 December, 2004;

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

"Hedge Counterparties" means each Senior Lender, each other Finance Party or an affiliate of a Senior Lender or Finance Party (as defined in the Senior Facilities Agreement) which is or becomes a Party in accordance with the terms of Clause 9 of the Intercreditor Deed (*Hedge Counterparties: Rights and Obligations*) or Clause 19.4 of the Intercreditor Deed (*Change of Hedge Counterparty*);

"Hedging Agreements" means any agreement entered into by a Hedge Counterparty and defined as such in the Senior Facilities Agreement;

"Hedging Liabilities" means any Liabilities owed by any Obligor to the Hedge Counterparties or any of them under or in connection with the Hedging Agreements;

"Holding Company" has the meaning given to it in section 736 of the Companies Act 1985;

"Insolvency Event" means, in relation to any Obligor or the Fixed Rate Note Issuer:

- (a) any resolution is passed or order made for the winding up, dissolution or administration of that Obligor or the Fixed Rate Note Issuer;
- (b) any composition, assignment or compulsory or voluntary arrangement is made with any of the creditors of that Obligor or the Fixed Rate Note Issuer or there is any marshalling of that Obligor's or the Fixed Rate Note Issuer's assets and liabilities;
- (c) the appointment of any liquidator, receiver, administrator, administrative receiver, compulsory manager or other similar officer in respect of that Obligor or the Fixed Rate Note Issuer or any material part of its assets;
- (d) a petition for insolvency proceedings is filed in respect of that Obligor or the Fixed Rate Note Issuer (other than a frivolous or vexatious petition or any petition which is stayed or discharged within 21 days of the relevant Obligor or the Fixed Rate Note Issuer becoming aware of the same);
or
- (e) any analogous procedure or step is taken in any jurisdiction;

"Intra-Group Creditors" means each Obligor which has made available a loan to another Obligor and any other member of the Group which becomes a party as an Intra-Group Creditor in accordance with the terms of Clause 19 of the Intercreditor Deed (*Change of Party*);

"Intra-Group Liabilities" means the Liabilities owed by any Obligor to any of the Intra-Group Creditors;

"Investor Documents" means the Acquisitions Loan Notes and the WRG Finance Loan Notes (each as defined the Senior Facilities Agreement as in effect at the date hereof);

"Issuing Lender" has the meaning given to it in the Senior Facilities Agreement (as in effect at the date hereof);

"Lender Accession Deed" means a deed of accession in substantially the form set out in Schedule 2 of the Intercreditor Deed (*Form of Lender Accession Deed*);

"Liabilities" means all present and future liabilities and obligations at any time of the Fixed Rate Note Issuer or any Obligor to any Creditor under any Finance Document, both actual and contingent and

whether incurred solely or jointly or in any other capacity together with any of the following matters relating to or arising in respect of those liabilities and obligations:

- (a) any refinancing, novation, deferral or extension;
- (b) any claim for damages or restitution; and
- (c) any claim as a result of any recovery by the Fixed Rate Note Issuer or any Obligor of a payment or discharge on the grounds of preference,

and any amounts which would be included in any of the above but for any discharge, non-provability or unenforceability of those amounts in any insolvency or other proceedings;

"Majority Senior Creditors" means, at any time, any Senior Creditors whose Senior Credit Participations at that time aggregate more than 66⅔ per cent. of the total Senior Credit Participations at that time;

"Majority Senior Lenders" means the Majority Lenders as defined in the Senior Facilities Agreement (as in effect at the date hereof);

"Obligor" means Acquisitions and each of its Subsidiaries which is a borrower or guarantor under the Senior Finance Documents, the Second Secured Note Documents and/or the Fixed Rate Note Documents;

"Obligor Accession Deed" means a deed of accession in substantially the form set out in Schedule 3 of the Intercreditor Deed (*Form of Obligor Accession Deed*);

"Party" means a party to the Intercreditor Deed;

"Payment Stop Event" means a Fixed Rate Note Payment Stop Event and/or (as applicable) a Second Secured Note Payment Stop Event;

"Permitted Default Interest" means default interest that has accrued as a result of any failure to pay interest due to a Payment Stop Event or the issue of a Stop Notice and in relation to which the circumstances giving rise to that Payment Stop Event or Stop Notice have been cured or waived;

"Permitted Second Secured Note Junior Securities" means debt securities of Acquisitions which are subordinated to the Senior Liabilities on substantially the same terms as those provided for in the Intercreditor Deed in relation to the Second Secured Note Liabilities or otherwise subordinated on terms more favourable to the Senior Creditors than those provided for in this Deed in relation to the Second Secured Note Liabilities;

"Priority Creditors" means the Senior Creditors, the Second Secured Note Creditors and the Fixed Rate Note Creditors (other than the Fixed Rate Note Proceeds Lender);

"Priority Discharge Date" means the later of the Senior Discharge Date, the Second Secured Note Discharge Date and the Fixed Rate Note Discharge Date;

"Receiver" means a receiver or receiver and manager or administrative receiver of the whole or any part of the Charged Assets;

"Reports" has the meaning given to it in the Senior Facilities Agreement (as in effect at the date hereof);

"Second Restatement Date" has the meaning given to it in the Second Supplemental Agreement;

"Second Secured Creditors" means the Second Secured Noteholders and the Second Secured Note Trustee;

"Second Secured Noteholders" means the holders, from time to time, of the Second Secured Notes;

"Second Secured Note Default" means an event of default under the Second Secured Notes and/or the Second Secured Note Indenture;

"Second Secured Note Discharge Date" means the date on which all the Second Secured Note Liabilities have been unconditionally discharged in full;

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

"Second Secured Note Guarantees" means the guarantees granted in accordance with Clause 4.2 of the Intercreditor Deed (*Second Secured Note Guarantees and Security Interests*) in favour of the Second Secured Note Creditors;

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

"Second Secured Note Liabilities" means the Liabilities owed by the Obligors to the Second Secured Creditors under the Second Secured Note Documents;

"Second Secured Note Parameters" means the terms and conditions of the Second Secured Notes set out in Part 1 of Schedule 5 of the Intercreditor Deed;

"Second Secured Note Payment Blockage Event" means the occurrence of any Senior Default (other than a payment default);

"Second Secured Note Payment Stop Event" means any failure by an Obligor to pay on the due date or within any applicable grace period any amount payable under any Senior Finance Document (other than an amount not constituting principal, interest or fees, not in excess of £100,000);

"Second Secured Note Security" means the Security Interests granted in accordance with Clause 4.2 of the Intercreditor Deed (*Second Secured Note Guarantees and Security Interests*) in favour of the Second Secured Note Trustee as trustee for the Second Secured Noteholders;

"Second Secured Note Security Documents" means each document or instrument granting or creating the Second Secured Note Security;

"Second Secured Note Standstill Period" means the following periods after written notice has been given by the Second Secured Note Trustee to the Senior Facility Agent that a Second Secured Note Default has occurred and is continuing:

- (a) for any Enforcement Action against Acquisitions:
 - (i) 90 days from the date of such written notice in the case of a payment default under the Second Secured Notes or the Second Secured Note Indenture; and
 - (ii) 120 days from the date of such written notice in the case of any other Second Secured Note Default; and

- (b) for any Enforcement Action against any guarantor of the Second Secured Notes or the Fixed Rate Note Issuer, 179 days from the date of such written notice;

"Second Secured Note Stop Period" means, subject as provided in Clause 10.10 of the Intercreditor Deed (*Effect of Second Secured Note Payment Blockage Event and Stop Notice*), the period of 179 days from the date of issue of a Stop Notice in respect of a Second Secured Note Payment Blockage Event;

"Second Secured Note Trustee Amounts" means fees and expenses of, and amounts incurred by and/or payable to, the Second Secured Note Trustee under the Second Secured Note Documents including:

- (a) any amounts payable to the Second Secured Note Trustee personally by way of indemnity and/or remuneration pursuant to the Second Secured Note Indenture (including guarantees of such amounts contained therein) or any other document entered into in connection with the issuance of the Second Secured Notes;
- (b) compensation for and the fees and expenses of the collection by the Second Secured Note Trustee of any amount payable to the Second Secured Note Trustee for the benefit of the Second Secured Noteholders; and
- (c) fees and expenses of the Second Secured Note Trustee's agents and counsel;

provided that, for the avoidance of doubt, Second Secured Note Trustee Amounts shall not include any amount of principal or interest payable in respect of the Second Secured Notes;

"Second Secured Notes" means the second secured floating rate notes issued by Acquisitions pursuant to the Second Secured Note Indenture;

"Second Supplemental Agreement" means the second supplemental agreement to the Senior Facilities Agreement dated 15 December, 2004;

"Secured Obligations" means all the Liabilities and all other present and future obligations at any time due, owing or incurred by any Obligor to any Secured Party under the Finance Documents, both actual and contingent and whether incurred solely or jointly and as principal or surety or in any other capacity;

"Secured Parties" means the Senior Security Agent, any Receiver or Delegate, the Senior Facility Agent, the Second Secured Note Trustee, the Fixed Rate Note Trustee and the other Priority Creditors from time to time but, in the case of each Priority Creditor other than the Second Secured Noteholders and the Fixed Rate Noteholders, only if it is a party to the Intercreditor Deed (whether as an original party or by accession);

"Security Documents" means:

- (a) each of the Senior Security Documents; and
- (b) each of the Second Secured Note Security Documents; and
- (c) each document or instrument granting or creating the Fixed Rate Note Security; and
- (d) any Security Interest granted under any covenant for further assurance in any of those documents;

"Security Interest" has the meaning given to it in the Senior Facilities Agreement (as in effect at the date hereof);

"Senior Credit Participation" means, in relation to a Senior Creditor, the aggregate of:

- (a) its aggregate Commitments (as defined in the Senior Facilities Agreement), if any; and
- (b) after the termination or close out of any Hedging Liabilities other than in circumstances where the Senior Creditor is the Defaulting Party (as defined in the relevant Hedging Agreement), the amounts, if any, payable to it and unpaid under the terms of Section 6 of any Hedging Agreement, that amount to be certified by the relevant Senior Creditor to the Senior Facility Agent;

"Senior Creditors" means the Finance Parties as defined in the Senior Facilities Agreement (as in effect at the date hereof) and/or any other lender or creditor in respect of any Senior Liabilities;

"Senior Default" means an Event of Default as defined in the Senior Facilities Agreement (as in effect at the date hereof);

"Senior Discharge Date" means the first date upon which the Senior Liabilities have been unconditionally discharged in full and the Senior Creditors have no further obligations under the Senior Finance Documents;

"Senior Facilities Agreement" means the senior facilities agreement made between Acquisitions, the Senior Lenders and others dated 9th June, 2003 and amended by amendment letters dated 11th June 2003, 11th August 2003, amended and waived by an amendment and waiver letter dated 29th March 2004, further amended by a supplemental agreement dated 26th August 2004 and as further amended by the Second Supplemental Agreement and as further amended, restated or supplemented from time to time;

"Senior Finance Documents" means the **"Finance Documents"** as defined in the Senior Facilities Agreement (as in effect at the date hereof);

"Senior Lenders" means the Lenders (as defined in the Senior Facilities Agreement (as in effect at the date hereof)), each Issuing Lender and each Ancillary Lender;

"Senior Liabilities" means the Liabilities owed by the Obligors to the Senior Creditors under or in connection with the Senior Finance Documents;

"Senior Security" means the Security Interests granted or to be granted pursuant to the Senior Finance Documents in favour of the Senior Creditors;

"Senior Security Documents" means the Security Documents (as defined in the Senior Facilities Agreement (as in effect at the date hereof));

"Stop Notice" means any notice issued under Clause 10 of the Intercreditor Deed (*Permitted Payments*) as a result of the occurrence of a Fixed Rate Note Payment Blockage Event or a Second Secured Note Payment Blockage Event;

"Subordinated Creditors" means Holdco and the Fixed Rate Note Issuer (provided that the Fixed Rate Note Issuer in its capacity as Fixed Rate Note Proceeds Lender shall not be a **"Subordinated Creditor"** in respect of the Fixed Rate Note Proceeds Loan Liabilities);

"Subordinated Fixed Rate Note Liabilities" means:

- (a) the Liabilities owed by the Obligors to the Fixed Rate Note Creditors (other than Fixed Rate Note Trustee Amounts) under the Fixed Rate Note Documents; and
- (b) the Fixed Rate Note Proceeds Loan Liabilities.

"Subordinated Liabilities" means:

- (a) the Liabilities owed by the Obligors to the Subordinated Creditors (other than Liabilities under the Fixed Rate Note Proceeds Loan) and the Liabilities owed by the Fixed Rate Note Issuer to Holdco under the Investor Documents; and
- (b) any other money or liabilities due, owing or payable by any Obligor to the Fixed Rate Note Issuer or Holdco whether present or future, actual or contingent (other than Liabilities under the Fixed Rate Note Proceeds Loan);

"Subordinated Second Secured Note Liabilities" means the Liabilities owed by the Obligors (other than Acquisitions) to the Second Secured Creditors (other than in respect of Second Secured Note Trustee Amounts) under the Second Secured Note Documents;

"Subsidiary" has the meaning given to it in the Senior Facilities Agreement (as in effect at the date hereof);

"VAT" means value added tax as provided for in the Value Added Tax Act 1994, any value added tax in any member state of the EU and any other tax of a similar nature.

1 Construction

(a) Unless a contrary indication appears a reference in the Intercreditor Deed to:

- (i) any **"Party"** shall be construed so as to include its successors in title, permitted assignees and permitted transferees and, in the case of the Senior Security Agent, the Second Secured Note Trustee and the Fixed Rate Note Trustee, any person for the time being appointed as trustee or trustees in accordance with this Deed;
- (ii) **"assets"** includes present and future properties, revenues and rights of every description;
- (iii) a **"business day"** means a day on which banks are open for business during normal hours in London;
- (iv) a **"Finance Document"** or any other agreement or instrument is a reference to that Finance Document, or other agreement or instrument, as amended or novated (however fundamentally) as permitted by this Deed;
- (v) **"Indebtedness"** includes any obligation (whether incurred as principal or as surety) for the payment or repayment of money, whether present or future, actual or contingent;
- (vi) a **"person"** includes any person, firm, company, corporation, government, state or agency of a state or any association, trust or partnership (whether or not having separate legal personality) of two or more of the foregoing;
- (vii) a **"regulation"** or **"directive"** includes any rule, official directive, request or guideline (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation;
- (viii) a provision of law is a reference to that provision as amended or re-enacted;

- (ix) a reference to the "**date of this Deed**" and similar phrases means the Second Restatement Date;
 - (x) a reference to any matter "**continuing**" means that the relevant matter has not been remedied or waived; and
 - (xi) words and expressions defined in the Senior Facilities Agreement (in its form on the date of this Deed) and not otherwise defined herein shall have the meaning used in the Senior Facilities Agreement.
- (b) Section, Clause and Schedule headings are for ease of reference only.
- (c) References to the Second Secured Note Trustee acting on behalf of the Second Secured Creditors means the Second Secured Note Trustee, acting on behalf of the applicable Second Secured Creditors or, if applicable, with the consent of the requisite number of Second Secured Creditors required under and in accordance with the applicable Second Secured Note Indenture. The Second Secured Note Trustee will be entitled to seek instruction from the applicable Second Secured Creditors (in accordance with the Second Secured Note Indenture) as to any action to be taken by it under this Deed.
- (d) References to the Fixed Rate Note Trustee acting on behalf of the Fixed Rate Noteholders means the Fixed Rate Note Trustee acting on behalf of the applicable Fixed Rate Noteholders or, if applicable, with the consent of the requisite number of Fixed Rate Noteholders required under and in accordance with the applicable Fixed Rate Note Indenture. The Fixed Rate Note Trustee will be entitled to seek instruction from the applicable Fixed Rate Noteholders (in accordance with the Fixed Rate Note Indenture) as to any action to be taken by it under this Deed.
- (e) The "**actual knowledge**" of the Second Secured Note Trustee and the Fixed Rate Note Trustee shall be construed in accordance with Clause 24.2 of the Intercreditor Deed (*Liability*).

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CERTIFICATE OF THE REGISTRATION OF AN ALTERATION TO A FLOATING CHARGE

Company number 43286

I hereby certify that particulars of an instrument of alteration dated
28 APRIL 2005

were delivered pursuant to section 410 of the Companies Act, 1985,
on 16 MAY 2005.

The instrument relates to a charge created on 26 AUGUST 2004

by WRG (MIDLANDS) LIMITED

in favour of BARCLAYS BANK PLC AS SECURITY AGENT

for securing ALL SUMS DUE, OR TO BECOME DUE

Given at Companies House, Edinburgh
18 MAY 2005



C O M P A N I E S H O U S E



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES