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COMPANIES FORM No. 466(Scot)

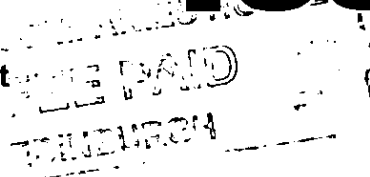
466

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

CHFP025

Please do not write in this margin

A fee of £13 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

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

* insert full name of Company

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

For official use

Company number

117

SC143746

Name of company

* Scottish Resources Group Limited (the "Company")

Date of creation of the charge (note 1)

25 March 2010

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

Floating Charge (the "Charge")

Names of the persons entitled to charge

Bank of Scotland plc (SC327000) having its registered office at The Mound, Edinburgh EH1 1YZ ("BoS") as Security Trustee

Short particulars of all the property charged

the whole of the property (including uncalled capital) which is or may from time to time, while the Charge is in force, be comprised in the property and undertaking of the Company

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

MICHAEL DUFFY

MCGRIGORS LLP

0131 777 7028

MJD/KRM/LL0283.21

DX ED 723301 EDINBURGH 43

For official use (06/2005)

Charges Section

Post room

TUESDAY



SCT

S7ET5IXQ

06/04/2010

160

COMPANIES HOUSE

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

Please do not
write in
this margin

(1) BoS as Original Lender, Arranger, Agent, Issuing Bank, Hedge Counterparty, Working Capital Bank and Security Trustee;

(2) The Company

(3) The Subsidiaries; and

(Please see paper apart part 1 for further persons who have executed)

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

Date(s) of execution of the instrument of alteration

24 and 25 March 2010

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

Until the Discharge Date, no Obligor shall (and the Company shall ensure that no other Obligor will), except with the prior written consent of the Security Trustee which consent shall not be unreasonably withheld or delayed create or permit to subsist any Security Interest (other than the Permitted Security Interests) over any of its assets in respect of any of the Secretary of State Debt.

See paper apart part 2 for Definitions

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

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

1 **Security**

1.1 Notwithstanding the respective date or dates of creation or registration of any Security Documents or any instrument of alteration in relation to any Security Document or any provision contained in any Security Document or any such instrument of alteration, the Parties acknowledge that the Security Interests constituted or to be constituted by the Security Documents shall rank in the following order of priority:

- (a) first, the Senior Security Documents to the extent of £110,000,000 plus interest, costs and expenses; then
- (b) second, the Secretary of State Security Documents to the extent of £4,592,500 plus interest, costs and expenses; then
- (c) third, the Senior Security Documents in respect of all further sums secured thereby; then
- (d) fourth, the Secretary of State Security Documents in respect of all further sums secured thereby.

1.2 The ranking in Clause 1.1 above applies regardless of:

- (a) when any Debt is incurred;
- (b) whether or when any Secured Party is obliged to advance any Debt; or
- (c) any fluctuation in the outstanding amount of, or any intermediate discharge of any Debt.

See paper apart part 2 for definitions

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

Please do not
write in
this margin

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

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

Signed *[Signature]* Date 6/4/2010
On behalf of XXXXXX [chargee] †

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. A fee of £13 is payable to Companies House in respect of each register entry for a mortgage or charge. Cheques and Postal Orders are to be made payable to **Companies House**.
6. The address of the Registrar of Companies is: Companies House, 139 Fountainbridge, Edinburgh, EH3 9FF DX 235 Edinburgh or LP - 4 Edinburgh 2

† delete as
appropriate

Paper Apart Part 1 to Form 466
Scottish Resources Group Limited (SC143746)
Paper Apart in relation to the Charge granted in favour of BoS as Security Trustee

Names and addresses of the persons who have executed the instrument of alteration continued:

4) EH;

5) Zurich; and

6) the Secretary of State.

(See paper apart part 2 for definitions)

Paper Apart Part 2 to Form 466
Scottish Resources Group Limited (SC143746)
Paper Apart in relation to the Charge granted in favour of BoS as Security Trustee

"Accession Letter" means a document substantially in the form set out in part 9 of the schedule to the Bank Facility Agreement;

"Acquisition Agreement" means the agreement entered into on 23 December 1994 between the Secretary of State and the Company relating to *inter alia* the sale and purchase of the issued share capital of The Scottish Coal Company Limited;

"Agreement" means the intercreditor and security trust agreement dated 24 and 25 March 2010 entered into among *inter alios* the Company and the Security Trustee;

"Agent" means BoS as agent of the other Finance Parties;

"Arranger" means BoS as arranger under the Bank Facility Agreement;

"Bank Debt" means all present and future monies, debts and liabilities due, owing or incurred by any Obligor to any of the Finance Parties under or in connection with any Bank Document (in each case whether alone or jointly, with any other person, whether actually or contingently, and whether as principal, surety or otherwise);

"Bank Documents" means the Bank Facility Agreement, the Working Capital Facility Letter, the Hedging Agreements, each Security Document, the Agreement and any Fee Letter, any Accession Letter, any Resignation Letter and any other document designated as such by both the Agent and the Company.

"Bank Facility Agreement" means the facility agreement entered into among the Company and certain of its subsidiaries and the Finance Parties (other than the Security Trustee) dated 25 March 2010;

"Bank Security Documents" means (a) any or all floating charges granted by an Obligor in favour of the Security Trustee in respect of its property and assets, (b) the Agreement, and (c) any guarantee, surety or indemnity and any document creating a Security Interest executed and delivered after the date of the Bank Facility Agreement as security for any of the obligations and liabilities of the Obligors to any of the Finance Parties under any Senior Finance Document;

"Bond Debt" means any EH Debt and any Zurich Debt;

"Bond Providers" means each of EH and Zurich and "Bond Provider" means either of them;

"Borrower" means an Original Borrower or an Additional Borrower unless it has ceased to be a Borrower in accordance with Clause 25 of the Bank Facility Agreement.

"Company Secretary of State 1994 Floating Charge" means the floating charge by the Company in favour of the Secretary of State dated 30 December 1994;

"Company Secretary of State 1998 Floating Charge" means the floating charge by the Company in favour of the Secretary of State dated 10 May 1998;

"Debt" means any Senior Debt or Secretary of State Debt;

"Deferral Agreement" means the agreement dated 1 and 2 April 1998 between the Secretary of State, the Company (under its previous name Mining (Scotland) Limited) and The Scottish Coal Company Limited to defer the Deferred Consideration as amended by the Deferral Agreement Amending Agreement.

"Deferral Agreement Amending Agreement" means the agreement dated 24 and 27 May 1999 between the Secretary of State, the Company (under its previous name Mining (Scotland) Limited) and The Scottish Coal Company Limited to amend the Deferral Agreement.

"Deferred Consideration" means the deferred consideration payable by the Company to the Secretary of State pursuant to Clause 8.4 of the Acquisition Agreement;

"Discharge Date" means the date on which the Security Trustee is satisfied that all Bank Debt and Bond Debt has been fully and irrevocably paid or discharged or fully cash covered and all commitments of the Senior Creditors in respect of the Senior Debt has expired or been cancelled;

"EH" means Euler Hermes Guarantee Plc a company incorporated in England (Registered number 00956231) whose registered office is at Surety House, Lyons Crescent, Tonbridge, Kent TN11 1EN;

"EH Debt" means all present and future monies, debts and liabilities due, owing or incurred by any Obligors to EH under or in connection with any EH Document (in each case whether alone or jointly, with any other person, whether actually or contingently, and whether as principal, surety or otherwise);

"EH Documents" means the counter-indemnity dated on or about 25 March 2010 between EH, the Company and the Obligors;

"Facility" means the revolving loan facility made available under the Bank Facility Agreement as described in Clause 2 of the Bank Facility Agreement;

"Fee Letter" means any letter or letters dated on or about 25 March 2010 between the Arranger and the Company or the Agent and the Company setting out any of the fees referred to in Clause 11 of the Bank Facility Agreement.

"Finance Documents" means:

- a) the Senior Finance Documents;
- b) the Secretary of State Documents; and
- c) the Security Documents,

and "Finance Documents" means any one of them;

"Finance Parties"" means the Agent, the Arranger, the Security Trustee, the Hedge Counterparty, the Working Capital Lender or a Lender.

"Hedging Agreements" means any agreements entered into or to be entered into by the Borrowers for the purpose of managing or hedging currency and/or interest rate liabilities in relation to all or any part of the Facility in a form previously approved by the Agent;

"Hedge Counterparty" means BoS as hedge counterparty;

"Issuing Bank" means BoS as issuing bank;

"Lender" means

- (a) the Original Lender; and
- (b) any bank, building society, financial institution, trust, fund or other entity which has become a party in accordance with Clause 24 of the Bank Facility Agreement,

which in each case has not ceased to be a Party in accordance with the terms of the Bank Facility Agreement.

"Obligors" means the Company and the Subsidiaries;

"Original Borrower" means the Company, SRG Estates Limited (Registered Number SC238811), The Scottish Coal Company Limited (Registered Number SC154655), Castlebridge Plant Limited (Registered Number SC214849) and SRGH Limited (Registered Number SC375074) all incorporated in Scotland and having their registered office at Castlebridge Business Park, Gartlove, Alloa FK10 3PZ.

"Original Lender" means BoS as original lender under the Bank Facility Agreement;

"Party" means a party to the Agreement and includes its successors in title, permitted assignees and permitted transferees and "Parties" means any of them;

"Permitted Security Interest" means

- (a) each Security Interest to which the Agent has given its prior written approval in accordance with the terms of the Bank Facility Agreement;
- (b) each Security Interest which is the subject of the Agreement; and
- (c) any Security Interest the value of which is less than £100,000;

"Resignation Letter" means a document substantially in the form set out in part 10 of the schedule to the Bank Facility Agreement;

"SCC Secretary of State Guarantee" means the guarantee by The Scottish Coal Company Limited in favour of the Secretary of State dated 30 December 1994;

"SCC Secretary of State Guarantee and Indemnity" means the guarantee and indemnity by The Scottish Coal Company Limited in favour of the Secretary of State dated 10 May 1998;

"SCC Secretary of State Undertaking" means the undertaking by The Scottish Coal Company Limited in favour of the Secretary of State dated 29 December 1994;

"SCC Secretary of State 1994 Floating Charge" means the floating charge by The Scottish Coal Company Limited in favour of the Secretary of State dated 30 December 1994;

"SCC Secretary of State 1998 Floating Charge" means the floating charge by The Scottish Coal Company Limited in favour of the Secretary of State dated 10 May 1998;

"Secretary of State" means the Secretary of State for Energy and Climate Change (as successor in title to the Secretary of State for Business, Enterprise and Regulatory Reform as successor in title to the Secretary of State for Trade and Industry) of 3 Whitehall Place, London, SW1A 2HD;

"Secretary of State Debt" means all present and future monies, debts and liabilities due, owing or incurred by any Obligors to the Secretary of State under or in connection with any Secretary of State Document or Secretary of State Security Document (in each case whether alone or jointly, with any other person, whether actually or contingently, and whether as principal, surety or otherwise) and together in each case with interest, costs, charges and expenses incurred in connection therewith;

"Secretary of State Documents" means the Acquisition Agreement, the SCC Secretary of State Undertaking, the SCC Secretary of State Guarantee, the Deferral Agreement, the Deferral Agreement Amending Agreement, the SCC Secretary of State Guarantee and Indemnity, the Agreement and each agreement or document which is supplemental to or amends the foregoing;

"Secretary of State Security Documents" means the Company Secretary of State 1994 Floating Charge, the SCC Secretary of State 1994 Floating Charge, the Company Secretary of State 1998 Floating Charge and the SCC Secretary of State 1998 Floating Charge and any Security Document created in favour of the Secretary of State in respect of any of the Secretary of State Debt;

"Secured Parties" means the Security Trustee, each of the Senior Creditors and the Secretary of State and "Secured Party" means any of them;

"Security Documents" means:

- (a) the Senior Security Documents and the Secretary of State Security Documents; and
- (b) any guarantee, surety or indemnity and any document creating a Security Interest executed and delivered after the date of the Agreement as security for any of the obligations and liabilities of any Obligor to any of the Secured Parties under any Finance Document;

"Security Interest" means a floating charge, standard security, assignment, debenture, mortgage, charge, pledge, lien, retention of title arrangement, hypothecation, encumbrance or

other security interest of any kind securing any obligation of any person or any other agreement or arrangement having a similar effect;

"Security Trustee" means BoS as security trustee for the Senior Creditors pursuant to the Agreement;

"Senior Creditors" means each of the Finance Parties and the Bond Providers;

"Senior Debt" means any Bank Debt and any Bond Debt;

"Senior Finance Documents" means the Bank Documents, the EH Documents and the Zurich Documents;

"Senior Creditors" means each of the Finance Parties and the Bond Providers;

"Senior Security Documents" means the Bank Security Documents and any Security Document created in favour of the Security Trustee in respect of any of the Senior Debt;

"Subsidiaries" means SRG Estates Limited (Registered Number SC238811), The Scottish Coal Company Limited (Registered Number SC154655), Castlebridge Plant Limited (Registered Number SC214849), SRGH Limited (Registered Number SC375074), Game Fisheries Limited (Registered Number SC047223), Alba Resource Recovery Limited (Registered Number SC221042), Mining (Scotland) Limited (Registered Number SC275086) and SRG Minerals Limited (Registered Number SC302598) all incorporated in Scotland and having their registered office at Castlebridge Business Park, Gartlove, Alloa FK10 3PZ;

"Working Capital Lender" means BoS;

"Working Capital Facility Letter" means the bonding and ancillary facilities letter and the working capital facility letter each dated on or around 25 March 2010 between the Working Capital Lender and the Company.

"Zurich" means Zurich Insurance Public Limited Company incorporated in Ireland (Registered Number 13460) whose registered office is at Zurich House, Ballsbridge Park, Dublin 4, Republic of Ireland trading as Zurich Global Corporate UK, Surety;

"Zurich Debt" means all present and future monies, debts and liabilities due, owing or incurred by any Obligors to Zurich under or in connection with any Zurich Document (in each case whether alone or jointly, with any other person, whether actually or contingently, and whether as principal, surety or otherwise);

"Zurich Documents" means the uncommitted revolving bond facility dated on or about 25 March 2010 between Zurich, the Company and the Obligors; and the counter-indemnity dated on or about 25 March 2010 between Zurich, the Company and the Obligors each as amended, extended replaced or substituted from time to time.



FILE COPY

**CERTIFICATE OF THE REGISTRATION
OF AN ALTERATION TO A FLOATING CHARGE**

COMPANY NO. 143746
CHARGE NO. 7

I HEREBY CERTIFY THAT PARTICULARS OF AN INSTRUMENT
OF ALTERATION DATED 25 MARCH 2010

WERE DELIVERED PURSUANT TO SECTION 878 OF THE
COMPANIES ACT 2006
ON 6 APRIL 2010

THE INSTRUMENT RELATES TO A CHARGE CREATED ON 25
MARCH 2010

BY SCOTTISH RESOURCES GROUP LIMITED

IN FAVOUR OF
BANK OF SCOTLAND PLC

FOR SECURING ALL SUMS DUE OR TO BECOME DUE

GIVEN AT COMPANIES HOUSE, EDINBURGH 7 APRIL 2010



Companies House
— for the record —



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES