

COMPANIES FORM No. 395  
**Particulars of a mortgage or charge**

**395**

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Pursuant to section 395 of the Companies Act 1985  
(Address overleaf - Note 5)

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

\* insert full name  
of company

To the Registrar of Companies

For official use

Company number



3578923

Name of company

\*Tyseley Finance PLC (the "Company")

Date of creation of the charge

30th July, 1998

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

A debenture (the "Debenture") between the Company and The Law Debenture Trust Corporation p.l.c. (the "Security Trustee") acting as security trustee for and on behalf of

Amount secured by mortgage or charge

The "Secured Amounts" being all moneys and liabilities whatsoever which the Company has covenanted to pay and discharge on demand without deduction, set-off or counterclaim and which are now or hereafter due, owing or incurred, in any currency, by the Company to the Security Trustee, the Bond Trustee, FSA and the Bondholders (together the "Beneficiaries") or any of them, actually or contingently, solely or jointly and/or severally with another or others, as principal or surety, on any account, under the Finance Documents or the Debenture when the same become due for payment including any liability in respect of any further advances made thereunder in each case in the manner provided in the relevant document and, without double counting, all banking, legal and other costs, charges and expenses whatsoever (on a full indemnity basis) in each case in the manner provided in the relevant Finance

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

THE LAW DEBENTURE TRUST CORPORATION p.l.c.

Princes House, 95 Gresham Street

London

Postcode

EC2V 7LY

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

Watson, Farley & Williams  
15 Appold Street  
London EC2A 2HB

MAK/SM/5300.16001/16130878

Time critical reference

For official Use  
Mortgage Section

Post room



Short particulars of all the property mortgaged or charged

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1. The Company, with full title guarantee, has charged, assigned and mortgaged to the Security Trustee as a separate and independent charge and mortgage each of:

(A) by way of first fixed charge:

(i) all present and future goodwill of the Company and uncalled capital for the time being of the Company;

(ii) all rights in intellectual property for the time being owned or held by the Company including all fees, royalties and other rights derived therefrom or incidental thereto;

(iii) as a separate and independent charge each of all rights and claims to which the Company is now or may hereafter become entitled in relation to all moneys or amounts now or at any time hereafter standing to the credit of each of the following accounts:

Particulars as to commission allowance or discount (note 3)

NONE

Signed Watson, Harley & Williams

Date 19<sup>th</sup> August 1998

On behalf of [company] [~~mortgage/charge~~]

delete as  
appropriate

Notes

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

4 If any of the spaces in this form provide insufficient space the particulars must be entered on the prescribed continuation sheet.

5 The address of the Registrar of Companies is:-

Companies House, Crown Way, Cardiff CF4 3UZ, DX: 33050 Cardiff

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COMPANIES FORM No. 395 (Cont.) AND FORM No. 410 (Scot)(Cont.)  
**Particulars of a mortgage or charge  
(continued)**

Continuation sheet No 1  
to Form No 395 and 410 (Scot)

Company number  
3578923

Please complete  
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bold block lettering

\* delete if  
inappropriate

**Name of company**

Tyseley Finance PLC (the "Company")	<del>limited</del> *
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Description of the instrument relating or evidencing the mortgage or charge (continued) (note 2)

<p>itself, L.D.C. Trustees Limited (the "Bond Trustee", acting as bond trustee for the holders (the "Bondholders") from time to time of the £88,000,000 6.675 per cent. fixed rate guaranteed secured bonds due 1999-2018 issued by the Company (the "Bonds")), Financial Security Assurance (U.K.) Limited ("FSA") and the Bondholders.</p>
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Amount due or owing on the mortgage or charge (continued)

Document or in the Debenture (including for the avoidance of doubt the remuneration of any person or persons appointed (and any additional person or persons appointed or substituted) as administrative receiver, receiver, manager or receiver and manager or similar insolvency officer appointed by the Security Trustee under the Debenture or otherwise (the "Receiver")) and also interest on all of the foregoing to the date of payment in accordance with the Finance Document relating to any such Beneficiary, and all claims, demands and damages for breach of any such covenant (together with the remuneration of the Receiver fixed by the Security Trustee, subject to section 36 of the Insolvency Act 1986, (which may be or include a commission calculated by reference to the gross amount of all moneys received or otherwise and which may include remuneration in connection with claims, actions or proceedings made or brought against the Receiver by the Company or any other person or the performance or discharge of any obligation imposed upon him by statute or otherwise), which remuneration shall be payable by the Company alone and which may be debited by the Security Trustee to any account of the Company, but shall, in any event form part of the Secured Amounts and accordingly be secured on the property, assets, undertaking and rights for the time being comprised in or subject to the security constituted by or contained in the Debenture under the charges contained in the Debenture.

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Account Name	Account Number
Issuer Expense Account	00473898
Issuer Debt Service Account	00354783
Debt Service Reserve Account	90809985

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all held at the branch of Barclays Bank PLC at P.O. Box 54, 54 Lombard Street, London EC3V 9EX (the "Account Bank"), any replacement or additional account (whether held at the Account Bank or otherwise) and any other bank account opened by the Company from time to time (together the "Charged Accounts"); all Authorised Investments held by the Account Bank on behalf of or to the order of the Company; and all rights relating or attaching thereto (including the right to interest);

(iv) all book debts and other debts (including rents) and all moneys and liabilities whatsoever for the time being due, owing or payable to the Company (including the benefit of any judgment or order to pay a sum of money) and the benefit of any related encumbrances and securities for the time being held by the Company in respect of any such debts or moneys and all cash deposits in any account of the Company with any person and all bills of exchange, promissory notes and negotiable instruments of any description at any time owned or held by the Company except, in each case to the extent that the same is otherwise subject to a fixed charge under the Debenture;

(v) all the right, title and interest of the Company to, and in any proceeds of, any present or future insurances together with all moneys, benefits and advantages that may become payable or accrue thereunder and the full benefit of such policies and all the right, title and interest whatsoever of the Company therein together with power to claim and to give an effective discharge for any of the moneys assured or otherwise payable under such policies; and

(vi) all shares, stocks, options, debentures, bonds, warrants, certificates and other securities including any Authorised Investment (together the "Investments") and rights and options to acquire Investments for the time being owned by the Company and all rights in respect of or incidental thereto including all dividends, interest and other distributions and all accretions, benefits and advantages;

(B) by way of assignment absolutely (but subject to redemption on payment in full of the Secured Amounts) and as a separate and independent assignment in each case:

(i) each and all rights and claims to which the Company is now or may hereafter become entitled in respect of each of a performance guarantee dated 30th July, 1998 and made between the Company, Vivendi and FSA (the "Performance Guarantee"), an on-loan agreement dated 30th July, 1998 made between the Company and Tyseley Waste Disposal Limited ("TWDL") (the "On-Loan Agreement") and a collateral deed dated 30th July, 1998 made between the Company, TWDL, Vivendi, the Security Trustee, the Bond Trustee and FSA (the "Collateral Deed") and any guarantee, indemnity or other assurance against financial loss in respect of any of those agreements; and

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**COMPANIES FORM No. 395 (Cont.) AND FORM No. 410 (Scot)(Cont.)  
Particulars of a mortgage or charge  
(continued)**

Continuation sheet No 2  
to Form No 395 and 410 (Scot)

Company number  
3578923

**Please complete  
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bold block lettering**

**Name of company**

Tyseley Finance PLC (the "Company")

~~limited~~

\* delete if  
inappropriate

Description of the instrument relating or evidencing the mortgage or charge (continued) (note 2)

Amount due or owing on the mortgage or charge (continued)

Please do not  
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Names, addresses and descriptions of the mortgagees or persons entitled to the charge

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(ii) each and all rights and claims to which the Company is now or may hereafter become entitled against TWDL or Vivendi in respect of the Collateral Deed;

(C) by way of first floating charge, the undertaking of the Company and all its property, assets and rights, whatsoever and wheresoever, both present and future (including all stock in trade and including all freehold and leasehold property) and whether or not expressed to be mortgaged, charged or assigned to the Security Trustee under (A) and (B) above if and to the extent such property, assets and rights are not or have ceased to be effectively mortgaged, assigned or charged by way of first fixed charge or effectively assigned absolutely (subject to redemption on payment in full of the Secured Amounts);

but in each case so that the covenants implied by the Law of Property (Miscellaneous Provisions) Act 1994 (the "LP (MP) Act") in the mortgages and charges contained in or created pursuant to the Debenture are construed with the omission of: (i) the words "other than any charges, encumbrances or rights which that person does not and could not reasonably be expected to know about" in section 3(1)(b) of the LP (MP) Act; and (ii) section 6(2) of the LP (MP) Act.

2. In addition, the Company in the Debenture and in the Collateral Deed covenants, inter alia, with the Security Trustee as follows:

(A) not to create, incur or suffer to exist, or agree to create, incur or suffer to exist, or consent to cause or permit in the future (upon the happening of a contingency or otherwise) the creation, incurrence or existence of, any encumbrance on any of its present or future property, assets or revenues whether ranking prior to, pari passu with or behind the security contained in the Security Documents or sell or otherwise dispose of any of its assets except for Permitted Encumbrances; and

(B) not to, voluntarily or involuntarily, sell, lease, transfer or otherwise dispose or cease to exercise direct control of, by one or more transactions or series of transactions (whether related or not) (or agree or attempt to do any of the foregoing) the whole or any part of its revenues, undertaking, rights or assets other than pursuant to the Finance Documents and save for any encumbrance arising under the Security Documents.

3. All monies arising from the exercise of the powers of the Receiver or the Security Trustee (subject to any claims ranking in priority to the Secured Amounts) shall be applied in or towards discharging the Secured Amounts as follows:

(A) Any Recovery relating to non-performance by the Authority falling within paragraphs (a)(i), (a)(ii) or (b) of the definition of Authority Event which occurred prior to the exercise of any remedy pursuant to clause 8.3(a) of the Collateral Deed (Remedies upon occurrence of event of default) shall be applied by the Security Trustee to the relevant parties in the order of priority set out in paragraph 13 of Schedule 3 to the Collateral Deed.

(B) All moneys (other than as referred to in paragraph 3.(A) above) received or recovered by the Security Trustee or FSA after an Enforcement Event occurs pursuant to the Security Documents or otherwise in respect of the Finance Documents shall be held by it, to be applied, subject to the rights of the Security Trustee, the Company and FSA to place on suspense accounts amounts recovered by the Security Trustee under the Security

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**COMPANIES FORM No. 395 (Cont.) AND FORM No. 410 (Scot)(Cont.)  
Particulars of a mortgage or charge  
(continued)**

Continuation sheet No 3  
to Form No 395 and 410 (Scot)

Company number  
3578923

**Please complete  
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**Name of company**

Tyseley Finance PLC (the "Company")

~~limited~~ \*

\* delete if  
inappropriate

Description of the instrument relating or evidencing the mortgage or charge (continued) (note 2)

Amount due or owing on the mortgage or charge (continued)

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

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Trust Deed, the TWDL Guarantee and Debenture, the Debenture and the Share Mortgage and by the Company and FSA under the Performance Guarantee and subject to FSA's right to retain amounts payable or paid to it pursuant to clause 10 of the Performance Guarantee (Withholding Tax Indemnity and Cost Indemnity) or paid to the Security Trustee under the Letter of Credit in respect of amounts payable under that clause 10, as follows:

(a) first, pro rata to expenses incurred in connection with enforcement of the security or the exercise of step-in rights, any remuneration payable to any Receiver and any costs, charges, liabilities and expenses then incurred by any such Receiver together with interest (as provided in the Security Trust Deed) and payment of the fees, costs and expenses owing to the Security Trustee and the Bond Trustee under the terms of any Finance Document to which they are a party;

(b) second, payments due and payable to FSA under the Premium Letter (as defined below) and various fees, costs and expenses incurred by FSA under the Insurance and Indemnity Agreement together with interest, VAT and any other tax payable in respect of such amounts;

(c) third, all costs and expense of operation of the Project and TWDL's Business, including, without limitation, capital expenditure and taxes in such amounts as is from time to time approved by the Controlling Creditor;

(d) fourth, pro rata as between Bondholders and in the following order of priority in respect of the Bonds:

(i) first, all amounts of interest (including any additional amounts payable under Conditions 4 and 7 of the Terms and Conditions) due and payable; and

(ii) secondly, all amounts of principal due and payable;

(subject to certain exceptions specified in the Bond Trust Deed);

(e) fifth, payments to such Charged Account as the Controlling Creditor shall specify, or for the purchase of investments to defease the Company's future obligations under the Bonds and the other Finance Documents, such amount as the Controlling Creditor sees fit in respect of future amounts of principal and interest payable under the Bonds and any additional amounts payable under Conditions 4 and 7 of the Terms and Conditions, and payment of fees, costs and expenses owing to the Security Trustee and the Bond Trustee under the Finance Documents;

(f) sixth, payments due and payable to FSA under the Insurance and Indemnity Agreement which have not been paid under (b) above (including payments by FSA under the FSA Policy in respect of scheduled principal and interest) and any other Finance Documents;

(g) seventh, payment of any other amounts due and payable under the Bonds; and

(h) eighth, after all obligations of the Company, TWDL and Vivendi have been irrevocably discharged, any excess to TWDL/the Company or other creditors of

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COMPANIES FORM No. 395 (Cont.) AND FORM No. 410 (Scot)(Cont.)  
**Particulars of a mortgage or charge  
(continued)**

Continuation sheet No 4  
to Form No 395 and 410 (Scot)

Company number  
3578923

Please complete  
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\* delete if  
inappropriate

Name of company Tyseley Finance PLC (the "Company") <div>limited</div>
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Description of the instrument relating or evidencing the mortgage or charge (continued) (note 2)

Amount due or owing on the mortgage or charge (continued)

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

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TWDL/the Company entitled thereto.

## Definitions

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**"Accounts"** means each of the TWDL Accounts and the Issuer Accounts;

**"Authorised Investment"** means any of the following investments which has a scheduled maturity no later than the day preceding the day on which the next withdrawal from the relevant Account could take place (assuming no acceleration or prepayment of the Bonds or the On-Loan):

(a) gilt-edged securities and other freely transferable and marketable debt securities issued by the Government of the United Kingdom, denominated in sterling and which constitute direct, primary and unsubordinated obligations;

(b) certificates of deposit of any bank (which is an authorised institution under the Banking Act 1987) or bonds or notes of or guaranteed by any company or corporation, supranational entity or sovereign, the unsecured, unguaranteed and unsubordinated medium term obligations of which have a medium term senior debt rating of AA - or better issued by Standard & Poor's Ratings Services, a division of The McGraw-Hill Companies, Inc., ("S&P") or Aa3 or better issued by Moody's Investors Service, Inc. ("Moody's") and the unsecured, unguaranteed and unsubordinated short term obligations which have a short term debt rating of A-1 or better issued by S&P and P-1 or better issued by Moody's in each case denominated in sterling, constituting direct, primary and unsubordinated obligations;

(c) commercial paper, denominated in sterling, constituting direct, primary and unsubordinated obligations and having an outstanding maturity of less than 90 days from the date of purchase by or on behalf of the relevant account holder, which has a short term senior debt rating of A-1 or better issued by S&P and P-1 or better issued by Moody's; and

(d) call, notice and fixed term deposits with banks and UK building societies which have a short term debt rating of A-1 or better issued by S&P and P-1 or better issued by Moody's;

**"Authority"** means Birmingham City Council;

**"Authority Event"** means, with respect to a Scheduled Payment Date, the receipt into the Current Account during the Collection Period immediately preceding such Scheduled Payment Date of:

(a) less management fees or certain other fees specified in the Waste Disposal Agreement than would otherwise have been received into the Current Account during such period as a result of:

(i) a breach by the Authority of its payment obligations (in part or in full) under the Waste Disposal Agreement (being a breach which is notified by TWDL to the Controlling Creditor within 12 months of the occurrence of such a breach) except where the Authority

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**COMPANIES FORM No. 395 (Cont.) AND FORM No. 410 (Scot)(Cont.)**  
**Particulars of a mortgage or charge**  
**(continued)**

Continuation sheet No 5  
to Form No 395 and 410 (Scot)

Company number  
3578923

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bold block lettering**

\* delete if  
inappropriate

**Name of company**

Tyseley Finance PLC (the "Company")

~~limited~~

Description of the instrument relating or evidencing the mortgage or charge (continued) (note 2)

Amount due or owing on the mortgage or charge (continued)

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in black type, or  
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lettering

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

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fails to make any such payment because of: (A) a failure by TWDL to perform and observe any of its obligations, undertakings and commitments under the Waste Disposal Agreement or any of the Leases or any other contract or agreement between TWDL and the Authority and where such failure would entitle the Authority under the Waste Disposal Agreement or any of the Leases or any other such contract or agreement not to make any such payment in full; (B) the occurrence of certain specified force majeure events which causes the Authority to be unable to supply waste or TWDL to be unable to accept waste; or (C) any court, governmental authority or agency or arbitrator having jurisdiction making a finding or ruling that such obligation is void or voidable; or

(ii) a breach by the Authority of any of its obligations (in part or in full) to deliver the specified guaranteed minimum level of waste pursuant to the Waste Disposal Agreement (being a breach which is notified by TWDL to the Controlling Creditor within 12 months of the occurrence of such a breach) except where the Authority fails to make any such delivery (in part or in full) because of: (A) a failure by TWDL to perform and observe any of its obligations, undertakings and commitments under the Waste Disposal Agreement or any of the Leases or any other contract or agreement between TWDL and the Authority and where such failure would entitle the Authority under the Waste Disposal Agreement or any of the Leases or any other such contract or agreement not to make any such delivery in full; (B) the occurrence of certain specified force majeure events which causes the Authority to be unable to supply waste or TWDL to be unable to accept waste; or (C) any court, governmental authority or agency or arbitrator having jurisdiction making a finding or ruling that such obligation is void or voidable; or

(iii) TWDL being relieved of its obligation to accept, or the Authority being relieved of its obligation to supply, waste pursuant to, and as defined in, the Waste Disposal Agreement where the relief of TWDL's or, as the case may be, the Authority's obligation is solely attributable to war declared by HM Government in the United Kingdom; or

(b) less Quantified Damages than are payable by the Authority during such Collection Period;

**"Bond Trust Deed"** means the bond trust deed dated 30th July, 1998 between the Company, FSA and the Bond Trustee pursuant to which the Bonds are constituted;

**"Collection Period"** means: (a) the period commencing on the date on which the Bonds were issued by the Company and expiring on the first On-Loan Payment Date; and (b) thereafter, each period commencing on the first day after an On-Loan Payment Date and expiring on the immediately following On-Loan Payment Date;

**"Controlling Creditor"** means FSA or, if one of the specified events of default in relation to FSA has occurred and is continuing, the Bond Trustee;

**"Current Account"** means the account opened and maintained by TWDL with the Account Bank and designated as the Current Account, as such account may be replaced, re-numbered or re-designated from time to time;

**"Direct Agreement"** means the direct agreement dated 30th July, 1998 between the Authority, the Security Trustee, the Bond Trustee, FSA and TWDL;

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**COMPANIES FORM No. 395 (Cont.) AND FORM No. 410 (Scot)(Cont.)  
Particulars of a mortgage or charge  
(continued)**

Continuation sheet No 6  
to Form No 395 and 410 (Scot)

Company number  
3578923

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Name of company

Tyseley Finance PLC (the "Company")

~~limited~~

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inappropriate

Description of the instrument relating or evidencing the mortgage or charge (continued) (note 2)

Amount due or owing on the mortgage or charge (continued)

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**Names, addresses and descriptions of the mortgagees or persons entitled to the charge**

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**"Enforcement Event"** means the occurrence of certain specified events of default which are not remedied or waived (subject to certain exceptions);

**"Finance Documents"** means each of the following documents:

- (a) the Bonds;
- (b) the Bond Trust Deed;
- (c) the Subscription Agreement;
- (d) the paying agency agreement dated 30th July, 1998 between the Company, the Bond Trustee, Banque Paribas Luxembourg, S.A. and Citibank N.A. Global Agency and Trust Services;
- (e) the Offering Documents;
- (f) the FSA Policy;
- (g) the Insurance and Indemnity Agreement;
- (h) the indemnification agreement dated 22nd July, 1998 between FSA, the Company and the Managers pursuant to which, inter alia, FSA has made certain representations and warranties in respect of the FSA Policy;
- (i) the Premium Letter;
- (j) the On-Loan Agreement;
- (k) the Collateral Deed;
- (l) the Security Trust Deed;
- (m) the Performance Guarantee;
- (n) except in clauses 11 (Indemnities) to 17 (Law and Jurisdiction) (inclusive) of the Collateral Deed, the Letter of Credit;
- (o) the Security Documents;
- (p) the Direct Agreement; and
- (q) the indemnity agreement dated 22nd July, 1998 between Vivendi and the Managers, and any other document or agreement entered into pursuant to, or contemplated in, any of the foregoing or designated by the parties to the Collateral Deed, with the consent of the Controlling Creditor, as a Finance Document;

**"FSA Policy"** means the financial guarantee insurance policy issued by FSA on 30th July, 1998 in favour of the Bond Trustee guaranteeing scheduled payments of principal and

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**COMPANIES FORM No. 395 (Cont.) AND FORM No. 410 (Scot)(Cont.)  
Particulars of a mortgage or charge  
(continued)**

Continuation sheet No 7  
to Form No 395 and 410 (Scot)

Company number  
3578923

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**Name of company**

Tyseley Finance PLC (the "Company")

~~limited~~ \*

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Description of the instrument relating or evidencing the mortgage or charge (continued) (note 2)

Amount due or owing on the mortgage or charge (continued)

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interest under the Bonds and certain additional amounts in respect of United Kingdom withholding tax on the terms and conditions set out in such policy;

**"Insurance and Indemnity Agreement"** means the insurance and indemnity agreement dated 30th July, 1998 between TWDL, the Company and FSA pursuant to which FSA agreed to issue the FSA Policy subject to satisfaction of the conditions precedent set out therein and TWDL and the Company agreed to indemnify FSA in respect of, inter alia, certain amounts paid by FSA under the FSA Policy;

**"Issuer Accounts"** means each of the accounts opened and maintained by the Company with the Account Bank and designated as the Issuer Debt Service Account, the Debt Service Reserve Account and the Issuer Expense Account, as each such account may be replaced, renumbered or re-designated from time to time, and any additional accounts required by the Controlling Creditor to be opened by the Company upon the occurrence of certain specified trigger events, in each case charged to the Security Trustee pursuant to the Debenture;

**"Issuer Shortfall"** means the difference between the aggregate amount payable under the Bonds in respect of principal and interest and certain additional amounts payable under the Bonds on a Scheduled Payment Date and the amount standing to the credit of the account designated as the Issuer Debt Service Account;

**"Leases"** means the leases between the Authority and TWDL as set out in the Schedule to the Direct Agreement and any other leases or licences entered into between the Authority and TWDL and which are required by TWDL to perform its obligations under the Waste Disposal Agreement;

**"Letter of Credit"** means the letter of credit dated 30th July, 1998 issued by Credit Commercial de France or any letter of credit that replaces that letter of credit in accordance with clause 4.4.8 (Letter of Credit) of the Collateral Deed;

**"Managers"** means Paribas, Barclays Bank PLC, Merrill Lynch International and Morgan Stanley & Co. International Limited;

**"Offering Documents"** means the preliminary offering circular prepared in connection with the issue of the Bonds, the offering circular dated 22nd July, 1998 prepared in connection with the issue of the Bonds and any other material or documents delivered to any person in connection with the offer or sale of the Bonds with the express or implied consent of the Company;

**"On-Loan"** means the loan made by the Company to TWDL pursuant to the On-Loan Agreement;

**"On-Loan Payment Date"** means the dates set out in Schedule 1 to the On-Loan Agreement or, as the context may require, any of them;

**"Permitted Encumbrances"** means:

- (a) encumbrances arising under the Security Documents;

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**COMPANIES FORM No. 395 (Cont.) AND FORM No. 410 (Scot)(Cont.)  
Particulars of a mortgage or charge  
(continued)**

Continuation sheet No 8  
to Form No 395 and 410 (Scot)

Company number  
3578923

**Please complete  
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in black type, or  
bold block lettering**

**Name of company**

Tyseley Finance PLC (the "Company")

~~limited~~

\* delete if  
inappropriate

Description of the instrument relating or evidencing the mortgage or charge (continued) (note 2)

Amount due or owing on the mortgage or charge (continued)

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legibly, preferably  
in black type, or  
bold black  
lettering



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

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block lettering

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(b) encumbrances arising by operation of law in the ordinary course of business and securing amounts not more than 60 days overdue or which are being contested in good faith;

(c) encumbrances arising from retention of title rights on normal commercial terms in respect of goods supplied including contractual liens and rights of set-off in respect of goods or services supplied, in the ordinary course of business;

(d) finance leases of vehicles, plant and equipment, the combined amount of all capital payments outstanding under which is no more than £3 million (as indexed);

(e) encumbrances approved in writing by the Controlling Creditor; and

(f) encumbrances arising under the Waste Disposal Agreement;

**"Plant"** means the 350,000 tonnes per annum capacity energy from waste incineration plant (including the dedicated clinical waste incinerator) developed and operated by TWDL at Tyseley, Birmingham and the associated public waste disposal site at Tyseley, Birmingham;

**"Premium Letter"** means the side letter dated 30th July, 1998 between FSA, the Company and TWDL in respect of the premium payable pursuant to the Insurance and Indemnity Agreement and the aforementioned side letter and other amounts payable by the Company and TWDL in consideration of the issuance of the FSA Policy;

**"Project"** means the construction and operation of the Plant, the operation of the other sites leased to TWDL by the Authority, the generation, transmission and sale of electricity, the provision of certain services and the performance by TWDL of its other obligations, in each case pursuant to and in accordance with the Project Documents (as defined in the Collateral Deed);

**"Quantified Damages"** means the amount of damages suffered by TWDL as a result of a breach by the Authority of its obligation to deliver waste in an amount in excess of the specified guaranteed minimum level of waste as agreed between the Authority and TWDL (with the consent of the Controlling Creditor) or as determined by an arbitrator or court pursuant to a dispute referred to arbitration in accordance with the Waste Disposal Agreement;

**"Recovery"** means:

(a) each and every payment made by the Authority in respect of a non-performance by the Authority of any of its obligations referred to in paragraph (a)(i) or (a)(ii) of the definition of Authority Event or in the definition of Quantified Damages or pursuant to, or in settlement of, any legal (including arbitration) proceedings in respect of such non-performance or in excess of the amount due from the Authority at the time of payment which excess payment is referable to such non-performance (other than any such payment made in respect of an award or agreement of costs in favour of TWDL in any proceedings against the Authority) in circumstances where:

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**COMPANIES FORM No. 395 (Cont.) AND FORM No. 410 (Scot)(Cont.)  
Particulars of a mortgage or charge  
(continued)**

Continuation sheet No 9  
to Form No 395 and 410 (Scot)

Company number  
3578923

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**Name of company**

Tyseley Finance PLC (the "Company")

~~limited~~

\* delete if  
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Description of the instrument relating or evidencing the mortgage or charge (continued) (note 2)

Amount due or owing on the mortgage or charge (continued)

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lettering

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

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(i) an Issuer Shortfall has been caused in whole or in part by the occurrence of an Authority Event; and

(ii) in respect of such Issuer Shortfall:

(A) payment has been made by FSA under the FSA Policy or an advance has been made to TWDL or the Company by FSA; or

(B) monies have been paid out of the accounts designated as the Operating Reserve Account or the Debt Service Reserve Account; or

(C) monies have been paid by Vivendi in accordance with the Performance Guarantee pursuant to paragraphs 14.2(b)(ii) or (e)(iii) of Schedule 3 to the Collateral Deed; and

(b) any revenues received by TWDL from parties other than any member of the Vivendi Group (so long as any liability to such member of the Vivendi Group in respect of such revenues is subordinated to liabilities to FSA and the Bond Trustee (in its capacity as trustee for the Bondholders and in its own capacity) and the Security Trustee, including on insolvency, to the Controlling Creditor's satisfaction) or other than the Authority, in any such case in excess of those that would have been received had an Authority Event not occurred;

**"Scheduled Payment Date"** means 30th January and 30th July in each year from 1999 to 2018 (inclusive) (subject to Condition 6(e) of the Terms and Conditions);

**"Security Documents"** means the TWDL Guarantee and Debenture, the Debenture, the Share Mortgage, the Security Trust Deed and any other document or agreement entered into pursuant to, or as contemplated in, any of the foregoing including all notices and acknowledgements of assignment;

**"Security Trust Deed"** means the security trust deed dated 30th July, 1998 between the Company, TWDL, Onyx Esys Montenay Limited, Onyx UK Limited, Vivendi, Compagnie Generale d'Entreprises Automobiles S.A., Esys-Montenay, the Security Trustee, the Bond Trustee and FSA pursuant to which, inter alia, the claims of the Security Trustee, the Bond Trustee and FSA under the Finance Documents and the exercise of the rights against the Company, TWDL and Vivendi are regulated and/or subordinated;

**"Share Mortgage"** means the share mortgage dated 30th July, 1998 pursuant to which Onyx Esys Montenay Limited has mortgaged its share capital in the Company and TWDL to the Security Trustee;

**"Subscription Agreement"** means the subscription agreement dated 22nd July, 1998 between the Company, TWDL, Onyx Esys Montenay Limited and the Managers pursuant to which the Managers agreed to subscribe for the Bonds subject to the terms and conditions set out therein;

**"Terms and Conditions"** means the terms and conditions of the Bonds as set out in the Bond Trust Deed;

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**COMPANIES FORM No. 395 (Cont.) AND FORM No. 410 (Scot)(Cont.)  
Particulars of a mortgage or charge  
(continued)**

Continuation sheet No 10  
to Form No 395 and 410 (Scot)

Company number  
3578923

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**Name of company**

Tyseley Finance PLC (the "Company")

~~limited~~

\* delete if  
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Description of the instrument relating or evidencing the mortgage or charge (continued) (note 2)

Amount due or owing on the mortgage or charge (continued)

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

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**"TWDL Accounts"** means each of the Current Account and each of the accounts opened and maintained by TWDL with the Account Bank and designated as the TWDL Debt Service Account, the Supplemental Reserve Account, the Recoveries Account and the Operating Reserve Account, as each such account may be replaced, renumbered or re-designated from time to time, and any additional accounts required by the Controlling Creditor to be opened by TWDL upon the occurrence of certain specified trigger events, in each case charged to the Security Trustee pursuant to the TWDL Guarantee and Debenture;

**"TWDL's Business"** means TWDL's business of keeping, treating and disposing of waste delivered by the Authority and other third parties including without limitation the operations required to be carried out under the Waste Disposal Agreement or the composting and recycling of waste and the development of useful products from waste;

**"TWDL Guarantee and Debenture"** means the agreement dated 30th July, 1998 setting out a guarantee by TWDL to the Security Trustee in respect of the Company's obligations under the Bonds and a fixed and floating charge granted by TWDL as security, inter alia, for its obligations under such guarantee;

**"Vivendi Group"** means Vivendi and its subsidiaries; and

**"Waste Disposal Agreement"** means the contract for, inter alia, waste disposal services and the construction of the Plant entered into between the Authority (1) and Onyx UK Limited and Esys-Montenay (2) dated 9th July, 1993, the rights and obligations of Onyx UK Limited and Esys-Montenay under which were novated to TWDL pursuant to a deed of novation dated 17th January, 1994 made between the Authority (1), Onyx UK Limited and Esys-Montenay (2) and TWDL (3), and as such agreement is amended by the waste disposal amendment agreement dated 30th July, 1998 between TWDL, the Authority, Onyx UK Limited, Esys-Montenay and Compagnie Generale d'Entreprises Automobiles S.A.

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## CERTIFICATE OF THE REGISTRATION OF A MORTGAGE OR CHARGE

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

COMPANY No. 03578923

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES HEREBY CERTIFIES THAT A DEBENTURE DATED THE 30th JULY 1998 AND CREATED BY TYSELEY FINANCE PLC FOR SECURING ALL MONIES DUE OR TO BECOME DUE FROM THE COMPANY TO THE LAW DEBENTURE TRUST CORPORATION p.l.c. (THE SECURITY TRUSTEE) ON ANY ACCOUNT UNDER THE FINANCE DOCUMENTS OR THE DEBENTURE WAS REGISTERED PURSUANT TO CHAPTER 1 PART XII OF THE COMPANIES ACT 1985 ON THE 19th AUGUST 1998.

GIVEN AT COMPANIES HOUSE, CARDIFF THE 21st AUGUST 1998.

A handwritten signature in dark ink, appearing to read 'R. N. Owens'.

RICHARD NEIL OWENS

for the Registrar of Companies

A handwritten mark consisting of a single, fluid, curved stroke.

A handwritten signature in dark ink, consisting of several loops and a long horizontal stroke.



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