shanks. waste solutions.

SHANKS GROUP PLC

(*incorporated in Scotland with registered number SC077438*)

Public offer in the Kingdom of Belgium and the Grand Duchy of Luxembourg of an expected minimum amount of €50,000,000
5.00 per cent. Guaranteed Notes due 22 October 2015

guaranteed by

Caird Group Limited
(incorporated in Scotland with registered number SC010344)

Shanks & McEwan (Environmental Services) Limited
(incorporated in England & Wales with registered number 01954243)

Shanks & McEwan (Overseas Holdings) Limited
(incorporated in England & Wales with registered number 02563748)

Shanks B.V.
(incorporated in the Netherlands with registered number 34129989 and having its seat in Rotterdam)

Shanks Belgium Holding B.V.
(incorporated in the Netherlands with registered number 24366534 and having its seat in Rotterdam)

Shanks Canada Finance Limited
(incorporated in Canada with registered number 682887-6)

Shanks Capital Investment Limited
(incorporated in England & Wales with registered number 04391813)

Shanks Chemical Services Limited
(incorporated in England & Wales with registered number 00934787)

Shanks Environmental Services Limited
(incorporated in England & Wales with registered number 04391804)

Shanks Finance Limited
(incorporated in England & Wales with registered number 04265481)

Shanks Financial Management Limited
(incorporated in England & Wales with registered number 05365983)

Shanks Hainaut SA
(incorporated in Belgium with registered number 0432.547.546 and having its registered office at rue de l'Industrie 1, 7321 Bernissart, Belgium)

Shanks Holdings Limited
(incorporated in England & Wales with registered number 03886399)

Shanks Investments
(incorporated in England & Wales with registered number 05315714)

Shanks Liège-Luxembourg SA
(incorporated in Belgium with registered number 0452.324.361 and having its registered office at rue de l'Environnement 18, 4100 Seraing, Belgium)

Shanks PFI Investments Limited
(incorporated in England & Wales with registered number 03158124)

Shanks SA
(incorporated in Belgium with registered number 0440.853.122 and having its registered office at rue Edouard Belin 3/1, 1435 Mont-Saint Guibert, Belgium)

Shanks SIL Capital Limited
(incorporated in Guernsey with registered number 44556)

Shanks SIL Finance Limited
(incorporated in Guernsey with registered number 44557)

Shanks SIL Investments Limited
(incorporated in Guernsey with registered number 44558)

Shanks Vlaanderen NV
(incorporated in Belgium with registered number 0429.366.144 and having its registered office at Kwadestraat 151 B, box 31, 8800 Roeselare, Belgium)

Shanks Waste Management Limited
(incorporated in England & Wales with registered number 02393309)

Issue Price: 101.875 per cent. of the principal amount of the Notes

Issue Date: 22 October 2010

Offer Period: 9.00 a.m. (CET) on 28 September 2010 to 4.00 p.m. (CET) on 20 October 2010

The expected minimum amount of €50,000,000 of 5.00 per cent. guaranteed Notes due 2015 (the "**Notes**") of Shanks Group plc (the "**Issuer**") will be constituted by, will have the benefit of and will in all respects be subject to, a trust deed to be dated 22 October 2010 (the "**Trust Deed**") between (a) the Issuer, (b) Caird Group Limited, Shanks & McEwan (Environmental Services) Limited, Shanks & McEwan (Overseas Holdings) Limited, Shanks B.V., Shanks Belgium Holding B.V., Shanks Canada Finance Limited, Shanks Capital Investment Limited, Shanks Chemical Services Limited, Shanks Environmental Services Limited, Shanks Finance Limited, Shanks Financial Management Limited, Shanks Hainaut SA, Shanks Holdings Limited, Shanks Investments, Shanks Liège-Luxembourg SA, Shanks PFI Investments Limited, Shanks SA, Shanks SIL Capital Limited, Shanks SIL Finance Limited, Shanks SIL Investments Limited, Shanks Vlaanderen NV and Shanks Waste Management Limited (each a "**Guarantor**" and together the "**Guarantors**", which expression shall include any subsidiaries of the Issuer which become guarantors of the Notes as further described in Condition 2(f) (*Status and Guarantee of the Notes — Additional Guarantors*) and exclude any subsidiary of the Issuer which ceases to be a Guarantor of the Notes as further described in Condition 2(e) (*Status and Guarantee of the Notes — Release of Guarantors*)) and (c) BNP Paribas Trust Corporation UK Ltd (the "**Trustee**", which expression includes all persons appointed from time to time as trustee or trustees under the Trust Deed) as trustee for the holders of the Notes ("**Noteholders**").

Unless previously redeemed or cancelled, the Notes will be redeemed at their principal amount on 22 October 2015 (the "**Maturity Date**"). The Notes are subject to redemption in whole at their principal amount at the option of the Issuer at any time in the event of certain changes affecting taxation in Belgium, Canada, Guernsey, the Netherlands or the United Kingdom. In addition, the holder of a Note may, by the exercise of the relevant option, require the Issuer to redeem, or at the Issuer's option, to purchase or procure the purchase of, such Note at its principal amount upon the occurrence of a Change of Control (as defined herein). See "*Terms and Conditions of the Notes — Redemption and Purchase*".

The Notes will bear interest from 22 October 2010 (the "**Issue Date**") at the rate of 5.00 per cent. per annum payable annually in arrear on 22 October each year commencing on 22 October 2011. Payments on the Notes will be made in Euro without deduction for or on account of taxes imposed or levied by Belgium, Canada, Guernsey, the Netherlands or the United Kingdom to the extent described under "*Terms and Conditions of the Notes — Taxation*". The Guarantors will (subject to certain statutory limitations) unconditionally and irrevocably jointly and severally guarantee the due and punctual payment of all amounts at any time becoming due and payable in respect of the Notes (the "**Guarantee**").

This Listing and Offering Prospectus (the "**Prospectus**") has been approved by the United Kingdom Financial Services Authority (the "**FSA**"), which is the United Kingdom competent authority for the purpose of Directive 2003/71/EC (the "**Prospectus Directive**") and relevant implementing measures in the United Kingdom as a prospectus issued in compliance with the Prospectus Directive and relevant implementing measures in the United Kingdom, for the purpose of giving information with regard to the issue and Public Offer (as defined below) of the Notes. Application has been made for a certificate of approval under Article 18 of the Prospectus Directive as implemented in the United Kingdom to be issued by the FSA to (1) the competent authority in Belgium, the *Commission bancaire, financière et des assurances* (the "**CBFA**"), together with translations of the Prospectus summary in French and Dutch as required by the Belgian prospectus law of 16 June 2006 (the "**Belgian Prospectus Law**") for the purposes of the Public Offer in Belgium and (2) the competent authority in Luxembourg, the Luxembourg *Commission de Surveillance du Secteur Financier* (the "**CSSF**"), for the purposes of the Public Offer in Luxembourg. Application will be made for the Notes to be admitted to listing on the Official List of the FSA and trading on the Main Market of the London Stock Exchange plc (the "**London Stock Exchange**"). The Main Market of the London Stock Exchange is a regulated market for the purposes of Directive 2004/39/EC on Markets in Financial Instruments (the "**MiFID**"). No dealings in the Notes on a regulated market for the purposes of the MiFID may take place prior to the Issue Date.

The Notes will be offered to the public in Belgium and Luxembourg (the "**Public Offer**") between 9.00 a.m. (CET) on 28 September 2010 and 4.00 p.m. (CET) on 20 October 2010 (the "**Offer Period**"), or such earlier end date as Fortis Bank SA/NV and KBC Bank NV (each a "**Joint Lead Manager**" and, together, the "**Joint Lead Managers**") and the Issuer may agree. Any such earlier end date of the Public Offer will be announced on the websites of the Joint Lead Managers (*www.bnpparibasfortis.be/emissions* and *www.kbc.be*) and on the website of the Regulatory News Service operated by the London Stock Exchange (*www.london-stockexchange.com/exchange/news/market-news/market-news-home.html*). The details of the Public Offer, including the conditions to which the Public Offer is subject, are set out in "*Subscription and Sale — Public Offer*".

The Notes have not been, and will not be, registered under the United States Securities Act of 1933 (the "**Securities Act**") and are subject to United States tax law requirements. The Notes are being offered outside the United States by the Joint Lead Managers in accordance with Regulation S under the Securities Act ("**Regulation S**"), and may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act.

An investment in the Notes involves certain risks. Prospective investors should have regard to the factors described under the heading "*Risk Factors*" on pages 13 to 25 and to the warning set out under the heading "*Warning*" on page 3.

The Notes will be in bearer form and in the denomination of €1,000 each. The Notes will initially be in the form of a temporary global note (the "**Temporary Global Note**"), without interest coupons, which will be deposited on or around the Issue Date with a common depositary for Euroclear Bank SA/NV ("**Euroclear**") and Clearstream Banking, société anonyme ("**Clearstream, Luxembourg**"). The Temporary Global Note will be exchangeable, in whole or in part, for interests in a permanent global note (the "**Permanent Global Note**"), without interest coupons, not earlier than 40 days after the Issue Date upon certification as to non-U.S. beneficial ownership. Interest payments in respect of the Notes cannot be collected without such certification of non-U.S. beneficial ownership. The Permanent Global Note will be exchangeable in certain limited circumstances in whole, but not in part, for Notes in definitive form ("**Definitive Notes**") in the denomination of €1,000 each and with interest coupons attached. Any delivery of Definitive Notes to Noteholders will take place outside Belgium. See "*Summary of Provisions Relating to the Notes in Global Form*".

JOINT LEAD MANAGERS

BNP PARIBAS FORTIS **KBC BANK NV**

Listing and Offering Prospectus dated 24 September 2010

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IMPORTANT NOTICES

The Issuer accepts responsibility for the information contained in this Prospectus and declares that, having taken all reasonable care to ensure that such is the case, the information contained in this Prospectus is, to the best of its knowledge and belief, in accordance with the facts and contains no omission likely to affect its import. Each Guarantor accepts responsibility for the information contained in this Prospectus to the extent such information relates to itself or the Guarantee (which term, for the purposes of the responsibility statements in this "*Important Notices*" section, shall mean the Guarantee insofar as it relates to the relevant Guarantor only), and declares that, having taken all reasonable care to ensure that such is the case, such information is, to the best of its knowledge and belief, in accordance with the facts and contains no omission likely to affect its import.

The Issuer and, to the extent that such information relates to it or the Guarantee, each of the Guarantors has confirmed to the Joint Lead Managers that this Prospectus contains all information regarding the Issuer, the Guarantors and the Notes which is (in the context of the issue of the Notes) material; such information is true and accurate in all material respects and is not misleading in any material respect; this Prospectus does not omit to state any material fact necessary to make such information (in such context) not misleading in any material respect.

None of the Trustee, the Issuer or any of the Guarantors has authorised the making or provision of any representation or information regarding the Issuer, the Guarantors or the Notes other than as contained in this Prospectus or as approved for such purpose by the Issuer and the Guarantors. Any such representation or information should not be relied upon as having been authorised by the Issuer, the Guarantors or the Joint Lead Managers.

Neither the Joint Lead Managers nor any of their respective affiliates have authorised the whole or any part of this Prospectus and none of them makes any representation or warranty or accepts any responsibility as to the accuracy or completeness of the information contained in this Prospectus. Neither the delivery of this Prospectus nor the offering, sale or delivery of any Note shall in any circumstances create any implication that there has been no adverse change, or any event reasonably likely to involve any adverse change, in the condition (financial or otherwise) of the Issuer or the Guarantors since the date of this Prospectus.

No representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Trustee as to the accuracy or completeness of the information contained or incorporated by reference in this Prospectus or any other information provided by the Issuer or any of the Guarantors. The Trustee does not accept any liability in relation to the information contained or incorporated by reference in this Prospectus or any other information provided by the Issuer or any of the Guarantors.

The distribution of this Prospectus and the offering, sale and delivery of Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Prospectus comes are required by the Issuer, the Guarantors, the Trustee and the Joint Lead Managers to inform themselves about and to observe any such restrictions. For a description of certain restrictions on offers, sales and deliveries of Notes and on distribution of this Prospectus and other offering material relating to the Notes, see "*Subscription and Sale — Selling Restrictions*".

In particular, the Notes have not been and will not be registered under the Securities Act and are subject to United States tax law requirements. Subject to certain exceptions, Notes may not be offered, sold or delivered within the United States or to U.S. persons.

Transactions and the results of overseas subsidiary undertakings and joint ventures in foreign currencies are translated at the average rate of exchange for the relevant financial year.

In this Prospectus, unless otherwise specified:

- references to "**Canadian dollars**" or "**C$**" are to the lawful currency of Canada;
- references to "**€**", "**EUR**" or "**Euro**" are to the currency introduced at the start of the third stage of European Economic and Monetary Union, and as defined in Article 2 of Council Regulation (EC) No 974/98 of 3 May 1998 on the introduction of the Euro, as amended;

- references to "**£**", "**sterling**" or "**pound sterling**" are to the lawful currency of the United Kingdom and references to "**pence**" or "**p**" are to 1/100 of a pound sterling;
- references to the "**EU**" are to the European Union;
- references to the "**UK**" are to the United Kingdom;
- references to "**Belgium**" are to the Kingdom of Belgium;
- references to "**Luxembourg**" are to the Grand Duchy of Luxembourg;
- references to a "**Member State**" are references to a Member State of the European Economic Area;
- references to "**Noteholders**" shall, wherever the context so permits, be deemed to include references to Couponholders (as defined herein);
- references to "**Euroclear**" and "**Clearstream, Luxembourg**" shall, wherever the context so permits, be deemed to include references to any additional or alternative clearing system approved by the Issuer and the Trustee; and
- references to "**CET**" are to Central European Time.

WARNING

This Prospectus has been prepared to provide information on the Public Offer. When potential investors make a decision to invest in the Notes, they should base this decision on their own research of the Issuer, the Guarantors, the terms and conditions of the Notes and the Guarantee, including, but not limited to, the associated benefits and risks, as well as the conditions of the Public Offer itself. Investors must themselves assess, with their own advisors if necessary, whether the Notes are suitable for them, considering their personal income and financial situation. In case of any doubt about the risk involved in purchasing the Notes, investors should abstain from investing in the Notes.

The summaries and descriptions of legal provisions, accounting principles or comparisons of such principles, legal company forms or contractual relationships reported in this Prospectus may in no circumstances be interpreted as investment, legal or tax advice for potential investors. Prospective investors are urged to consult their own legal advisors, bookkeeper or other advisors concerning the legal, tax, economic, financial and other aspects associated with the subscription to the Notes. In the event of important new developments, material errors or inaccuracies that could affect the assessment of the Notes, and which occur or are identified between the time of the approval of this Prospectus and the final closure of the Public Offer, or, if applicable, the time at which trading on a regulated market commences, the Issuer will have a supplement to the Prospectus published containing this information. This supplement will be published in compliance with at least the same regulations as the Prospectus and will be published on the websites of the Joint Lead Managers (*www.bnpparibasfortis.be/emissions* and *www.kbc.be*), on the website of the Regulatory News Service operated by the London Stock Exchange (*www.londonstockexchange.com/exchange/news/market-news/market-news-home.html*) and will be available for inspection at the National Storage Mechanism (*www.hemscott.com/nsm.do*).

The Issuer will ensure that such supplement is submitted to the FSA for approval as soon as possible after the occurrence of such significant new factor, material mistake or inaccuracy and published as soon as possible after such approval has been granted by the FSA. Investors who have already agreed to purchase or subscribe for the Notes before the publication of such supplement to this Prospectus, have the right to withdraw their agreement during a period of two working days commencing the day after the publication of the supplement.

INFORMATION INCORPORATED BY REFERENCE

This Prospectus should be read and construed in conjunction with:

(a) the audited consolidated financial statements of the Issuer as at and for the financial year ended 31 March 2010, together with the notes thereto and the Auditors' report thereon (the "**2010 Financial Statements**"), which can be found on pages 61 to 107 of the Issuer's Annual Report for the financial year ended 31 March 2010 (the "**2010 Annual Report**"); and

(b) the audited consolidated financial statements of the Issuer as at and for the financial year ended 31 March 2009, together with the notes thereto and the Auditors' report thereon, which can be found on pages 45 to 86 of the Issuer's Annual Report for the financial year ended 31 March 2009 (the "**2009 Annual Report**").

Such information shall be incorporated in, and form part of, this Prospectus, save that any statement contained in a document which is incorporated by reference herein shall be modified or superseded for the purpose of this Prospectus to the extent that a statement contained herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of this Prospectus. Where such information itself incorporates other information by reference, such information does not form part of this Prospectus.

Copies of the 2009 Annual Report and the 2010 Annual Report are available, free of charge, in electronic format on the website of the Issuer (*www.shanksplc.co.uk*) and as detailed in "*General Information — Documents on Display*".

For ease of reference, the tables below set out the relevant page references in the 2010 Annual Report and the 2009 Annual Report for the consolidated financial statements, the notes to such financial statements and the Auditors' reports thereon, for each of the financial years of the Issuer ended 31 March 2010 and 31 March 2009:

2010 Annual Report

Auditors' Report	Page 61
Financial Statements	Page 62 to 69
Notes to Financial Statements	Pages 70 to 107

2009 Annual Report

Auditors' Report	Pages 45 to 46
Financial Statements	Pages 47 to 52
Notes to Financial Statements	Pages 53 to 86

SUMMARY

*This summary must be read as an introduction to the listing and offering prospectus dated 24 September 2010 (the "**Prospectus**") and any decision to invest in the Notes should be based on a consideration of the Prospectus as a whole, including the documents incorporated by reference therein. Following the implementation of the relevant provisions of the Prospectus Directive (Directive 2003/71/EC) in each Member State of the European Economic Area no civil liability will attach to the Issuer and, to the extent that such information relates to the Guarantors or the Guarantee, the Guarantors in any such Member State solely on the basis of this summary, including any translation thereof, unless it is misleading, inaccurate or inconsistent when read together with the other parts of the Prospectus, including any information incorporated by reference therein. Where a claim relating to the information contained in the Prospectus is brought before a court in a Member State of the European Economic Area, the claimant may, under the national legislation of the Member State, be required to bear the costs of translating the Prospectus before the legal proceedings are initiated.*

Words and expressions defined in the "Terms and Conditions of the Notes" or elsewhere in the Prospectus have the same meanings in this summary.

The Issuer:

Shanks Group plc.

Shanks Group plc (the "**Issuer**" and, together with its subsidiary undertakings, the "**Group**") is the largest listed independent waste management company in Europe (by market capitalisation and turnover), providing its customers with sustainable solutions to their waste and environmental obligations.

The Issuer's registered office is at 16 Charlotte Square, Edinburgh EH2 4DF, United Kingdom and its corporate head office is at Dunedin House, Auckland Park, Mount Farm, Milton Keynes, Buckinghamshire MK1 1BU, United Kingdom (telephone number +44 (0)1908 650 580). In addition, the Group has regional offices in the Netherlands, Belgium, United Kingdom and Canada. The Issuer was incorporated and registered in Scotland on 4 February 1982.

The principal activities of the Group can be broken down into the following main categories:

- solid waste – non-hazardous solid waste collections, transfer, recycling and treatment;
- organic treatment – anaerobic digestion and tunnel composting of source segregated organic waste streams;
- landfill and power – landfill disposal (including contaminated soils) and power generation from landfill gas;
- PFI contracts – long-term municipal waste treatment contracts; and
- hazardous waste – principally, contaminated waste including industrial cleaning, transport, treatment (including contaminated soils) and disposal, as well as contaminated land remediation.

The Group has over 100 facilities handling more than seven million tonnes of waste a year, of which in excess of 70 per cent. is recycled or recovered. Its portfolio offers landfill diversion, recycling and waste collection capabilities as well as proven waste-to-energy technologies ranging from anaerobic digestion and biological treatment to incineration.

The Group's operations are located in the Netherlands, Belgium, the United Kingdom and Canada. In addition, the Group has certain operations in France, close to the Belgian border, which are managed from Belgium due to their relatively small size.

In the financial year ended 31 March 2010, the Group generated a revenue of £683.5 million and a trading profit of £51.1 million. As at 31 March 2010, the Group's net assets were £385.2 million and its total net debt (after cash and cash equivalents) amounted to £338.4 million. The Group has over 4,000 employees.

The Group already operates with high levels of recycling and is one of the market leaders in implementing such technologies as anaerobic digestion, mechanical biological treatment and the production of high calorific value fuel from waste. The Group's growth strategy is to build upon this expertise and develop a reputation as the leading provider of sustainable alternatives to landfill and incineration.

The Group operates in a sector which is increasingly seen to have an important role in managing the impact of climate change and improving the re-use of the world's finite resources. The Group is committed to acting with honesty, integrity and fairness and aims to be regarded as a good 'corporate citizen' wherever it conducts its business. The Issuer has established a Corporate Responsibility Committee to ensure continued commitment to implementing these principles across the Group.

In 1998, the Issuer's shares were admitted to trading on the Main Market of the London Stock Exchange (ISIN number: GB0007995243). The Issuer is a constituent of the FTSE 250 Index.

The Guarantors:

Caird Group Limited
Shanks & McEwan (Environmental Services) Limited
Shanks & McEwan (Overseas Holdings) Limited
Shanks B.V.
Shanks Belgium Holding B.V.
Shanks Canada Finance Limited
Shanks Capital Investment Limited
Shanks Chemical Services Limited
Shanks Environmental Services Limited
Shanks Finance Limited
Shanks Financial Management Limited
Shanks Hainaut SA
Shanks Holdings Limited
Shanks Investments
Shanks Liège-Luxembourg SA
Shanks PFI Investments Limited
Shanks SA
Shanks SIL Capital Limited
Shanks SIL Finance Limited
Shanks SIL Investments Limited
Shanks Vlaanderen NV
Shanks Waste Management Limited.

Other subsidiaries of the Issuer may become guarantors of the Notes as further described in Condition 2(f) (*Status and Guarantee of the Notes — Additional Guarantors*). The Guarantors listed above and any other subsidiary of the Issuer that becomes a Guarantor of the Notes may also cease to be guarantors in certain

	circumstances as further described in Condition 2(e) (*Status and Guarantee of the Notes — Release of Guarantors*).
Joint Lead Managers:	Fortis Bank NV/SA (acting in Belgium under the commercial name BNP Paribas Fortis) and KBC Bank NV.
Trustee:	BNP Paribas Trust Corporation UK Ltd. The Notes will be constituted by, will have the benefit of and will in all respects be subject to, the Trust Deed. No Noteholder may proceed directly against the Issuer or the Guarantors unless the Trustee, having become bound to do so, fails to do so within a reasonable time and such failure is continuing. Under the Trust Deed, the Trustee will be entitled to be indemnified and relieved from responsibility in certain circumstances and to be paid its costs and expenses in priority to the claims of the Noteholders. The Trust Deed will contain the Guarantee and the provisions for addition and removal of Guarantors. The Trustee may, without the consent of the Noteholders or Couponholders, agree to certain modification of the Conditions, the Trust Deed or the Intercreditor Deed and authorise or waive a proposed breach or breach of the Conditions, the Trust Deed or the Intercreditor Deed, as more particularly described in Condition 12(b) (*Modification and waiver*).
Principal Paying Agent:	BNP Paribas Securities Services, Luxembourg Branch.
Security Agent:	Barclays Bank PLC as security agent and trustee (the "**Security Agent**") under the Intercreditor Deed (or any successor or additional security agent or co-security agent and trustee appointed under the Intercreditor Deed). The Security Agent holds, and is entitled to enforce, the Transaction Security (as defined below) on the terms of the Intercreditor Deed. See "*Intercreditor Deed, Share Pledge and Enforcement*".
The Notes:	Expected minimum amount of €50,000,000 of 5.00 per cent. guaranteed Notes due 2015.
Guarantee:	The Notes will be unconditionally and irrevocably guaranteed on a joint and several basis by each Guarantor pursuant to the Trust Deed (the "**Guarantee**"), subject to certain statutory limitations set out in Condition 2(d) (*Status and Guarantee of the Notes — Limit on Certain Guarantors' Liability*) and described in "*Limitation of Certain Guarantors' Liability*" below.
Issue Price:	101.875 per cent. of the principal amount of the Notes.
Issue Date:	22 October 2010.
Use of Proceeds:	The net proceeds of the issue of the Notes will be used by the Issuer to repay some of its short-term bank borrowings and for its general corporate purposes. See "*Use of Proceeds*".
Interest:	The Notes will bear interest from the Issue Date at a rate of 5.00 per cent. per annum payable annually in arrear on 22 October in each year commencing 22 October 2011.
Status of the Notes:	The Notes will be direct, unsubordinated, unconditional and unsecured obligations of the Issuer which will at all times rank *pari passu* amongst themselves but will have the benefit of the Guarantee and the Transaction Security described below in "*Status*

	of the Guarantee" and "*Transaction Security*".
Status of the Guarantee:	The Guarantee provided by each Guarantor will constitute an unsubordinated and (subject as described in "*Limitation of Certain Guarantors' Liability*" below) unconditional obligation of such Guarantor.
Limitation of Certain Guarantors' Liability:	The Guarantee provided by any Guarantor incorporated in the Netherlands, Belgian and Guernsey may be limited as described in Condition 2(d) (*Status and Guarantee of the Notes — Limit on Certain Guarantors' Liability*). See Condition 2(d) and "*Risk Factors — Risks relating to the Notes — The liability of some of the Guarantors under the Guarantee is limited*".
Transaction Security:	A Dutch law governed share pledge granted by Shanks B.V. on 9 April 2009 over all of its shares in Shanks Nederland B.V. (as the same may be amended, supplemented or replaced from time to time, the "**Share Pledge**") and any other security from time to time existing in respect of the Financing (as defined in the Conditions) (the "**Transaction Security**"). The Transaction Security is granted in favour of the Security Agent, who acts as trustee for the other Transaction Parties (as defined in the Intercreditor Deed). The Trustee (on behalf of itself and the Noteholders) will, pursuant to an accession deed by which it accedes to the Intercreditor Deed as a secured creditor for itself and on behalf of the Noteholders (the "**Intercreditor Accession Deed**"), amongst others, have the benefit of the Transaction Security and be entitled, subject to the terms of the Intercreditor Deed, to direct the Security Agent to enforce the Transaction Security on the terms of the Intercreditor Deed. The claims of the Trustee under the Transaction Security will rank, pursuant to the Intercreditor Deed, *pari passu* to those of the existing Transaction Parties and any future Transaction Parties according to the Intercreditor Deed. If at any time the Share Pledge or any other security from time to time securing the Financing is released or otherwise ceases to secure the Financing, the Trustee shall cease to have any rights, benefits, obligations or duties under the Intercreditor Deed and under the relevant document creating or evidencing such security, in respect of such security and the Trustee and the Noteholders shall no longer have the benefit of such security. See Condition 2(g) (*Status and Guarantee of the Notes — Release of Transaction Security*).
Form and Denomination:	The Notes will be issued in bearer form in the denomination of €1,000 each.
Final Redemption:	Unless previously redeemed or purchased and cancelled in accordance with the Terms and Conditions of the Notes (the "**Conditions**"), the Notes will be redeemed at their principal amount on 22 October 2015 (the "**Maturity Date**").
Tax Redemption:	Early redemption at the option of the Issuer prior to the Maturity Date will only be permitted for tax reasons as further described in Condition 5(b) (*Redemption and Purchase — Redemption for tax reasons*).
Optional Redemption:	Early redemption at the option of the Noteholders prior to the

	Maturity Date will only be permitted following a Change of Control as further described in Condition 5(c) (*Redemption and Purchase — Redemption at the option of Noteholders*).
Negative Pledge:	The Notes contain a negative pledge provision as further described in Condition 3 (*Negative Pledge*).
Cross Default and Cross Acceleration:	The Notes contain a cross default and cross acceleration provision as further described in Condition 8 (*Events of Default*).
Withholding Tax:	All payments in respect of the Notes and the Coupons by or on behalf of the Issuer or any Guarantor will be made free and clear of withholding taxes of Belgium, Canada, Guernsey, the Netherlands and the United Kingdom, unless the withholding is required by law. In that event the Issuer or relevant Guarantor will (subject as provided in Condition 7 (*Taxation*)) pay such additional amounts as will result in the Noteholders and the Couponholders receiving such amounts as would have been received by them had no such withholding been required.
Governing Law:	The Notes, the Trust Deed, the Paying Agency Agreement, the Subscription Agreement, the Supplemental Subscription Agreement, the Intercreditor Deed and the Intercreditor Accession Deed will be governed by English law. The Share Pledge is governed by Dutch law.
Listing and Trading:	Application will be made for the Notes to be admitted to listing on the Official List of the FSA and admitted to trading on the Main Market of the London Stock Exchange. The Main Market of the London Stock Exchange is a regulated market for the purposes of the MiFID.
Clearing Systems:	Euroclear and Clearstream, Luxembourg.
ISIN:	XS0544487837.
Common Code:	054448783.
Selling Restrictions:	There are certain selling restrictions applicable to the Notes, as described in "*Subscription and Sale — Selling Restrictions*".
Public Offer of the Notes:	Public Offer Jurisdictions: Belgium and Luxembourg.
	Offer Period: 9.00 a.m. (CET) on 28 September 2010 to 4.00 p.m. (CET) on 20 October 2010. The Joint Lead Managers and the Issuer may agree to an earlier end date for the Public Offer, including in the case of: • oversubscription; • changes in market conditions; and • the Joint Lead Managers being released and discharged from their obligations under the Subscription Agreement prior to the issue of the Notes. In this case, such earlier end date of the Public Offer will be announced on the

		websites of the Joint Lead Managers (*www.bnpparibasfortis.be/emissions* and *www.kbc.be*) and on the website of the Regulatory News Service operated by the London Stock Exchange (*www.london-stockexchange.com/exchange/news/market-news/market-news-home.html*).
	Distributors:	Fortis Bank NV/SA acting in Belgium under the commercial name BNP Paribas Fortis (including the branches acting under the commercial name of Fintro), KBC Bank NV (including CBC S.A.), KBL European Private Bankers S.A., Centea NV and KBC Securities NV, as well as any relevant subsidiary in Luxembourg of each of the above-mentioned banks (as decided by each bank and its subsidiary). Applications can also be submitted via agents or any other financial intermediaries in Belgium and in Luxembourg.
	Details and Conditions of the Public Offer:	Details of the Public Offer, including the timetable for the Public Offer, the conditions to which the Public Offer is subject, the circumstances in which it may be terminated early and information about costs, fees and payments relating to the Public Offer, are set out in "*Subscription and Sale — Public Offer*".
Risk Factors:		Investing in the Notes involves risks. A list of certain risk factors associated with the Issuer, the Guarantors and the Notes is set out below. Investors should refer to "*Risk Factors*" and, in respect of the Public Offer, "*Warning*" for a description of each such risk factor. <u>Risks relating to the Issuer and the Group (including the Guarantors)</u> • The Issuer is the holding company of the Group • The performance of the industrial and commercial and construction and demolition waste operations of the Group is linked to the economic activity in the sectors in which the Group operates • The Group's business could be adversely affected if it is unable to maintain relationships with its largest customers • Fluctuations in commodity prices could materially adversely affect the Group • Foreign exchange rate movements could materially adversely affect the Group • The Group's financial position and results of operations may be adversely affected by fluctuations in interest rates • The Group may be materially adversely affected by exposure

under its long-term contracts

- The Group may fail to win the anticipated market share in respect of its UK PFI contracts
- The Group may in the future be required to increase the funding of its pension schemes
- The Group needs to successfully manage the integration of acquisitions
- The Group is exposed to risks and liabilities that may not be adequately covered by insurance and increases in insurance costs could have a negative impact on the Group's financial position
- The Group's repositioning in the recycling and energy recovery sector may not be successful
- Failure of the Group's IT systems could adversely affect the Group's revenues
- Changes in certain fiscal regimes could adversely impact the financial condition of the Group
- The Group is dependent upon its senior managers and other key staff
- A number of the Group's employees are represented by works councils and trade unions

Risks relating to the industry in which the Group (including the Issuer and the Guarantors) operates

- The waste management industry is subject to extensive government regulations and any such regulations or new regulations could restrict the Group's operations or increase the costs of operations or impose additional capital expenditures
- The Group is required to comply with environmental regulations and licence conditions at its waste treatment and disposal sites
- The Group's operations expose it to the risk of material health and safety liabilities
- The Group may become involved in protracted governmental, legal or arbitration proceedings, including potential class actions and other lawsuits
- Catastrophe or other physical or severe weather conditions at one or more of the Group's facilities could adversely affect the Group's business
- Increases in fuel prices would likely increase the Group's operating expenses

Risk relating to the Notes

- The Notes may not be a suitable investment for all investors

- There is no active trading market for the Notes
- The Notes are fixed-rate securities and are vulnerable to fluctuations in market interest rates
- Interest rate risks
- Market value of the Notes
- Credit risk
- The Notes may be redeemed prior to maturity
- The Change of Control put
- Because the Global Notes are held by or on behalf of Euroclear and Clearstream, Luxembourg, investors will have to rely on their procedures for transfer, payment and communication with the Issuer and/or the Guarantors
- Modification is binding on all Noteholders
- Ranking of the Issuer's payment obligations
- Application of moneys received by the Trustee is subject to a payment waterfall
- Certain or all Guarantors may cease to be Guarantors
- The Noteholders' rights are subject to the Intercreditor Deed
- The liability of some of the Guarantors under the Guarantee is limited

Risks relating to the market generally

- The secondary market generally
- Legal investment considerations may restrict certain investments
- Exchange rate risks and exchange controls
- Change of law

Risks relating to taxation

- Investors in the Notes may be required to pay taxes or other charges or duties
- Payments in respect of the Notes and the Guarantee may in certain circumstances be made subject to withholding or deduction of tax
- EU Savings Tax Directive
- Change in tax status or taxation legislation or practice

RISK FACTORS

The following is a description of risk factors which are material in respect of the Notes and the financial situation of the Issuer and the Group and which may affect the Issuer's and Guarantors' ability to fulfil their obligations under the Notes and/or the Guarantee, as the case may be. In addition, each of the risks highlighted below could adversely affect the trading price of the Notes or the rights of investors under the Notes. As a result, investors could lose some or all of their investment.

Prospective investors should carefully read and consider all the risk factors set forth below and all of the information provided in this Prospectus and in the documents incorporated by reference in this Prospectus and should make their own independent evaluations of all the risk factors and all such information, and consult with their own professional advisers if they consider it necessary, prior to making any investment decision with respect to the Notes.

Prospective investors should note that the following statements are not exhaustive. In particular, the Issuer and the Guarantors have only described those risks in connection with the Notes and/or the Guarantee, as the case may be, and their ability to fulfil their obligations under them which they consider to be material. There may be additional risks that the Issuer and the Guarantors currently consider not to be material or of which they are not currently aware and any of these risks could have the effects set forth above. The sequence in which the following risk factors are listed is not an indication of their likelihood to occur or their importance to prospective investors. Terms defined in the Conditions or elsewhere in this Prospectus shall have the same meanings where used in this section.

Risks relating to the Issuer and the Group

The Issuer is the holding company of the Group.

The Issuer is the holding company of the Group. Accordingly, substantially all of the assets of the Issuer are comprised of its shareholdings in its subsidiaries, including the Guarantors. The ability of the Issuer to satisfy any payment obligations under the Notes will be dependent upon dividend payments and/or other payments received by the Issuer from its subsidiaries and if the Issuer does not receive such payments from its subsidiaries, it may be unable to satisfy its obligations under the Notes and Noteholders may have to look to the Guarantors for such payments.

The performance of the industrial and commercial and construction and demolition waste operations of the Group is linked to the economic activity in the sectors in which the Group operates.

As with many industrial and commercial and construction and demolition waste management companies, a significant proportion of the Group's industrial and commercial and construction and demolition customer arrangements (which can be contrasted with municipal arrangements) are annual price agreements without any customer commitments as to volumes. As a result, the Group has little comfort or visibility on future tonnages or revenues from such commercial arrangements. The volume of industrial and commercial and construction and demolition waste received closely mirrors the industrial and commercial output in the geographical areas in which the Group's facilities are located. Unlike municipal waste, industrial projects (and therefore industrial and commercial and construction and demolition waste volumes) are dependent upon availability of credit and underlying economic confidence. In the Financial Year 2010, the industrial and commercial and construction and demolition sectors accounted for approximately 85 per cent. of the Group's revenues. As a consequence, the revenues of the Group may be materially adversely affected by a downturn in economic activity. The Group seeks to mitigate the risk of reduced industrial and commercial and construction and demolition volumes by diversifying its customer base where possible, and by reducing costs, but nonetheless reduced volumes of industrial and commercial and construction and demolition waste may have a material adverse impact on the Group's results of operations and financial position.

The Group's business could be adversely affected if it is unable to maintain relationships with its largest customers.

The Group has a limited number of key long-term contracts which generate substantial revenue and profit for the Group. If the Group fails to perform these contracts satisfactorily, they may be terminated. This may have a material adverse impact on the Group's results of operations and financial position.

Fluctuations in commodity prices could materially adversely affect the Group.

The sale of recyclable materials provides a significant source of income for the Group. The level of global economic activity can have a very significant effect on commodity prices and, as a consequence, the value of such recyclable materials. Where the Group collects or processes segregated recyclable streams, such as paper and cardboard, it endeavours to reduce the exposure to fluctuations in commodity prices by linking input prices directly to corresponding quoted commodity prices. However, where the recyclables are recovered from residual waste streams, since their value is small compared to the costs of handling the waste streams, the value of such recyclables is not separately identified in the overall price to the customers. However, as the combined value of recyclables extracted from large volumes of residual waste can be significant, the impact of changing commodity prices may be significant. While the Group seeks to limit its exposure to fluctuations in commodity prices, to the extent that it is not successful in limiting such exposure, fluctuations in commodity prices may have an adverse impact on the Group's results of operations and financial position.

Foreign exchange rate movements could materially adversely affect the Group.

The Group operates in Europe and Canada and is exposed to foreign exchange risk for movements between the Euro, Canadian dollar and pound sterling. The majority of the Group's subsidiaries conduct their business in their respective functional currencies. Therefore there is limited transaction risk. Foreign exchange risk arises mainly from net investments in foreign operations. This exposure is reduced by funding the investments as far as possible with borrowings in the same currency. Consequently, borrowings are drawn, so far as possible, in the same currencies as the underlying investment to reduce net translation exposure on foreign exchange rate movements. In addition, the Group's principal financing instrument, a €360 million multicurrency term loan and revolving credit facility (€58 million of which has been prepaid by the Group) (the "**2009 Bank Facility**"), measures all covenants at average rates, in order to minimise the risk of breaching a covenant as a result of exchange rate movements. However, the Group's strategy is to leave income risk unhedged. Therefore, with the Group's business conducted in countries with different currencies, the Group is at risk of adverse movements in foreign exchange rates. Adverse movements in foreign exchange rates could have a negative impact on (a) the translation of the results of the Group's overseas subsidiaries into the Issuer's reporting currency, pound sterling and (b) more generally, the Group's results of operations and financial position.

The Group's financial position and results of operations may be adversely affected by fluctuations in interest rates.

The 2009 Bank Facility contains a requirement for future fluctuations in interest rates associated with the Group's borrowings to be hedged. The Group has hedged Euro interest rates on €180 million of the 2009 Bank Facility effective from 9 July 2009 for a period of two years. The interest rates in the Group's non-recourse PFI financing facilities are all hedged for the life of such facilities. However, the Group is exposed to fluctuations in sterling, Euro and Canadian dollar interest rates in respect of the unhedged element of the Group's underlying borrowings. Adverse movements in interest rates, if not protected against, may have a material adverse effect on the Group's results of operations and financial position.

The Group may be materially adversely affected by exposure under its long-term contracts.

The Group has several long-term commercial contracts, particularly PFI contracts and municipal waste contracts.

These long-term contracts expose the Group to the risks of:

(a) increases in costs, including wage inflation, attributable to such contracts beyond those anticipated and provided for within such contracts at the time they are entered into;

(b) being bound to perform an onerous contract as a result of inaccurate pricing by the Group;

(c) increases in costs that are not met through corresponding attributable increases in revenues from such contracts; or

(d) in the case of PFI contracts, revenues not received through failure to meet performance targets.

Unless, and to the extent that, such increases are taken into account in periodic benchmarking and/or

market testing, where included in such contracts, any such events may materially adversely affect the Group's future revenues and profitability.

The Group may fail to win the anticipated market share in respect of its UK PFI contracts.

One of the Group's key strategic objectives is to further develop its infrastructure to support sustainable waste management and conversion of waste to renewable energy. In the United Kingdom, an important part of this strategy is to grow its municipal treatment business through participation in PFI projects with the objective of increasing the volume of residual municipal waste under management. The Issuer believes that the Group has a strong position in the market as a result of its innovative biological treatment and energy-from-waste technologies. The Group also has an experienced bid team in place to ensure the submission of quality bids. However, there is a risk that the Group may be unable to win the anticipated market share in the future, which could have a material adverse effect on the Group's results of operations and financial position.

The Group may in the future be required to increase the funding of its pension schemes.

The Group uses IAS19 – Employee Benefits to account for pensions. The pension charge in the Financial Year 2010 was £10.2 million (£9.1m in the Financial Year 2009). Using assumptions laid down in IAS 19 – Employee Benefits, in the Financial Year 2010, there was a net retirement benefit deficit of £4.9 million (£0.7 million in the Financial Year 2009). This relates solely to the defined benefit section of the Group's UK schemes. The defined benefit section of the UK scheme was closed to new members in September 2002 and new employees are now offered a defined contribution arrangement. Following the completion of the triennial valuation of the Group's UK defined benefit retirement scheme as at 5 April 2009, the Group has agreed to fund the deficit over an eight year period with a payment of £1.8 million per annum in the first two years and then increasing to £3.0 million per annum. This payment profile will be reconsidered at the next valuation, due in April 2012. Following the conclusion of such valuation, the trustees of the defined benefit schemes may seek a material increase in the funding of such schemes over the next ten years. If such funding has to be increased, the Group's results of operations and financial position may be materially adversely affected.

In the Netherlands, the Group participates in several multi-employer schemes. These are accounted for as defined contribution plans as it is not possible to split the assets and liabilities of the schemes between participating companies and the Group has been informed by the schemes that it has no obligation to make additional contributions in the event that the schemes have an overall deficit. However, should such confirmation be incorrect, additional funding may be required from the Group in the future, as a result of which its results of operations and financial position may be materially adversely affected.

The Group needs to successfully manage the integration of acquisitions.

The Group intends to expand, *inter alia*, through acquisitions. The Issuer believes that the Group has a good record of successful integration of acquisitions. However, failure to continue to manage integrations in a cost-effective and timely manner could divert management resources from other projects and result in increased costs, which in turn could have a negative impact on the Group's results of operations and financial position.

The Group is exposed to risks and liabilities that may not be adequately covered by insurance and increases in insurance costs could have a negative impact on the Group's financial position.

The Issuer endeavours to ensure that the Group carries insurance for such risks and in such amounts as are reasonably prudent. However, the Group's insurance and its contractual limitations of liability may not adequately protect it against liability for events involving, amongst other things, environmental liability or business interruption losses in excess of the insurance cover. In addition, indemnities which the Group receives from sub-contractors may not be easily enforced if the relevant sub-contractors do not have adequate insurance. Any claims made under the Group's insurance policies may cause the insurance premiums to increase. Further, any future damage caused by the Group's services, which is not covered by insurance, is in excess of policy limits, is subject to substantial deductibles or is not limited by contractual limitations of liability, could have a material adverse effect on the financial position of the Group.

The Group's repositioning in the recycling and energy recovery sector may not be successful.

Whilst waste companies traditionally concerned themselves with disposal, public sentiment and legislation are moving away from landfill and incineration towards recycling and energy recovery.

The Group faces competition in its repositioning, both from companies which have traditionally focused on sustainable waste solutions and from other waste companies which are moving in that direction. Failure to successfully manage the repositioning strategy or to deal with competition may materially adversely affect the Group's results of operations, and financial position. Part of the challenge of gaining market share in the recycling and energy recovery sector will be providing appropriate, cost effective and innovative schemes and facilities in the geographical areas in which the Group operates. The Group's strategy includes developing infrastructure further to support sustainable waste management in each of its geographical locations. Failure to successfully anticipate and provide appropriate waste solutions or to identify and/or capitalise upon strategic opportunities and developments in the future, may materially adversely affect the Group's results of operations and financial position.

The Group's strategy requires a significant commitment to capital expenditure. Whilst the Group has put in place targets for expenditure which the Issuer believes are realistic and sustainable, there can be no guarantee that such targets will prove to be accurate forecasts of expenditure required or that the resulting plant and equipment will generate the profits that the Group wants to achieve. If the capital expenditure budgets prove to be inaccurate or if the resulting plant and equipment do not generate the anticipated returns, the Group's results of operations and financial position may be materially adversely affected.

Failure of the Group's IT systems could adversely affect the Group's revenues.

The Group is dependent upon its IT systems for the efficient functioning of its business, including invoicing, logistics and administration. Although the Group does have business continuity plans in place to mitigate against the effect of such events, should the Group's IT system fail, its revenues and cash flow could be adversely affected by, *inter alia*, increased billing times, less efficient logistics and additional costs, even if such failure is covered by insurance.

Changes in certain fiscal regimes could adversely impact the financial condition of the Group.

All members of the Group account for and pay tax in their local jurisdictions. Significant changes in the basis or rate of corporation tax, withdrawal of allowances or credits, or imposition of new taxes in such local jurisdictions, may have a material impact upon the Group's tax charges which, in turn, could have a negative impact on the Group's results of operations and financial position.

The Group is dependent upon its senior managers and other key staff.

The Group depends on the continued services of its senior managers and other key staff. The Group's existing senior managers and other key staff have marketing, engineering, technical, project management, financial and administrative skills that are important to the continued operation of the Group.

If the Group lost or suffered an extended interruption in the services of a number of its senior managers or other key staff or if it were unable to attract or develop new senior managers and other key staff, the Group's results of operations and financial position could be materially adversely affected.

A number of the Group's employees are represented by works councils and trade unions.

Approximately 69 per cent. of the Group's employees are party to collective agreements and some employees in the United Kingdom are members of trade unions. The Group's relationship with works councils and trade unions is therefore important. The presence of works councils and trade unions may limit the Group's flexibility in dealing with its workforce and lead to increased operating costs. A lengthy strike or other work stoppage by the Group's employees could have a material adverse effect on the Group's ability to conduct its activities and complete its contractual obligations. Any such delays, stoppages or interruptions could have a material adverse effect on the Group's results of operations and financial position.

Risks relating to the Guarantors

For risks relating to the Guarantors see the risks relating to the Group in "*Risks relating to the Issuer and*

the Group" above.

Risks relating to the industry in which the Group (including the Issuer and the Guarantors) operates

The waste management industry is subject to extensive government regulations and any such regulations or new regulations could restrict the Group's operations or increase the costs of operations or impose additional capital expenditures.

EU, Dutch, Belgian, UK and Canadian laws and regulations have a substantial impact on the Group's business. A large number of complex laws, rules, orders, court decisions and interpretations govern landfill taxes, green energy subsidies, environmental protection, health, safety, land use, transportation and related matters. Among other things, increasing legislation may restrict the Group's operations and adversely affect its financial position and results of operations by imposing conditions such as:

(a) limitations on locating and constructing new waste recycling, recovery of energy, treatment or disposal facilities or expanding existing facilities;

(b) regulation of the operation of such facilities and processes for the transport and acceptance of waste consignments;

(c) tightening of regulation or raising of standards relating to waste recovery, treatment or disposal and the facilities at which such operations are carried out;

(d) limitations, regulations or levies on collection, recovery, treatment and disposal prices, rates and volumes; or

(e) removing or reducing incentives for the purchase of renewable sources of electricity produced from waste.

The Group is required to comply with environmental regulations and licence conditions at its waste treatment and disposal sites.

Virtually all of the Group's operations are required to hold local licences, permits and/or other permissions to operate and compliance with the conditions in such licences, permits and/or permissions is monitored by local authorities or regulatory agencies. In the event of non-compliance, the Group may receive notices from such local authorities or regulatory agencies. Commonly, such notices specify actions to be taken and the associated timescales to remediate the non-compliance. If the Group fails to carry out the actions specified in such notices, the relevant local authorities or regulatory agencies have the power to revoke such licences, permits and/or permissions, which may have an adverse impact on the Group's results of operations and financial position.

The Group's operations expose it to the risk of material health and safety liabilities.

The potential impact of health and safety and employment laws and regulations is higher for the waste management sector than for most other industry sectors. Waste management is acknowledged to be one of the highest risk industries, with fatal and serious accident rates at least as high as those for construction, agriculture and other sectors with known elevated risk profiles. Although the Group treats compliance with health and safety and employment laws and regulations very seriously, accidents may occur which may lead to legal proceedings being brought against the Group. Such legal proceedings may lead damages being awarded against, and/or to fines and penalties being imposed on, the Group, as well as cause damage to the Group's reputation with local communities, customers, joint venture partners, employees and regulators. Such damages, fines, penalties and adverse events could materially adversely impact the financial position and results of operations of the Group.

The Group may become involved in protracted governmental, legal or arbitration proceedings, including potential class actions and other lawsuits.

Due to the nature of its operations, the Group may become involved in a wide variety of legal and regulatory proceedings particularly relating to environmental, health, public liability, safety and land use issues and related matters. These include: planning permission applications and appeals against refusal of permission in relation to the location of proposed or existing installations, complaints and statutory

nuisance actions, challenges by third parties to decisions relating to the Group's operations that have been made by local authorities or environmental agencies and proceedings brought against the Group by local authorities or environmental agencies relating to any failure by the Group to comply with its permits. Any such proceedings could materially prejudice the Group's reputation and any penalties, fines or revocation of permits could, to the extent that liability therefor is not covered, or adequately covered, by insurance, materially adversely affect the Group's results of operations and financial position. See "*Description of the Issuer — Governmental, Legal and Arbitration Proceedings*" for information on current governmental, legal and arbitration proceedings.

Catastrophe or other physical or severe weather conditions at one or more of the Group's facilities could adversely affect the Group's business.

A catastrophic incident involving any of the Group's principal locations, such as an explosion, fire or flooding, could result in interruption and closure of that location and, as a result, the Group's business could, to the extent not covered by insurance, be adversely affected. In addition, certain of the Group's operations may be adversely affected by long periods of severe weather hampering collection, treatment, recycling and landfill site operations. The Group operates from approximately 120 sites which mitigates against the possibility of significant disruption from any one cause.

Increases in fuel prices would likely increase the Group's operating expenses.

The price and supply of fuel are unpredictable and can fluctuate significantly based on international, political and economic circumstances, as well as other factors outside the Group's control, such as actions by the Organization of the Petroleum Exporting Countries (OPEC) and other oil and gas producers, weather conditions and environmental concerns. The Group requires fuel to operate the vehicles and equipment used in its operations. Price escalations or reductions in the supply would likely increase the Group's operating expenses and have a negative impact on the Group's results of operations and financial position.

Risks relating to the Notes

The Notes may not be a suitable investment for all investors.

Each potential investor in the Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

(a) have sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained or incorporated by reference in this Prospectus or any applicable supplement;

(b) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact the Notes will have on its overall investment portfolio;

(c) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including where the currency for principal or interest payments is different from the currency or currency unit in which such potential investor's financial activities are denominated;

(d) understand thoroughly the terms of the Notes and be familiar with the behaviour of any relevant indices and financial markets; and

(e) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

There is no active trading market for the Notes.

The Notes are new securities which may not be widely distributed and for which there is currently no active trading market. If the Notes are traded after their initial issuance, they may trade at a discount to their initial offering price, depending upon the prevailing interest rates, the market for similar securities, general economic conditions and the financial condition of the Issuer and/or the Guarantors. Although application will be made for the Notes to be admitted to listing on the Official List of the FSA and trading

on the Main Market of the London Stock Exchange, there is no assurance that such applications will be accepted or that an active trading market for the Notes will develop. Accordingly, there is no assurance as to the development or liquidity of any trading market for the Notes.

In addition, in the event that some, but not all, Noteholders exercise their Put Option, this may reduce the liquidity of any trading market for the Notes. See "*Change of Control put*" below.

The Notes are fixed-rate securities and are vulnerable to fluctuations in market interest rates.

The Notes will carry fixed interest. A holder of a security with a fixed interest rate is exposed to the risk that the price of such security falls as a result of changes in the current interest rate in the capital markets (the "**Market Interest Rate**"). While the nominal interest rate of a security with a fixed interest rate is fixed during the life of such security or during a certain period of time, the Market Interest Rate typically changes on a daily basis. As the Market Interest Rate changes, the price of such security changes in the opposite direction. If the Market Interest Rate increases, the price of such security typically falls, until the yield of such security is approximately equal to the Market Interest Rate. Conversely, if the Market Interest Rate falls, the price of a security with a fixed interest rate typically increases, until the yield of such security is approximately equal to the Market Interest Rate. Consequently, investors should be aware that movements of the Market Interest Rate could adversely affect the market price of the Notes.

Interest rate risks.

Investment in the Notes involves the risk that subsequent changes in market interest rates may adversely affect the value of the Notes.

Market value of the Notes.

The value of the Notes may be affected by the creditworthiness of the Issuer and the Guarantors and a number of additional factors, such as market interest and yield rates and the time remaining to the maturity date and more generally all economic, financial and political events in any country, including factors affecting capital markets generally and the stock exchanges on which the Notes are traded. The price at which a Noteholder will be able to sell the Notes prior to maturity may be at a discount, which could be substantial, from the issue price or the purchase price paid by such purchaser.

Credit risk.

In case of default of the Issuer and of the Guarantors under the Notes, the amount of principal or/and interest payable by the Issuer might be substantially less than the issue price or, as the case may be, the purchase price invested by the Noteholder and may even be zero in which case the Noteholder may lose his entire investment, or a payment of interest or/and principal may occur at a different time than expected.

The Notes may be redeemed prior to maturity.

In the event that the Issuer or any of the Guarantors would be obliged to increase the amounts payable in respect of any Notes due to any withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of Belgium, Canada, Guernsey, the Netherlands or the United Kingdom or any political subdivision thereof or any authority therein or thereof having power to tax, the Issuer may redeem all outstanding Notes in accordance with the Conditions. See "*Redemption and Purchase — Redemption for tax reasons*".

Accordingly, the Issuer may choose to redeem the Notes at times when prevailing interest rates may be relatively low. In such circumstances an investor may not be able to reinvest the redemption proceeds in a comparable security at an effective interest rate as high as that of the Notes.

The Change of Control put.

The Conditions provide that the Notes are redeemable at the option of Noteholders upon the occurrence of a Change of Control, at (i) 101.875 per cent. of the principal amount if the Change of Control occurs on or prior to 22 October 2011 or (ii) 101 per cent. of the principal amount if the Change of Control occurs after 22 October 2011. See "*Redemption and Purchase — Redemption at the option of*

Noteholders".

Accordingly, the Put Option may arise, at times when prevailing interest rates may be relatively low. In such circumstances an investor may not be able to reinvest the redemption proceeds in a comparable security at an effective interest rate as high as that of the Notes. Investors should also be aware that the Put Option may only be exercised in the specified circumstances of a Change of Control as defined in the Conditions, which may not cover all situations where a change of control may occur or where successive changes of control occur in relation to the Issuer. Once given, a Put Exercise Notice is irrevocable and Noteholders will be required to undertake in the Put Exercise Notice not to sell or transfer the relevant Notes until the relevant Optional Redemption Date.

Noteholders exercising their Put Option through an Intermediary are advised to check when such Intermediary would require to receive instructions and Put Exercise Notices from Noteholders in order to meet the deadlines for such exercise to be effective. The fees and/or costs, if any, of the relevant Intermediary shall be borne by the relevant Noteholders. Qualified Investors exercising their Put Option by giving notice of such exercise to any Paying Agent in accordance with the standard procedures of Euroclear or Clearstream, Luxembourg in lieu of depositing a Put Exercise Notice with an Intermediary are also advised to check when the relevant clearing system would require to receive notices by in order to meet the deadlines for such exercise to be effective.

In the event that some, but not all, Noteholders exercise their Put Option, this may reduce the liquidity of any trading market for the Notes. See "*There is no active trading market for the Notes*" above.

Noteholders should refer to Condition 5(c) (Redemption and Purchase — Redemption at the option of Noteholders), "Summary of provisions relating to the Notes in Global Form — Exercise of Put Option" and "Form of Put Exercise Notice" regarding the procedures that Noteholders wishing to exercise the Put Option must follow and the form of the Put Exercise Notice.

Because the Global Notes will be held by or on behalf of Euroclear and Clearstream, Luxembourg, investors will have to rely on their procedures for transfer, payment and communication with the Issuer and/or the Guarantors.

The Notes will be represented by the Global Notes except in certain limited circumstances described in the Permanent Global Note. The Global Notes will be deposited with a common depositary for Euroclear and Clearstream, Luxembourg. Except in certain limited circumstances described in the Permanent Global Note, investors will not be entitled to receive Definitive Notes. Euroclear and Clearstream, Luxembourg will maintain records of the beneficial interests in the Global Notes. While the Notes are represented by the Global Notes, investors will be able to trade their beneficial interests only through Euroclear and Clearstream, Luxembourg.

The Issuer and the Guarantors will discharge their payment obligations under the Notes by making payments to or to the order of the common depositary for Euroclear and Clearstream, Luxembourg for distribution to their account holders. A holder of a beneficial interest in a Global Note must rely on the procedures of Euroclear and Clearstream, Luxembourg to receive payments under the Notes. The Issuer and the Guarantors have no responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in the Global Notes.

Holders of beneficial interests in the Global Notes will not have a direct right to vote in respect of the Notes. Instead, such holders will be permitted to act only to the extent that they are enabled by Euroclear and Clearstream, Luxembourg to appoint appropriate proxies. Similarly, holders of beneficial interests in the Global Notes will not have a direct right under the Global Notes to take enforcement action against the Issuer or the Guarantors in the event of a default under the Notes but will have to rely upon their rights under the Trust Deed. See also "*The Change of Control put*" above for risks relating to the exercise of Put Options while Notes are represented by a Global Note.

Modification is binding on all Noteholders.

The Conditions contain provisions for calling meetings of Noteholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Noteholders including Noteholders who did not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority.

The Conditions and the Trust Deed also provide that the Trustee may, without the consent of Noteholders, agree to (i) any modification of, or to the waiver or authorisation of any breach or proposed breach of, any of the provisions of Notes or (ii) determine without the consent of the Noteholders that any Event of Default or potential Event of Default shall not be treated as such, in the circumstances described in Condition 12 (*Meeting of Noteholders; Modification and Waiver; Requests and Instructions under the Intercreditor Deed*).

Ranking of the Issuer's payment obligations.

The obligations of the Issuer under the Notes will be unsecured (although the Noteholders will have the benefit of the Guarantee and the Transaction Security) and rank equally in right of payment with all unsecured and unsubordinated obligations of the Issuer save for such obligations as may be preferred by law. However, the Issuer's payment obligations under the Notes will effectively be structurally subordinated to any payment obligations owed to creditors of the Issuer's non-Guarantor subsidiaries. See "*The Issuer is the holding company of the Group*" above.

Certain or all Guarantors may cease to be Guarantors.

In accordance with Condition 2(e) (*Status and Guarantee of the Notes — Release of Guarantors*), the Issuer may, by written notice to the Trustee signed by two directors of the Issuer, request that a Guarantor cease to be a Guarantor in respect of the Notes if such Guarantor is no longer providing a guarantee in respect of the Financing. In particular:

(a) the Pricoa Note Agreement requires that subsidiaries of the Issuer which guarantee or create liens above particular thresholds become guarantors under that agreement, subject to limits imposed by the operation of relevant local law. The Issuer is under an obligation to ensure that the gross assets and pre-tax profits of the guarantors under the Pricoa Note Agreement contribute at any time 85 per cent. or more of the consolidated gross assets and pre-tax profits of the Group (as defined in the Pricoa Note Agreement). This is subject to certain conditions and excludes from the definition of "Group" any subsidiaries of Shanks B.V.; and

(b) each guarantor under the 2009 Bank Facility provides a joint and several guarantee to each Finance Party. The Issuer is under an obligation to ensure that the gross assets and pre-tax profits of the guarantors under the 2009 Bank Facility contribute at any time 85 per cent. or more of the consolidated gross assets and pre-tax profits of the Group. This is subject to certain conditions and excludes from the definition of "Group" any subsidiaries of Shanks B.V. The Issuer can request to the Facility Agent, who notifies the Lenders of such request, that any additional wholly-owned subsidiaries become guarantors. Where a guarantor ceases to be a member of the Group or is released from all its obligations under the Finance Documents, any security over that guarantor is released. The retiring guarantor (i) is released from any liability and (ii) each other guarantor waives any rights that it may have to take the benefit of any right of any Finance Party or of any other security taken under or in connection with any Finance Document where the rights or security are granted by or in relation to the assets of the retiring guarantor. (Each of the defined terms used in this paragraph has the meaning set out in the 2009 Bank Facility.)

Consequently, certain or all Guarantors may cease to be Guarantors in respect of the Notes. If this happens, Noteholders will only be able to look to the Issuer and the remaining Guarantors, which may include subsidiaries of the Issuer which become guarantors of the Notes pursuant to Condition 2(f) (*Status and Guarantee of the Notes — Additional Guarantors*), (or, as the case may be, the Issuer only) for payments in respect of the Notes.

The Noteholders' rights are subject to the Intercreditor Deed.

The Trustee (on behalf of itself and the Noteholders) will, following its accession to the Intercreditor Deed, amongst others, have, the benefit of the Transaction Security and be entitled, subject to the terms of the Intercreditor Deed, to direct the Security Agent to enforce the Transaction Security on the terms of the Intercreditor Deed. The claims of the Trustee under the Transaction Security will rank, pursuant to the Intercreditor Deed, *pari passu* to those of the existing Transaction Parties and any future Transaction Parties according to the Intercreditor Deed.

The Trustee will be entitled to direct the Security Agent to enforce the Transaction Security only in

accordance with the terms of the Intercreditor Deed. The ability to take enforcement action against the Issuer and Guarantors will be subject to the terms of the Intercreditor Deed, the Conditions and the Trust Deed (including the provisions in relation to meetings of Noteholders).

Further, the Intercreditor Deed provides that, other than in certain circumstances set out therein, the Trustee must respond to a request for an instruction, consent, approval, release or waiver or agreement from any other party to the Intercreditor Deed within a specified period of time. Unless the Trustee is instructed by the Noteholders pursuant to a Snooze/Lose Extraordinary Resolution as described in Condition 12(c) (*Requests and instructions under the Intercreditor Deed*) to take or refrain from taking any of actions, it will not do so and if the Trustee fails to respond to such request in such period of time (whether on account of a lack of instructions or otherwise), that consent, approval, release or waiver or agreement or approval will not be required to be given. Noteholders should note that, under the terms of the Intercreditor Deed, the maximum time allowed for them to vote on any Snooze/Lose Extraordinary Resolution (including any adjourned meeting in relation thereto) will be 45 days from the date the Trustee has approved the notice of the proposed Snooze/Lose Extraordinary Resolution for publication to the Noteholders which will, pursuant to the Trust Deed, be the date on which it is published.

Application of moneys received by the Trustee is subject to a payment waterfall.

All moneys received by the Trustee in respect of the Notes or amounts payable under the Trust Deed will be applied as follows:

(a) first, in payment or satisfaction of the costs, charges, expenses and Liabilities incurred by, or sums to be retained by, the Trustee in the preparation and execution of the trusts of the Trust Deed (including remuneration of the Trustee);

(b) thirdly, in or towards payment *pari passu* and rateably of all arrears of interest remaining unpaid in respect of the Notes and all principal amounts due on or in respect of the Notes; and

(c) fourthly, the balance (if any) in payment to the Issuer or, if such moneys were received from any Guarantor, such Guarantor.

For the purpose of (a) above, "**Liabilities**" means any loss, damage, cost, charge, claim, demand, expense, judgment, action, proceeding or other liability whatsoever (including, without limitation, in respect of taxes, duties, levies, imposts and other charges) and including any value added tax or similar tax charged or chargeable in respect thereof and legal fees and expenses on a full indemnity basis.

Condition 13 (*Enforcement*) provides that that the Trustee shall not be bound to institute proceedings to enforce its rights under the Trust Deed in respect of the Notes unless it has been indemnified, secured or pre-funded to its satisfaction. The Issuer will arrange to pay the amount of £100,000 into a segregated account of the Trustee to meet any such costs, charges and expenses which the Trustee may incur in connection with the liabilities, proceedings, claims and demands to which it may thereby become liable (such amount, any further payments made from time to time by the Issuer and accrued interest thereon, the "**Fund**").

Notwithstanding the existence of the Fund, there is no assurance (i) that the amount of the Fund would be sufficient to satisfy liabilities under (a) above and (ii) that should the amount of the Fund be used up towards payment or satisfaction of the Trustee's costs that there will be any amounts available or paid to Noteholders and Couponholders. In addition, the Fund may not satisfy the costs, charges and expenses of the Trustee and the Trustee may still take no action despite the existence of the Fund.

The liability of some of the Guarantors under the Guarantee is limited.

The Guarantee provided by the Guarantors will be subject to the following limitations:

(a) the liability under the Guarantee of any Guarantor incorporated in the Netherlands will be limited so that no obligation or liability shall be guaranteed by that Guarantor to the extent that, if it were to be guaranteed, it would constitute unlawful financial assistance within the meaning of Section 2:207(c) or 2:98(c) of the Dutch Civil Code;

(b) the liability under the Guarantee of any Guarantor incorporated in Belgium will be limited so that no obligation or liability shall be guaranteed by that Guarantor to the extent that, if it were to be

guaranteed, it would constitute unlawful financial assistance within the meaning of Article 629 of the Belgian Companies Code.

The obligations of any Guarantor incorporated in Belgium will be limited to an amount equal to the highest of:

(i) 90 per cent. of its Net Assets calculated on the basis of such Guarantor incorporated in Belgium's most recent audited financial statements available on the date of the Trust Deed; or

(ii) 90 per cent. of its Net Assets calculated on the basis of such Guarantor incorporated in Belgium's most recent audited financial statements available on the date on which demand is made under the Trust Deed.

For the purposes of this paragraph (b), "**Net Assets**" (*netto actief* / *actif net*) has the meaning given to it in Article 617 of the Belgian Companies Code and, in the event of a dispute over the Net Assets of any Guarantor incorporated in Belgium for the purposes of Condition 2(d) (*Status and Guarantee of the Notes — Limit on Certain Guarantors' Liability*), a certificate of such amount from the statutory auditors of such Guarantor incorporated in Belgium (or, if none, an independent firm of accountants of international reputation) will be conclusive, save in the case of manifest error; and

(c) the liability under the Guarantee of any Guarantor incorporated in Guernsey will be limited so that no obligation or liability shall be guaranteed by that Guarantor to the extent that, if it were to be guaranteed, it would constitute an unlawful distribution within the meaning of section 305 of the Companies (Guernsey) Law, 2008 (as amended).

Further, the process of receiving or enforcing payments by Guarantors incorporated in the Netherlands, Belgium and Guernsey under the Guarantee may be delayed if and to the extent that additional corporate resolutions from these Guarantors and/or certificates from the relevant Guarantor's statutory auditors or any further action in respect of the payments is/are required. Therefore, there can be no assurance as to the amount, if any, and timing of any payment of the Guarantors incorporated in the Netherlands, Belgium and Guernsey under the Guarantee.

Risks relating to the market generally

Set out below is a brief description of the principal market risks, including liquidity risk, exchange rate risk, interest rate risk and credit risk:

The secondary market generally.

The Notes may have no established trading market when issued and one may never develop. If a market does develop, it may not be very liquid and, consequently, investors may not be able to sell their Notes easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. Illiquidity may have a severely adverse effect on the market value of the Notes. The market value of the Notes may also be significantly affected by factors such as variations in the Issuer's, Guarantors' and Group's results of operations, news announcements or changes in general market conditions. In addition, broad market fluctuations and general economic and political conditions may adversely affect the market value of the Notes, regardless of the actual performance of the Group.

Legal investment considerations may restrict certain investments.

The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (i) Notes are legal investments for it, (ii) Notes can be used as collateral for various types of borrowing and (iii) other restrictions apply to the purchase or pledge of any Notes. Financial institutions should consult their legal advisors or the appropriate regulators to determine the appropriate treatment of Notes under any applicable risk based capital or similar rules.

Exchange rate risks and exchange controls.

The Issuer will pay principal and interest on the Notes in Euro. This presents certain risks relating to

currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the "**Investor's Currency**") other than Euro. These include the risk that exchange rates may change significantly (including changes due to devaluation of the Euro or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the Euro would decrease (i) the Investor's Currency equivalent yield on the Notes, (ii) the Investor's Currency equivalent value of the principal payable on the Notes and (iii) the Investor's Currency equivalent market value of the Notes.

In addition, government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, investors may receive less interest or principal than expected, or no interest or principal.

Change of law.

The structure of the transaction and, *inter alia*, the issue of the Notes is based on the law (including tax law) and administrative practice in effect at the date hereof, and having due regard to the expected tax treatment of all relevant entities under such law and administrative practice. No assurance can be given that there will not be any change to such law (including tax law) or administrative practice after the Issue Date, which change might impact on the Notes and the expected payments of interest and repayment of principal. See also "*Change in tax status or taxation legislation or practice*" below.

Risks relating to taxation

Investors in the Notes may be required to pay taxes or other charges or duties.

Potential purchasers and sellers of the Notes should be aware that they may be required to pay taxes or other documentary charges or duties in accordance with the laws and practices of the country where the Notes are transferred or other jurisdictions. Potential investors are advised not to rely upon the tax summaries contained in this Prospectus but to ask for their own tax advisers' advice on their individual taxation with respect to the acquisition, sale and redemption of the Notes and receiving payments of interest, principal and/or other amounts under the Notes, including in particular the effect of any state, regional or local tax laws of any country or territory. Only such advisors are in a position to duly consider the specific situation of the potential investors. This investment consideration has to be read in connection with the taxation sections of this Prospectus.

Payments in respect of the Notes and the Guarantee may in certain circumstances be made subject to withholding or deduction of tax.

All payments in respect of Notes and the Guarantee will be made free and clear of withholding or deduction of Belgian, Canadian, Guernsey, Netherlands and United Kingdom taxation, unless the withholding or deduction is required by law. In that event, the Issuer will pay such additional amounts as will result in the Noteholders receiving such amounts as they would have received in respect of such Notes had no such withholding or deduction been required. The Issuer's and Guarantors' obligation to gross up is, however, subject to a number of exceptions, including withholding or deduction of withholding tax operated in certain EU Member States pursuant to the EU Savings Tax Directive and similar measures agreed with the EU by certain non EU countries and territories. In addition, the Issuer and the Guarantors will, in such event, have the option (but not the obligation) of redeeming all outstanding Notes in full *provided that* the obligation to gross up has resulted from a change in, or amendments to, the laws or regulations of Belgium, Canada, Guernsey, the Netherlands or the United Kingdom (as the case may be) (see Condition 5(b) (*Redemption for tax reasons*)). See "*Taxation*" and "*EU Savings Tax Directive*" below.

EU Savings Tax Directive.

The EU has adopted a directive regarding the taxation of savings income, the EU Savings Tax Directive. The EU Savings Tax Directive requires member states to provide to the tax authorities of another member state details of payments of interest and except that Luxembourg and Austria will instead impose a withholding system for a transitional period unless during such period they elect otherwise. A number of third countries and territories including Switzerland have adopted similar measures to the Directive. See "*Taxation — EU Savings Tax Directive*".

Change in tax status or taxation legislation or practice.

Any change in the Issuer's or any of the Guarantors' tax status or in the taxation legislation or practice in a relevant jurisdiction could adversely impact (i) the ability of the Issuer to service the Notes or, as the case may be, the Guarantors to make payments under the Guarantee and (ii) the market value of the Notes. See also "*Change of law*" above.

TERMS AND CONDITIONS OF THE NOTES

The following is the text of the Terms and Conditions of the Notes which (subject to completion and amendment) will be endorsed on each Definitive Note (if issued):

The expected minimum amount of €50,000,000 of 5.00 per cent. guaranteed Notes due 2015 (the "**Notes**", which expression includes any further notes issued pursuant to Condition 14 (*Further Issues*) and forming a single series therewith) of Shanks Group plc (the "**Issuer**") are subject to, and have the benefit of, a trust deed dated 22 October 2010 (as amended or supplemented from time to time, the "**Trust Deed**") between the Issuer, Caird Group Limited, Shanks & McEwan (Environmental Services) Limited, Shanks & McEwan (Overseas Holdings) Limited, Shanks B.V., Shanks Belgium Holding B.V., Shanks Canada Finance Limited, Shanks Capital Investment Limited, Shanks Chemical Services Limited, Shanks Environmental Services Limited, Shanks Finance Limited, Shanks Financial Management Limited, Shanks Hainaut SA, Shanks Holdings Limited, Shanks Investments, Shanks Liège-Luxembourg SA, Shanks PFI Investments Limited, Shanks SA, Shanks SIL Capital Limited, Shanks SIL Finance Limited, Shanks SIL Investments Limited, Shanks Vlaanderen NV and Shanks Waste Management Limited (the "**Guarantors**") and BNP Paribas Trust Corporation UK Ltd as trustee (the "**Trustee**", which expression includes all persons for the time being trustee or trustees appointed under the Trust Deed) and are the subject of a paying agency agreement dated 22 October 2010 (as amended or supplemented from time to time, the "**Paying Agency Agreement**") between the Issuer, the Guarantors, BNP Paribas Securities Services, Luxembourg Branch as principal paying agent (the "**Principal Paying Agent**", which expression includes any successor principal paying agent appointed from time to time in connection with the Notes), the paying agents named therein (together with the Principal Paying Agent, the "**Paying Agents**", which expression includes any successor or additional paying agents appointed from time to time in connection with the Notes) and the Trustee.

References herein to "**Guarantor**" shall, so far as the context permits, also include any Subsidiary (as defined herein) of the Issuer which becomes a Guarantor of the Notes and party to the Trust Deed at any time (together, the "**Guarantors**"), but shall not include any Subsidiary of the Issuer which ceases to be a Guarantor of the Notes, all as described under "*Status and Guarantee of the Notes — Guarantee of the Notes*".

The Notes and the Trust Deed are subject to the terms of an intercreditor deed dated 8 April 2009 as amended and restated on or about 24 September 2010 (as amended or supplemented from time to time, the "**Intercreditor Deed**") between, amongst others, the Issuer and the Guarantors as obligors, the Trustee, a syndicate of banks as lenders and Barclays Bank PLC as security agent (the "**Security Agent**"). Pursuant to the Intercreditor Deed, the Trustee (for itself and on behalf of the Noteholders) has the benefit, amongst others, of the Transaction Security.

Certain provisions of these Terms and Conditions (the "**Conditions**", and any reference to a numbered "**Condition**" is to the correspondingly numbered provision hereof) are summaries of the Trust Deed, the Paying Agency Agreement and the Intercreditor Deed and are subject to their detailed provisions.

In these Conditions:

"**2009 Bank Facility**" means the €270,000,000 term loan and the €90,000,000 revolving credit facility entered into by the Issuer and the Existing Guarantors (among others) on 7 April 2009, as supplemented and/or amended and restated from time to time;

"**Acting in Concert**" means persons who, pursuant to an agreement or understanding (whether formal or informal), co-operate to obtain or consolidate control of a company or to frustrate the successful outcome of an offer for a company. A person and each of its affiliated persons will be deemed to be acting in concert all with each other;

"**Calculation Amount**" means €1,000;

a "**Change of Control**" shall be deemed to have occurred each time (whether or not approved by the Board of Directors of the Issuer) that any person or persons Acting in Concert or any person or persons acting on behalf of any such person(s), at any time whether directly or indirectly owns or acquires an interest, or interests, in shares carrying in aggregate 50 per cent. or more of the Voting Rights of the

Issuer, irrespective of whether such interest or interests give *de facto* control and "**control**" for the purposes of the definition of Acting in Concert shall be construed accordingly;

"**Consolidated Group Net Worth**" means , at the time of any determination (without duplication),

(a) the total assets of the Group shown as assets on the consolidated balance sheet of the Group, after eliminating all amounts properly attributable to the assets of the Excluded Subsidiaries (but including those of Joint Ventures) and after eliminating all amounts properly attributable to minority interests, if any, in the assets of Subsidiaries;

(b) plus an amount sufficient to offset in full the amount of any pension deficit or, as the case may be, minus an amount sufficient to offset in full the amount of any pension surplus, in either case reflected in the relevant balance sheet;

(c) minus the total liabilities of the Group after eliminating all liabilities properly attributable to the assets of the Excluded Subsidiaries (but including those of Joint Ventures) shown as liabilities on the face of the relevant consolidated balance sheet of the Group (ignoring the notes thereto); and

(d) minus the sum of deferred tax liabilities arising from the pension scheme or, as the case may be, plus the sum of deferred tax assets arising from the pension scheme as recognised in the relevant balance sheet,

all as reflected in the most recent annual consolidated balance sheet of the Group;

"**Day Count Fraction**" means, in respect of any period, the number of days in the relevant period, from (and including) the first day in such period to (but excluding) the last day in such period, divided by the number of days in the Regular Period in which the relevant period falls;

"**Excluded Subsidiary**" means any Subsidiary or subsidiary undertaking of the Issuer:

(a) tendering for or engaging in the provision of waste management services or similar or complementary business (a "**Project Operating Company**"); or

(b) all or substantially all of whose business is holding investments in a Project Operating Company (whether by way of shares, loan or otherwise),

provided that:

(i) neither the Issuer, the Guarantors nor any of their respective Subsidiaries (excluding any such Excluded Subsidiary) has liability in excess of £50,000 (or its equivalent) for any Indebtedness of such company;

(ii) neither the Issuer, the Guarantors nor any of their respective Subsidiaries (excluding any such Excluded Subsidiary) has liability in excess of £500,000 (or its equivalent) for any Indebtedness of all Excluded Subsidiaries in aggregate other than liabilities which arise solely in connection:

(A) with any security interest over the interest (whether by shares, loans or otherwise) of a member of the Group (other than an Excluded Subsidiary) where the security interest is limited to the assets upon which such security interests are attached; and

(B) the charge dated 9 June 2004 granted by Shanks Waste Management Limited in favour of ABN AMRO Bank NV;

(iii) neither the Issuer, the Guarantors nor any of their respective Subsidiaries has given any form of assurance, undertaking or support other than where the recourse is limited to a claim for damages (not being liquidated damages required to be calculated in a specified way in excess of £500,000 (or its equivalent) for any Excluded Subsidiary) for breach of an obligation by any Excluded Subsidiary provided that the obligation is not in any way a guarantee, indemnity or other assurance against financial loss or an obligation to ensure compliance of the Excluded Subsidiary with a financial ratio or other test of financial condition; and

(iv) all or substantially all of the company's business (either directly or by way of Project Operating Companies in which it holds investments) is consistent with the general business of the Group;

"**Financing**" means the Pricoa Note Agreement and the 2009 Bank Facility and any other instrument or facility which refinances the same (or which in turn refinances such instrument or facility however many times) *provided that* the total principal amount raised pursuant to or, as the case may be, outstanding under such instrument or facility is at least €20,000,000 (or its equivalent in other currencies);

"**Group**" means the Issuer together with its Subsidiaries;

"**Guarantee**" means, in relation to any Indebtedness of any Person, any obligation of another Person to pay such Indebtedness including (without limitation):

(a) any obligation to purchase such Indebtedness;

(b) any obligation to lend money, to purchase or subscribe shares or other securities or to purchase assets or services in order to provide funds for the payment of such Indebtedness; and

(c) any indemnity against the consequences of a default in the payment of such Indebtedness;

"**Indebtedness**" means any indebtedness of any Person for money borrowed or raised including (without limitation) any indebtedness for or in respect of:

(a) amounts raised by acceptance under any acceptance credit facility;

(b) amounts raised under any note purchase facility;

(c) the amount of any liability in respect of leases or hire purchase contracts which would, in accordance with applicable law and generally accepted accounting principles, be treated as finance or capital leases;

(d) the amount of any liability in respect of any purchase price for assets or services the payment of which is deferred for a period in excess of 60 days for the purpose of assisting in financing such purchase; and

(e) amounts raised under any other transaction (including, without limitation, any forward sale or purchase agreement) having the commercial effect of a borrowing;

"**Joint Venture**" means any joint venture entity or business which is a joint venture or an associate for the purposes of Financial Reporting Standard 9 but in respect of which neither the Issuer nor any of its Subsidiaries is able to exercise legal control in such a way as to be able to require that surplus cashflow generated by such entity is remitted to the Issuer and/or its Subsidiaries in a manner to allow such cash to be freely available to the Issuer and/or its Subsidiaries for the purposes of servicing Indebtedness;

"**Luxembourg Business Day**" means a day (other than a Saturday or a Sunday) on which commercial banks are open for business (including dealings in foreign exchange and foreign currency deposits) in the city in which the Principal Paying Agent has its specified office;

"**Material Subsidiary**" means:

(a) Shanks B.V.;

(b) any Subsidiary of the Issuer, other than an Excluded Subsidiary, which (on an unconsolidated basis and ignoring intra-group items) has gross assets representing more than 5 per cent. of the total consolidated gross assets of the Group, or has pre-tax profits representing more than 5 per cent. of the total consolidated pre-tax profits of the Group, all as calculated by reference to the last financial statements (consolidated or, as the case may be, unconsolidated) of the Subsidiary and the then latest audited consolidated financial statements of the Issuer, *provided that* in the case of a Subsidiary acquired after the end of the financial period to which the then latest audited consolidated financial statements of the Issuer relate for the purpose of applying each of the foregoing tests, the reference to the Issuer's latest audited consolidated financial statements shall be deemed to be a reference to such financial statements as if such Subsidiary had been shown

therein by reference to its then latest relevant financial statements, adjusted as deemed appropriate by the auditors for the time being after consultation with the Issuer; and

(c) any Subsidiary of the Issuer, other than an Excluded Subsidiary, to which is transferred all or substantially all of the business, undertaking and assets of another Subsidiary which immediately prior to such transfer is a Material Subsidiary, whereupon (a) in the case of a transfer by a Material Subsidiary, the transferor Material Subsidiary shall immediately cease to be a Material Subsidiary and (b) the transferee Subsidiary shall immediately become a Material Subsidiary, *provided that* on or after the date on which the relevant financial statements for the financial period current at the date of such transfer are published, whether such transferor Subsidiary or such transferee Subsidiary is or is not a Material Subsidiary shall be determined pursuant to the provisions of paragraph (ii) above.

The Trust Deed provides that the Trustee may call for and shall be at liberty to accept a certificate signed by two directors and/or two authorised signatories of the issuer certifying that in their opinion, having received and reviewed a report of the auditors of the Issuer as to proper extraction of the figures used by the directors and/or authorised signatories of the Issuer in determining the Material Subsidiaries and the mathematical accuracy of the calculations, a Subsidiary is or is not or was or was not at any particular time or during any particular period a Material Subsidiary, in which event and in the absence of manifest error such certificate shall be conclusive and binding on the Trustee and the Noteholders and the Trustee shall have no liability for accepting or acting upon such certificate;

"**Person**" means any individual, company, corporation, firm, partnership, joint venture, association, organisation, state or agency of a state or other entity, whether or not having separate legal personality;

"**Pledgor**" means Shanks B.V. as security provider under the Share Pledge;

"**Pricoa Note Agreement**" means the multi-currency note facility and guarantee agreement entered into by the Issuer and The Prudential Insurance Company of America on 30 March 2001, as supplemented and/or amended and restated from time to time;

"**Regular Period**" means each period from (and including) the Issue Date or any Interest Payment Date to (but excluding) the next Interest Payment Date;

"**Relevant Date**" means whichever is the later of (1) the date on which the payment in question first becomes due and (2) if the full amount payable has not been received in a city in which banks have access to the TARGET System by the Principal Paying Agent or the Trustee on or prior to such due date, the date on which (the full amount having been so received) notice to that effect has been given to the Noteholders;

"**Relevant Indebtedness**" means any Indebtedness which is in the form of or represented by any bond, note, debenture, debenture stock, loan stock, certificate or other instrument which is, or is capable of being, listed, quoted or traded on any stock exchange or in any securities market (including, without limitation, any over-the-counter market);

"**Security Interest**" means any mortgage, charge, pledge, lien or other security interest including, without limitation, anything analogous to any of the foregoing under the laws of any jurisdiction other than the Share Pledge;

"**Share Pledge**" means the Dutch law governed notarial deed of pledge of shares dated 9 April 2009 entered into between the Pledgor, the Security Agent and Shanks Nederland B.V., as the company whose shares are being pledged, as the same may be amended, supplemented or replaced from time to time;

"**Subsidiary**" means, in relation to any Person (the "**first Person**") at any particular time, any other Person (the "**second Person**") whose affairs and policies the first Person, whether directly or indirectly, controls or has the power to control, whether by ownership of share capital, contract, the power to appoint or remove members of the governing body of the second Person or otherwise;

"**TARGET Settlement Day**" means any day on which the TARGET System is open for the settlement of payments in Euro;

"**TARGET System**" means the Trans-European Automated Real-Time Gross Settlement Express Transfer payment system which utilises a single shared platform and which was launched on 19 November 2007; and

"**Voting Rights**" means all the voting rights attributable to the capital of a company which are currently exercisable at a general meeting.

1. **Form, Denomination and Title**

The Notes are in bearer form in the denomination of €1,000 each with Coupons attached at the time of issue. Title to the Notes and the Coupons will pass by delivery. The holder of any Note or Coupon shall (except as otherwise required by law) be treated as its absolute owner for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any other interest therein, any writing thereon or any notice of any previous loss or theft thereof) and no person shall be liable for so treating such holder. No person shall have any right to enforce any term or condition of the Notes or the Trust Deed under the Contracts (Rights of Third Parties) Act 1999.

2. **Status and Guarantee of the Notes**

(a) *Status of the Notes*: The Notes constitute direct, general and unconditional obligations of the Issuer which will at all times rank *pari passu* among themselves and at least *pari passu* with all other present and future unsecured obligations of the Issuer, save for such obligations as may be preferred by provisions of law that are both mandatory and of general application.

(b) *Share Pledge and Intercreditor Deed*: The Noteholders have the benefit of the Share Pledge and any other security from time to time existing in respect of the Financing (the "**Transaction Security**"). The Transaction Security is granted in favour of the Security Agent, who acts as trustee for the other finance providers (which include the Trustee on behalf of the Noteholders) and holds, and is entitled to enforce, the Transaction Security on the terms of the Intercreditor Deed. The Intercreditor Deed regulates the application of proceeds of enforcement of security, including the Share Pledge, and sets out equalisation arrangements amongst the various finance providers. Each of the finance providers agrees to rank *pari passu* amongst themselves. Any amount received by the Trustee from the Pledgor as a Guarantor under the Trust Deed and these Conditions shall be subject to Clause 11 (*Equalisation Arrangements*) of the Intercreditor Deed.

(c) *Guarantee of the Notes*: Each Guarantor has in the Trust Deed irrevocably jointly and severally guaranteed the due and punctual payment of all sums from time to time payable by the Issuer in respect of the Notes. The guarantee (the "**Guarantee of the Notes**") constitutes direct, general and (subject to certain statutory limitations set out in Condition 2(d) (*Limit on Certain Guarantors' Liability*) below) unconditional obligations of the relevant Guarantor which will at all times rank at least *pari passu* with all other present and future unsecured obligations of such Guarantor, save for such obligations as may be preferred by provisions of law that are both mandatory and of general application. (The Noteholders have the benefit of the Share Pledge, which is shared between the Trustee of the Noteholders and the other finance providers on terms set out in the Intercreditor Deed.)

Each Guarantor has in the Trust Deed further agreed that the Trustee shall be entitled to claim the full amount of all sums expressed to be payable by the Issuer under the Trust Deed or in respect of the Notes or Coupons (the "**Guaranteed Sums**") from each and every Guarantor, subject to not receiving more in total than the Guaranteed Sums and subject to the relevant Guarantee limitations. If the Issuer fails for any reason whatsoever punctually to pay any Guaranteed Sums, the Guarantors shall cause each and every such sum to be forthwith unconditionally paid (as if the Guarantors instead of the Issuer were expressed to be the primary obligors under the Trust Deed and not merely as sureties (but without affecting the nature of the Issuer's obligations) to the intent that the holder of the relevant Note or Coupon or the Trustee (as the case may be) shall receive the same amounts as would have been receivable had such payments been made by the Issuer).

(d) *Limit on Certain Guarantors' Liability*:

(i) The liability under the Guarantee of the Notes of any Guarantor incorporated in the Netherlands will be limited so that no obligation or liability shall be guaranteed by that Guarantor to the extent that, if it were to be guaranteed, it would constitute unlawful financial assistance within the meaning of Section 2:207(c) or 2:98(c) of the Dutch Civil Code.

(ii) The liability under the Guarantee of the Notes of any Guarantor incorporated in Belgium will be limited so that no obligation or liability shall be guaranteed by that Guarantor to the extent that, if it were to be guaranteed, it would constitute unlawful financial assistance within the meaning of Article 629 of the Belgian Companies Code.

The obligations of any Guarantor incorporated in Belgium will be limited to an amount equal to the highest of:

(A) 90 per cent. of its Net Assets calculated on the basis of such Guarantor incorporated in Belgium's most recent audited financial statements available on the date of the Trust Deed; or

(B) 90 per cent. of its Net Assets calculated on the basis of such Guarantor incorporated in Belgium's most recent audited financial statements available on the date on which demand is made under its Guarantee of the Notes.

For the purposes of this paragraph (ii), "**Net Assets**" (*netto actief* / *actif net*) has the meaning given to it in Article 617 of the Belgian Companies Code and, in the event of a dispute over the Net Assets of any Guarantor incorporated in Belgium for the purposes of this Condition 2(d), a certificate of such amount from the statutory auditors of such Guarantor incorporated in Belgium (or, if none, an independent firm of accountants of international reputation) will be conclusive, save in the case of manifest error.

(iii) The liability under the Guarantee of the Notes of any Guarantor incorporated in Guernsey will be limited so that no obligation or liability shall be guaranteed by that Guarantor to the extent that, if it were to be guaranteed, it would constitute an unlawful distribution within the meaning of section 305 of the Companies (Guernsey) Law, 2008 (as amended).

(e) *Release of Guarantors*: The Issuer may by written notice to the Trustee signed by a director of the Issuer request that a Guarantor cease to be a Guarantor if such Guarantor is no longer providing a guarantee in respect of any Financing of the Issuer. Upon the Trustee's receipt of such notice (receipt of such notice to be confirmed to the Issuer by the Trustee as soon as practicable), such Guarantor shall automatically and irrevocably be released and relieved of any obligation under the Guarantee of the Notes. Such notice to the Trustee must also contain the following certifications: (i) no Event of Default is continuing and (ii) such Guarantor is not (or will cease to be simultaneously with such release) providing a Guarantee in respect of any Financing of the Issuer.

If a Guarantor provides a Guarantee in respect of any Financing at any time subsequent to the date on which it is released from the Guarantee of the Notes as described above, such Guarantor will be required to provide, and the Issuer shall procure that such Guarantor provides, a Guarantee of the Notes as described in Condition 2(f) (*Additional Guarantors*) below.

(f) *Additional Guarantors*: If at any time after the Issue Date, any Subsidiary of the Issuer (i) provides or at the time it becomes a Subsidiary is providing a Guarantee in respect of any Financing of the Issuer and (ii) it is lawful for such Subsidiary to do so, the Issuer shall procure that such Subsidiary (a "**Guarantee Entity**") shall at or prior to the date of the giving of such Guarantee or at the time it becomes a Guarantee Entity and is providing such a Guarantee execute and deliver to the Trustee a supplemental trust deed, in a form and with substance satisfactory to the Trustee pursuant to which such Guarantee Entity shall become party to the Trust Deed and guarantee the obligations of the Issuer in respect of the Notes, the Coupons and the Trust Deed on terms *mutatis mutandis* (to the extent lawful) as the Guarantee of the Notes

and execute and deliver to the Trustee a paying agency agreement supplemental to the Paying Agency Agreement in form and manner satisfactory to the Trustee pursuant to which such Guarantee Entity agrees to be bound by the provisions of the Paying Agency Agreement as fully as if such Guarantee Entity had been named therein as an Original Guarantor. Each Guarantor giving a Guarantee of the Notes as of the Issue Date (an "**Existing Guarantor**") has in the Trust Deed confirmed that it has consented to any such entity becoming a Guarantor as aforesaid without the need for such Existing Guarantor to execute any supplemental trust deed.

(g) *Release of Transaction Security*: If at any time the Share Pledge or any other security from time to time securing the Financing is released or otherwise ceases to secure the Financing, the Trustee shall cease to have any rights, benefits, obligations or duties under the Intercreditor Deed and under the relevant document creating or evidencing such security, in respect of such security and the Noteholders shall no longer have the benefit of such security. If the Share Pledge and all other security securing the Financing is released or otherwise ceases to secure the Financing, the Trustee shall cease to have any rights, benefits, obligations or duties under the Intercreditor Deed and under the relevant document creating or evidencing such security and it shall automatically be released (without further action from itself or any other party to the Intercreditor Deed) from the Intercreditor Deed.

(h) *Notice of Change of Guarantors or Release of Transaction Security*: Notice of any release of a Guarantor pursuant to Condition 2(e) (*Release of Guarantors*), addition of a Guarantor pursuant to Condition 2(f) (*Additional Guarantors*) or release of any Transaction Security pursuant to Condition 2(g) (*Release of Transaction Security*) shall be given to the Noteholders in accordance with Condition 15 (*Notices*) as soon as practicable and, in any event, within 30 calendar days.

3. **Negative Pledge**

So long as any Note remains outstanding (as defined in the Trust Deed), (i) neither the Issuer nor the Guarantors shall, and the Issuer and the Guarantors shall procure that no Material Subsidiary will, create or permit to subsist any Security Interest upon the whole or any part of its present or future undertaking, assets or revenues (including uncalled capital) to secure any Relevant Indebtedness or Guarantee of Relevant Indebtedness and/or (ii) neither the Issuer nor the Guarantors shall, and the Issuer and the Guarantors shall procure that no Material Subsidiary will, create or permit to subsist any Security Interest upon its property, plant and equipment (as referred to and having a book value as shown in the annual consolidated balance sheet of the Issuer or in the case of any Guarantor, as referred to and as shown in the unaudited (or audited if such are prepared) financial statements of such Guarantor, consolidated or, as the case may be, non-consolidated) in each case equal to or in excess of 40 per cent. of the Consolidated Group Net Worth to secure any Indebtedness without (a) at the same time or prior thereto securing the Notes equally and rateably therewith to the satisfaction of the Trustee or (b) providing such other security, guarantee, indemnity or other such arrangement for the Notes as the Trustee may in its absolute discretion consider to be not materially less beneficial to the interests of the Noteholders or as may be approved by an Extraordinary Resolution (as defined in the Trust Deed) of Noteholders.

Pursuant to the Trust Deed the Trustee is entitled, absent express notice or actual notice to the contrary, to assume that the Issuer and Guarantors are complying with their obligations under these Conditions. The Trustee shall not monitor compliance by the Issuer or any Guarantor with their respective obligations in relation to the covenants in this Condition 3 or otherwise.

4. **Interest**

The Notes bear interest from (and including) 22 October 2010 (the "**Issue Date**") at the rate of 5.00 per cent. per annum (the "**Rate of Interest**") calculated by reference to the principal amount thereof and payable in arrear on 22 October in each year (each, an "**Interest Payment Date**") commencing with the Interest Payment Date falling on 22 October 2011, subject as provided in Condition 6 (*Payments*).

Each Note will cease to bear interest from the due date for final redemption unless, upon due presentation, payment of principal is improperly withheld or refused, in which case it will continue to bear interest at such rate (both before and after judgment) until whichever is the

earlier of (a) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder and (b) the day which is seven days after the Principal Paying Agent or the Trustee has notified the Noteholders that it has received all sums due in respect of the Notes up to such seventh day (except to the extent that there is any subsequent default in payment).

The amount of interest payable on each Interest Payment Date shall be €50 in respect of each Note of €1,000 denomination. If interest is required to be paid in respect of a Note on any other date, it shall be calculated by applying the Rate of Interest to the Calculation Amount, multiplying the product by the relevant Day Count Fraction and rounding the resulting figure to the nearest cent (half a cent being rounded upwards) and multiplying such rounded figure by a fraction equal to the denomination of such Note divided by the Calculation Amount.

5. **Redemption and Purchase**

(a) *Scheduled redemption*: Unless previously redeemed, or purchased and cancelled, the Notes will be redeemed at their principal amount on 22 October 2015, subject as provided in Condition 6 (*Payments*).

(b) *Redemption for tax reasons*: The Notes may be redeemed at the option of the Issuer in whole, but not in part, at any time, on giving not less than 30 nor more than 60 days' notice to the Noteholders (which notice shall be irrevocable) at their principal amount, together with interest accrued to the date fixed for redemption, if, immediately before giving such notice, the Issuer satisfies the Trustee that:

(i) the Issuer or any Guarantor has or will become obliged to pay additional amounts as provided or referred to in Condition 7 (*Taxation*) as a result of any change in, or amendment to, the laws or regulations of the Belgium, Canada, Guernsey, the Netherlands or the United Kingdom (as the case may be) or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations (including a holding by a court of competent jurisdiction), which change or amendment becomes effective on or after 24 September 2010; and

(ii) such obligation cannot be avoided by the Issuer taking reasonable measures available to it;

provided, however, that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer or, as the case may be, any Guarantor would be obliged to pay such additional amounts if a payment in respect of the Notes were then due.

Prior to the publication of any notice of redemption pursuant to this paragraph, the Issuer shall deliver to the Trustee a certificate signed by two directors of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred.

The Trustee shall be entitled to accept such certificate as sufficient evidence of the satisfaction of the circumstances set out above, in which event it shall be conclusive and binding on the Noteholders and the Trustee shall have no liability for accepting or acting upon such certificate or opinion notwithstanding that the same shall contain some error or not be authentic.

Upon the expiry of any such notice as is referred to in this Condition 5(b), the Issuer shall be bound to redeem the Notes in accordance with this Condition 5(b).

(c) *Redemption at the option of Noteholders*: If at any time while any Note remains outstanding a Change of Control occurs, each Noteholder will have the option (the "**Put Option**") (unless, prior to the giving of the Put Event Notice, the Issuer gives notice of its intention to redeem the Notes under Condition 5(b) (*Redemption for tax reasons*) above) to require the Issuer to redeem that Note on the Optional Redemption Date, at (i) 101.875 per cent. of its principal amount if the Change of Control occurs on or prior to 22 October 2011 or (ii) 101 per cent. of its principal amount if the Change of Control occurs after 22 October 2011, in each case, together with accrued interest to but excluding the Optional Redemption Date.

Within 7 business days of the Issuer becoming aware that a Change of Control has occurred, the Issuer shall give notice (a "**Put Event Notice**") to the Noteholders in accordance with Condition 15 (*Notices*) specifying the nature of the Change of Control and the circumstances giving rise to it, the procedure for exercising the Put Option contained in this Condition 5(c), the last day of the Put Period and the Optional Redemption Date (as defined below).

To exercise the Put Option, a Noteholder must within the period (the "**Put Period**") of 60 days after the day on which the Put Event Notice is given complete and deposit a put exercise notice (the "**Put Exercise Notice**") substantially in the form set out in the Paying Agency Agreement obtainable upon request during usual business hours from the specified office of any Paying Agent with the bank or other financial intermediary through which the Noteholder holds Notes (the "**Intermediary**"), requesting that the Intermediary liaise with a Paying Agent to organise the early redemption of such Notes and Coupons (if any) pursuant to this Condition 5(c). The costs, if any, of the Intermediary shall be borne by the relevant Noteholder. Any applicable Notes and each Coupon relating thereto maturing after the Optional Redemption Date (as defined below) (if any) should be deposited with the Put Exercise Notice, failing which the amount of any such missing unmatured Coupon will be deducted from the sum due for payment.

The Intermediary will arrange for the delivery of Put Exercise Notices and Notes to the account of a Paying Agent for the account of the Issuer by not later than the second Luxembourg Business Day following the end of the Put Period on a delivery against payment basis on the Optional Redemption Date. The Paying Agent to which such Put Exercise Notice, Notes and Coupons (if any) are delivered to will issue to the Noteholder concerned a duly completed put option receipt (a "**Put Option Receipt**") in respect of the Notes so delivered. Subject to the deposit of Put Exercise Notices and Notes to the account of a Paying Agent for the account of an Issuer as described above, the Issuer shall redeem the Notes in respect of which the Put Option has been validly exercised as provided above on the date which is the tenth business day following the end of the Put Period (the "**Optional Redemption Date**"). No Put Exercise Option once deposited in accordance with this Condition 5(c), may be withdrawn; *provided, however, that* if, prior to the relevant Optional Redemption Date, any such Note becomes immediately due and payable or, upon due presentation of any such Note on or prior to the end of the Put Period, payment of the redemption moneys is improperly withheld or refused on the relevant Optional Redemption Date, the relevant Paying Agent shall mail notification thereof to the depositing Noteholder at such address as may have been given by such Noteholder in the relevant Put Exercise Notice and shall hold such Note at its specified office for collection by the depositing Noteholder against surrender of the relevant Put Option Receipt. For so long as any outstanding Note is held by a Paying Agent or Intermediary in accordance with this Condition 5(c), the depositor of such Note and not such Paying Agent shall be deemed to be the holder of the Note for all purposes.

Payments in respect of Notes delivered pursuant to this Condition 5(c) will be made by bank transfer to the bank account specified in the relevant Put Exercise Notice pursuant to Condition 6 (*Payments*) on or about the Optional Redemption Date. Amounts deducted in respect of any missing unmatured Coupon will be paid in the manner provided in Condition 6 (*Payments*) against surrender or the relevant missing Coupon (or any replacement therefor issued pursuant to Condition 10 (*Replacement of Notes and Coupons*)) at any time after such payment but before the expiry of five years from the date on which such Coupon would otherwise have become due, but in no event thereafter.

The Trustee is under no obligation to ascertain whether a Put Option or Change of Control or any event which could lead to the occurrence of or could constitute a Put Option or Change of Control has occurred or to notify the Noteholders of the same and, until it shall have actual knowledge or notice pursuant to the Trust Deed to the contrary, the Trustee may assume that no Put Option or Change of Control or other such event has occurred.

(d) *No other redemption*: The Issuer shall not be entitled to redeem the Notes otherwise than as provided in paragraphs 5(a) (*Scheduled Redemption*) to 5(c) (*Redemption at the option of the Noteholders*) above.

(e) *Purchase*: The Issuer, the Guarantors or any of their respective Subsidiaries may at any time purchase Notes in the open market or otherwise and at any price, *provided that* all unmatured

Coupons are purchased therewith. Such Notes may be held, re-issued, re-sold or, at the option of the Issuer, surrendered to a Paying Agent for cancellation.

(f) *Cancellation*: All Notes which are redeemed and Notes purchased and cancelled pursuant to Condition 5(e) by the Issuer, Guarantors or any of their respective Subsidiaries and any unmatured Coupons attached to or surrendered with them shall be cancelled and may not be reissued or resold.

6. **Payments**

(a) *Principal*: Payments of principal shall be made only against presentation and (*provided that* payment is made in full) surrender of Notes at the specified office of any Paying Agent outside the United States by transfer to a Euro account (or other account to which Euro may be credited or transferred) maintained by the payee with a bank in a city in which banks have access to the TARGET System.

(b) *Interest*: Payments of interest shall, subject to paragraph 6(f) (*Payments other than in respect of matured Coupons*) below, be made only against presentation and (*provided that* payment is made in full) surrender of the appropriate Coupons at the specified office of any Paying Agent outside the United States in the manner described in paragraph 6(a) (*Principal*) above.

(c) *Payments subject to fiscal laws*: All payments in respect of the Notes are subject in all cases to any applicable fiscal or other laws and regulations in the place of payment, but without prejudice to the provisions of Condition 7 (*Taxation*). No commissions or expenses shall be charged to the Noteholders or Couponholders in respect of such payments.

(d) *Deduction for unmatured Coupons*: If a Note is presented without all unmatured Coupons relating thereto, then:

(i) if the aggregate amount of the missing Coupons is less than or equal to the amount of principal due for payment, a sum equal to the aggregate amount of the missing unmatured Coupons will be deducted from the amount of principal due for payment; *provided, however, that* if the gross amount available for payment is less than the amount of principal due for payment, the sum deducted will be that proportion of the aggregate amount of such missing unmatured Coupons which the gross amount actually available for payment bears to the amount of principal due for payment;

(ii) if the aggregate amount of the missing Coupons is greater than the amount of principal due for payment:

(A) so many of such missing Coupons shall become void (in inverse order of maturity) as will result in the aggregate amount of the remainder of such missing unmatured Coupons (the "**Relevant Coupons**") being equal to the amount of principal due for payment; *provided, however, that* where this sub-paragraph would otherwise require a fraction of a missing unmatured Coupon to become void, such missing unmatured Coupon shall become void in its entirety; and

(B) a sum equal to the aggregate amount of the Relevant Coupons (or, if less, the amount of principal due for payment) will be deducted from the amount of principal due for payment; *provided, however, that*, if the gross amount available for payment is less than the amount of principal due for payment, the sum deducted will be that proportion of the aggregate amount of the Relevant Coupons (or, as the case may be, the amount of principal due for payment) which the gross amount actually available for payment bears to the amount of principal due for payment.

Each sum of principal so deducted shall be paid in the manner provided in paragraph 6(a) (*Principal*) above against presentation and (*provided that* payment is made in full) surrender of the relevant missing Coupons. No payments will be made in respect of void coupons.

(e) *Payments on business days*: If the due date for payment of any amount in respect of any Note or Coupon is not a business day in the place of presentation, the holder shall not be entitled to payment in such place of the amount due until the next succeeding business day in such place and shall not be entitled to any further interest or other payment in respect of any such delay. In this paragraph, "**business day**" means, in respect of any place of presentation, any day on which banks are open for presentation and payment of bearer debt securities and for dealings in foreign currencies in such place of presentation and, in the case of payment by transfer to a Euro account as referred to above, on which the TARGET System is open.

(f) *Payments other than in respect of matured Coupons*: Payments of interest other than in respect of matured Coupons shall be made only against presentation of the relevant Notes at the specified office of any Paying Agent outside the United States.

(g) *Partial payments*: If a Paying Agent makes a partial payment in respect of any Note or Coupon presented to it for payment, such Paying Agent will endorse thereon a statement indicating the amount and date of such payment.

7. **Taxation**

All payments of principal and interest in respect of the Notes and the Coupons or under any Guarantee of the Notes by or on behalf of the Issuer or the Guarantors shall be made free and clear of, and without withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of Belgium, Canada, Guernsey, the Netherlands or the United Kingdom or any political subdivision thereof or any authority therein or thereof having power to tax, unless the withholding or deduction of such taxes, duties, assessments or governmental charges is required by law. In that event the Issuer or (as the case may be) the relevant Guarantor shall pay such additional amounts as will result in receipt by the Noteholders and the Couponholders after such withholding or deduction of such amounts as would have been received by them had no such withholding or deduction been required, except that no such additional amounts shall be payable in respect of any Note or Coupon:

(a) presented for payment by or on behalf of a holder which is liable to such taxes, duties, assessments or governmental charges in respect of such Note or Coupon by reason of its having some connection with the jurisdiction by which such taxes, duties, assessments or charges have been imposed, levied, collected, withheld or assessed other than the mere holding of the Note or Coupon; or

(b) where such withholding or deduction is imposed on a payment to an individual and is required to be made pursuant to European Council Directive 2003/48/EC (the "**EU Savings Tax Directive**") or any other Directive implementing the conclusions of the ECOFIN Council meeting of 26-27 November 2000 or any law implementing or complying with, or introduced in order to conform to, this Directive; or

(c) presented for payment by or on behalf of a holder who would have been able to avoid such withholding or deduction by presenting the relevant Note or Coupon to another Paying Agent in a Member State of the European Union; or

(d) presented for payment more than 30 days after the Relevant Date except to the extent that the holder of such Note or Coupon would have been entitled to such additional amounts on presenting such Note or Coupon for payment on the last day of such period of 30 days.

Any reference in these Conditions to principal or interest shall be deemed to include any additional amounts in respect of principal or interest (as the case may be) which may be payable under this Condition 7 (*Taxation*) or any undertaking given in addition to or in substitution of this Condition 7 (*Taxation*) pursuant to the Trust Deed.

If the Issuer or any of the Guarantors becomes subject at any time to any taxing jurisdiction other than Belgium, Canada, Guernsey, the Netherlands or the United Kingdom, references in these Conditions to Belgium, Canada, Guernsey, the Netherlands or the United Kingdom shall be

construed as references to Belgium, Canada, Guernsey, the Netherlands or the United Kingdom and/or such other jurisdiction.

8. **Events of Default**

If any of the following events occurs and, in the case of (b) (*Breach of other obligations*), (i) (*Failure to take action etc.*) and (j) (*Unlawfulness*) and (other than in respect of any such event relating to the Issuer or Shanks B.V.) (e) (*Security enforced*), (f)(iii) and (iv) (*Insolvency, etc.*), the Trustee shall have certified in writing that such event is in its opinion materially prejudicial to the interests of the Noteholders *provided that* no such certification by the Trustee shall be required in respect of (j) (*Unlawfulness*) if it becomes unlawful for the Issuer to make any payment in respect of the Notes or the Trust Deed, then the Trustee at its discretion may and, if so requested in writing by holders of at least one-quarter of the aggregate principal amount of the outstanding Notes or if so directed by an Extraordinary Resolution, shall (subject to the Trustee having been indemnified, secured or pre-funded or provided with security to its satisfaction) give written notice to the Issuer declaring the Notes to be immediately due and payable, whereupon they shall become immediately due and payable at their principal amount together with accrued interest without further action or formality:

(a) *Non-payment*: the Issuer fails to pay any amount of principal in respect of the Notes on the due date for payment thereof or fails to pay any amount of interest in respect of the Notes on the due date for payment thereof other than for technical reasons only and such default continues for 3 days in respect of amounts of principal and 5 days in respect of amounts of interest; or

(b) *Breach of other obligations*: the Issuer or any Guarantor defaults in the performance or observance of any of its other obligations under or in respect of the Notes or the Trust Deed and such default (i) is, in the opinion of the Trustee, incapable of remedy or (ii) being a default which is, in the opinion of the Trustee, capable of remedy, remains unremedied for 30 days after the Trustee has given written notice thereof to the Issuer and the relevant Guarantor; or

(c) *Cross-default and cross-acceleration of Issuer, Guarantor or Material Subsidiary*:

(i) any Indebtedness of the Issuer, any Guarantor or any Material Subsidiary is not paid when due or (as the case may be) within any originally applicable grace period;

(ii) any such Indebtedness becomes due and payable prior to its stated maturity as a result of an event of default in relation to such Indebtedness howsoever described; or

(iii) the Issuer, any Guarantor or any Material Subsidiary fails to pay when due or (as the case may be) within any originally applicable grace period any amount payable by it under any Guarantee of any Indebtedness;

provided that the amount of Indebtedness referred to in sub-paragraph 8(c)(i) and/or sub-paragraph 8(c)(ii) above and/or the amount payable under any Guarantee referred to in sub-paragraph 8(c)(iii) above individually or in the aggregate exceeds €20,000,000 (or its equivalent in any other currency or currencies); or

(d) *Unsatisfied judgment*: one or more judgment(s) or order(s) from which no further appeal or judicial review is permissible under applicable law for the payment of an amount in excess of €20,000,000 (or its equivalent in any other currency or currencies), whether individually or in aggregate, is rendered against the Issuer, any Guarantor or any Material Subsidiary and continue(s) unsatisfied and unstayed for a period of 60 days after the date(s) thereof or, if later, the date therein specified for payment; or

(e) *Security enforced*: a secured party takes possession, or a receiver, manager or other similar officer is appointed, of the whole or substantially the whole of the undertaking, assets and revenues of the Issuer, any Guarantor or any Material Subsidiary; or

(f) *Insolvency, etc.*: (i) the Issuer, any Guarantor (other than, in respect of Shanks Environmental Services Limited, solely as a result of balance sheet insolvency) or any Material Subsidiary becomes insolvent or is unable to pay its debts as they fall due, (ii) an administrator or liquidator of the Issuer, the Guarantors or any Material Subsidiary or the whole or a substantial part of the

undertaking, assets and revenues of the Issuer, the Guarantors or any Material Subsidiary is appointed (or application for any such appointment is made and is not contested in good faith by the Issuer, the relevant Guarantor or the relevant Material Subsidiary, as the case may be, within 5 business days) other than for the purpose of an amalgamation, reorganisation or restructuring while solvent, (iii) the Issuer, the Guarantors or any Material Subsidiary takes any action for a readjustment or deferment of any of its obligations with substantially all of its creditors generally or makes a general assignment or an arrangement or composition with or for the benefit of its creditors or declares a moratorium in respect of any of its Indebtedness or any Guarantee of any Indebtedness given by it or (iv) the Issuer, the Guarantors or any Material Subsidiary ceases or threatens to cease to carry on all or any substantial part of its business, assets and undertakings, otherwise than (1) for the purposes of or pursuant to an amalgamation, reorganisation or restructuring whilst solvent, (2) as a result of transfer of assets any other member of the Group or (3) for the purpose of a bona fide disposal on an arm's length basis substantially all of the proceeds of which are reinvested in the Group, *provided that* (A) for the avoidance of doubt, any payment of extraordinary dividends outside the Group and/or extraordinary expenses shall not be considered as reinvestment in the Group for these purposes, and (B) the reinvestment must be of a type in which a business substantially similar to the business of the Group as at the Issue Date would typically engage; or

(g) *Winding up, etc.*: an order is made or an effective resolution is passed for the winding up, liquidation or dissolution of the Issuer, the Guarantors or any Material Subsidiary, otherwise than for the purposes of or pursuant to an amalgamation, reorganisation or restructuring whilst solvent or as approved by the Extraordinary Resolution of the Noteholders; or

(h) *Analogous event*: any event occurs which under the laws of Belgium, Canada, Guernsey, the Netherlands or the United Kingdom or has an analogous effect to any of the events referred to in paragraphs 8(d) (*Unsatisfied judgment*) to 8(g)) (*Winding up, etc.*) above; or

(i) *Failure to take action, etc.*: the failure by the Issuer to take, fulfil or do any action, condition or thing at any time required to be taken, fulfilled or done by the Issuer in order to procure and maintain the admission of the Notes to listing, trading and/or quotation by a competent authorities, stock exchanges and/or quotation systems which is a regulated market for the purposes of Directive 2004/39/EC on Markets in Financial Instruments; or

(j) *Unlawfulness*: it is or will become unlawful for the Issuer or any Guarantor to perform or comply with any of its obligations under or in respect of the Notes or the Trust Deed; or

(k) *Guarantee not in force*: the Guarantee of the Notes is not (or is claimed by the Issuer or any Guarantor not to be) in full force and effect; or

(l) *Mismatch of guarantees*: a Guarantee Entity fails to become a Guarantor within 7 business days (or any longer period if the Trustee so determines) of the date on which it becomes a Guarantee Entity; or

(m) *Government intervention*: (i) all or at least 40 per cent. of the undertaking, assets and revenues of the Issuer, a Guarantor or any Material Subsidiary is condemned, seized or otherwise appropriated by any person acting under the authority of any national, regional or local government or (ii) the Issuer, a Guarantor or any Material Subsidiary is prevented by any person acting under the authority of any national, regional or local government from exercising normal control over all or at least 40 per cent. of its undertaking, assets and revenues; or

(n) *Controlling shareholder*: any Guarantor which is a Material Subsidiary ceases to be a Subsidiary of the Issuer in circumstances where it continues to be a guarantor of any Financing.

9. **Prescription**

Claims for principal shall become void unless the relevant Notes are presented for payment within ten years of the appropriate Relevant Date. Claims for interest shall become void unless the relevant Coupons are presented for payment within five years of the appropriate Relevant Date.

10. **Replacement of Notes and Coupons**

If any Note or Coupon is lost, stolen, mutilated, defaced or destroyed, it may be replaced at the specified office of the Principal Paying Agent, subject to all applicable laws and stock exchange requirements, upon payment by the claimant of the expenses incurred in connection with such replacement and on such terms as to evidence, security, indemnity and otherwise as the Issuer may reasonably require. Mutilated or defaced Notes or Coupons must be surrendered before replacements will be issued.

11. **Trustee and Paying Agents**

Under the Trust Deed, the Trustee is entitled to be indemnified and relieved from responsibility in certain circumstances and to be paid its costs and expenses in priority to the claims of the Noteholders. In addition, the Trustee is entitled to enter into business transactions with the Issuer, the Guarantors and any entity relating to the Issuer or the Guarantors without accounting for any profit.

In the exercise of its powers and discretions under these Conditions and the Trust Deed, the Trustee will have regard to the interests of the Noteholders as a class and will not be responsible for any consequence for individual holders of Notes or Coupons as a result of such holders being connected in any way with a particular territory or taxing jurisdiction.

In acting under the Paying Agency Agreement and in connection with the Notes and the Coupons, the Paying Agents act solely as agents of the Issuer, the Guarantor and (to the extent provided therein) the Trustee and do not assume any obligations towards or relationship of agency or trust for or with any of the Noteholders or Couponholders.

The initial Principal Paying Agent and its initial specified offices are listed below. The Issuer and the Guarantors reserve the right (with the prior approval of the Trustee) at any time to vary or terminate the appointment of any Paying Agent and to appoint a successor principal paying agent and additional or successor paying agents; *provided, however, that* the Issuer and the Guarantors shall at all times maintain a principal paying agent and (b) a paying agent in an EU member state that will not be obliged to withhold or deduct tax pursuant to any law implementing the EU Savings Tax Directive.

Notice of any change in any of the Paying Agents or in their specified offices shall promptly be given to the Noteholders.

12. **Meetings of Noteholders; Modification and Waiver; Requests and Instructions under the Intercreditor Deed**

(a) *Meetings of Noteholders*: The Trust Deed contains provisions for convening meetings of Noteholders to consider matters relating to the Notes, including the modification of any provision of these Conditions or the Trust Deed. Any such modification may be made if sanctioned by an Extraordinary Resolution. Such a meeting may be convened by the Issuer and the Guarantors (acting together) or by the Trustee and shall be convened by the Trustee upon the request in writing of Noteholders holding not less than one-tenth of the aggregate principal amount of the outstanding Notes. The quorum at any meeting convened to vote on an Extraordinary Resolution will be one or more persons holding or representing one more than half of the aggregate principal amount of the outstanding Notes or, at any adjourned meeting, one or more persons being or representing Noteholders whatever the principal amount of the Notes held or represented; *provided, however, that* certain proposals as set out in the Trust Deed (including any proposal to change any date fixed for payment of principal or interest in respect of the Notes, to reduce the amount of principal or interest payable on any date in respect of the Notes, to alter the method of calculating the amount of any payment in respect of the Notes or the date for any such payment, to change the currency of payments under the Notes, to amend the terms of the Guarantee of the Notes or to change the quorum requirements relating to meetings or the majority required to pass an Extraordinary Resolution (each, a "**Reserved Matter**")) may only be sanctioned by an Extraordinary Resolution passed at a meeting of Noteholders at which two or more persons holding or representing not less than three-quarters or, at any adjourned meeting, one-quarter of the aggregate principal amount of the outstanding Notes form a quorum. Any Extraordinary

Resolution duly passed at any such meeting shall be binding on all the Noteholders and Couponholders, whether present or not.

In addition, a resolution in writing signed by or on behalf of the holders of at least 75 per cent. of the aggregate principal amount of the outstanding Notes will take effect as it were an Extraordinary Resolution. Such a resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Noteholders.

(b) *Modification and waiver*: The Trustee may, without the consent of the Noteholders or Couponholders, agree to any modification of these Conditions or the Trust Deed or the Intercreditor Deed (other than in respect of a Reserved Matter) which is, in the opinion of the Trustee, proper to make if, in the opinion of the Trustee, such modification will not be materially prejudicial to the interests of Noteholders and to any modification of the Notes or the Trust Deed which is of a formal, minor or technical nature or is to correct a manifest error.

In addition, the Trustee may, without the consent of the Noteholders or Couponholders authorise or waive any proposed breach or breach of the Notes or the Trust Deed or the Intercreditor Deed (other than a proposed breach or breach relating to the subject of a Reserved Matter) if, in the opinion of the Trustee, the interests of the Noteholders will not be materially prejudiced thereby.

Any such modification, authorisation or waiver shall be binding on the Noteholders and the Couponholders.

Unless the Trustee agrees otherwise, any such authorisation, waiver or modification shall be notified to the Noteholders as soon as practicable thereafter.

(c) *Requests and instructions under the Intercreditor Deed*: Where, under the terms of the Intercreditor Deed or any Security Document or Transaction Document (both as defined in the Intercreditor Deed), the Trustee is requested (i) to provide instructions pursuant to Clause 7.8 , Clause 15.8 or Clause 17.2 of the Intercreditor Deed or (ii) to provide any other instruction or a consent, approval, release or waiver or agreement to any amendment in relation to any of the terms of the Intercreditor Deed or (iii) to exercise or refrain from exercising any right, power or discretion under the Intercreditor Deed or any Security Document, unless the Trustee is instructed by the Noteholders pursuant to a Snooze/Lose Extraordinary Resolution to take or refrain from taking any of the actions described in (i), (ii) or (iii) above, it will not do so and, pursuant to Clause 21.1 (*Snooze/Lose*) of the Intercreditor Deed, such instruction, consent, approval, release, waiver or agreement or the exercise or non-exercise of such right, power or discretion shall not be required under the Intercreditor Deed and the Trustee shall not be liable to the Noteholders or any other party to the Intercreditor Deed or any Security Document or Transaction Document created in relation thereto for any loss suffered as a result. Clause 21.1 shall not apply to any consent, approval, release or waiver which, in the sole opinion of the Trustee, would have the effect of exposing the Trustee to any liability or increasing the obligations or duties, or decreasing the protections of the Trustee included for the specific and exclusive benefit of the Trustee in its personal capacity under the Intercreditor Deed or the Trust Deed.

For the purposes of this Condition 12(c), a "**Snooze/Lose Extraordinary Resolution**" means an Extraordinary Resolution set out in a notice which shall be sent to the Trustee by the Issuer substantially in the form set out in Schedule 6 (*Form of notice and Extraordinary Resolution in relation to Snooze/Lose*) of the Trust Deed, which notice shall be subject to the Trustee's prior written approval and shall be provided by the Issuer to the Noteholders in accordance with Condition 15 (*Notices*).

Noteholders should note that, under the terms of the Intercreditor Deed, the maximum time allowed for them to vote on any Snooze/Lose Extraordinary Resolution (including any adjourned meeting in relation thereto) will be 45 days from the date the Trustee has approved the notice of the proposed Snooze/Lose Extraordinary Resolution for publication to the Noteholders which will, pursuant to the Trust Deed, be the date on which it is published.

13. **Enforcement**

The Trustee may at any time, at its discretion and without notice, institute such proceedings as it thinks fit to enforce its rights under the Trust Deed in respect of the Notes, but it shall not be bound to do so unless:

(i) it has been so requested in writing by the holders of at least one-quarter of the aggregate principal amount of the outstanding Notes or has been so directed by an Extraordinary Resolution; and

(ii) it has been indemnified, secured or pre-funded to its satisfaction.

No Noteholder may proceed directly against the Issuer or the Guarantors unless the Trustee, having become bound to do so, fails to do so within a reasonable time and such failure is continuing.

14. **Further Issues**

The Issuer may from time to time, without the consent of the Noteholders or Couponholders and in accordance with the Trust Deed, create and issue further notes having the same terms and conditions as the Notes in all respects (or in all respects except for the first payment of interest) so as to form a single series with the Notes. The Issuer may from time to time, with the consent of the Trustee, create and issue other series of notes having the benefit of the Trust Deed. Any further notes forming a single series with the Notes shall be constituted by a deed supplemental to the Trust Deed.

15. **Notices**

Notices to the Noteholders shall be valid (i) if delivered by or on behalf of the Issuer to the clearing system for communication by it to the clearing system participants and (ii) if published in two leading newspapers having general circulation in Belgium (which are expected to be *L'Echo* and *De Tijd*). Any such notice shall be deemed to have been given on the seventh day after its delivery to the clearing system and the publication of the latest newspaper containing such notice.

So long as the Notes are listed on the London Stock Exchange and the rules of that exchange so require, all notices regarding the Notes shall also be published either in a leading daily newspaper in London (which is expected to be the *Financial Times*) or on the website of the Regulatory News Service operated by the London Stock Exchange (*www.londonstockexchange.com/exchange/news/market-news/market-news-home.html).* The Issuer (failing which, the Guarantors) shall also ensure that all notices are duly published in a manner which complies with the rules and regulations of any stock exchange or other relevant authority on which the Notes are for the time being listed. Any such notice shall be deemed to have been given on the date of such publication or, if required to be published in more than one newspaper or in more than one manner, on the date of the first such publication in all the required newspapers or in each required manner. Couponholders shall be deemed for all purposes to have notice of the contents of any notice given to the Noteholders.

16. **Governing Law and Jurisdiction**

(a) *Governing law*: The Notes, the Trust Deed and any non-contractual obligations arising out of or in connection with the Notes and the Trust Deed are governed by English law.

(b) *Jurisdiction*: The Issuer and the Guarantors have in the Trust Deed (i) agreed for the benefit of the Trustee and the Noteholders that the courts of England shall have exclusive jurisdiction to settle any dispute (a "**Dispute**") arising out of or in connection with the Notes (including any non-contractual obligation arising out of or in connection with the Notes); (ii) agreed that those courts are the most appropriate and convenient courts to settle any Dispute and, accordingly, that it will not argue that any other courts are more appropriate or convenient; (iii) if required, designated a person in England to accept service of any process on its behalf. The Trust Deed also states that nothing contained in the Trust Deed prevents the Trustee or any of the Noteholders from taking proceedings relating to a Dispute ("**Proceedings**") in any other courts

with jurisdiction and that, to the extent allowed by law, the Trustee or any of the Noteholders may take concurrent Proceedings in any number of jurisdictions.

There will appear at the foot of the Conditions endorsed on each Definitive Note the names and specified offices of the Paying Agents as set out at the end of this Prospectus.

The form of Put Exercise Notice set out in the Paying Agency Agreement is also set out at the end of this Prospectus.

SUMMARY OF PROVISIONS RELATING TO THE NOTES IN GLOBAL FORM

The Notes will initially be in the form of the Temporary Global Note which will be deposited on or around the Issue Date with a common depositary for Euroclear and Clearstream, Luxembourg.

The Temporary Global Note will be exchangeable in whole or in part for interests in the Permanent Global Note (the Permanent Global Note, together with the Temporary Global Note, the "**Global Notes**") not earlier than 40 days after the Issue Date upon certification as to non-U.S. beneficial ownership in the form set out in the Temporary Global Note. No payments will be made under the Temporary Global Note unless exchange for interests in the Permanent Global Note is improperly withheld or refused. In addition, interest payments in respect of the Notes cannot be collected without such certification of non-U.S. beneficial ownership.

The Permanent Global Note will become exchangeable in whole, but not in part, for Definitive Notes in the denomination of €1,000 each at the request of the bearer of the Permanent Global Note against presentation and surrender of the Permanent Global Note to the Principal Paying Agent if Euroclear or Clearstream, Luxembourg is closed for business for a continuous period of 14 days (other than by reason of legal holidays) or announces an intention permanently to cease business and no successor clearing system is appointed within 15 days of the last day of such 14-day period or the date on which Euroclear or Clearstream, Luxembourg announced its intention to permanently cease business, as the case may be (an "**Exchange Event**").

Whenever the Permanent Global Note is to be exchanged for Definitive Notes, the Issuer shall procure the prompt delivery (free of charge to the bearer) of such Definitive Notes, duly authenticated and with Coupons attached, in an aggregate principal amount equal to the principal amount of the Permanent Global Note to the bearer of the Permanent Global Note against the surrender of the Permanent Global Note to or to the order of the Principal Paying Agent within 30 days of the occurrence of the relevant Exchange Event.[1]

In addition, the Global Notes will contain provisions which modify the Conditions set out in this Prospectus while the Notes are in global form. The following is a summary of certain of those provisions:

Payments: All payments in respect of a Global Note will be made against presentation and (in the case of payment of principal in full with all interest accrued thereon) surrender of the Temporary Global Note or (as the case may be) the Permanent Global Note to or to the order of any Paying Agent and will be effective to satisfy and discharge the corresponding liabilities of the Issuer in respect of the Notes. On each occasion on which a payment of principal or interest is made in respect of the Temporary Global Note or (as the case may be) the Permanent Global Note, the Issuer shall procure that the payment is entered *pro rata* in the records of Euroclear and Clearstream, Luxembourg. For the purpose of any payments made in respect of a Global Note, the relevant place of presentation shall be disregarded in the definition of "**business day**" set out in Condition 6(e) (*Payments — Payments on business days*).

Notices: Notwithstanding Condition 15 (*Notices*), while all the Notes are represented by the Permanent Global Note (or by the Permanent Global Note and/or the Temporary Global Note) and the Permanent Global Note is (or the Permanent Global Note and/or the Temporary Global Note are) deposited with a common depositary for Euroclear and Clearstream, Luxembourg, notices to Noteholders may be given by delivery of the relevant notice to Euroclear and Clearstream, Luxembourg and, in any case, such notices shall be deemed to have been given to the Noteholders in accordance with Condition 15 (*Notices*) on the date of delivery to Euroclear and Clearstream, Luxembourg except that (i) for so long as such Notes are admitted to trading on the London Stock Exchange and it is a requirement of applicable law or regulations, such notices shall be published in a leading newspaper having general circulation in London (which is expected to be the *Financial Times*) or published on the website of the Regulatory News Service operated by the London Stock Exchange (*www.londonstockexchange.com/exchange/news/market-news/market-news-home.html*) and (ii) any notice to Noteholders to be given pursuant to Condition 12(c) (*Requests and instructions under the Intercreditor Deed*) shall only be valid if also published in two leading newspapers having general circulation in Belgium (which are expected to be *L'Echo* and *De Tijd*).

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[1] Any delivery of Definitive Notes to Noteholders will take place outside Belgium.

Exercise of Put Option: If a Note is represented by the Permanent Global Note (or by the Permanent Global Note and/or the Temporary Global Note) and the Permanent Global Note is (or the Permanent Global Note and/or the Temporary Global Note are) deposited with a common depositary for Euroclear and Clearstream, Luxembourg when a Put Event Notice is delivered to Noteholders pursuant to Condition 5(c) (*Redemption and Purchase — Redemption at the option of Noteholders*), Noteholders wishing to exercise their Put Option who are not Qualified Investors must, within the Put Period, deposit a valid Put Exercise Notice with an Intermediary in order that the Intermediary can arrange for delivery of such Put Exercise Notice to the account of a Paying Agent for the account of the Issuer by the relevant Optional Redemption Date. Noteholders who are Qualified Investors only may, in lieu of depositing a Put Exercise Notice with an Intermediary, exercise their Put Option by giving notice of such exercise within the Put Period to any Paying Agent in accordance with the standard procedures of Euroclear or Clearstream, Luxembourg (which may include notice being given on his/her instruction by Euroclear and Clearstream, Luxembourg or any common depositary for them to the Paying Agent by electronic means) in a form acceptable to Euroclear and Clearstream, Luxembourg from time to time. Such notices from Qualified Investors shall be deemed to be Put Exercise Notices and the Paying Agent shall give written notice to the Issuer of any such Put Exercise Notices, specifying the amount of Notes represented by the Permanent Global Note in respect of which the Put Option is being exercised by the relevant Optional Redemption Date. "**Qualified Investor**" has the meaning given in the Belgian Prospectus Law or the Luxembourg Act dated 10 July 2005 on prospectuses for securities, as applicable.

USE OF PROCEEDS

The net proceeds of the issue of the Notes are expected to be approximately €50,000,000 based on the expected issue of a minimum amount of €50,000,000 in aggregate principal amount of the Notes. See "*Subscription and Sale — Public Offer — Costs And Fees*" for details of calculation of the net proceeds amount.

The Issuer intends to use the net proceeds to repay some of its short-term bank borrowings and for general corporate purposes.

DESCRIPTION OF THE ISSUER

The Issuer (together with its subsidiary undertakings, the "**Group**") was incorporated and registered in Scotland on 4 February 1982 under the name Antonymous Limited. On 6 December 1982, the Issuer changed its name to Shanks & McEwan Group Limited and re-registered as a public limited company, Shanks & McEwan Group plc, on 23 September 1985. On 22 July 1999, the Issuer changed its name to Shanks Group plc. The Issuer's registered number is SC077438.

The Issuer serves as a holding company for the Group. The Issuer's shares were admitted to the Official List of the FSA and admitted to trading on the Main Market of the London Stock Exchange in 1988. The Issuer is a constituent of the FTSE 250 Index.

The registered office of the Issuer is at 16 Charlotte Square, Edinburgh EH2 4DF, United Kingdom and the corporate head office is at Dunedin House, Auckland Park, Mount Farm, Milton Keynes, Buckinghamshire MK1 1BU (telephone number +44 (0)1908 650 580). In addition, the Group has regional offices in the Netherlands, Belgium, United Kingdom and Canada.

Overview

The Group is the largest listed independent waste management company in Europe (by market capitalisation and turnover), providing its customers with sustainable solutions to their waste and environmental obligations. The Group has over 100 facilities handling more than 7 million tonnes of waste a year, of which in excess of 70 per cent. is recycled or recovered. Its portfolio offers landfill diversion, recycling and waste collection capabilities as well as proven waste-to-energy technologies ranging from anaerobic digestion and biological treatment to incineration.

The Group's operations are located in the Netherlands, Belgium, the United Kingdom and Canada. In addition, the Group has some operations in France, close to the Belgian border, which are managed from Belgium due to their smaller size.

Strategically, the Group's activities are closely aligned with the direction of legislation and regulation seeking to use a range of different technologies and know-how to maximise recycling and optimise the recovery of energy from waste.

The principal activities of the Group are waste processing and waste management. These activities can be broken down into the following main categories:

- *solid waste* – non-hazardous solid waste collections, transfer, recycling and treatment;
- *organic treatment* – anaerobic digestion and tunnel composting of source segregated organic waste streams;
- *landfill and power* – landfill disposal (including contaminated soils) and power generation from landfill gas;
- *private finance initiative ("**PFI**") contracts* – long-term UK municipal waste treatment contracts; and
- *hazardous waste* – principally, contaminated waste, including industrial cleaning, transport, treatment (including contaminated soils) and disposal, as well as contaminated land remediation.

In addition to the waste activities detailed above, the Group operates a sand quarry adjacent to its landfill site in the Walloon Region of Belgium and has small infrastructure and groundworks operations in Ghent in Belgium and Amersfoort in the Netherlands.

Waste markets are different in each Member State (see "*The European Waste Market*" below) and as such, the Group is organised along national lines, with divisions in the Netherlands, Belgium, the UK and Canada. The culture of the Group can be characterised as entrepreneurial within a clear central framework and direction. This culture is underpinned by strong central financial control.

Financial Highlights

In the financial year ended 31 March 2010 (the "**Financial Year 2010**"), the Group generated revenue of £683.5 million and a trading profit of £51.1 million (compared to £685.1 million and £61.7 million, respectively, in the financial year ended 31 March 2009 (the "**Financial Year 2009**")). As at 31 March 2010, the Group's net assets were £385.2 million (compared to £299.6 million as at 31 March 2009). The Group's cash and cash equivalents, as at 31 March 2010, were £51.3 million (compared to £27.0 million as at 31 March 2009) and total net debt (after cash and cash equivalents), as at 31 March 2010, amounted to £338.4 million (compared to £424.3 million as at 31 March 2009). The total net debt, as at 31 March 2010, comprised £186.7 million of core net debt (compared to £290.0 million as at 31 March 2009) and £151.7 million of non-recourse funding to project finance companies within the Group (compared to £134.3 million as at 31 March 2009) in each case adjusted for fair value of interest rate swaps.

The following table shows the certain key performance indicators of the Group for the two financial years ended 31 March 2010.

	Financial Year 2010 (£ million)	Financial Year 2009 (£ million)
Revenue	683.5	685.1
Underlying EBITDA	102.1	106.3
Trading Profit[(1)]	51.1	61.7
Underlying free cash flow[(2)]	54.5	33.6
Underlying profit before tax[(3)]	33.2	43.9
Underlying earnings per share[(4)]	6.5p	10.4p

(1) Continuing operating profit before amortisation of acquisition intangibles and exceptional items.

(2) Underlying free cash flow is, *inter alia*, before dividends, growth capital expenditure, acquisitions and disposals.

(3) Before amortisation of acquisition intangibles and exceptional items.

(4) Adjusted for the effect of the amortisation of acquisition intangibles (excluding landfill void and computer software) and exceptional items.

The Financial Year 2010 was a challenging period for the waste industry, since the sharp downturn in economic activity reduced the amount of waste produced. In mainland Europe, this resulted in significant over-capacity in incineration which contributed to a sharp downward pressure on prices in the Solid Waste market. This was exacerbated by one of the coldest winters in Europe in many years. In line with the declining waste volumes and pricing pressures, the Group's underlying profit before tax decreased by approximately 24 per cent. to £33.2 million, compared to the Financial Year 2009 with revenue decreased by approximately 0.3 per cent. to £683.5 million. The underlying earnings per share (adjusted for the effect of the amortisation of acquisition intangibles (excluding landfill void and computer software) and exceptional items) amounted to 6.5 pence. Consistent with the dividend policy, the Board of Directors of the Issuer (the "**Board**") recommended a final dividend of 2.0 pence per share, which was approved by the Issuer's shareholders. This dividend, together with the interim dividend of 1.0 pence per share already paid on 15 January 2010, makes a total dividend of 3.0 pence per share for the Financial Year 2010 (compared to 1.7 pence in the Financial Year 2009).

The severity of the recent economic downturn and the Group's relatively high exposure to construction markets was mitigated by reducing the cost base and strengthened control of cash resources. However, while adapting to this recessionary environment, the Group remained focused on its long term strategic goals and, during the Financial Year 2010, invested approximately £30.0 million in various growth projects. The Issuer believes that these investments, together with the higher operational gearing resulting from the reductions in the cost base, will enhance the Group's ability to grow earnings as markets recover.

History and Development

The Group started life in the late 1800s as a construction company operating primarily in the west of Scotland. Waste management activities gradually increased and, in 1986, the Issuer (then named Shanks & McEwan Group plc), acquired, *inter alia*, substantial landfill capacity in the Northern Home Counties (i.e. the counties surrounding London) in the United Kingdom. This, together with a flotation on the London Stock Exchange in 1988, produced the foundation for organic and acquisitive growth.

The sale of the Group's remaining construction operations, to concentrate solely on waste management, followed a re-organisation of the Issuer's management in late 1993 and 1994. Since then, the Group's

strategy has been to achieve growth organically as well as through acquisitions. The Group increased the range of its waste management services and, in 1998, took its first steps into continental Europe with the acquisition of a significant group of waste management operations in Belgium. Two years later, in March 2000, the Group arrived in the Netherlands having acquired eight principal operations of Waste Management Nederland B.V., a Rotterdam-based provider of waste disposal services.

Following a strategic review in 2003, the Group decided to focus its UK operations on the emerging market for long-term municipal waste contracts using new technologies, and on the recycling of non-hazardous industrial and commercial waste. In July 2004, the sale of the Group's UK landfill and landfill gas power assets was formally completed and, in October 2005, the Group announced the sale of its UK Hazardous Waste division. Following these disposals, the Issuer further invested in its European operations, while remaining committed to its waste and resource management operations in the United Kingdom.

In April 2007, the Group acquired a majority stake in Orgaworld B.V. ("**Orgaworld**"), a leading player in the Netherlands market for treatment of organic waste by anaerobic digestion and composting. The purchase included a start-up operation in Canada.

In April 2008, the Group acquired Foronex NV ("**Foronex**"), a leading player in the wood waste and by-products market in Benelux. Foronex handles approximately 900,000 tonnes of wood per annum, supplying board manufacturers and energy plants.

In June 2006, the Group acquired Smink Beheer B.V., an established integrated waste collection, recycling and landfill disposal business based in Amersfoort, Netherlands, with expertise in industrial and commercial waste management.

Following the appointment of Tom Drury as Group Chief Executive in October 2007, a full strategic review was undertaken. As a result of that review, the Group's strategy has been shifted towards delivery of organic growth by investing in assets that support sustainable waste management and are capable of delivering attractive returns on capital.

In June 2009, the Group signed a public private partnership (PPP) waste contract with Cumbria County Council to undertake the waste operations of the Council for 25 years and design, build and operate new waste infrastructure to increase significantly the diversion of waste from landfill in order to comply with Council Directive 1999/31/EC of 26 April 1999 on the landfill of waste (the "**Landfill Directive**"). Shanks Cumbria Limited, the special purpose vehicle to which Shanks Waste Management Limited supplies the services, has non-recourse funding of £60 million provided by commercial banks over periods of 3 to 23 years.

The European Waste Market

Overview

In the EU the level of environmental regulation is relatively high. However, there are no common standards for waste management. EU legislation on waste sets minimum standards which the EU Member States must meet, but they are free to exceed these standards in line with their own political and environmental agendas. As a result, national regulations of the EU Member States differ from one another. In countries in which the Group operates, there is a high level of regulation and enforcement.

The waste management market can be subdivided into non-hazardous and hazardous waste. The relatively low cost of treatment of non-hazardous waste per unit makes transportation a significant part of the overall cost. Consequently, the non-hazardous waste market tends to be more localised. Hazardous waste treatment costs, on the other hand, tend to be significantly higher and, as a result, the hazardous waste market is more regional.

Both the public and the private sector are active in the waste market, although the degree of privatisation varies across Europe – it is relatively high in the United Kingdom and France but lower in Germany, the Netherlands and Belgium. Advancing EU legislation is necessitating substantial investments in new infrastructure. These investments combined with budgetary constraints are driving privatisation initiatives in many EU Member States. Within the private sector, consolidation of the industry has been a feature for a number of years.

Within the national markets, a further distinction may be made between (a) collection, transfer and recycling of waste and (b) treatment and disposal of waste. The former has historically had low barriers to entry and hence has been made up of many small participants. However, increasing recycling requires greater investment in infrastructure which is moving this market towards the larger players. Treatment and disposal have high barriers to entry as facilities tend to be capital-intensive and projects have long gestation periods. These activities are therefore the domain of well capitalised, often international, companies.

The markets can further be divided into the industrial and commercial sector and the municipal sector. In most EU Member States, municipalities have a statutory duty to deal with household waste, which they either do themselves or sub-contract to private contractors. They have no such duty in respect of industrial and commercial waste. Due to the large volumes controlled by the municipalities and their long-term outlook, the municipal sector is typified by large, long-term contracts which tend to be five to ten years for collection and often in excess of twenty years for treatment and disposal. In the industrial and commercial sector, the volumes generated by individual entities tend to be relatively small and their outlook is usually short-term. This market therefore tends to be characterised by shorter-term contracts.

Market Trends and Drivers

In the EU, and to an extent elsewhere in the world, the current general market trend can be summarised as follows:

- less waste;
- much less landfill;
- higher recycling and materials recovery; and
- more energy from waste.

The high-level factors behind this trend include: climate change, rising fossil fuel prices and increasing environmental awareness. These factors are driving a convergence between the waste, energy intensive and power industries.

Increasingly, the Group's customers demand more than simple waste management services. Underpinning these demands is a realisation that there is an increasing level of interplay between commercial requirements and environmental considerations and an appreciation of the need to develop sustainable waste solutions. This, coupled with the need to comply with the EU and national waste legislation and policies, results in higher recycling and materials recovery levels.

In terms of specific legislative and market drivers, these can be summarised as follows:

(a) *Landfill Directive* – biodegradable waste in landfill is a major source of methane emissions to the atmosphere. Methane is a potent greenhouse gas with 21 times the impact of a carbon dioxide emission of the same mass. A key objective of this directive is to significantly reduce the landfilling of biodegradable waste, a major component of municipal waste. Based on 1995 levels, the Landfill Directive requires a 50 per cent. reduction by 2013 and a 65 per cent. reduction by 2020. The directive also aims to reduce the polluting impact of landfills by substantially restricting other types of waste that may be landfilled.

(b) *Landfill tax* – a significant mechanism used by many European states (including, in particular, the United Kingdom) to drive waste out of landfill to more environmentally acceptable options such as recycling and energy recovery.

(c) *Energy prices* – rising energy prices have increased the pressure to find alternative fuels; waste is one of such alternative fuels.

(d) *Carbon emissions quotas* – these have further increased the cost of using fossil fuels. Waste derived fuels can be exempt from carbon emissions calculations, increasing interest in this source of fuel.

(e) *Renewable electricity* – many waste based electricity generation projects qualify for renewable electricity subsidies and credits, available in various forms across Europe. This is because a major component of waste derived fuels comprises renewable short carbon cycle materials, e.g. wood, paper, and other vegetable matter.

(f) *Directive 2008/98/EC of the European Parliament and of the Council of 19 November 2008 on waste and repealing certain Directives (the "**Waste Framework Directive**")* – the Waste Framework Directive provides further legislative support for recovering more resources and energy from waste by setting minimum energy recovery criteria and introducing statutory recycling targets for EU Member States to achieve by 2020 both for municipal waste, 50 per cent., and construction and demolition waste, 70 per cent.

(g) *Industrial Activity* – underpinning the key regulatory drivers referred to above, is the level of industrial activity. Approximately 85 per cent. of the Group's activities are derived from the industrial and commercial and construction and demolition sectors. There is a close relationship between the level of industrial activity and the amount of generated waste. Gross domestic product ("**GDP**") is therefore a key market indicator, albeit there is a time lag between movements in GDP and underlying business activity in different sectors of the Group's business. The activity in the construction and demolition sector is particularly important and, although there is a certain time lag, the activity of the Group does mirror the cyclicality in the underlying markets.

The effects of the above market trends and drivers vary in the countries in which the Group operates.

The Netherlands

The Netherlands has advanced environmental legislation in place and high levels of landfill tax (currently approximately €107 per tonne). This, together with the geological characteristics of the country, has resulted in a low reliance on landfill, with incineration being the predominant final disposal route. The higher cost and limited capacity of final disposal outlets have made sorting and recycling in the Netherlands more viable and, overall, the recycling rates are approximately 86 per cent. with around three to four per cent. of waste sent to landfill.

Belgium

In Belgium, environmental responsibility is devolved to its three regions: the Flemish Region, the Walloon Region and Brussels.

In the Flemish Region, the environmental legislation and landfill tax levels are similar to those in the Netherlands resulting in similar market characteristics – high levels of recycling, reliance on incineration for final disposal and very little landfill.

In the Walloon Region, landfill tax on industrial and commercial waste rose considerably on 1 January 2010 to an effective rate of €80 per tonne. Further, the Walloon Region has adopted a strict interpretation of the Landfill Directive requirement for pre-treatment of non-hazardous waste which has stopped residual waste collected from households from being landfilled without pre-treatment. The Issuer believes that the increased landfill tax, combined with a lack of incineration capacity, will result in increased recycling and other forms of energy recovery.

The Brussels Region has little landfill capacity. It has its own incinerator but, beyond that, it is reliant on the other regions for final disposal.

United Kingdom

The United Kingdom has, historically, relied heavily on landfill. The Issuer believes that the imposition of the Landfill Directive coupled with the announcement by the UK government, in 2009, of its intention to increase the rate of landfill tax by £8 per tonne per annum to £80 per tonne by year 2014/2015 will have a major impact on the municipal and industrial and commercial sectors. As at 1 April 2010, the rate of landfill tax was £48 per tonne.

Compared to the 1995 levels, the implementation of the Landfill Directive requires waste disposal authorities to develop new strategies to reduce the amount of biodegradable municipal waste (BMW) sent

to landfill by 50 per cent. by 2013 and 65 per cent. by 2020 (according to a report entitled "*Energy from Waste - a guide to opportunities in the UK*" published, in 2008, by UK Trade & Investment (UKTI), the investments in new infrastructure required to achieve this range between £9 billion and £11 billion). Furthermore, the Landfill Directive introduced restrictions on landfilling of untreated non-hazardous waste. As a consequence, the UK government introduced legislation which, from October 2007, requires pre-treatment of non-hazardous waste prior to landfilling. Whilst the authorities have taken a fairly soft handed approach to the enforcement of this legislation initially, the Issuer expects that it will be applied more rigorously in the future.

Canada

In Canada, there is a strong public opposition to landfill, which in some areas has led to a shortage of consented capacity. As in the EU, therefore, there is a drive to reduce waste going to landfill. Orgaworld identified an opportunity in the Canadian market to offer biological treatment of source-segregated organic municipal waste, a market which has significant potential in terms of volumes and to date has few competitors.

Principal Trading Subsidiaries and Joint Ventures

The Issuer is the holding company of the Group. The table below lists the Issuer's principal direct and indirect trading subsidiaries (all of which have been consolidated in the Group's 2010 Financial Statements) as at the date of this Prospectus, together with their countries of incorporation and the percentage of issued share capital held by the Issuer (either directly or indirectly).

Name of company	Country of incorporation	The issued share capital held by the Issuer (per cent.)
Shanks Nederland B.V.	Netherlands	100
Icova B.V.	Netherlands	100
BV van Vliet Groep Milieu-dienstverleners	Netherlands	100
Vliko B.V.	Netherlands	100
Klok Containers B.V.	Netherlands	100
Transportbedrijf van Vliet B.V. ("**Contrans**")	Netherlands	100
Afvalstoffen Terminal Moerdijk B.V. ("**ATM**")	Netherlands	100
Reym B.V. ("**Reym**")	Netherlands	100
Smink Beheer B.V.	Netherlands	100
Orgaworld B.V.	Netherlands	88[(1)]
Shanks SA	Belgium	100
Shanks Hainaut SA	Belgium	100
Shanks Liège-Luxembourg SA.	Belgium	100
Shanks Bruxelles SA.	Belgium	100
Shanks Vlaanderen NV	Belgium	100
Shanks Transport NV.	Belgium	100
Foronex	Belgium	100
Shanks Waste Management Limited UK	United Kingdom	100
Shanks Argyll & Bute Limited	United Kingdom	100
ELWA Limited	United Kingdom	100
Shanks Dumfries and Galloway Limited	United Kingdom	100
Shanks Cumbria Limited	United Kingdom	100
Orgaworld Canada Ltd	Canada	100

(1) The Group has an irrevocable option to acquire the remainder of the share capital of Orgaworld.

As at the date of this Prospectus, the Issuer held, through wholly owned subsidiaries, the following interests in material joint venture companies, all of which operate as waste management companies (the Group's share of profits and gross assets and liabilities have been incorporated in the in the Group's 2010 Financial Statements).

Name of company	Country of incorporation	The issued share capital held by the Issuer (per cent.)
Caird Bardon Limited	United Kingdom	50
Energen Biogas Limited	United Kingdom	25
Geohess (U.K.) Limited	United Kingdom	50
Valorbois SPRL	Belgium	50
Silvamo NV	Belgium	50
Marpos NV	Belgium	45

Structure of the Group

Overview

The Group's organisational structure reflects the national nature of the markets in which it operates with divisions in the Netherlands, Belgium (which includes the Group's French operations), the UK and Canada. This reflects the essentially local nature of waste management and the need for close familiarity with local regulation which varies substantially between different countries. Operations are managed through the Group Executive Committee comprising the Group Chief Executive, the Group Finance Director and the Country Managing Directors. This allows for entrepreneurial management at a local level within a strong central framework that ensures consistency, accountability and the sharing of ideas and technology where appropriate across the Group.

The following table shows the breakdown of the Group's total revenue and trading profits by geographical location for the two financial years ended 31 March 2010:

	Revenue		Trading profit	
	Financial year ended 31 March 2010 (£ million)	**Financial year ended 31 March 2009 (£ million)**	**Financial year ended 31 March 2010 (£ million)**	**Financial year ended 31 March 2009 (£ million)**
The Netherlands	353.7	355.8	36.7	44.9
Belgium	176.4	179.8	14.0	19.5
United Kingdom	146.7	146.4	2.1	1.0
Canada	8.2	4.7	1.9	1.2
Inter-segment revenue	(1.5)	(1.6)	-	-
Group Central Services[(1)]	-	-	(3.6)	(4.9)
Total	683.5	685.1	51.1	61.7
Discontinued Operations[(2)]	1.5	11.4		
	685.0	696.5		

(1) "Group Central Services" relates to the cost of the headquarters which includes the Group finance, treasury, tax and company secretarial functions.

(2) "Discontinued Operations" relate to the sale of the Group's entire 50 per cent. holding in Avondale Environmental Limited in May 2009.

The Netherlands

The Group's largest business is in the Netherlands. The Group's activities in the Netherlands are divided into the following divisions: Solid Waste, Organic Treatment and Hazardous Waste.

The Solid Waste division, which is principally based in the Randstad area to the west of the country, comprises 22 recycling and transfer sites, together with supporting collection vehicle fleet of around 450 vehicles. Over 80 per cent. of the overall waste volumes of around 60 million tonnes per annum is recycled and approximately 3 - 4 per cent. sent to landfill. The business currently derives around 45 per cent. of its trading profit from construction and demolition waste and around 55 per cent. from more general industrial and commercial waste and other activities. In addition, there is some workflow from the municipal sector which increased in the Financial Year 2010, following successful bids for several waste contracts, including contracts for 50,000 tonnes of bulky waste and for collection of 38,000 tonnes of municipal waste as well as a contract to collect and sort electrical waste.

The Organic Treatment division comprises the operations of Orgaworld, a Dutch company specialising in the treatment of source-segregated organic waste streams, in which the Group acquired a 70 per cent. stake in April 2007, with an irrevocable option to acquire the remainder of the share capital (currently the Group holds 88 per cent. of the share capital of Orgaworld). Orgaworld is a specialist business which has a number of facilities using tunnel composting and the anaerobic digestion technology to process organic waste, turning it into compost, fertilisers or biogas. The waste streams originate mainly from food processing companies and supermarkets as well as source segregated organic municipal waste.

The Hazardous Waste division comprises two units, ATM and Reym. ATM is one of the world's largest single site hazardous waste facilities, processing around 1.5 million tonnes of low-contamination hazardous waste per annum. ATM uses three principal processes: thermal treatment of contaminated soils,

pyrolysis of paint waste and biological and physio-chemical treatment of aqueous wastes. Reym provides industrial cleaning services to a variety of industries, including the oil and gas as well as the petrochemical industries, and is also a provider of transportation and waste management services.

Operational review

The following table shows the breakdown of the Group's revenue by category of activity in the Netherlands for the two financial years ended 31 March 2010:

	Financial Year 2010 (£ million)	Financial Year 2009 (£ million)
Solid Waste	217.8	225.6
Hazardous Waste	127.8	124.3
Organic Treatment	11.9	10.2
Intra-segment Revenue	(3.8)	(4.3)
Total	353.7	355.8

The following table shows the breakdown of the Group's trading profits by category of activity in the Netherlands for the two financial years ended 31 March 2010:

	Financial Year 2010 (£ million)	Financial Year 2009 (£ million)
Solid Waste	24.2	31.6
Hazardous Waste	14.5	15.4
Organic Treatment	2.0	1.7
Country Central Services	(4.0)	(3.8)
Total	36.7	44.9

In the Financial Year 2010, the Netherlands Solid Waste division was negatively impacted by the economic downturn, particularly in the construction and demolition sector, which resulted in lower waste volumes and increased pricing pressures. In addition, the downturn was exacerbated by one of the coldest winters in Europe in many years. The implementation of cost reduction plans and lower hazardous waste disposal costs mitigated the downturn. In addition, actions have been taken to offset the downturn by entering new markets – as mentioned above, the Group entered the Dutch municipal market with contracts for 50,000 tonnes of bulky waste and for collection of 38,000 tonnes of municipal waste as well as a contract to collect and sort electrical waste.

Belgium

The Group's second-largest business is that in Belgium. The Group's activities in Belgium are divided into the following divisions: Solid Waste, Landfill and Power, Hazardous Waste and Sand Quarry. In addition, as mentioned above, the Group's French operations are managed from Belgium.

The Group's Solid Waste division in Belgium has similar characteristics to Group's Solid Waste division in the Netherlands. However, the division is less reliant on the construction and demolition sector and also includes the operation of municipal waste collection contracts, the largest being a ten-year contract (renewed in 2005) for collection of municipal waste in the City of Liège, where, in addition, the Group has a 50 per cent. interest in a biomass incinerator, which is expected to commence operations shortly. The Solid Waste division also includes Foronex which was acquired in April 2008. Foronex is principally focused on the growing wood biomass market. It is also engaged in a number of subsidiary activities, including wood trading and tree bark. Foronex collects and trades up to one million tonnes of wood waste and by-products per annum, making it the largest company by tonnage in this field in France and Belgium. In addition, the construction of a biomass production facility, converting wood to biomass fuel, in Bree, Belgium has recently been completed in order to increase the supply of wood products into the electricity industry. One of the key attractions of Foronex is its ability to produce fuel for the biomass industry from the wood waste and by-products it processes. A recent external strategic review a business strategy consultancy, confirmed the attractive growth potential within the biomass market.

The Group's Landfill and Power division is located in Mont-Saint Guibert in the Walloon Region where the Group owns one of the largest landfills in the region. A major source of income for this operation is from the generation of renewable electricity from the methane produced as the biodegradable waste

decays. As at the date of this Prospectus, a turbine which will generate further electricity from landfill gas is undergoing trials.

The Hazardous Waste division comprises industrial cleaning businesses and a main treatment facility at Roeselare in West Flanders where the Group has recently invested in an anaerobic digestion facility producing electricity. The industrial cleaning businesses service the steel, cement and chemical industries in Belgium and in northern France. The treatment facility specialises in the production of waste-derived fuels and minerals for the cement industry which has major installations in the west and the east of Wallonia. The treatment facility also treats waste water streams using physio-chemical and biological processes.

The Sand Quarry is adjacent to the landfill in Wallonia. It is not a core activity of the Group.

Operational review

The following table shows the breakdown of the Group's revenue by category of activity in Belgium for the two financial years ended 31 March 2010:

	Financial Year 2010 (£ million)	**Financial Year 2009 (£ million)**
Solid Waste	127.9	126.4
Landfill	13.5	16.5
Power	5.8	5.7
Hazardous Waste	45.4	49.0
Sand Quarry	3.1	3.2
Intra-segment Revenue	(19.3)	(21.0)
Total	176.4	179.8

The following table shows the breakdown of the Group's trading profits by category of activity in Belgium for the two financial years ended 31 March 2010:

	Financial Year 2010 (£ million)	**Financial Year 2009 (£ million)**
Solid Waste	4.7	8.0
Landfill	5.0	6.0
Power	4.1	4.0
Hazardous Waste	3.5	4.7
Sand Quarry	0.7	1.2
Country Central Services	(4.0)	(4.4)
Total	14.0	19.5

In the Financial Year 2010, market conditions in the Solid Waste sector in Belgium were more challenging than originally anticipated by the Issuer. Nevertheless, in the Issuer's opinion, the Solid Waste division, excluding Foronex (see paragraph below), performed relatively well with stable industrial and commercial volumes and declines in the construction and demolition volumes resulting in the overall volume decline of approximately 4 per cent. In the fourth quarter of the Financial Year 2010, despite the adverse weather conditions, volumes were up compared to the third quarter. In addition, some upward price pressure in certain regions of Belgium was observed. Further, the Issuer has recently invested in the expansion of its solid recovered fuel (SRF) line in Ghent in order to increase throughput and reduce costs in the current financial year.

In the Financial Year 2010, the wood-based markets, in which Foronex operates, were adversely impacted by the relatively weak economic environment. Overall revenue decreased by 17 per cent. compared to the Financial Year 2009 and Foronex operated at a loss. The decrease of revenue was mitigated by the reduction of costs and increasing prices, particularly in respect of low-margin contracts.

In the Financial Year 2010, the Hazardous Waste division experienced lower revenue and profits compared to the Financial Year 2009. A restructuring plan was implemented to reduce the cost base of the manual cleaning business. In addition, the Group's investment in the green energy plant in Roeselare is currently also contributing to the results. The profitability of the Landfill division declined by 22 per cent., which is principally associated with the increase in landfill tax and bans on landfilling of municipal solid waste, which were introduced in Belgium in January 2010.

United Kingdom

The activities of the Group in the United Kingdom are divided into the following divisions: Solid Waste, Hazardous Waste and PFI Contracts. In addition, the Group has recently set up an organic processing division and is investing in new facilities in the UK which will use biodegradable organic waste to produce biogas energy and high quality compost.

The Solid Waste division, which has industrial and commercial as well as construction and demolition sector customers, is centred around the Northern Home Counties, the East Midlands and the Central Belt of Scotland. In these areas, the Group operates vehicle collection fleets and is expanding its existing recycling centres to mirror those used in the Netherlands as the rising landfill tax makes increased recycling a viable economic alternative to landfill.

The Group's Hazardous Waste division is focused on remediation of contaminated land. The Group acts as subcontractor or contractor on industrial sites clean-up projects. Most of the contaminated soils disposed off-site are sent to third-party outlets, usually hazardous waste landfills. Having been responsible for certain high-profile remediation projects in the United Kingdom (including the remediation of the Millennium Dome site in London), the Group has considerable expertise in this field. The Group is currently involved in the clean-up of the London Olympics sites.

The Group entered into four 25-year PFI contracts for the provision of waste disposal services to local authorities in (i) east London, (ii) Dumfries and Galloway, (iii) Argyll and Bute and (iv) Cumbria County. Under these contracts, expiring in December 2027, November 2029, September 2026 and June 2034, respectively, the Group is responsible for dealing with all the municipal waste and recyclables collected by the local authorities and their subcontractors. The Group also operates all the civic amenity sites and recycling collecting plants across these authorities. The Group is currently in the process of bidding for a number of further PFI contracts involving the use of the mechanical biological treatment (MBT) technology and, through the Group's strategic partnership with Wheelabrator Technologies Inc., a company specialising in processing municipal solid waste, the energy from waste (EFW) technology.

In October 2009, the Group entered into a joint venture, which is operated through Energen Biogas Limited, a Scottish company. As part of the joint venture, an anaerobic digestion plant, able to process approximately 60,000 tonnes of food waste per annum, is currently under construction in Cumbernauld, Scotland and is scheduled to commission in the fourth quarter of 2010 (see "*Recent Investments*" for details).

Operational review

The following table shows the breakdown of the Group's revenue by category of activity in the United Kingdom for the two financial years ended 31 March 2010:

	Financial Year 2010 (£ million)	**Financial Year 2009 (£ million)**
Solid Waste	65.3	72.6
Landfill and Power	6.1	4.9
Hazardous Waste	5.9	20.1
PFI Contracts	69.4	48.8
Total	146.7	146.4

The following table shows the breakdown of the Group's trading profits by category of activity in the United Kingdom for the two financial years ended 31 March 2010:

	Financial Year 2010 (£ million)	**Financial Year 2009 (£ million)**
Solid Waste	5.5	6.3
Landfill and Power	0.9	0.9
Hazardous Waste	0.9	1.7
PFI Contracts	2.4	(0.4)
PFI Bid Team	(2.4)	(2.1)
Country Central Services	(5.2)	(5.4)
Total	2.1	1.0

In the Financial Year 2010, due to the difficult economic environment, market conditions in the Solid Waste sector in the United Kingdom were challenging. Overall, trading volumes in the core Solid Waste collections business decreased by 8 per cent. compared to the Financial Year 2009. This was mitigated by price increases, together with a significant reduction of costs as part of a restructuring programme.

In the Financial Year 2010, the downturn in the construction market in the United Kingdom adversely impacted the Group's Hazardous Waste division which is primarily focused on the remediation of contaminated land. The Group mitigated this through the reduction of costs achieved, *inter alia*, by lowering the Hazardous Waste division's headcount.

In the Financial Year 2010, as expected the Group's Scottish PFI contracts recorded relatively weak financial performance and a provision of £6.7 million was made against the Dumfries and Galloway contract. The revenue from the PFI Contracts portfolio increased by approximately 42 per cent. to £69.4 million (compared to the Financial Year 2009), partly due to the contribution from the Group's operations in Cumbria, and margins at ELWA Limited improved as a result of management action.

Canada

Orgaworld identified an opportunity in the Canadian market to offer biological treatment of source segregated organic municipal waste, a market which, in the Issuer's opinion, has significant potential in terms of volumes and relatively few competitors.

At the time of the acquisition, Orgaworld had already secured a ten-year contract with the City of York in Ontario to treat 33,000 tonnes of source segregated organic municipal waste per annum using tunnel composting. Since the acquisition, two further contracts have been won – a five-year contract for Toronto for 70,000 tonnes per annum and a 20-year contract for Ottawa for 100,000 tonnes per annum. The construction of a facility in London, Ontario to process York's waste was underway at the time of acquisition and the facility began accepting waste in June 2007. The facility is currently able to process approximately 150,000 tonnes of source segregated organic municipal waste per annum. The Ottawa contract is serviced by a local facility which is designed to process approximately 100,000 tonnes of source segregated organic municipal waste per annum.

Operational review

The following table shows the Group's revenue in Canada for the two financial years ended 31 March 2010:

	Financial Year 2010 (£ million)	**Financial Year 2009 (£ million)**
Organic Treatment	8.2	4.7

The following table shows the trading profit in Canada for the two financial years ended 31 March 2010:

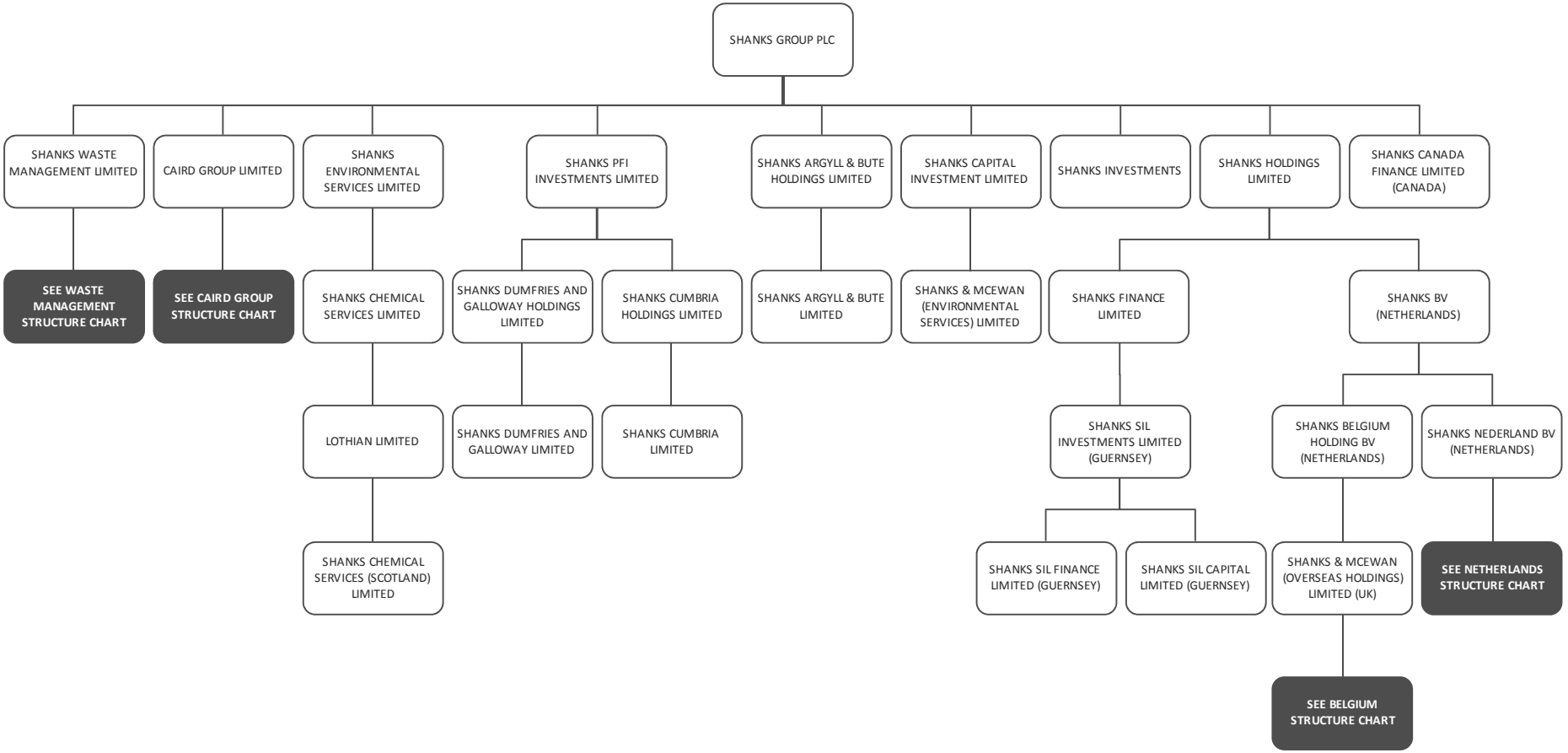
	Financial Year 2010 (£ million)	**Financial Year 2009 (£ million)**
Organic Treatment	1.9	1.2

In the Financial Year 2010, trading profit of the Group's Canadian operation increased to £1.9 million from £1.2 million in the previous financial year, in particular, as a result of a strong growth in revenue and trading profit at the London, Ontario plant, where a 23 per cent. operating margin was achieved. The Ottawa plant commissioned on schedule at the end of January 2010 and operations expanded up to capacity as planned.

Current Group Structure

The diagrams on the following pages illustrate the corporate structure of the Group as at the date of this Prospectus and, except where a subsidiary is wholly-owned by the Group, set out the percentage of the shares owned by the Group.

GROUP STRUCTURE CHART

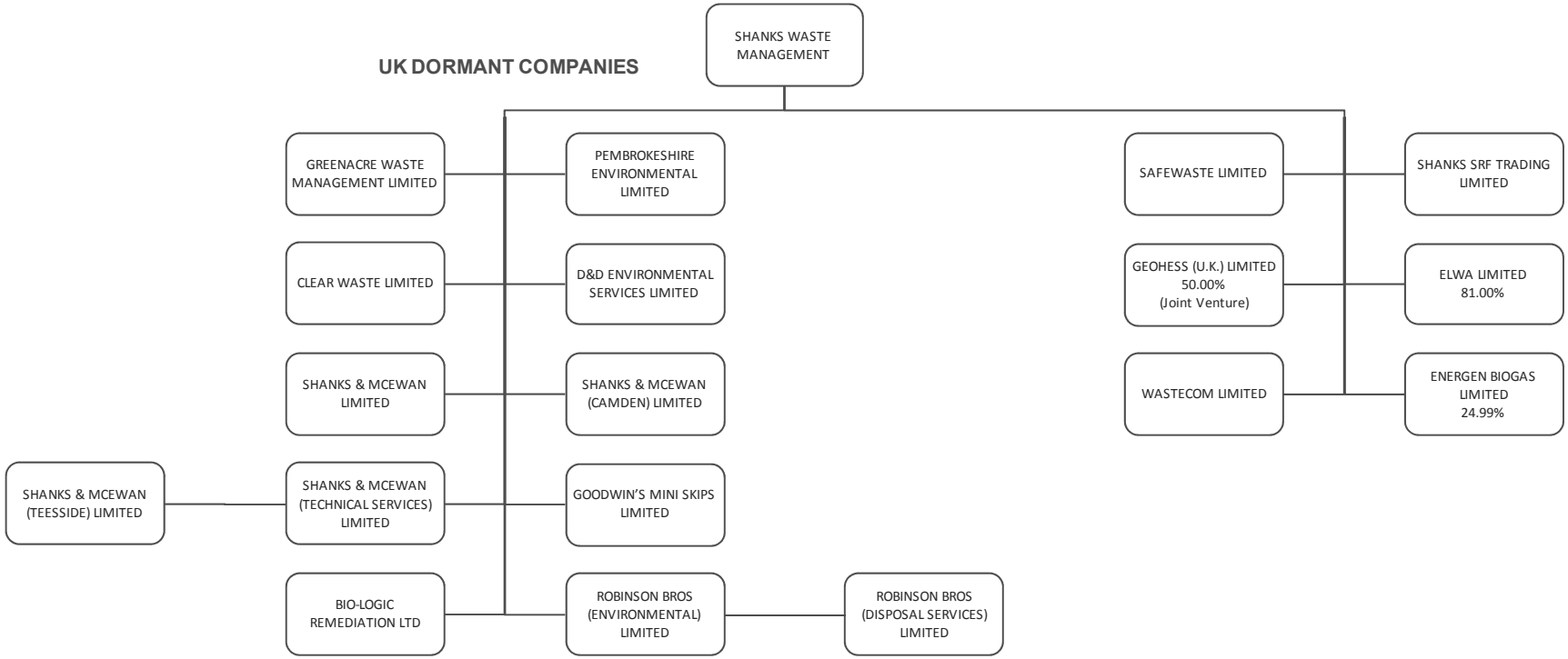


Notes:

1 Companies are incorporated in England and Wales or Scotland unless otherwise indicated in brackets.

2 Shanks Argyll & Bute Limited – beneficial owner of the entire issued share capital is Bank of Scotland PLC (held as part of the project agreement).

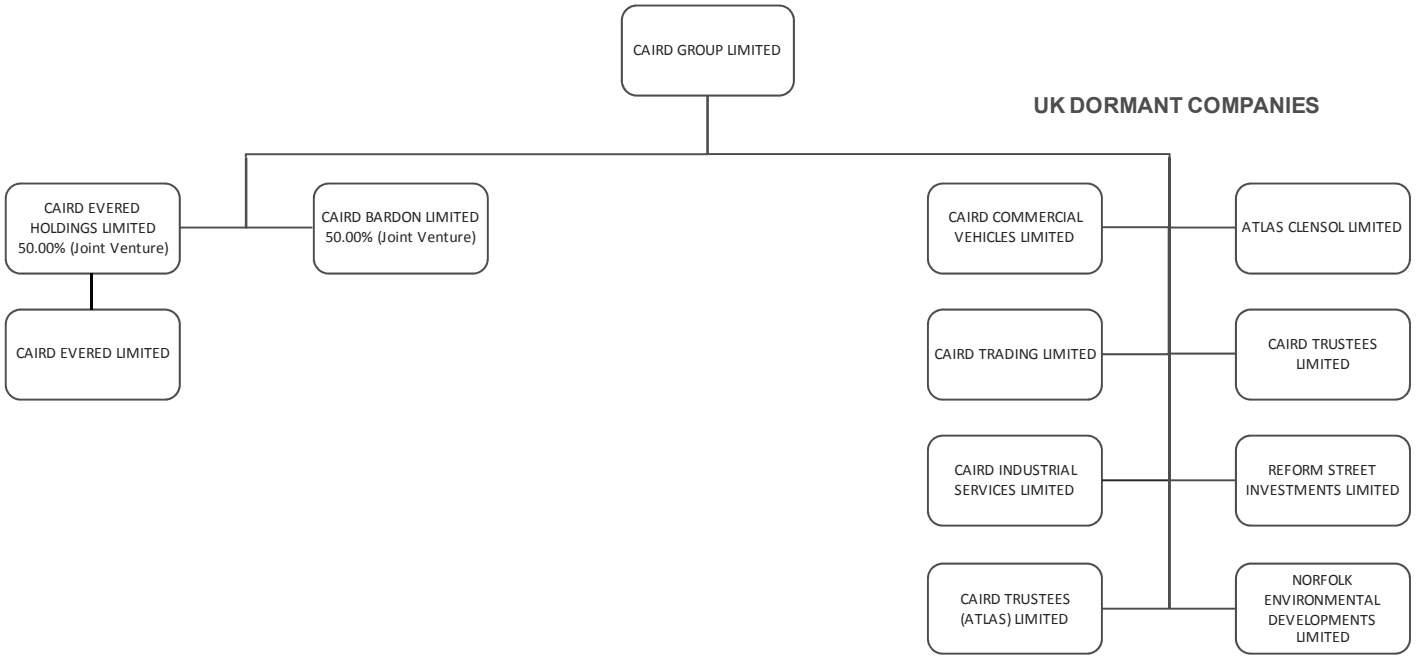
WASTE MANAGEMENT STRUCTURE CHART



Notes:

1 Companies are incorporated in England and Wales or Scotland unless otherwise indicated in brackets.

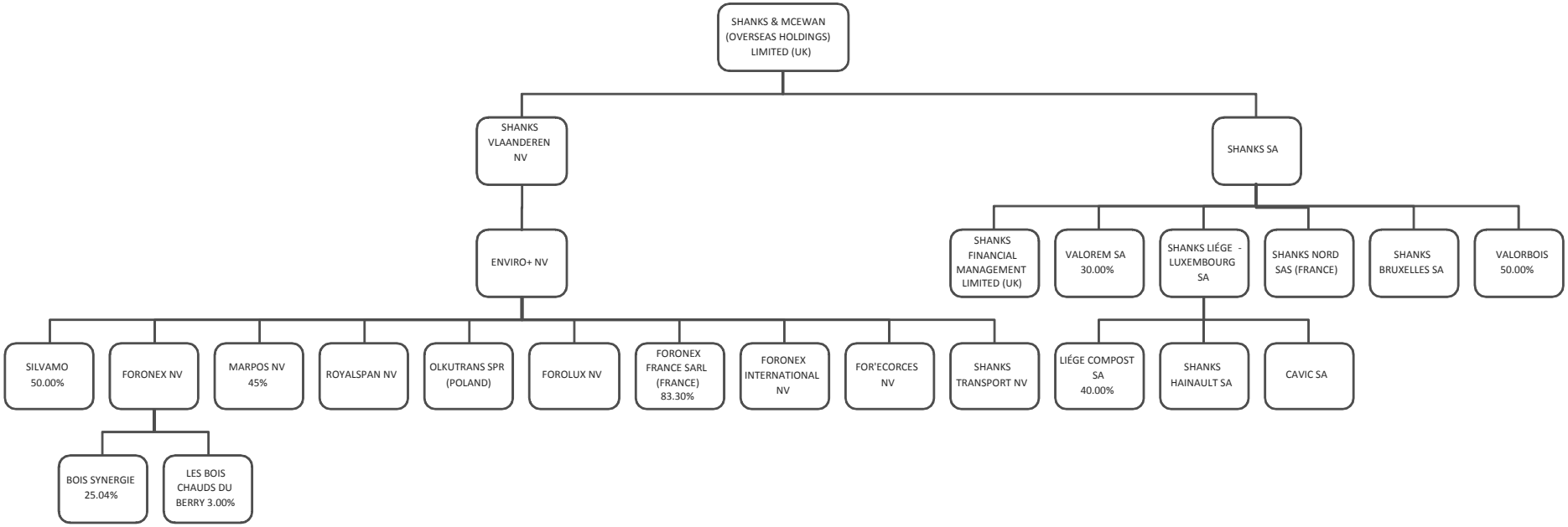
CAIRD GROUP STRUCTURE CHART



Notes:

1 Companies are incorporated in England and Wales or Scotland unless otherwise indicated in brackets.

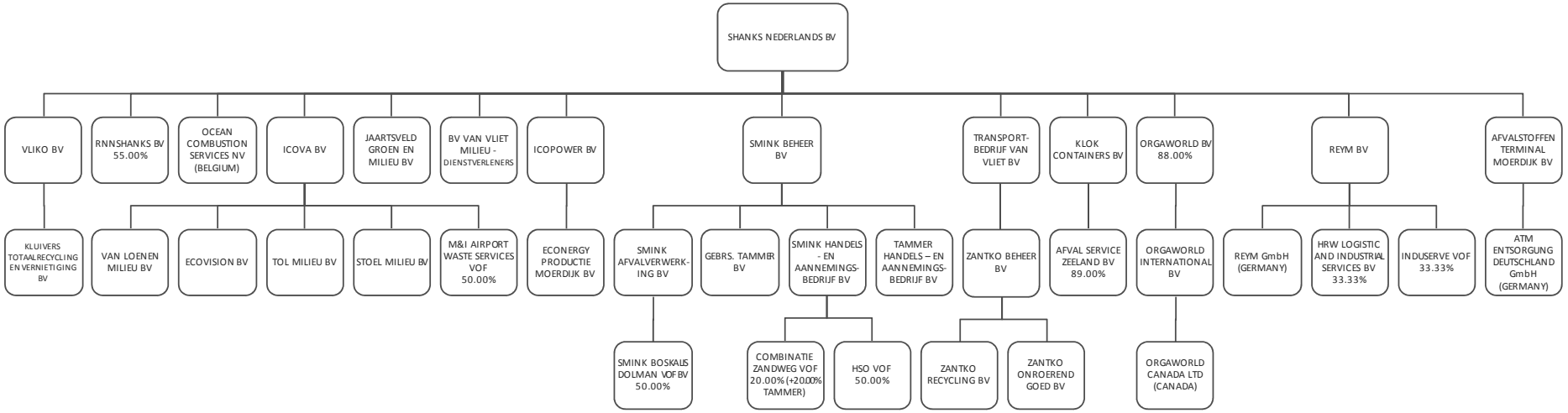
BELGIUM STRUCTURE CHART



Notes:

1 Companies are incorporated in Belgium unless otherwise indicated in brackets.

NETHERLANDS STRUCTURE CHART



Note:

1 Companies are incorporated in the Netherlands unless otherwise indicated in brackets.

Key Strengths of the Group

The Issuer believes that the Group has a number of strengths and competitive advantages that are key factors in the further development of the Group's business. These include, but are not limited to:

- considerable market shares in local non-hazardous solid waste markets;
- diverse geographic reach and product portfolio, very closely aligned with the environmental agenda of the EU;
- long-standing customer relationships and long-term PFI and municipal contracts providing cash flow, stability and visibility;
- extensive solid waste and hazardous waste facilities;
- well-established reputation and strong sector knowledge;
- robust centralised controls to ensure financial prudence coupled with a decentralised operational management team to take advantage of local knowledge and experience; and
- strong management team of the executive directors and senior managers with significant experience in the waste management industry.

Vision and Strategy

Across the world governments are urging the waste industry to support them in recovering more resources and energy from waste. Legislation and fiscal incentives are increasingly used to encourage the move away from landfill. This trend is driven by recognition of the role that more sustainable forms of waste management can play in accelerating the move to a low carbon economy and building a society that recognises the value of the earth's finite resources.

The Group is firmly focused on recycling and energy recovery. Following recent divestments, the Group has only minimal amounts of landfill left within its treatment portfolio. Through investment in new technologies and processes, the Group is in the process of expanding an infrastructure that can provide sustainable solutions that first maximise the recovery of reusable resources and then process the residue into renewable energy, an approach known as "zero waste".

The Group operates in countries with some of the highest recycling rates in Europe and has experience of a number of treatment processes capable of producing renewable energy from waste. The Group aspires to be regarded as Europe's leading provider of sustainable waste management solutions.

Growth strategy

The Group already operates with high levels of recycling and is one of the market leaders in implementing such technologies as anaerobic digestion, mechanical biological treatment and the production of high calorific value fuel from waste. The Group's growth strategy is to build upon this expertise and develop a reputation as the leading provider of sustainable alternatives to landfill and incineration.

The Group has identified three main growth areas:

- recycling;
- organic processing; and
- municipal PFI contracts.

Recycling

Beyond waste minimisation, reuse and recycling are generally perceived as the next preferred steps in the 'waste management ladder'. Many governments have increased tax on landfill to make the recycling of waste an economically viable alternative. Typically this involves large sorting centres or MRFs (material recycling facilities) to separate mixed waste into its different parts which can then be sent for further more

specialist processing. These recovered materials include paper, plastics, cardboard and glass from commercial waste and wood, rubble, metal and sand from construction waste. The Group operates a network of 65 sorting centres and, in addition, has specialist centres for turning the residue left after recycling into a fuel for industry known as solid recovered fuel (SRF).

The Group's strategy is to invest in the development of further MRF facilities where the Group has a strong market presence. This will allow it to divert the waste it collects into the Group's new sorting centres as well as to attract third party waste by offering fees below the local disposal alternatives.

Organic processing

The separation at source of organic waste from general waste is growing rapidly because it has the dual benefit of removing the most biodegradable (methane producing) waste from landfill and also because through specialist processing it can be turned into valuable products. Typically approximately 50 per cent. of general waste is organic. Through specialist processing, the carbon in these products can be returned to the soil as compost or fertiliser and biogas produced from the natural biological activity can be fully captured and turned into a green energy source. As mentioned above, the Group's specialist business, Orgaworld, uses innovative technologies, tunnel composting and anaerobic digestion, to process organic waste into these end products. Shank Group's strategy is to share Orgaworld's expertise across the Group and to use it to develop organics businesses in the Group's key markets, while continuing to develop this specialist business in new markets, such as Canada.

The Issuer believes that the ability of anaerobic digestion plants to be relatively quickly built compared to other forms of renewable energy, such as wind, nuclear and solar, will increase the attractiveness of such plants to governments and private companies looking to meet their carbon reduction and renewable energy commitments.

Municipal PFI Contracts

The UK government is bound by the Landfill Directive (see "*The European Waste Market — Market Trends and Drivers*" above) which requires it to reduce substantially the amount of municipal waste it sends to landfill. It is required to meet specific reduction milestones in 2010, 2013 and 2020. To meet these significant reductions which peak at a 65 per cent. reduction from 1995 levels by 2020, the UK government needs to increase recycling but also build alternative infrastructure to take waste diverted from landfill. The investments are already underway. In 2008 the UK Foreign & Commonwealth Office estimated that the total cost of such investments would be around £10 billion.

The UK government is providing PFI credits to local authorities to allow them to procure turn-key solutions from the private sector. These entail competitive procurement processes to build new infrastructure and operate it for around 25 years. The Group is active in this market and already operates four contracts involving annual throughput of around 800,000 tonnes. The Group's goal is to secure further contracts to grow this to around 1.5 million tonnes, which would represent annual revenue of around £140 million.

General and local strategies

The primary elements of the Group's overall strategy are:

- investing to drive organic growth where returns are greatest;
- further developing the Group's infrastructure to support sustainable waste management and conversion of waste to renewable energy in each of its geographical locations;
- sharing core capabilities and technologies across the Group;
- maximising asset utilisation and minimising unit costs; and
- actively pursuing acquisition opportunities to improve asset utilisation and to re-orient the Group to high growth markets.

The Group's strategy is to deliver organic growth by investing in assets that support sustainable waste management and are capable of delivering attractive returns on capital. Alongside this the Group intends

to actively share expertise and technology across the Group whilst retaining a very strong focus on keeping the unit costs amongst the lowest in the industry. Finally, the Group intends to actively pursue acquisition opportunities in order to improve capacity utilisation and to secure capabilities that re-orient the Group to higher growth activities.

The above strategy provides a corporate framework for the Group's local strategies:

Dutch strategy

The strategic goal for the Dutch operations is to maintain the strong operating margins and underlying free cash flow the Group currently enjoys and, over the long term, to grow both the Solid Waste and Hazardous Waste divisions ahead of gross domestic product. The Group intends to achieve this by:

- strengthening the market position and reducing costs through a more standardised business model across the Group's operations in the Netherlands;
- upgrading existing recycling facilities to improve their efficiency and thereby maintain the Group's market leadership in processing costs;
- moving into new markets such as bulky and electrical waste and exploring potential new mono-streams;
- investing in the expansion of the facilities of the Hazardous Waste division and, in particular, facilities processing waste water;
- investing in suitable acquisitions;
- expanding the Group's organics footprint; and
- maintaining the current cash generation from the business.

Belgian strategy

The Group's strategy in Belgium is to expand the industrial and commercial and biomass Solid Waste division to replace the declining contribution from landfill. By focusing on solid recovered fuel (SRF) production from industrial and commercial waste, the Group intends to secure long-term energy from waste outlets at lower costs than from landfill or mass-burn incineration.

Further opportunities exist to invest in additional green energy production at the Group's landfill and hazardous waste plants. These have already been partly realised through the development of a bio-digester to create green energy on the Group's Roeselare site, which has recently been commissioned.

The Group also plans to develop the Foronex business, which has strong wood operations, into a biomass supplier. This development is on track.

United Kingdom strategy

In the United Kingdom, the Group intends to become the preferred alternative to landfill. In the industrial and commercial waste sector, the Group's aim is to build a resource management and reprocessing business with improved margins by utilising the Dutch and Belgian know-how and expertise.

The Group is currently focusing on building density in the three regions where the Group already has considerable presence, namely Scotland, the East Midlands and the Northern Home Counties. Having established an enabling platform of a strong regional business with a differentiated and profitable business model, the Group may, in the future, consider more aggressive consolidation options.

In the municipal market, the Group intends to continue to bid for PFI residual waste contracts, using those that it wins as a base from which to expand its industrial and commercial business. At the same time, the Group intends to secure a share of the significant demand for anaerobic digestion and composting in the United Kingdom, both in the municipal and industrial and commercial sectors using Orgaworld's and other technologies, as appropriate.

The Issuer believes that it is as a leading player in the PFI market, with the first mechanical biological treatment plant in the United Kingdom which has been operational since 2006.

The Group's vision is to build on what is now essentially a logistics business combined with PFI Contracts, in order to develop an integrated recycling and organics business incorporating an expanded PFI portfolio.

Canadian strategy

The Issuer believes that the organic treatment market in Canada offers considerable potential in terms of growth. In addition, as at the date of this Prospectus, it has few competitors.

The two existing Canadian operations are, as mentioned above, strengthened by long-term municipal contracts. The Group is focused on pursuing further opportunities in other regions of Canada which could support additional plants and expects continued good progress in terms of growth and margins in Canada.

Recent investments

In line with its strategy, the Group continues to invest in new projects to drive growth of the Group. The most significant recently completed and ongoing investments of the Group are described below. The Group expects to fund these and other, less material investments from operational cashflows, the issue of the Notes, and a renewal of the 2009 Bank Facility.

Greenmills wet anaerobic digestion plant, Amsterdam, the Netherlands

The Greenmills plant, completed in July 2010, is the largest industrial wet anaerobic digestion facility in Europe. The facility is able to process approximately 100,000 tonnes of organic waste and 300,000 tonnes of water waste per annum.

Material recycling facility, Glasgow, United Kingdom

A new recycling facility is scheduled to open in Blochairn, Glasgow in the fourth quarter of 2010. The facility will be capable of processing 150,000 tonnes of waste and co-mingled recyclables per annum. The new facility will have the capability for processing material from the Group's municipal and commercial and industrial customers and has been designed to achieve an 80 per cent. recovery rate from non-segregated general waste.

Anaerobic digestion plant, Cumbernauld, United Kingdom (joint venture)

The Group entered into a joint venture operated through Energen Biogas Limited, a Scottish company. As part of the joint venture, an anaerobic digestion plant in Cumbernauld, Scotland is currently under construction, scheduled to commission in the fourth quarter of 2010. The plant will be able to process approximately 60,000 tonnes of food waste per annum, generating enough renewable electricity to power up to 3,000 homes. The plant will be able to process a range of organic materials including supermarket waste, household and commercial kitchen waste, food processing waste and organic materials generated by the Group's existing operations. The process will also produce a high quality fertiliser for use on agricultural land.

Governmental, Legal and Arbitration Proceedings

On 29 September 2008, the Netherlands Public Prosecutor filed a case against ATM, which owns the Issuer's treatment facility in the south of the Netherlands, for unlawful enrichment (as a result of ATM exceeding the maximum tonnage of its environmental permit) and certain other violations and has estimated the value of the claim at €13.6 million. Following the acquisition by the Group of ATM as part of the acquisition of Waste Management Netherlands B.V. (now Shanks Nederland B.V.), in March 2000, the Issuer has the benefit of an indemnity from Waste Management Inc in respect of any criminal or administrative fines imposed by the Dutch government in respect of violations carried out by ATM prior to the acquisition. Certain fines and costs imposed to date have been paid and reimbursed by Waste Management Inc. The Issuer, following advice from its legal counsel, believes that the claim brought by the Netherlands Public Prosecutor is excessive and the Issuer intends to contest the award. In any event, the Issuer believes, following advice from its legal counsel, that the claim is covered by the Waste Management Inc indemnity and that no loss will result to the Group.

Save as disclosed above, neither the Issuer nor any member of the Group is or has been involved in any governmental, legal or arbitration proceedings, of which the Issuer is aware, which are pending or threatened and which may have, or have had during the 12 months prior to the date of this Prospectus, a significant effect on the Issuer and/or the financial position or profitability of the Group.

Corporate Responsibility

The Group operates in a sector which is increasingly seen to have an important role in managing the impact of climate change and improving the re-use of the world's finite resources. The Group is committed to the principle that its business goals will be best achieved when acting with honesty, integrity and fairness. This principle provides the overarching ethical framework for the Group's operations and activities. The Group considers it critical that it lives up to these values, builds a relationship of trust with its stakeholders and protects its reputation. The Group aims to be regarded as a good 'corporate citizen' wherever it conducts its business. The Group has a Corporate Responsibility Committee to ensure continued commitment to implement the above principles across the Group. For more information, see the Group's corporate responsibility policy statement which can be found on the Group's website at *www.shanksplc.co.uk/sites/default/files/Shanks_Group_CR_policy_March_2010.pdf*.

Targeting corporate responsibility

In 2009, the Group set itself nine qualitative objectives relating, among other things, to:

- recycling and recovery rates;
- carbon avoidance; and
- employee wellbeing (including health and safety).

Progress against the above objectives is reported on in Shanks 2010 CR Report, which can be found on the Group's website at *www.shanksplc.co.uk/sites/default/files/Shanks_Group_CR_Report_0910.pdf*.

The environment

All the Group's operations have environmental management systems aimed at compliance and maximising the benefits of resource recovery. The Group aims to increase its recycling and recovery rates and move towards more sustainable waste management methods and, in addition, to foster constructive relationships with its regulators.

For more information, please refer to the Shanks 2010 CR Report, which can be found on the Group's website at *www.shanksplc.co.uk/sites/default/files/Shanks_Group_CR_Report_0910.pdf*.

Employee wellbeing

With more than 4,000 employees located at over 120 sites, the Group is diverse and widespread. With this geographical spread and diverse structure the Group the Issuer relies heavily on the competence and motivation of its employees. Consequently, the Group pays great regard to issues such as employee communication, dignity, diversity, business ethics and company culture.

The Issuer considers the Group to be an equal opportunities employer. Full and fair consideration is given to applications from, and the continuing employment, career development and training of disabled people. A culture of two way communications is actively promoted and trade unions, works councils and other employee groups are involved wherever appropriate.

All of the Group's employment and training policies are compliant with the relevant employment legislations and regulatory obligations and the Group is committed to maintaining appropriate health and safety standards.

For more information, please refer to the Shanks 2010 CR Report, which can be found on the Group's website at *www.shanksplc.co.uk/sites/default/files/Shanks_Group_CR_Report_0910.pdf*.

Permits

Waste and resources companies operate under strict environmental regulation. Each of the Group's operations has permits which regulate how they operate, governing aspects such as the waste types they can accept, emissions and the nature of the treatment, recovery and other activities.

Corporate Governance

The Group is committed to achieving high standards of corporate governance and integrity and exemplary ethical standards in all its business dealings. The Issuer believes that it has complied with Section 1 of the Combined Code on Corporate Governance (2008 Edition) of the Financial Reporting Council in all material respects throughout the Financial Year 2010. The Issuer also believes that the Group has, in all material respects, complied with the Financial Reporting Council Guidance on Audit Committees issued in October 2008.

Audit Committee

The Audit Committee is formally constituted with written Terms of Reference which are available on the Group's website at *www.shanksplc.co.uk/Audit_Committee_Terms_of_Reference*. The Audit Committee is comprised solely of non-executive Directors: Peter Johnson, Dr Stephen Riley and Eric van Amerongen. Peter Johnson chairs the Audit Committee. The external auditors, the Chairman and the executive Directors are regularly invited to attend meetings and the Audit Committee has access to the external auditors' advice without the presence of the executive Directors.

The Audit Committee has the authority to examine any matters relating to the financial affairs of the Group. This includes the appointment, terms of engagement, objectivity and independence of the external auditors, the nature and scope of the audit, reviews of the interim and annual financial statements, internal control procedures, accounting policies, adherence with accounting standards and such other related functions as the Board may require. The Audit Committee also considers and reviews other risk management and control documentation, including the Group's policy on 'whistle blowing' and security reporting procedures.

Remuneration Committee

The Remuneration Committee is formally constituted with written Terms of Reference which are available on the Group's website at *www.shanksplc.co.uk/Remuneration_Committee_TOR*. The Remuneration Committee is comprised solely of non-executive Directors: Eric van Amerongen, Adrian Auer, Peter Johnson and Dr Stephen Riley. The Remuneration Committee is chaired by Eric van Amerongen and determines the Issuer's policy on remuneration and on a specific package for each of the executive Directors. It also determines the terms on which the Long Term Incentive Plan (LTIP) and the Save As You Earn (SAYE) share options are awarded to employees. The Remuneration Committee also determines the remuneration of the Group's senior management and that of the Chairman. It recommends the remuneration of the non-executive Directors for determination by the Board. In exercising its responsibilities the remuneration Committee has access to professional advice, both internally and externally, and may consult the Group Chief Executive about its proposals.

Nomination Committee

The Nomination Committee is chaired by Adrian Auer and is comprised solely of non-executive Directors: Eric van Amerongen, Peter Johnson and Dr Stephen Riley. The Nomination Committee is formally constituted with written Terms of Reference which are available on the Group's website at *www.shanksplc.co.uk/Nomination_Committee_TOR*. It is responsible for making recommendations to the Board on the appointment of Directors and succession planning.

DIRECTORS AND MANAGEMENT OF THE ISSUER

Board of Directors

The Issuer's directors (for the purposes of this section, "**Directors**" and each a "**Director**") as at the date of this Prospectus were as follows:

Name	Position held
Adrian Auer	Chairman
Thomas Drury	Group Chief Executive
Christopher Surch	Group Finance Director
Eric van Amerongen	Senior Independent Director
Peter Johnson	Non-executive Director
Stephen Riley	Non-executive Director

***Adrian Auer**, BA, MBA, ACT (Chairman)*

Adrian joined the Board in 2005 and was appointed Chairman in July 2006. He chairs the Nomination Committee and is also a member of the Remuneration Committee. Adrian is also chairman of Readymix plc, a non-executive director of Electrocomponents plc and the senior independent director of Umeco plc. Previously, he has held the position of finance director in a number of major companies, notably in the building materials and construction sectors, as well as senior finance positions with BP and ICI. He is also chairman of Addaction, Britain's largest specialist drug and alcohol treatment charity.

***Thomas Drury**, MA (Group Chief Executive)*

Tom joined the Issuer as Group Chief Executive Designate in September 2007 and was appointed Group Chief Executive in October of that year. Following an early career with Unilever and PricewaterhouseCoopers, he went on to a distinguished career with United Utilities plc, being appointed a main board director in 2005. In 1996, he was appointed managing director of a new commercial enterprise, Vertex, which grew to become one of the largest firms in the UK's business process outsourcing sector until the sale of that business in March 2007.

***Christopher Surch**, B.Com (ACC), ACA (Group Finance Director)*

Chris joined the Board in May 2009 as Group Finance Director. Following an early career with PricewaterhouseCoopers he joined TI Group plc, in 1995, where he held a number of audit and finance roles. Following the merger of TI Group plc with Smiths Group plc in December 2000, he went on to hold further senior finance roles, most recently as finance director of their Specialty Engineering division.

***Eric van Amerongen** (Senior Independent Director)*

Eric was appointed to the Board in February 2007 and is a member of the Audit, Remuneration and Nomination Committees. In July 2007, he was appointed chairman of the Remuneration Committee and senior independent director. He was, until January 2008, a non-executive director of Corus Group plc, a position he held for seven years. Eric has wide ranging European business experience and holds a number of non-executive and advisory positions.

***Peter Johnson**, BA, ACA (Non-executive Director)*

Peter joined the Board in May 2005 and is chairman of the Audit Committee and is also a member of the Remuneration and Nomination Committees. Peter is a chartered accountant and a non-executive director of Oriel Securities Limited. He was finance director of Taylor Wimpey plc from 2002 until 2008. Previously, he held a number of senior positions in the financial services sector including those of group finance director of Henderson plc, chief financial officer for Pearl Assurance and finance director of Norwich Union Life.

***Stephen Riley**, B Eng, PhD (Non-executive Director)*

Stephen was appointed to the Board in March 2007 and is a member of the Audit, Remuneration and Nomination Committees. He is currently an executive director with International Power plc having joined

that business in 1985. Stephen has extensive operational experience in the power industry having held senior positions in the United Kingdom and Australia.

Conflicts of interest

No potential conflicts of interest exist between any duties owed to the Issuer by the Directors and their private interests or other duties.

Business address

The business address of the Directors and senior management is: Dunedin House, Auckland Park, Mount Farm, Milton Keynes, Buckinghamshire MK1 1BU, United Kingdom.

PRINCIPAL SHAREHOLDERS OF THE ISSUER

As at the date of this Prospectus, the Issuer had been notified of the following direct and indirect interests in voting rights equal to or exceeding 3 per cent. of the ordinary share capital of the Issuer:

Shareholder	Number of shares	Percentage
Schroders plc	56,884,927	14.34
Legal & General Group plc	13,991,584	3.52
Norges Bank	13,112,449	3.30

SHARE CAPITAL AND ARTICLES OF ASSOCIATION OF THE ISSUER

1. Share capital

As at the date of this Prospectus, the Issuer had an issued and fully paid share capital of £39,679,127.30 comprising 396,791,273 ordinary shares of £0.10 each.

2. Articles of Association

*The following summary describes certain provisions of the Issuer's articles of association (the "**Articles**"). The summary does not purport to be complete and is subject to and is qualified in its entirety by references to the Articles.*

Unrestricted objects

As provided by Article 3 of the Articles, the objects of the Issuer are unrestricted.

Share rights generally

Subject to the provisions of the Companies Act 2006 and other applicable statutes (including any orders, regulations or other subordinate regulation made under such statutes) (together, the "**Statutes**") and to any rights previously conferred on the holders of any other shares, any share may be issued with or have attached to it such rights and restrictions as the Issuer may by ordinary resolution decide or, if no such resolution has been passed or so far as the resolution does not make specific provision, as the Board may decide.

Subject to the provisions of the Statutes and to any rights previously conferred on the holders of any other shares, any share may be issued which is to be redeemed, or is liable to be redeemed, at the option of the Issuer or the holder and the Board is authorised to determine the terms, conditions and manner of redemption of any such share.

Variation and suspension of rights

Subject to the provisions of the Statutes, all or any of the rights for the time being attached to any class of shares for the time being issued may from time to time (whether or not the Issuer is being wound up) be varied either with the consent in writing of the holders of not less than three-fourths in nominal value of the issued shares of that class (excluding any shares of that class held as treasury shares) or with the sanction of a special resolution passed at a separate general meeting of the holders of those shares.

Where the holder of any shares in the Issuer, or any other person appearing to be interested in those shares, fails to comply within the relevant period with any statutory notice requiring disclosure of interests in such shares or of the identity of persons interested in such shares ("**Statutory Notice**"), the Issuer may give the holder of those shares a further notice ("**Restriction Notice**") setting out some or all relevant restrictions that such shares will be subject to.

"**Relevant restrictions**" means that the shares shall not confer on the holder any right to attend or vote, either personally or by proxy, at any general meeting of the Issuer or at any separate general meeting of the holders of any class of shares in the Issuer or to exercise any other right conferred by membership in relation to attending general meetings and voting; and, in the case of a Restriction Notice served on a person who holds, or is shown in any register kept by the Issuer under the Statutes as having an interest in, shares in the Issuer which comprise in total at least 0.25 per cent. in number or nominal value of the shares in the Issuer, or of any class of such shares, in issue at the date of the service of the Statutory Notice or the Restriction Notice as the case may be (calculated exclusive of treasury shares), that:

(a) the Board may withhold payment of all or any part of any dividends (including shares issued in lieu of dividends) payable in respect of the shares; and

(b) the Board may (subject to the requirements of the Uncertificated Securities Regulations 2001 (as amended, replaced or supplemented)) decline to register a transfer of the shares unless such transfer is pursuant to an arm's length sale (as defined in the Articles).

Voting rights

Subject to any restrictions and any special terms as to voting upon which any shares may be issued or may for the time being be held and to any other provisions of the Articles or the Statutes:

(a) on a vote on a resolution on a show of hands at a general meeting:

(i) every member who is present in person shall have one vote;

(ii) every duly authorised corporate representative who is present shall have one vote;

(iii) subject to paragraphs (iv) and (v) below, every proxy present who has been duly appointed by one or more members entitled to vote on the resolution shall have one vote;

(iv) if a proxy has been duly appointed by more than one member entitled to vote on the resolution and the proxy has been instructed by one or more of those members to vote for the resolution and by one or more other of those members to vote against it then the proxy shall have one vote for and one vote against the resolution; and

(v) if a proxy has been duly appointed by more than one member entitled to vote on the resolution and has been granted both discretionary authority to vote on behalf of one or more of those members and firm voting instructions on behalf of one or more other members, the proxy shall not be restricted by the firm voting instructions in casting a second vote in any manner he so chooses under the discretionary authority conferred upon him; and

(b) on a vote on a resolution on a poll at a general meeting:

(i) every member who is present in person shall have one vote for every share of which he is the holder;

(ii) every duly authorised corporate representative who is present may exercise all the powers on behalf of the company which authorised him to act as its representative and shall have one vote for every share in respect of which he is appointed corporate representative; and

(iii) every proxy present who has been duly appointed by one or more members entitled to vote on the resolution shall have one vote for every share in respect of which he is appointed as proxy, provided always that where a member appoints more than one proxy, such proxies taken together are not authorised to exercise more extensive voting rights than could be exercised by the member in person.

The Issuer is under no obligation to verify whether or not proxies and corporate representatives have cast their votes in accordance with the instructions given to them by their appointers. To the extent that a proxy or corporate representative has voted other than in accordance with any such instructions, the vote(s) in question shall stand and shall not in any way be invalidated and shall not vitiate the relevant resolution.

No member shall, unless the Board otherwise decides, be entitled in respect of any share held by him to vote (either personally or by proxy) at any general meeting of the Issuer or at any separate meeting of the holders of any class of shares in the Issuer or to exercise any other right conferred by membership in relation to general meetings unless all calls or other sums presently payable by him in respect of that share have been paid.

Dividends

Subject to the provisions of the Statutes, the Issuer may by ordinary resolution from time to time declare dividends in accordance with the respective rights of the members, but no dividend shall exceed the amount recommended by the Board.

Subject to the provisions of the Statutes, the Board may pay such interim dividends as appear to the Board to be justified by the financial position of the Issuer and may also pay any dividend payable at a fixed-rate

at intervals settled by the Board whenever the financial position of the Issuer, in the opinion of the Board, justifies its payment.

If the Board acts in good faith it shall not incur any liability to the holders of any shares for any loss they may suffer in consequence of the payment of an interim or fixed dividend or any other class of shares ranking pari passu with or after those shares.

Except in so far as the rights attaching to, or the terms of issue of, any share otherwise provide:

(a) all dividends shall be declared and paid according to the amounts paid up on the share in respect of which the dividend is paid, but no amount paid up on the share in advance of calls shall be treated for these purposes as paid up on the share;

(b) all dividends shall be apportioned and paid pro rata according to the amounts paid up on the share during any portion or portions of the period in respect of which the dividend is paid; and

(c) dividends may be declared or paid in any currency.

The Board may deduct from any dividend or other moneys payable to a member by the Issuer on or in respect of any shares all sums of money (if any) presently payable by him to the Issuer on account of calls or otherwise in respect of shares in the Issuer. Sums so deducted can be used to pay amounts owing to the Issuer in respect of the shares.

Any general meeting declaring a dividend may, upon the recommendation of the Board, by ordinary resolution direct that it shall be satisfied wholly or partly by the distribution of assets, and in particular of paid up shares or debentures of any other company, and where any difficulty arises in regard to the distribution the Board may settle it as it thinks expedient, and in particular may: (a) authorise any person to sell and transfer any fractions or may ignore fractions altogether; (b) fix the value for distribution purposes of any assets or any part thereof to be distributed; (c) determine that cash shall be paid to any members upon the footing of the value so fixed in order to secure equality of distribution; and (d) vest any assets to be distributed in trustees, in each case, as may seem expedient to the Board.

Any dividend unclaimed after a period of 12 years from the date when it was declared or became due for payment will be forfeited and will revert to the Issuer.

Division of assets on a winding-up

If the Issuer commences liquidation, the liquidator may, with the sanction of a special resolution of the Issuer and any other sanction required by the Statutes:

(a) divide among the members in kind the whole or any part of the assets of the Issuer and, for that purpose, set such values as the liquidator deems fair upon any property to be divided and determine how the division shall be carried out as between the members or different classes of members; and

(b) vest the whole or any part of the assets in trustees upon such trusts for the benefit of the contributories as the liquidator (with the like sanction) shall think fit,

but no member shall be compelled to accept any shares or other assets upon which there is any liability.

Lien, calls and forfeiture

The Issuer has a first and paramount lien on every share (not being a fully paid share) for all amounts payable to the Issuer (whether presently or not) in respect of that share. The Board may at any time either generally or in any particular case waive any lien that has arisen or declare any share to be wholly or in part exempt from the foregoing.

The Issuer may sell, in such manner as the Board may decide, any share on which the Issuer has a lien if a sum in respect of which the lien exists is presently payable and is not paid within 14 clear days after a notice in writing has been served on the holder of the share, or the person entitled to it by transmission (and who has supplied the Issuer with an address within the United Kingdom for the service of notices), demanding payment and stating that if the notice is not complied with the share may be sold.

Subject to the terms of issue, the Board may from time to time make calls upon the members in respect of any moneys unpaid on their shares (whether on account of the nominal amount of the shares or by way of premium) and not payable on a date fixed by or in accordance with the terms of issue. Each member shall (subject to the Issuer serving upon him at least 14 clear days' notice specifying when and where the payment is to be made) pay to the Issuer, as required by the notice, the amount called on his shares. A call may be payable by instalments and may be revoked or postponed, in whole or in part, as the Board may decide. A person on whom a call is made shall remain liable for calls made on him even if the shares in respect of which the call was made are subsequently transferred.

Subject to the terms of the issue, the Board may, on the issue of shares, differentiate between the allottees or holders as to the amount of calls to be paid and the times of payment of such calls.

If a call remains unpaid after it has become due and payable, the person from whom it is due and payable shall pay interest on the amount unpaid from the day it is due and payable to the time of the actual payment at such rate, not exceeding 14 per cent. per annum, as the Board may decide, and all expenses that have been incurred by the Issuer by reason of such non-payment, but the Board shall be at liberty in any case to waive payment of the interest or expenses wholly or in part.

If any member fails to pay in full any call or instalment on or before the day appointed for payment thereof, the Board may, at any time thereafter, serve a notice on him requiring him to pay so much of the call or instalment as is unpaid together with any interest which may have accrued and any expenses incurred by the Issuer by reason of such non-payment. The notice shall, *inter alia*, name a further day (not earlier than the expiration of 14 days from the date of service of the notice) on or before which, such call or instalment and such interest and expenses are to be paid. If such notice is not complied with, the Board may by resolution at any time thereafter, but before the payment of all calls or instalments and interest and expenses due in respect thereof has been paid, forfeit any share in respect of which such notice has been given. Such forfeiture shall extend to all dividends declared in respect of the shares so forfeited and not actually paid before such forfeiture.

Any person whose shares have been forfeited or surrendered shall, notwithstanding that he shall have ceased to be a member in respect of those shares, remain liable to pay to the Issuer all moneys which, at the date of the forfeiture or surrender, were presently payable by him to the Issuer in respect of the shares, together with interest thereon at the rate of 15 per cent. per annum (or such lower rate as the Board may determine) from the time of forfeiture or surrender until the time of payment, but his liability shall cease if and when the Issuer shall have received payment in full of all such moneys in respect of the shares, together with interest.

Transfer of shares

The Board may, in its absolute discretion and without giving any reason, decline to register any transfer of any share which is not a fully paid share provided that where such share is admitted to the Official List of the UK Listing Authority, such discretion may not be exercised in such a way as to prevent dealings in shares of that class from taking place on an open and proper basis.

The Board may only decline to register transfer of an uncertificated share in the circumstances set out in the Uncertificated Securities Regulations 2001 (as amended, replaced or supplemented), and where, in the case of a transfer to joint holders, the number of joint holders to whom the uncertificated share is to be transferred exceeds four.

The Board may decline to register the transfer of a certificated share unless the instrument of transfer is:

(a) left at the registered office of the Issuer or such other place as the Board may from time to time determine accompanied (save in the case of a transfer by a person to whom the Issuer is not required by law to issue a certificate and to whom a certificate has not been issued) by the certificate for the share to which it relates and such other evidence as the Board may reasonably require to show the right of the person executing the instrument of transfer to make the transfer;

(b) (if stamp duty is generally chargeable on transfers of certificated shares) the instrument of transfer is duly stamped or adjudged or certified as not chargeable to stamp duty;

(c) in respect of only one class of shares; and

(d) in the case of a transfer to joint holders, in favour of not more than four transferees.

Reduction of capital

The Issuer may, by special resolution, reduce its share capital, any capital redemption reserve, any share premium account or any other undistributable reserve in any manner permitted by, and in accordance with, the Statutes.

DESCRIPTION OF THE GUARANTORS

Caird Group Limited

Overview

Caird Group Limited was originally incorporated in Scotland on 21 April 1919 under the name of A. Caird & Sons Limited, as a private limited company with company registration number SC010344. On 20 January 1982, the company re-registered as a public limited company and was re-named A. Caird & Sons Public Limited Company. On 24 February 1988 it changed its name to Caird Group Plc. Subsequently, on 11 February 2000, the company re-registered as a private limited company and changed its name to Caird Group Limited. Caird Group Limited is governed by the Companies Act 2006. Its registered office is 16 Charlotte Square, Edinburgh EH2 4DF, United Kingdom, telephone number +44 (0)1908 650650.

As set out in clause 3 of its memorandum of association, the object and purpose of Caird Group Limited is carrying on business as a holding company and includes: acquiring and holding investment shares, stocks, debentures, issued or guaranteed by any company; leaving money on deposit with a bank/building society; and performing all functions of a holding company.

Caird Group Limited is a holding company for certain Group companies and interests in joint ventures (see "*Description of the Issuer — Group Structure Chart*").

The issued share capital of Caird Group Limited at the date of this Prospectus amounts to £4,257,212 divided into 16,748,848 ordinary shares of £0.25 each and 70,000 deferred shares of £1 each.

Administration and Management

The directors of Caird Group Limited and their significant principal outside activities are as follows:

Name	Position held	Significant principal outside activities
T Drury	Director	Group Chief Executive of the Issuer
C Surch	Director	Group Finance Director of the Issuer

The business address of the directors is Dunedin House, Auckland Park, Mount Farm, Milton Keynes, Buckinghamshire MK1 1BU, United Kingdom. No potential conflicts of interest exist between any duties owed to Caird Group Limited by its directors and their private interests or other duties.

Corporate Governance

Caird Group Limited complies with the corporate governance regime applicable under the laws of Scotland. Caird Group Limited falls within the remit of the Issuer's Audit Committee, described in "*Description of the Issuer — Corporate Governance — Audit Committee*".

Shanks & McEwan (Environmental Services) Limited

Overview

Shanks & McEwan (Environmental Services) Limited was originally incorporated in England and Wales on 4 November 1985 under the name of Speyworth Limited as a private limited company with company registration number 01954243. On 19 December 1986, it changed its name to Rechem Environmental Services Limited. On 9 May 1988 the it re-registered as a public limited company and was re-named Rechem Environmental Services Public Limited Company. On 6 September 1991 it re-registered as a private limited company and was re-named Rechem Environmental Services Limited and on 13 April 1993 it changed its name to Shanks & McEwan (Environmental Services) Limited. Shanks & McEwan (Environmental Services) Limited is governed by the Companies Act 2006. Its registered office is Dunedin House, Auckland Park, Mount Farm, Milton Keynes, Buckinghamshire MK1 1BU, United Kingdom, telephone number +44 (0)1908 650650.

As set out in clause 3 of its memorandum and articles of association, the objects and purposes of Shanks & McEwan (Environmental Services) Limited include: carrying on the business of waste disposal contractors in the United Kingdom and elsewhere; purchasing, leasing and developing any land, quarries and clay pits; and operating machinery in connection with the collection and disposal of waste.

Shanks & McEwan (Environmental Services) Limited's primary business activity is acting as an investment company.

The issued share capital of Shanks & McEwan (Environmental Services) Limited amounts to £3,639,215 divided into 1,000 ordinary shares of £0.02 each and 3,639,195 'A' ordinary shares of £1 each.

Administration and Management

The directors of Shanks & McEwan (Environmental Services) Limited and their significant principal outside activities are as follows:

Name	Position held	Significant principal outside activities
T Drury	Director	Group Chief Executive of the Issuer
C Surch	Director	Group Finance Director of the Issuer

The business address of the directors is Dunedin House, Auckland Park, Mount Farm, Milton Keynes, Buckinghamshire MK1 1BU, United Kingdom. No potential conflicts of interest exist between any duties owed to Shanks & McEwan (Environmental Services) Limited by its directors and their private interests or other duties.

Corporate Governance

Shanks & McEwan (Environmental Services) Limited complies with the corporate governance regime applicable under the laws of England and Wales. Shanks & McEwan (Environmental Services) Limited falls within the remit of the Issuer's Audit Committee, described in the "*Description of the Issuer — Corporate Governance — Audit Committee*".

Shanks & McEwan (Overseas Holdings) Limited

Overview

Shanks & McEwan (Overseas Holdings) Limited was originally incorporated in England and Wales on 29 November 1990 under the name of DMWSL O69 Limited as a private limited company with company registration number 02563748. On 17 July 1991, it changed its name to Shanks & McEwan (Property Developments) Limited and on 26 March 1998 to Shanks & McEwan (Overseas Holdings) Limited. Shanks & McEwan (Overseas Holdings) Limited is governed by the Companies Act 2006. Its registered office is Dunedin House, Auckland Park, Mount Farm, Milton Keynes, Buckinghamshire MK1 1BU, United Kingdom, telephone number +44 (0) 1908 650650.

As set out in clause 3 of its memorandum of association, the objects and purposes of Shanks & McEwan (Overseas Holdings) Limited include: promoting, establishing and carrying on any business activity or trade and doing anything which the company or its directors believe may be in the interests of the company or its members; and carrying on business as a general commercial company.

Shanks & McEwan (Overseas Holdings) Limited is a holding company for certain Group companies (see "*Description of the Issuer — Group Structure Chart*").

Shanks & McEwan (Overseas Holdings) Limited is a debtor of another Group company, Shanks Financial Management Limited (an indirect subsidiary of Shanks & McEwan (Overseas Holdings) Limited and also a Guarantor, see "*Description of the Guarantors — Shanks Financial Management Limited*"). In the event that Shanks & McEwan (Overseas Holdings) Limited is required to repay such indebtedness, which is due to be repayable in less than one year, Shanks & McEwan (Overseas Holdings) Limited's ability to repay such indebtedness would depend on its ability to realise value from its investment in Shanks SA (also a Guarantor, see "*Description of the Guarantors — Shanks SA*") or debts owed to it by the Issuer.

The issued share capital of Shanks & McEwan (Overseas Holdings) Limited amounts to £4 divided into 4 ordinary shares of £1 each.

Administration and Management

The directors of Shanks & McEwan (Overseas Holdings) Limited and their significant principal outside activities are as follows:

Name	Position held	Significant principal outside activities
T Drury	Director	Group Chief Executive of the Issuer
C Surch	Director	Group Finance Director of the Issuer
P Marcuz	Director	-

The business address of the directors is Dunedin House, Auckland Park, Mount Farm, Milton Keynes, Buckinghamshire MK1 1BU, United Kingdom. No potential conflicts of interest exist between any duties owed to Shanks & McEwan (Overseas Holdings) Limited by its directors and their private interests or other duties.

Corporate Governance

Shanks & McEwan (Overseas Holdings) Limited complies with the corporate governance regime applicable under the laws of England and Wales. Shanks & McEwan (Overseas Holdings) Limited falls within the remit of the Issuer's Audit Committee, described in the "*Description of the Issuer — Corporate Governance — Audit Committee*".

Shanks B.V.

Overview

Shanks B.V. was incorporated in the Netherlands on 7 March 2000 as a private company limited by shares with company registration number 34129989. Shanks B.V. is governed by the Civil Code of the Netherlands. Its registered office is Stoelmatter 41, 2292 JM Wateringen, the Netherlands, telephone number +31 (0)174 219900.

As set out in article 2 of its articles of association, the objects and purposes of Shanks B.V. include: acquiring and/or disposing of interests in corporations; acquiring and disposing of property, commodities and intellectual property rights; investing and trading in currencies and securities; acting as surety; and carrying on industrial, financial and commercial activities.

Shanks B.V. is a holding company for certain subsidiary companies of the Netherlands (see "*Description of the Issuer — Group Structure Chart*").

The issued share capital of Shanks B.V. amounts to €600,000 divided into 12,000 shares.

Administration and Management

The directors of Shanks B.V. and their significant principal outside activities are as follows:

Name	Position held	Significant principal outside activities
W Besselink	Director	-
A Orr	Director	Business Consultant
C Surch	Director	Group Finance Director of the Issuer

The business address of the directors is Stoelmatter 41, 2292 JM Wateringen, the Netherlands. No potential conflicts of interest exist between any duties owed to Shanks B.V. by its directors and their private interests or other duties.

Corporate Governance

Shanks B.V. complies with the corporate governance regime applicable under the laws of the Netherlands. Shanks B.V. falls within the remit of the Issuer's Audit Committee, described in "*Description of the Issuer — Corporate Governance — Audit Committee*".

Shanks Belgium Holding B.V.

Overview

Shanks Belgium Holding B.V. was incorporated in the Netherlands on 27 August 2004 as a private company limited by shares with company registration number 24366534. Shanks Belgium Holding B.V. is governed by the Civil Code of the Netherlands. Its registered office is Stoelmatter 41, 2292 JM Wateringen, the Netherlands, telephone number +31 (0)174 219900.

As set out in article 3 of its articles of association, the objects and purposes of Shanks Belgium Holding B.V. include: acquiring and/or disposing of interests in corporations; acquiring and disposing of property, commodities and intellectual property rights; and acting as surety.

Shanks Belgium Holding B.V. is a holding company for certain Belgian Group companies (see see "*Description of the Issuer — Group Structure Chart*").

The issued share capital of Shanks Belgium Holding B.V. amounts to €200,000 divided into 2,000 shares.

Administration and Management

The directors of Shanks Belgium Holding B.V. and their significant principal outside activities are as follows:

Name	Position held	Significant principal outside activities
W Besselink	Director	-
M Saunders	Director	-
C Surch	Director	Group Finance Director of the Issuer

The business address of the directors is Stoelmatter 41, 2292 JM Wateringen, the Netherlands. No potential conflicts of interest exist between any duties owed to Shanks Belgium Holding B.V. by its directors and their private interests or other duties.

Corporate Governance

Shanks Belgium Holding B.V. complies with the corporate governance regime applicable under the laws of the Netherlands. Shanks Belgium Holding B.V. falls within the remit of the Issuer's Audit Committee, described in the "*Description of the Issuer — Corporate Governance — Audit Committee*".

Shanks Canada Finance Limited

Overview

Shanks Canada Finance Limited was incorporated in Canada on 24 August 2007 as a private corporation with registration number 682887-6. Shanks Canada Finance Limited is governed by the Canada Business Corporations Act. Its registered office is 675 Riverbend Drive, Kitchener, Ontario N2K 3S3, Canada, telephone number +1 519 571 8800.

As set out in item 6 of its articles of incorporation, there are no restrictions on the business that Shanks Canada Finance Limited may carry on.

Shanks Canada Finance Limited's primary business activity is to finance the operations and infrastructure of Orgaworld Canada Ltd.

Shanks Canada Finance Limited competes principally in the Canadian market.

The issued share capital of Shanks Canada Finance Limited amounts to C$1 divided into 100 common shares of C$0.01 each.

Administration and Management

The directors of Shanks Canada Finance Limited and their significant principal outside activities are as follows:

Name	Position held	Significant principal outside activities
C Surch	Director	Group Finance Director of the Issuer
W Besselink	Director	-
M Koppeser	Director	Partner, McCarter Grespan Beynon Weir LLP

The business address of the directors is 675 Riverbend Drive, Kitchener, Ontario N2K 3S3, Canada. No potential conflicts of interest exist between any duties owed to Shanks Canada Finance Limited by its directors and their private interests or other duties.

Corporate Governance

Shanks Canada Finance Limited complies with the corporate governance regime applicable under the laws of Canada. Shanks Canada Finance Limited falls within the remit of the Issuer's Audit Committee, described in "*Description of the Issuer — Corporate Governance — Audit Committee*".

Shanks Capital Investment Limited

Overview

Shanks Capital Investment Limited was incorporated in England and Wales on 11 March 2002 as a private limited company with company registration number 04391813. Shanks Capital Investment Limited is governed by the Companies Act 2006. Its registered office is Dunedin House, Auckland Park, Mount Farm, Milton Keynes, Buckinghamshire MK1 1BU, United Kingdom, telephone number +44 (0)1908 650650.

As set out in clause 3 of its memorandum of association, the object and purpose of Shanks Capital Investment Limited is carrying on business as a general commercial company.

Shanks Capital Investment Limited is a holding company of Shanks & McEwan (Environmental Services) Limited (see "*Description of the Issuer — Group Structure Chart*").

The issued share capital of Shanks Capital Investment Limited amounts to £3,639,196 divided into 3,639,196 ordinary shares of £1 each.

Administration and Management

The directors of Shanks Capital Investment Limited and their significant principal outside activities are as follows:

Name	Position held	Significant principal outside activities
T Drury	Director	Group Chief Executive of the Issuer
C Surch	Director	Group Finance Director of the Issuer

The business address of the directors is Dunedin House, Auckland Park, Mount Farm, Milton Keynes, Buckinghamshire MK1 1BU, United Kingdom. No potential conflicts of interest exist between any duties owed to Shanks Capital Investment Limited by its directors and their private interests or other duties.

Corporate Governance

Shanks Capital Investment Limited complies with the corporate governance regime applicable under the laws of England and Wales. Shanks Capital Investment Limited falls within the remit of the Issuer's Audit Committee, described in the " *Description of the Issuer — Corporate Governance — Audit Committee*".

Shanks Chemical Services Limited

Overview

Shanks Chemical Services Limited was originally incorporated in England and Wales on 2 July 1968 under the name of Re-Chem International Limited as a private limited company with company registration number 00934787. On 24 February 1988 it changed its name to Rechem International Limited and on 17 May 1999 to Shanks Chemical Services Limited. Shanks Chemical Services Limited is governed by the Companies Act 2006. Its registered office is Dunedin House, Auckland Park, Mount Farm, Milton Keynes, Buckinghamshire MK1 1BU, United Kingdom, telephone number +44 (0)1908 650650.

As set out in clause 3 of its memorandum and articles of association, the objects and purposes of Shanks Chemical Services Limited include: carrying on the business of waste disposal contractors in the United Kingdom and elsewhere; purchasing, leasing and developing land, quarries and clay pits; operating machinery in connection with the collection and disposal of waste.

Shanks Chemical Services Limited's primary business activities involve providing administrative services to other members of the Group.

Shanks Chemical Services Limited is a debtor of its indirect subsidiary, Shanks Chemical Services (Scotland) Limited, and another Group company, Shanks & McEwan (Environmental Services) Limited (also a Guarantor, see "*Description of the Guarantors — Shanks & McEwan (Environmental Services) Limited*"). In the event that repayment of such indebtedness were demanded, the ability of Shanks Chemical Services Limited to repay it would be dependent on its ability to realise value from its investment in Lothian Limited and/or debts owed to it by the Issuer and Shanks & McEwan (Environmental Services) Limited.

The issued share capital of Shanks Chemical Services Limited amounts to £2,632,110 divided into 2,632,110 ordinary shares of £1 each.

Administration and Management

The directors of Shanks Chemical Services Limited and their significant principal outside activities are as follows:

Name	Position held	Significant principal outside activities
T Drury	Director	Group Chief Executive of the Issuer
C Surch	Director	Group Finance Director of the Issuer
I Goodfellow	Director	-
M Saunders	Director	-

The business address of the directors is Dunedin House, Auckland Park, Mount Farm, Milton Keynes, Buckinghamshire MK1 1BU, United Kingdom. No potential conflicts of interest exist between any duties owed to Shanks Chemical Services Limited by its directors and their private interests or other duties.

Corporate Governance

Shanks Chemical Services Limited complies with the corporate governance regime applicable under the laws of England and Wales. Shanks Chemical Services Limited falls within the remit of the Issuer's Audit Committee, described in the "*Description of the Issuer — Corporate Governance — Audit Committee*".

Shanks Environmental Services Limited

Overview

Shanks Environmental Services Limited was incorporated in England and Wales on 11 March 2002 as a private limited company with company registration number 04391804. Shanks Environmental Services Limited is governed by the Companies Act 2006. Its registered office is Dunedin House, Auckland Park, Mount Farm, Milton Keynes, Buckinghamshire MK1 1BU, United Kingdom, telephone number +44 (0)1908 650650.

As set out in clause 3 of its memorandum of association, the general object and purpose of Shanks Environmental Services Limited is carrying on business as a general commercial company.

Shanks Environmental Services Limited is a holding company of Shanks Chemical Services Limited (see "*Description of the Issuer — Group Structure Chart*").

Shanks Environmental Services Limited is a debtor of the Issuer. In the event that repayment of such indebtedness were demanded, Shanks Environmental Services Limited's ability to repay such indebtedness would depend on its ability to realise its investment in Shanks Chemical Services Limited (also a Guarantor, see "*Description of the Guarantors — Shanks Chemical Services Limited*") at a value significantly in excess of Shanks Environmental Services Limited's directors' valuation.

The issued share capital of Shanks Environmental Services Limited amounts to £100 divided into 100 ordinary shares of £1 each.

Administration and Management

The directors of Shanks Environmental Services Limited and their significant principal outside activities are as follows:

Name	Position held	Significant principal outside activities
T Drury	Director	Group Chief Executive of the Issuer
C Surch	Director	Group Finance Director of the Issuer

The business address of the directors is Dunedin House, Auckland Park, Mount Farm, Milton Keynes, Buckinghamshire MK1 1BU, United Kingdom. No potential conflicts of interest exist between any duties owed Shanks Environmental Services Limited by its directors and their private interests or other duties.

Corporate Governance

Shanks Environmental Services Limited complies with the corporate governance regime applicable under the laws of England and Wales. Shanks Environmental Services Limited falls within the remit of the Issuer's Audit Committee, described in the "*Description of the Issuer — Corporate Governance — Audit Committee*".

Shanks Finance Limited

Overview

Shanks Finance Limited was originally incorporated in England and Wales on 6 August 2001 under the name of DMWSL 353 Limited as a private limited company with company registration number 04265481. On 10 September 2009 it changed its name to Shanks Finance Limited. Shanks Finance Limited is governed by the Companies Act 2006. Its registered office is Dunedin House, Auckland Park, Mount Farm, Milton Keynes, Buckinghamshire MK1 1BU, United Kingdom, telephone number +44 (0)1908 650650.

As set out in clause 3 of its memorandum of association, the general object and purpose of Shanks Finance Limited is carrying on business as a general commercial company.

Shanks Finance Limited is a holding company for certain Group companies registered in Guernsey (see "*Description of the Issuer — Group Structure Chart*").

Shanks Finance Limited is a debtor of the Issuer, its ultimate parent company. In the event that repayment of such indebtedness were demanded, the ability of Shanks Finance Limited to repay it would depend on its ability to realise value from its investments in Shanks SIL Investments Limited (also a Guarantor, see "*Description of the Guarantors — Shanks SIL Investments Limited*").

The issued share capital of Shanks Finance Limited amounts to £60 divided into 60 ordinary shares of £1 each.

Administration and Management

The directors of Shanks Finance Limited and their significant principal outside activities are as follows:

Name	Position held	Significant principal outside activities
T Drury	Director	Group Chief Executive of the Issuer
C Surch	Director	Group Finance Director of the Issuer

The business address of the directors is Dunedin House, Auckland Park, Mount Farm, Milton Keynes, Buckinghamshire MK1 1BU, United Kingdom. No potential conflicts of interest exist between any duties owed to Shanks Finance Limited by its directors and their private interests or other duties.

Corporate Governance

Shanks Finance Limited complies with the corporate governance regime applicable under the laws of England and Wales. Shanks Finance Limited falls within the remit of the Issuer's Audit Committee, described in the "*Description of the Issuer — Corporate Governance — Audit Committee*".

Shanks Financial Management Limited

Overview

Shanks Financial Management Limited was originally incorporated in England and Wales on 16 February 2005 under the name of WasteCo Limited as a private limited company with company registration number 05365983. On 17 February 2009, it changed its name to Shanks Financial Management Limited. Shanks Financial Management Limited is governed by the Companies Act 2006. The registered office of Shanks Financial Management Limited is Dunedin House, Auckland Park, Mount Farm, Milton Keynes, Buckinghamshire MK1 1BU, United Kingdom, telephone number +44 (0)1908 650650.

As set out in clause 3 of its memorandum of association, the general object and purpose of Shanks Financial Management Limited is carrying on business as a general commercial company.

Shanks Financial Management Limited's primary business activity is that of an investment company.

The issued share capital of Shanks Financial Management Limited amounts to £129,195,946 divided into 129,195,946 ordinary shares of £1 each.

Administration and Management

The directors of Shanks Financial Management Limited and their significant principal outside activities are as follows:

Name	Position held	Significant principal outside activities
T Drury	Director	Group Chief Executive of the Issuer
C Surch	Director	Group Finance Director of the Issuer

The business address of the directors is Dunedin House, Auckland Park, Mount Farm, Milton Keynes, Buckinghamshire MK1 1BU, United Kingdom. No potential conflicts of interest exist between any duties owed to Shanks Financial Management Limited by its directors and their private interests or other duties.

Corporate Governance

Shanks Financial Management Limited complies with the corporate governance regime applicable under the laws of England and Wales. Shanks Financial Management Limited falls within the remit of the Issuer's Audit Committee, described in the "*Description of the Issuer — Corporate Governance — Audit Committee*".

Shanks Hainaut SA

Overview

Shanks Hainaut SA was incorporated in Belgium on 23 November 1987 as a *société anonyme* with company registration number 0432.547.546. Shanks Hainaut SA is governed by the Belgian Companies Code. The registered office of Shanks Hainaut SA is rue de l'Industrie 1, B-7321 Bernissart, Belgium, telephone number +32 (0)69 56 05 11.

As set out in article 3 of its articles of association, the objects and purposes of Shanks Hainaut SA include: collecting, removing and treating household, industrial and commercial waste; cleaning and disinfecting industrial installations and premises; and managing waste, including dangerous and toxic waste and oils.

Shanks Hainaut SA's primary business activities involve collecting and sorting waste and industrial cleaning. Shanks Hainaut SA competes principally in the Belgian market.

The issued share capital of Shanks Hainaut SA amounts to €2,640,066.04 divided into 133,666 shares.

Administration and Management

The directors of Shanks Hainaut SA and their significant principal outside activities are as follows:

Name	Position held	Significant principal outside activities
P Marcuz	Director	-
J Strauven	Director	-
L Dauge	Director	-
N Brunelle	Director	-
Shanks SA	Director (represented by P Marcuz)	-

The business address of the directors is rue de l'Industrie 1, B-7321 Bernissart, Belgium. No potential conflicts of interest exist between any duties owed to Shanks Hainaut SA by its directors and their private interests or other duties.

For the full list of directors of Shanks SA, see "*Description of the Guarantors — Shanks SA*".

Corporate Governance

Shanks Hainaut SA complies with the corporate governance regime applicable under the laws of Belgium. Shanks Hainaut SA falls within the remit of the Issuer's Audit Committee, described in the "*Description of the Issuer — Corporate Governance — Audit Committee*".

Shanks Holdings Limited

Overview

Shanks Holdings Limited was originally incorporated in England and Wales on 30 November 1999 under the name of DMWSL 286 Limited as a private limited company with company registration number 03886399. On 8 February 2000, it changed its name to Shanks Holdings Limited. Shanks Holdings Limited is governed by the Companies Act 2006. Its registered office is Dunedin House, Auckland Park, Mount Farm, Milton Keynes, Buckinghamshire MK1 1BU, United Kingdom, telephone number +44 (0)1908 650650.

As set out in clause 3 of its memorandum of association, the general object and purpose of Shanks Holdings Limited is carrying on business as a general commercial company.

Shanks Holdings Limited is a holding company for certain Group companies (see "*Description of the Issuer — Group Structure Chart*").

The issued share capital of Shanks Holdings Limited amounts to £163 divided into 163 ordinary shares of £1 each.

Administration and Management

The directors of Shanks Holdings Limited and their significant principal outside activities are as follows:

Name	Position held	Significant principal outside activities
T Drury	Director	Group Chief Executive of the Issuer
C Surch	Director	Group Finance Director of the Issuer

The business address of the directors is Dunedin House, Auckland Park, Mount Farm, Milton Keynes, Buckinghamshire MK1 1BU, United Kingdom. No potential conflicts of interest exist between any duties owed to Shanks Holdings Limited by its directors and their private interests or other duties.

Corporate Governance

Shanks Holdings Limited complies with the corporate governance regime applicable under the laws of England and Wales. Shanks Holdings Limited falls within the remit of the Issuer's Audit Committee, described in the "*Description of the Issuer — Corporate Governance — Audit Committee*".

Shanks Investments

Overview

Shanks Investments was originally incorporated in England and Wales on 17 December 2004 under the name of Lawnrate Limited as a private limited company with company registration number 05315714. On 3 March 2005, it changed its name to Shanks Investments Limited. On 7 September 2007 it re-registered as a private unlimited company with share capital. Shanks Investments is governed by the Companies Act 2006. Its registered office is Dunedin House, Auckland Park, Mount Farm, Milton Keynes, Buckinghamshire MK1 1BU, United Kingdom, telephone number +44 (0)1908 650650.

As set out in clause 3 of its memorandum of association, the general object and purpose of Shanks Investments is carrying on business as a general commercial company.

Shanks Investments' primary business activity is acting as an investment company.

Shanks Investments is a debtor of the Issuer, its parent company. In the event that repayment of such indebtedness, which is repayable on demand, were demanded, the ability of Shanks Investments to repay it would depend on its ability to realise value from its debts owed to it from other Group companies.

The issued share capital of Shanks Investments amounts to €3,470 divided into 3,470 ordinary shares of €1 each.

Administration and Management

The directors of Shanks Investments and their significant principal outside activities are as follows:

Name	Position held	Significant principal outside activities
T Drury	Director	Group Chief Executive of the Issuer
C Surch	Director	Group Finance Director of the Issuer

The business address of the directors is Dunedin House, Auckland Park, Mount Farm, Milton Keynes, Buckinghamshire MK1 1BU, United Kingdom. No potential conflicts of interest exist between any duties owed to Shanks Investments by its directors and their private interests or other duties.

Corporate Governance

Shanks Investments complies with the corporate governance regime applicable under the laws of England and Wales. Shanks Investments falls within the remit of the Issuer's Audit Committee, described in the "*Description of the Issuer — Corporate Governance — Audit Committee*".

Shanks Liège-Luxembourg SA

Overview

Shanks Liège-Luxembourg SA was incorporated in Belgium on 28 March 1994 as a *société anonyme* with company registration number 0452.324.361. Shanks Liège-Luxembourg SA is governed by the Belgian Companies Code. Its registered office is rue de l'Environnement 18, B-4100 Seraing, Belgium, telephone number +32 (0)43 38 05 60.

As set out in article 3 of its articles of association, the objects and purposes of Shanks Liège-Luxembourg SA include: collecting, removing and treating household, industrial and commercial waste; cleaning and disinfecting industrial installations and premises; and managing waste, including dangerous and toxic waste and oils.

Shanks Liège-Luxembourg SA's primary business activities involve industrial waste cleaning and collecting and sorting waste. Shanks Liège-Luxembourg SA competes principally in the Belgian market.

The issued share capital of Shanks Liège-Luxembourg SA amounts to €1,115,547.11 divided into 45,001 shares.

Administration and Management

The directors of Shanks Liège-Luxembourg SA and their significant principal outside activities are as follows:

Name	Position held	Significant principal outside activities
P Marcuz	Director	-
N Brunelle	Director	-
J Strauven	Director	-

The business address of the directors is rue de l'Environnement 18, B-4100 Seraing, Belgium. No potential conflicts of interest exist between any duties owed to Shanks Liège-Luxembourg SA by its directors and their private interests or other duties.

Corporate Governance

Shanks Liège-Luxembourg SA complies with the corporate governance regime applicable under the laws of Belgium. Shanks Liège-Luxembourg SA falls within the remit of the Issuer's Audit Committee, described in the "*Description of the Issuer — Corporate Governance — Audit Committee*".

Shanks PFI Investments Limited

Overview

Shanks PFI Investments Limited was originally incorporated in England and Wales on 8 February 1996 under the name of Capital Waste Management Limited as a private limited company with company registration number 03158124. On 13 August 2004 it changed its name to Shanks PFI Investments Limited. Shanks PFI Investments Limited is governed by the Companies Act 2006. Its registered office is Dunedin House, Auckland Park, Mount Farm, Milton Keynes, Buckinghamshire MK1 1BU, United Kingdom, telephone number +44 (0)1908 650650.

As set out in clause 3 of its memorandum of association, the objects and purposes of Shanks PFI Investments Limited include: carrying on the business of a waste management company and carry on any other business which can in the opinion of the board of directors be advantageous to the company.

Shanks PFI Investments Limited is a holding company for the Group's PFI and Private-Public Partnerships (PPP) interests (see "*Description of the Issuer — Group Structure Chart*").

The issued share capital of Shanks PFI Investments Limited amounts to £2 divided into 2 ordinary shares of £1 each.

Administration and Management

The directors of Shanks PFI Investments Limited and their significant principal outside activities are as follows:

Name	Position held	Significant principal outside activities
T Drury	Director	Group Chief Executive of the Issuer
C Surch	Director	Group Finance Director of the Issuer
M Saunders	Director	-
H Lewis	Director	-

The business address of the directors is Dunedin House, Auckland Park, Mount Farm, Milton Keynes, Buckinghamshire MK1 1BU, United Kingdom. No potential conflicts of interest exist between any duties owed to Shanks PFI Investments Limited by its directors and their private interests or other duties.

Corporate Governance

Shanks PFI Investments Limited complies with the corporate governance regime applicable under the laws of England and Wales. Shanks PFI Investments Limited falls within the remit of the Issuer's Audit Committee, described in the "*Description of the Issuer — Corporate Governance — Audit Committee*".

Shanks SA

Overview

Shanks SA was incorporated in Belgium on 11 May 1990 as a *société anonyme* with company registration number 0440.853.122. Shanks SA is governed by the Belgian Companies Code. The registered office of Shanks SA is rue Edouard Belin 3/1, 1435 Mont-Saint Guibert, Belgium, telephone number +32 (0)10 23 36 60.

As set out in article 3 of its articles of association, the objects and purposes of Shanks SA include: collecting, removing and treating all types of waste, including dangerous and toxic waste and oils; recycling; cleaning public roads and green spaces; and to providing advice and expertise in relation to the aforementioned activities.

Shanks SA's primary business activities involve waste collection and sorting, landfill activities and sand quarrying. Shanks SA competes principally in the Belgian market.

The issued share capital of Shanks SA amounts to €123,758,342.43 divided into 4,996,638 shares.

Administration and Management

The directors of Shanks SA and their significant principal outside activities are as follows:

Name	Position held	Significant principal outside activities
P Marcuz	Director	-
N Brunelle	Director	-
J Strauven	Director	-
L Dauge	Director	-

The business address of the directors is rue Edouard Belin 3/1, 1435 Mont-Saint Guibert, Belgium. No potential conflicts of interest exist between any duties owed to Shanks SA by its directors and their private interests or other duties.

Corporate Governance

Shanks SA complies with the corporate governance regime applicable under the laws of Belgium. Shanks SA falls within the remit of the Issuer's Audit Committee, described in the "*Description of the Issuer — Corporate Governance — Audit Committee*".

Shanks SIL Capital Limited

Overview

Shanks SIL Capital Limited was incorporated in Guernsey on 20 March 2006 as a company limited by shares with company registration number 44556. Shanks SIL Capital Limited is governed by the Companies (Guernsey) Laws 2008 (as amended). Its registered office is Manor Place, St Peter Port GY1 4EW, Guernsey, Channel Islands, telephone number +44 (0)1481 700550.

As set out in clause 3 of its memorandum of incorporation, the objects and purposes of Shanks SIL Capital Limited include: acquiring bonds, debentures and other securities; and carrying on any other business which can, in the opinion of its board of directors, be advantageous to the business of the company.

Shanks SIL Capital Limited's primary business activity is acting as an investment company.

The issued share capital of Shanks SIL Capital Limited amounts to €704,925 divided into 28,197 ordinary shares of €25 each.

Administration and Management

The directors of Shanks SIL Capital Limited and their significant principal outside activities are as follows:

Name	Position held	Significant principal outside activities
T Drury	Director	Group Chief Executive of the Issuer
C Surch	Director	Group Finance Director of the Issuer

The business address of the directors is Dunedin House, Auckland Park, Mount Farm, Milton Keynes, Buckinghamshire MK1 1BU, United Kingdom. No potential conflicts of interest exist between any duties owed to Shanks SIL Capital Limited by its directors and their private interests or other duties.

Corporate Governance

Shanks SIL Capital Limited complies with the corporate governance regime applicable under the laws of Guernsey. Shanks SIL Capital Limited falls within the remit of the Issuer's Audit Committee, described in the "*Description of the Issuer — Corporate Governance — Audit Committee*".

Shanks SIL Finance Limited

Overview

Shanks SIL Finance Limited was incorporated in Guernsey on 20 March 2006 as a company limited by shares with company registration number 44557. Shanks SIL Finance Limited is governed by the Companies (Guernsey) Laws 2008 (as amended). Its registered office is Manor Place, St Peter Port GY1 4EW, Guernsey, Channel Islands, telephone number +44 (0)1481 700550.

As set out in clause 3 of its memorandum of incorporation, the objects and purposes of Shanks SIL Finance Limited include: acquiring bonds, debentures and other securities; and carrying on any other business which can, in the opinion of its board of directors, be advantageous to the business of the company.

Shanks SIL Finance Limited's primary business activity is acting as an investment company.

Shanks SIL Finance Limited is a debtor of the Issuer, its ultimate parent company. In the event that repayment of such indebtedness, which has no fixed repayment terms, were demanded, the ability of Shanks SIL Finance Limited to repay such indebtedness would depend on its ability to realise value from the debts owed to it by the Issuer.

The issued share capital of Shanks SIL Finance Limited amounts to €4,350,050 divided into 174,002 ordinary shares of €25 each.

Administration and Management

The directors of Shanks SIL Finance Limited and their significant principal outside activities are as follows:

Name	Position held	Significant principal outside activities
T Drury	Director	Group Chief Executive of the Issuer
C Surch	Director	Group Finance Director of the Issuer

The business address of the directors is Dunedin House, Auckland Park, Mount Farm, Milton Keynes, Buckinghamshire MK1 1BU, United Kingdom. No potential conflicts of interest exist between any duties owed to Shanks SIL Finance Limited by its directors and their private interests or other duties.

Corporate Governance

Shanks SIL Finance Limited complies with the corporate governance regime applicable under the laws of Guernsey. Shanks SIL Finance Limited falls within the remit of the Issuer's Audit Committee, described in the "*Description of the Issuer — Corporate Governance — Audit Committee*".

Shanks SIL Investments Limited

Overview

Shanks SIL Investments Limited was incorporated in Guernsey on 20 March 2006 as a company limited by shares with company registration number 44558. Shanks SIL Investments Limited is governed by the Companies (Guernsey) Laws 2008 (as amended). Its registered office is Manor Place, St Peter Port GY1 4EW, Guernsey, Channel Islands, telephone number +44 (0)1481 700550.

As set out in clause 3 of its memorandum of incorporation, the objects and purposes of Shanks SIL Investments Limited include: acquiring bonds, debentures and other securities; and carrying on any other business which can, in the opinion of its board of directors, be advantageous to the business of the company.

Shanks SIL Investments Limited's primary business activity is acting as an investment company.

Shanks SIL Investments is a debtor to the Issuer, its ultimate parent company, and two other Group companies, Shanks Holdings Limited and Shanks & McEwan (Overseas Holdings) Limited (both also Guarantors, see "*Description of the Guarantors — Shanks Holdings Limited*" and "*— Shanks & McEwan (Overseas Holdings) Limited*" respectively). In the event that repayment of such indebtedness, which has no fixed repayment terms, were demanded, the ability of Shanks SIL Investments to repay would depend on its ability to realise value from its investments Shanks SIL Capital Limited and Shanks SIL Finance Limited (both also Guarantors, see "*Description of the Guarantors — Shanks SIL Capital Limited*" and "*— Shanks SIL Finance Limited*" respectively) and debts owed to it by the Issuer.

The issued share capital of Shanks SIL Investments Limited amounts to €67,884,700 divided into 2,715,388 ordinary shares of €25 each.

Administration and Management

The directors of Shanks SIL Investments Limited and their significant principal outside activities are as follows:

Name	Position held	Significant principal outside activities
T Drury	Director	Group Chief Executive of the Issuer
C Surch	Director	Group Finance Director of the Issuer

The business address of the directors is Dunedin House, Auckland Park, Mount Farm, Milton Keynes, Buckinghamshire MK1 1BU, United Kingdom. No potential conflicts of interest exist between any duties owed to Shanks SIL Investments Limited by its directors and their private interests or other duties.

Corporate Governance

Shanks SIL Investments Limited complies with the corporate governance regime applicable under the laws of Guernsey. Shanks SIL Investments Limited falls within the remit of the Issuer's Audit Committee, described in the "*Description of the Issuer — Corporate Governance — Audit Committee*".

Shanks Vlaanderen NV

Overview

Shanks Vlaanderen NV was incorporated in Belgium on 14 August 1986 as a naamloze vennootschap with company registration number 0429.366.144. Shanks Vlaanderen NV is governed by the Belgian Companies Code. Its registered office is Kwadestraat 151 B, box 31, 8800 Roeselare, Belgium, telephone number +32 (0)51 23 20 11.

As set out in articles 1 and 2 of its articles of association, the objects and purposes of Shanks Vlaanderen NV include: collecting, removing and treating all types of waste including dangerous and toxic waste; cleaning and disinfecting industrial installations and premises; carrying out biological, chemical and thermal clean-ups of soil and land; and to treat waste water.

Shanks Vlaanderen N.V's primary business activities involve the collection and sorting of waste, industrial waste cleaning and the treatment of contaminated waste water. Shanks Vlaanderen NV competes principally in the Belgian market.

The issued share capital of Shanks Vlaanderen NV amounts to €375,897.57 divided into 101,131 shares.

Administration and Management

The directors of Shanks Vlaanderen NV and their significant principal outside activities are as follows:

Name	Position held	Significant principal outside activities
P Marcuz	Director	-
A Verachtert	Director	-
A Lejaeghere	Director	-
J Strauven	Director	-

The business address of the directors is Kwadestraat 151 B, box 31, 8800 Roeselare, Belgium. No potential conflicts of interest exist between any duties owed to Shanks Vlaanderen NV by its directors and their private interests or other duties.

Corporate Governance

Shanks Vlaanderen N.V complies with the corporate governance regime applicable under the laws of Belgium. Shanks Vlaanderen NV falls within the remit of the Issuer's Audit Committee, described in the "*Description of the Issuer — Corporate Governance — Audit Committee*"

Shanks Waste Management Limited

Overview

Shanks Waste Management Limited was incorporated in England and Wales on 8 June 1989 under the name of ASM Skip Hire Limited as a private limited company with company registration number 02393309. On 21 March 1994, it changed its name to ASM Waste Services Limited, on 26 January 2001 to Vale Collections and Recycling Limited and, subsequently, on 28 January 2004 to Shanks Waste Management Limited. Shanks Waste Management Limited is governed by the Companies Act 2006. Its registered office is Dunedin House, Auckland Park, Mount Farm, Milton Keynes, Buckinghamshire MK1 1BU, United Kingdom, telephone number +44 (0)1908 650650.

As set out in clause 3 of its memorandum of association, the objects and purposes of Shanks Waste Management Limited include: carrying on the business of a waste disposal contractor; carrying on all or any of the businesses of general merchants and traders; and investing capital or other moneys of the company and acquiring any property the company deems fit.

Shanks Waste Management Limited's primary business activities involve the operation of waste collection and disposal services for industry and local authorities. In June 2009 the Shanks Waste Management Limited commenced operations of its PPP contract with Cumbria County Council through its contract with another Group company Shanks Cumbria Limited.

Shanks Waste Management Limited competes principally in the UK non-hazardous waste management and soil remediation markets.

Shanks Waste Management Limited is a debtor to the Issuer, its ultimate parent company. In the event that Shanks Waste Management Limited is required to repay such indebtedness, Shanks Waste Management Limited's ability to repay such indebtedness would depend on its ability to realise value from its assets, including investments in, and debts owed to it by, certain Group companies.

The issued share capital of Shanks Waste Management Limited amounts to £54,023,000 divided into 54,023,000 ordinary shares of £1 each.

Administration and Management

The directors of Shanks Waste Management Limited and their significant principal outside activities are as follows:

Name	Position held	Significant principal outside activities
T Drury	Director	Group Chief Executive of the Issuer
C Surch	Director	Group Finance Director of the Issuer
I Goodfellow	Director	-
M Saunders	Director	-
A Woodhead	Director	-
H Lewis	Director	-

The business address of the directors is Dunedin House, Auckland Park, Mount Farm, Milton Keynes, Buckinghamshire MK1 1BU, United Kingdom. No potential conflicts of interest exist between any duties owed to Shanks Waste Management Limited by its directors and their private interests or other duties.

Corporate Governance

Shanks Waste Management Limited complies with the corporate governance regime applicable under the laws of England and Wales. Shanks Waste Management Limited falls within the remit of the Issuer's Audit Committee, described in the "*Description of the Issuer — Corporate Governance — Audit Committee*".

INTERCREDITOR DEED, SHARE PLEDGE AND ENFORCEMENT

The following is a summary of certain terms of the Intercreditor Deed and the Share Pledge. The information set out below does not purport to be complete and should be read in conjunction with, and is qualified in its entirety by, the terms of the Intercreditor Deed, the Share Pledge and, to the extent applicable, the issue documentation relating to the Notes.

The Issuer and its subsidiaries (including the Guarantors) have entered into various financings with a number of creditors. Certain creditors agreed that they should rank *pari passu* amongst themselves in respect of certain security currently comprising the Share Pledge (as defined below). Accordingly, the Intercreditor Deed (as defined and summarised below) was entered into in order to, in particular, regulate the application of the proceeds of enforcement of the security created under the Security Documents (as defined and described below) and to set out equalisation arrangements amongst the parties to the Intercreditor Deed (including any parties who subsequently accede to the Intercreditor Deed).

The Trustee, for the benefit of the Noteholders, will accede to the Intercreditor Deed. Through the operation of the Intercreditor Deed, Noteholders will be entitled to receive a share of any proceeds derived from enforcement of the Security Documents (as defined below).

Intercreditor Deed

The following is a brief summary of certain of the provisions of the Intercreditor Deed. This summary is not exhaustive and is subject to detailed provisions of the Intercreditor Deed. The Intercreditor Deed contains a number of provisions which are not summarised below or elsewhere in this Prospectus. Consequently, prospective investors should carefully review the provisions of the Intercreditor Deed which is available for inspection at the designated office of the Trustee.

On 8 April 2009, (i) the Issuer, (ii) Shanks B.V. (the "**Pledgor**"), (iii) the Guarantors, and, among others, (iv) Barclays Bank PLC, HSBC Bank plc, Fortis International Finance (Dublin), ING Bank N.V., Coöperatieve Centrale Raiffeisen-Boerenleenbank B.A. and The Royal Bank of Scotland plc as finance parties (the "**Finance Parties**"), (iv) The Prudential Insurance Company of America ("**Pricoa**") and (v) Barclays Bank PLC, as security agent and trustee for the Transaction Parties (in this capacity, the "**Security Agent**"), entered into an intercreditor deed (the "**Original Intercreditor Deed**").

The principal purpose of the Intercreditor Deed is to provide that, so far as recoveries under the Security Documents are concerned, the Finance Debt, the Hedging Debt, the Working Capital Debt and the Noteholder Debt (each as defined below) should rank *pari passu* and *pro rata* without any preference between themselves.

The Original Intercreditor Deed was amended and restated on or about 24 September 2010 to allow for accession of the Trustee.

Definitions

For the purposes of this section titled "*Intercreditor Deed, Share Pledge and Enforcement*":

"**Enforcement Date**" means the first date on which the Security Agent takes any steps to enforce, or requires the enforcement of, any Security Document;

"**Facility Agreement**" has the same meaning as "2009 Bank Facility";

"**Finance Debt**" means all present and future liabilities (actual or contingent) payable or owing by the Obligors to the Finance Parties under or in connection with the Finance Documents together with in each case:

(a) any refinancing, novation, refunding, deferral or extension of any of those liabilities;

(b) any further advances which may be made by the Finance Parties to any Obligor under any agreement expressed to be supplemental to any of the Finance Documents plus all interest, fees and costs in connection therewith;

(c) any claim for damages or restitution in the event of rescission of any of those liabilities or otherwise in connection with the Finance Documents;

(d) any claim against any Obligor flowing from any recovery by the Issuer of a payment or discharge in respect of those liabilities on grounds of preference or otherwise; and

(e) any amounts (such as post-insolvency interest) which would be included in any of the above but for any discharge, non-provability, unenforceability or non-allowability of the same in any insolvency or other proceedings;

"**Finance Documents**" means:

(a) a Finance Document as defined in the Facility Agreement; and

(b) any other document designated as such by the Company in accordance with the terms of the Intercreditor Deed;

"**Finance Parties**" means the finance parties under the Facility Agreement;

"**Hedging Agreement**" means each master agreement, confirmation or other agreement evidencing any interest rate or currency swap or derivative transaction;

"**Hedging Counterparty**" means each person (if any) named in Schedule 3 (*Hedging Counterparties*) of the Intercreditor Deed as a hedging counterparty and any person who becomes a Hedging Counterparty in accordance with the Intercreditor Deed;

"**Hedging Debt**" means all present and future liabilities (actual or contingent) payable or owing by the Obligors to the Hedging Counterparties under or in connection with the Hedging Agreements together with in each case:

(a) any refinancing, novation, refunding, deferral or extension of any of those liabilities;

(b) any further advances which may be made by the Hedging Counterparties to any Obligor under any agreement expressed to be supplemental to any of the Hedging Agreements plus all interest, fees and costs in connection therewith;

(c) any claim for damages or restitution in the event of rescission of any of those liabilities or otherwise in connection with the Hedging Agreements;

(d) any claim against any Obligor flowing from any recovery by the Company of a payment or discharge in respect of those liabilities on grounds of preference or otherwise; and

(e) any amounts (such as post-insolvency interest) which would be included in any of the above but for any discharge, non-provability, unenforceability or non-allowability of the same in any insolvency or other proceedings;

"**New Noteholder**" means any holder of a New Note;

"**New Noteholder Documents**" means any document designated as such by the Issuer in accordance with the terms of the Intercreditor Deed;

"**New Notes**" means bonds, notes or similar instruments issued by the Issuer and/or Shanks B.V. in a total amount on first issue of at least £10,000,000 or its equivalent and designated as such by the Issuer by notice in writing to the Security Agent;

"**New Notes Agreement**" means any agreement or instrument recording the terms of issue of New Notes;

"**Noteholder**" means (a) a New Noteholder who accedes to the Intercreditor Deed as a Noteholder in accordance with the Intercreditor Deed, (b) a New Noteholder under a Note instrument the trustee of which accedes to the Intercreditor Deed as a Note Trustee in accordance with the Intercreditor Deed and (c) the Pricoa Noteholder;

"**Noteholder Creditors**" means (a) the Noteholders and (b) each Note Trustee;

"**Noteholder Debt**" means all present and future liabilities (actual or contingent) payable or owing by the Issuer or Shanks B.V. and/or any other member of the Group by the Noteholders or a Note Trustee under or in connection with the Noteholder Documents together with in each case:

(a) any refinancing, novation, refunding, deferral or extension of any of those liabilities;

(b) any further advances which may be made by the Noteholders to the Issuer under any agreement expressed to be supplemental to any of the Noteholder Documents plus all interest, fees and costs in connection therewith;

(c) any claim for damages or restitution in the event of rescission of any of those liabilities or otherwise in connection with the Noteholder Documents;

(d) any claim against the Issuer flowing from any recovery by the Issuer of a payment or discharge in respect of those liabilities on grounds of preference or otherwise; and

(e) any amounts (such as post-insolvency interest) which would be included in any of the above but for any discharge, non-provability, unenforceability or non-allowability of the same in any insolvency or other proceedings;

"**Noteholder Document**" means:

(a) any New Noteholder Documents; and/or

(b) the Pricoa Noteholder Documents;

"**Obligors**" means the Issuer and the Guarantors and their respective successors and assigns permitted under the Intercreditor Deed;

"**Pricoa Note**" means any note issued under the Pricoa Note Agreement;

"**Pricoa Noteholder**" means any holder of a Pricoa Note;

"**Pricoa Noteholder Documents**" means a Pricoa Note, the agreement constituting the Pricoa Notes, each agreement between a Pricoa Noteholder and the Issuer or the Pledgor (as the case may be) supplemental to the Pricoa Note Agreement and any guarantee in respect thereof by any subsidiary of the Issuer;

"**Security Documents**" means (a) the Share Pledge and (b) any other document evidencing or creating security over any asset of an Obligor to secure any obligation of any Obligor to a Transaction Party under the Transaction Documents;

"**Security Interest**" means any mortgage, pledge, lien, charge, assignment, hypothecation or security interest, power of attorney to vest any security interest or any other agreement or arrangement having a similar effect;

"**Security Obligor**" means an Obligor which has granted security in favour of the Security Agent pursuant to a Security Document;

"**Share Pledge**" means the Dutch law governed notarial deed of pledge of shares dated 9 April 2009 entered into between the Pledgor (as security provider), the Security Agent and Shanks Nederland B.V., as the company whose shares are being pledged, as the same may be amended, supplemented or replaced from time to time;

"**Transaction Document**" means each or any of the Finance Documents, the Hedging Agreements, the Working Capital Documents and the Noteholder Documents;

"**Transaction Party**" means the Security Agent, a Finance Party, a Hedging Counterparty, a Working Capital Provider, a Noteholder or a Note Trustee;

"**Transaction Party Claim**" means any amount which a Security Obligor owes to a Transaction Party under or in connection with the Transaction Documents;

"**Working Capital Borrower**" means each member of the Group which is a borrower under any Working Capital Facility;

"**Working Capital Debt**" means all liabilities (actual or contingent), up to a maximum aggregate principal amount of €35,000,000 payable or owing by any Working Capital Borrower to any Working Capital Provider under or in connection with any Working Capital Document together in each case with:

(a) any related interest, fees and costs;

(b) any refinancing, novation, refunding, deferral or extension of any of those liabilities;

(c) any further advances which may be made by the relevant Working Capital Provider to any Working Capital Borrower under any agreement expressed to be supplemental to any Working Capital Document plus all interest, fees and costs in connection therewith;

(d) any claim for damages or restitution in the event of rescission of any of those liabilities arising out of, by reference to or in connection with the Working Capital Facility;

(e) any claim against any Working Capital Borrower flowing from any recovery by a Working Capital Borrower of a payment or discharge in respect of any of those liabilities on grounds of preference or otherwise; and

(f) any amounts (such as post-insolvency interest) which would be included in any of the above but for any discharge, non-provability, unenforceability or non-allowability of the same in any insolvency or other proceedings;

"**Working Capital Document**" means:

(g) the £5,000,000 uncommitted working capital facility agreement dated on or about 6 October 2004 and made between the Original First Working Capital Provider, the Company and the other Working Capital Borrowers party to the agreement;

(h) the £10,000,000 uncommitted working capital facility agreement dated on or about 6 October 2004 and made between the Original Second Working Capital Provider, the Company and the other Working Capital Borrowers party to the agreement; and

(i) any other agreement designated as such by the Company in accordance with the terms of the Intercreditor Deed;

provided that the aggregate amount outstanding under all Working Capital Documents at any time shall not exceed €35,000,000;

"**Working Capital Facility**" means each uncommitted multi-option facility made available by Working Capital Provider to the relevant Working Capital Borrowers under the terms of a Working Capital Document; and

"**Working Capital Provider**" means The Royal Bank of Scotland plc and Barclays Bank PLC and each other bank or financial institution which accedes to the Intercreditor Deed as a Working Capital Provider.

Terms and expressions used in this summary and not otherwise defined in this summary or elsewhere in this Prospectus have the meanings given to them in the Intercreditor Deed.

Security

The Intercreditor Deed provides that:

(a) each Security Obligor must pay the Security Agent, as an independent and separate creditor, an amount equal to each Transaction Party Claim on its due date (the "**Security Agent Claims**");

(b) each Security Agent Claim is created on the understanding that the Security Agent must apply monies or proceeds received by it in respect of a Security Agent Claim:

(i) prior to the Enforcement Date, in payment to the relevant Transaction Party which is the creditor in respect of the relevant Transaction Party Claim; and

(ii) on or after the Enforcement Date, in payment to the Transaction Parties in accordance with the order of application set out in the Intercreditor Deed;

(c) the Security Agent may enforce performance of any Security Agent Claim in its own name as an independent and separate right (this includes any suit, execution, enforcement of security, recovery of guarantees and applications for and voting in respect of any kind of insolvency proceeding);

(d) discharge by an Obligor of a Transaction Party Claim will discharge the corresponding Security Agent Claim in the same amount;

(e) discharge by an Obligor of a Security Agent Claim will discharge the corresponding Transaction Party Claim in the same amount;

(f) the aggregate amount of the Security Agent Claims will never exceed the aggregate amount of Transaction Party Claims; and

(g) if the Security Agent returns to an Obligor, whether in any kind of insolvency proceedings or otherwise, any recovery in respect of which it has made a payment to a Transaction Party (a "**Recovered Payment**"), that Transaction Party must repay an amount equal to that recovery to the Security Agent. A Note Trustee is only obliged repay any amounts received by it if (i) it has actual knowledge that the receipt is in relation to a recovery and (ii) prior to receiving such knowledge it has not distributed to Noteholders in accordance with the Note Instrument any amount so received. Such Note Trustee shall not be charged with knowledge of the existence of facts that would prohibit it from making any payments unless, not less than two Business Days prior to the date of such payments, the Note Trustee receives written notice that the payment is in relation to such a recovery. A Transaction Party's obligations to make any repayment are limited to the amount of the Recovered Payment received by it.

Proceeds of enforcement of security

Subject to the rights of any prior or preferential Security Interests or creditors, the net proceeds of enforcement of the security conferred by the Security Documents shall be paid to the Security Agent and applied in the following order:

(a) **first**, in payment of all costs, charges, expenses and liabilities (and all interest thereon) incurred by or on behalf of the Security Agent and any receiver, attorney or agent in connection with carrying out or purporting to carry out its duties and exercising its powers and discretions under the Security Documents and the remuneration of the Security Agent and every receiver (including without limitation any costs related to the amount of time spent by the Security Agent or receiver);

(b) **second**, in payment (to the extent that they are, under the Transaction Documents and/or the Security Documents, payable and are secured by the Security Documents) of all costs and expenses incurred by or on behalf of the Transaction Parties in connection with such enforcement;

(c) **third**, in payment to each Finance Party for application towards the balance of the Finance Debt, to the Hedging Counterparties for application towards the balance of the Hedging Debt, to the Working Capital Providers for application towards the balance of the Working Capital Debt and to the Noteholder Creditors for application towards the balance of the Noteholder Debt, *pari passu* and *pro rata* between each class of creditors named in this paragraph; and

(d) **fourth**, the payment of the surplus (if any) to the Pledgor or other person entitled thereto.

Enforcement of Security

The Security Agent may enforce the security conferred by the Security Documents if an acceleration event (as fully set out in the Intercreditor Deed) has occurred and is continuing and shall enforce the

security conferred by the Security Documents if such acceleration event has occurred and it is so instructed:

(a) in the case of an acceleration event under any New Note Agreement, by either (i) the requisite majority of the Noteholders able to accelerate the relevant New Notes in accordance with the terms of the relevant New Notes Agreement or (ii) by a Note Trustee; and

(b) otherwise in the case of an acceleration event under the Facility Agreement or the Pricoa Note Agreement, by the requisite majority of the relevant lenders or noteholders under those agreements.

Equalisation Arrangements

The Intercreditor Deed contains equalisation provisions which apply when a Transaction Party recovers any sum of money owed by the Pledgor (i.e., Shanks B.V.) on account of any amount outstanding under any Finance Document, Hedging Agreement, Working Capital Document or Noteholder Document, whether directly or by the enforcement of a Security Document or by set-off or by any other means other than by reason of a receipt by the Security Agent falling to be dealt with as described in "Proceeds of enforcement of security" above.

Share Pledge

The following is a brief summary of certain of the provisions of the Share Pledge. This summary is not exhaustive and is subject to detailed provisions of the Share Pledge. The Share Pledge contains a number of provisions which are not summarised below or elsewhere in this Prospectus. Consequently, prospective investors should carefully review the provisions of the Share Pledge which is available for inspection at the designated office of the Trustee.

Under the Dutch law governed Share Pledge, the Pledgor pledged all of its existing and future shares in the capital of Shanks Nederland B.V. and all rights relating to such shares (as fully set out in the Share Pledge), in favour of the Security Agent.

The Pledgor entered into the Share Pledge in connection with the Intercreditor Deed under which, as described in "*Intercreditor Deed*" above, the Security Agent is an independent and separate creditor in respect of all amounts owed by the Security Obligors to the Transaction Parties under the Transaction Documents.

The security created under the Share Pledge is for the payment of each Security Agent Claim to the extent that such security would not contravene the provisions of any law on financial assistance.

TAXATION

The following is a general description of certain Belgian, Canadian, EU, Guernsey, Luxembourg, Netherlands and United Kingdom tax considerations relating to the Notes. It does not purport to be a complete analysis of all tax considerations relating to the Notes whether in those countries or elsewhere. Prospective purchasers of Notes should consult their own tax advisers as to the consequences under the tax laws of the country of which they are resident for tax purposes and the tax laws of Belgium, Canada, the EU, Guernsey, Luxembourg, the Netherlands and the United Kingdom of acquiring, holding and disposing of Notes and receiving payments of interest, principal and/or other amounts under the Notes. This summary is based upon the law as in effect on the date of this Prospectus and is subject to any change in law that may take effect after such date.

Investors should note that the appointment by an investor in Notes, or any person through which such investor holds Notes, of a custodian, collection agent or similar person in relation to such Notes in any jurisdiction may have tax implications. Investors should consult their own tax advisers in relation to the tax consequences for them of any such appointment.

Belgian Taxation

The following is a general description of the principal Belgian tax consequences for investors receiving interest in respect of, or disposing of, the Notes and is of a general nature. It does not purport to be a complete analysis of tax considerations relating to the Notes whether in Belgium or elsewhere.

This general description is based upon the law as in effect on the date of this Prospectus and is subject to any changes in law after such date (including any changes which may have retroactive effect). Investors should appreciate that, as a result of changes in law or practice, the tax consequences may be different from those set out below. Investors should consult their professional advisers on the possible tax consequences of subscribing for, purchasing, holding or selling the Notes under the laws of their countries of citizenship, residence, ordinary residence or domicile.

(a) **Belgian withholding tax**

As the Issuer is established in the United Kingdom, Belgian withholding tax on interest will only be due where such interest is paid or attributed via a Belgian paying agent or where a Belgian financial institution acts as first intermediary in Belgium in the payment or attribution of such interest from the Issuer. The general rate of Belgian withholding tax on interest is 15 per cent. The tax base of the withholding tax is any interest income, that is, the periodic interest income and any amount paid by the Issuer, whether on the Maturity Date or otherwise, in excess of the Issue Price.

Certain exemptions from withholding tax are available, for example in respect of interest paid by non-resident issuers of bonds or notes to Belgian companies and non-resident companies investing these bonds or notes in a business activity in Belgium.

(b) **Belgian tax on income and capital gains**

Resident individuals

Individual Noteholders who are Belgian residents for tax purposes (and are consequently subject to Belgian personal income tax (*personenbelasting / impôt des personnes physiques*)) who hold the Notes as private investments, and incur the 15 per cent. Belgian withholding tax described above (if any), will be fully discharged from personal income tax liability with respect to interest payments under the Notes (*bevrijdende roerende voorheffing / précompte mobilier libératoire*). This means that they do not have to declare the interest obtained on the Notes in their personal income tax returns, provided that the withholding tax (if any) was effectively levied on the interest payments.

Even if Belgian withholding tax has been retained, Belgian resident individuals may nevertheless elect to declare the interest in their personal income tax returns. Where an individual opts to declare such interest payments, they will normally be taxed at the interest withholding tax rate of 15 per cent. plus communal surcharges (or at the progressive personal tax rate taking into account

the taxpayer's other declared income, whichever is lower). If the interest payment is declared any retained withholding tax may be credited and any excess will be reimbursed.

Individuals who receive interest on the Notes outside of Belgium without deduction of Belgian withholding tax must report the receipt of such interest in their personal income tax returns. Such interest will be subject to separate taxation at a rate of 15 per cent. (plus communal surcharges).

Capital gains realised on the sale of the Notes are in principle tax exempt, unless such capital gains are realised outside the scope of the normal management of an individual's private estate or unless, and insofar as, they correspond to the pro rata accrued interest on the Notes which is taxable on a *pro rata temporis* basis, based on the period of time for which the Notes are held by each successive Noteholder. Capital losses realised upon the disposal of the Notes held as non-professional investments are, in principle, not tax deductible.

Other tax rules (comparable to those applicable to Belgian resident companies) apply to Belgian resident individuals who do not hold the Notes as private investments.

Resident companies

Interest attributed or paid to corporate Noteholders who are Belgian resident companies for tax purposes (and are consequently subject to the Belgian corporate income tax (*vennootschapsbelasting / impôt des societés*)) as well as capital gains realised by such Noteholders upon the sale of the Notes are taxable at the ordinary corporate income tax rate of, in principle, 33.99 per cent. Capital losses realised by such Noteholders upon the sale of the Notes are, in principle, tax deductible.

Other legal entities

Other Belgian legal entities (i.e. other than companies) subject to the Belgian legal entities tax (*rechtspersonenbelasting / impôt des personnes morales*) who receive interest subject to Belgian withholding tax will be fully discharged from further taxation on such interest. However, if the withholding tax is not effectively levied, such legal entities have an obligation to report the interest income in their annual tax return and pay the withholding tax themselves.

Capital gains realised on the sale of the Notes are, in principle, tax exempt, unless such capital gains qualify as a pro rata accrued taxable interest. Capital losses, are in principle, not tax deductible.

*Organisations for Financing Pensions ("**OFPs**")*

Interest on the Notes received by Noteholders who are OFPs and capital gains realised by such Noteholders on the Notes will be exempt from Belgian corporate income tax. Interest paid, or attributed, by a Belgian paying agent to such Noteholders is in principle subject to a 15 per cent. withholding tax. Any Belgian withholding tax levied on the interest will, subject to certain conditions, be fully creditable against any (other) corporate income tax due and any excess amount will in principle be refundable.

Non-residents

Noteholders who are not resident in Belgium for tax purposes and who are not holding Notes through a permanent establishment or a fixed base in Belgium, will not be subject to any Belgian tax on income or capital gains only by reason of the acquisition or disposal of the Notes. If such Noteholders receive interest on the Notes through a Belgian paying agent or a financial intermediary, they will be eligible for an exemption from Belgian withholding tax, provided that (a) they are resident for tax purposes in a country with which Belgium has concluded a tax treaty and (b) the Notes are not effectively connected with a permanent establishment or a fixed base in Belgium.

(c) **Tax on stock exchange transactions**

A stock tax (*taks op de beursverrichtingen / taxe sur les opérations de bourse*) will be levied on any purchase or sale of Notes in Belgium, in the secondary market, through a professional intermediary. The rate applicable to such sales and purchases is 0.07 per cent., with a maximum of €500 per transaction per party. Such stock exchange tax is payable separately by the seller (transferor) as well as the purchaser (transferee) and, in each case, will be collected by the professional intermediary.

However, such stock exchange tax will not be payable by exempt persons acting for their own account, including (i) investors who are not resident in Belgium for tax purposes, provided they deliver an affidavit to the financial intermediary in Belgium confirming their non-resident status and (ii) certain Belgian institutional investors (as defined in Article 126/1, 2° of the Code on various duties and taxes (*Wetboek diverse rechten en taksen / Code des droits et taxes divers*)).

(d) **European Directive on taxation of savings income in the form of interest payments**

The EU Savings Tax Directive was implemented in Belgium by a law of 17 May 2004 and entered into force on 1 July 2005.

Under the EU Savings Tax Directive, Member States are, since 1 July 2005, required to provide to the tax authorities of other EU Member States or the tax authorities of the Netherlands Antilles, Aruba, Guernsey, Jersey, the Isle of Man, Montserrat and the British Virgin Islands (the "**Dependent and Associated Territories**", and each a "**Dependent and Associated Territory**") details of payments of interest and other similar income paid by a paying agent (within the meaning of the EU Savings Tax Directive) to (or in certain circumstances, for the benefit of) an individual resident in another Member State or resident in a Dependent and Associated Territory (the "**Disclosure of Information Method**"). Austria and Luxembourg are instead required (unless they elect otherwise) to impose a source tax (*woonstaatheffing / prélèvement pour l'Etat de residence*, the "**Source Tax**") for a transitional period, unless the beneficiary of the interest payments elects the Disclosure of Information Method. The ending of such transitional period depends on the conclusion of certain other agreements relating to exchange of information with certain other countries. The rate of the Source Tax was 15 per cent. until 30 June 2008 and increased to 20 per cent. on 1 July 2008. The rate of the Source Tax will increase to 35 per cent. on 1 July 2011.

On 15 September 2008, the European Commission issued a report to the Council of the European Union on the operation of the EU Savings Tax Directive which included detailed proposals for amendments to the EU Savings Tax Directive. The European Parliament expressed its opinion on the proposals on 24 April 2009 and the Council of the European Union adopted unanimous conclusions relating to the proposal on 9 June 2009. Should any of these proposed changes be made in relation to the EU Savings Tax Directive, they may amend the scope of the requirements described above.

Non-resident individuals

As a result of Belgium's election of the Disclosure of Information Method any paying agents within the meaning of the EU Savings Tax Directive established in Belgium and paying interest in respect of the Notes to an individual resident in another EU Member State or a Dependent and Associated Territory must provide the Belgian tax administration with certain details of such payments. The Belgian tax administration will automatically, and at least once a year, exchange this information with the competent authorities of the Member State or Dependent and Associated Territory in which the beneficiary of the interest is resident.

Resident individuals

An individual resident in Belgium will be subject to the provisions of the EU Savings Tax Directive, if he receives interest payments from a paying agent (within the meaning of the EU Savings Tax Directive) established in another EU Member State, a Dependent and Associated Territory, Switzerland, Liechtenstein, Andorra, Monaco, San Marino, Anguilla, the Cayman Islands or the Turks and Caicos Islands.

If the interest received by an individual resident in Belgium has been subject to a Source Tax (for example, if payment was made through a Luxembourg paying agent), such Source Tax does not release such individual from the obligation to declare the interest income in his personal income tax return (see "*Belgian tax on income and capital gains*" above). The Source Tax will be credited against his personal income tax. If the Source Tax withheld exceeds the personal income tax due, the excess amount will be reimbursed, provided it reaches a minimum of €2.50.

Canadian Taxation

Payments of interest by the Issuer on Notes held by non-resident Canadians are not subject to deductions or withholding tax on interest and other similar income under the Canadian Income Tax Act.

A Canadian Corporation's payment of obligations pursuant to its guarantee of a borrowing undertaking by its foreign parent can potentially be construed by Canadian taxation authorities as a shareholder benefit to the foreign parent under the Canadian Income Tax Act and in those circumstances and under applicable rules, the benefit is treated as a dividend and is subject to non-resident withholding tax. The Canadian non-resident withholding tax rate is 25 per cent., subject to reductions as may be provided for under the terms of any applicable bilateral tax treaty. Under the Government of Canada and the Government of the United Kingdom of Great Britain and Northern Ireland Protocol the rate is reduced to 5 percent.

The foregoing commentary is general in nature and premised on the basis that the Notes will not be qualified for sale under the securities laws of any province or territory of Canada or sold or delivered within Canada to or for the account or benefit of any resident or deemed resident of Canada, and relates only to certain Canadian income tax considerations applicable under current law to non-residents of Canada and does not deal with tax liabilities in other jurisdiction or with respect to acquiring, holding or disposing of Notes. It is not exhaustive. Noteholders should consult their own tax advisors for advice with respect to their particular jurisdictions and circumstances.

Guernsey Taxation

The following is a general summary of certain Guernsey tax consequences of the acquisition, holding and disposal of the Notes. This summary does not purport to describe all possible tax considerations or consequences that may be relevant to a holder or prospective holder of Notes and does not purport to deal with the tax consequences applicable to all categories of investors, some of which may be subject to special rules. In view of its general nature, it should be treated with corresponding caution. Holders or prospective holders should consult with their tax advisors with regard to the tax consequences of investing in the Notes in their particular circumstances. The discussion below is included for general information purposes only.

Except as otherwise indicated, this summary only addresses Guernsey national tax legislation and published regulations, as in effect on the date hereof and as interpreted in published case law until this date, without prejudice to any amendment introduced at a later date and implemented with or without retroactive effect.

The Guernsey-registered Guarantors (the "**Guernsey Guarantors**") are not required to make any deduction or withholding in respect of Guernsey taxation from any interest payment made in respect of the Notes provided that the recipient of such payment:

(a) is not resident in Guernsey for Guernsey income tax purposes; and

(b) is not an individual resident in a contracting party for the purposes of the Foreign Tax (Retention Arrangements) (Guernsey and Alderney) Ordinance, 2005 (which includes, without limitation, the United Kingdom, Belgium and Luxembourg and certain other countries in Europe); and

(c) does not carry on business in Guernsey through a permanent establishment situate in Guernsey.

Guernsey is not subject to the EU Savings Tax Directive. However, the States of Guernsey have introduced a retention tax system in respect of payments of interest, or other similar income, made to an individual beneficial owner resident in an EU member state by a paying agent situated in Guernsey.

Such an individual beneficial owner resident in an EU Member State is entitled to request a paying agent not to retain tax from such payments but instead apply a system by which the details of such payments are communicated to the tax authorities of the EU Member State in which the beneficial owner is resident.

In order to give effect to these measures, Guernsey has entered into bilateral agreements with the 27 EU Member States. The agreements will only apply to interest payments when these payments are made by a paying agent situated in Guernsey.

It has been proposed that the retention tax and optional exchange of information referred to above be abolished and replaced with just automatic exchange of information with effect from 1 July 2011. However, there are as yet no specific details regarding any such changes.

Luxembourg Taxation

The following is a general description of certain Luxembourg tax considerations relating to the Notes. It does not purport to be a complete analysis of all tax considerations relating to the Notes, whether in Luxembourg or elsewhere. It does not purport to address the tax consequences applicable to all categories of investors, some of which may be subject to special rules. Prospective purchasers of the Notes should consult their own tax advisers as to which countries' tax laws could be relevant to acquiring, holding and disposing of the Notes and receiving payments of interest, principal and/or other amounts under the Notes and the consequences of such actions under the tax laws of Luxembourg. This summary is based upon the law as in effect on the date of this Prospectus. The information contained within this section is limited to taxation issues, and prospective investors should not apply any information set out below to other areas, including (but not limited to) the legality of transactions involving the Notes.

Withholding Tax

Under the existing Luxembourg laws, payments of interest or similar income on the Notes may currently be made free and clear of withholding tax or deduction for or on account of any taxes of whatsoever nature imposed, levied, withheld or assessed by Luxembourg or any political subdivision or taxing authority thereof or therein, subject to (i) the withholding requirements imposed on Luxembourg-based paying agents pursuant to: (a) the EU Savings Tax Directive, (b) certain agreements (the "**Agreements**") concluded with dependent and associated territories of certain EU Member States and (c) any other EU Directive implementing the conclusions of the ECOFIN Council meeting of 26-27 November 2000 on the taxation of savings income or any law implementing or complying with, or introduced in order to conform to, such Directive and (ii) the law of 23 December 2005 (as amended) introducing a withholding tax on certain payments of interest made to certain Luxembourg resident holders of Notes (the "**Law**"). There is also no Luxembourg withholding tax, subject to the application of the EU Savings Tax Directive, the Agreements and the Law, upon repayment of principal or upon redemption or exchange of the Notes.

Resident Noteholders

Payments of interest or similar income on debt instruments made or deemed made by a paying agent (within the meaning of the Law) established in Luxembourg to or for the benefit of an individual resident of Luxembourg who is the beneficial owner of such payment or to certain residual entities within the meaning of article 4.2 of the EU Savings Tax Directive will be subject to a withholding tax at a rate of 10 per cent. Such withholding tax will be in full discharge of income tax if the individual beneficial owner acts in the course of the management of his or her private wealth. The Luxembourg paying agent will be responsible for withholding the tax.

An individual beneficial owner of interest or similar income who is a resident of Luxembourg and acts in the course of the management of his private wealth may opt for a final tax of 10 per cent. when he receives or is deemed to receive such interest or similar income from a paying agent established in another EU Member State, in a member state of the EEA which is not an EU Member State, or in a state which has concluded a treaty directly in connection with the EU Savings Tax Directive. Responsibility for the declaration and the payment of the 10 per cent. final tax is assumed by the individual resident beneficial owner of interest.

Non-resident Noteholders

Under the EU Savings Tax Directive and the laws of 21 June 2005 implementing the EU Savings Tax Directive in Luxembourg and ratifying the Agreements, a Luxembourg based paying agent (within the

meaning of the EU Savings Tax Directive) is required to withhold tax on interest and other similar income paid by it to (or under certain circumstances, to the benefit of) (i) an individual resident in another Member State of the European Union or (ii) a residual entity within the meaning of Article 4.2 of the EU Savings Tax Directive ("**Residual Entities**"), established in another EU Member State, unless the beneficiary of the interest payment or similar income elects for an exchange of information or provides the relevant documents to the Luxembourg paying agent. The same regime applies to payments by a Luxembourg based paying agent to individuals or Residual Entities resident in any of the following territories: Anguilla, the Netherlands Antilles, Aruba, Guernsey, Jersey, the Isle of Man, Montserrat, Turks and Caïcos and the British Virgin Islands.

The current withholding tax rate is 20 per cent. increasing to 35 per cent. from 1 July 2011. The withholding tax system will only apply during a transitional period, the ending of which depends on the conclusion of certain agreements relating to information exchange with certain other countries.

Income Taxation

Resident Noteholders

A corporate Noteholder must include any interest accrued or received, any redemption premium or issue discount, as well as any gain realised on the sale or disposal, in any form whatsoever, of the Notes, in its taxable income for Luxembourg income tax assessment purposes. The same obligation applies to an individual Noteholder acting in the course of the management of a professional or business undertaking.

An individual resident Noteholder, acting in the course of the management of his or her private wealth, is subject to Luxembourg income tax in respect of interest received, redemption premiums or issue discounts, under the Notes, except if the final tax of 10 per cent. has been levied on such payments. A gain realised by an individual Noteholder, acting in the course of the management of his or her private wealth, upon the sale or disposal, in any form whatsoever, of Notes is not subject to Luxembourg income tax, provided this sale or disposal took place more than six months after the Notes were acquired.

Non-resident Noteholders

A non-resident Noteholder, not having a fixed place of business, permanent establishment or permanent representative in Luxembourg to which the Notes are attributable, is not subject to Luxembourg income taxes on interest received or accrued on the Notes. Any gain realised by such non-resident Noteholder, on the sale or disposal in any form whatsoever, of Notes is also not subject to Luxembourg income taxes.

Netherlands Taxation

The following is a general summary of certain Netherlands tax consequences of the acquisition, holding and disposal of the Notes. This summary does not purport to describe all possible tax considerations or consequences that may be relevant to a holder or prospective holder of Notes and does not purport to deal with the tax consequences applicable to all categories of investors, some of which (such as trusts or similar arrangements) may be subject to special rules. In view of its general nature, it should be treated with corresponding caution. Holders or prospective holders should consult with their tax advisors with regard to the tax consequences of investing in the Notes in their particular circumstances. The discussion below is included for general information purposes only.

Except as otherwise indicated, this summary only addresses Netherlands national tax legislation and published regulations, as in effect on the date hereof and as interpreted in published case law until this date, without prejudice to any amendment introduced at a later date and implemented with or without retroactive effect.

Withholding tax on payments made by Shanks B.V. and Shanks Belgium Holding B.V.

All payments of principal and/or interest made by Shanks B.V. and Shanks Belgium Holding B.V. in their capacity as guarantors under the Notes may be made free of withholding or deduction of, for or on account of any taxes of whatever nature imposed, levied, withheld or assessed by the Netherlands or any political subdivision or taxing authority thereof or therein.

Taxes on income and capital gains

Please note that the summary in this section does not describe the Netherlands tax consequences for:

(i) holders of Notes if such holders, and in the case of individuals, their partners or certain of their relatives by blood or marriage in the direct line (including foster children), have a substantial interest or deemed substantial interest in the Issuer or a Guarantor under The Netherlands Income Tax Act 2001 (*Wet inkomstenbelasting 2001*). Generally speaking, a holder of securities in a company is considered to hold a substantial interest in such company, if such holder alone or, in the case of individuals, together with his/her partner (as defined in The Netherlands Income Tax Act 2001), directly or indirectly, holds (i) an interest of 5 per cent. or more of the total issued and outstanding capital of that company or of 5 per cent. or more of the issued and outstanding capital of a certain class of shares of that company; or (ii) holds rights to acquire, directly or indirectly, such interest; or (iii) holds certain profit sharing rights in that company that relate to 5 per cent. or more of the company's annual profits and/or to 5 per cent. or more of the company's liquidation proceeds. A deemed substantial interest arises if a substantial interest (or part thereof) in a company has been disposed of, or is deemed to have been disposed of, on a non-recognition basis;

(ii) pension funds, investment institutions (*fiscale beleggingsinstellingen*), exempt investment institutions (*vrijgestelde beleggingsinstellingen*) (as defined in The Netherlands Corporate Income Tax Act 1969 (*Wet op de vennootschapsbelasting 1969*) and other entities that are exempt from Netherlands corporate income tax; and

(iii) holders of Notes who receive or have received the Notes as employment income, deemed employment income or otherwise as compensation.

Residents of the Netherlands

Generally speaking, if the holder of the Notes is an entity that is a resident or deemed to be resident of the Netherlands for Netherlands corporate income tax purposes, any payment under the Notes or any gain or loss realised on the disposal or deemed disposal of the Notes is subject to Netherlands corporate income tax at a rate of 25.5 per cent. (a corporate income tax rate of 20 per cent. applies with respect to taxable profits up to €200,000 (the bracket for 2010)).

If a holder of the Notes is an individual, resident or deemed to be resident of the Netherlands for Netherlands income tax purposes (including the non resident individual holder who has made an election for the application of the rules of The Netherlands Income Tax Act 2001 as they apply to residents of the Netherlands), any payment under the Notes or any gain or loss realised on the disposal or deemed disposal of the Notes is taxable at the progressive income tax rates (with a maximum of 52 per cent.), if:

(i) the Notes are attributable to an enterprise from which the holder of the Notes derives a share of the profit, whether as an entrepreneur or as a person who has a co entitlement to the net worth of such enterprise without being a shareholder (as defined in The Netherlands Income Tax Act 2001); or

(ii) the holder of the Notes is considered to perform activities with respect to the Notes that go beyond ordinary asset management (*normaal, actief vermogensbeheer*) or derives benefits from the Notes that are (otherwise) taxable as benefits from other activities (*resultaat uit overige werkzaamheden*).

If the above mentioned conditions (i) and (ii) do not apply to the individual holder of the Notes, such holder will be taxed annually on a deemed income of 4 per cent. of his/her net investment assets for the year at an income tax rate of 30 per cent.. The net investment assets for the year is the average of the fair market value of the investment assets less the allowable liabilities at the beginning of that year and the fair market value of the investment assets less the allowable liabilities at the end of that year. The Notes are included as investment assets. A tax free allowance may be available. An actual gain or loss in respect of the Notes is as such not subject to Netherlands income tax.

Non residents of the Netherlands

A holder of Notes that is neither a resident nor deemed to be a resident in the Netherlands (and, if such holder is an individual, such holder has not made an election for the application of the rules of The Netherlands Income Tax Act 2001 as they apply to residents of the Netherlands) will not be subject to Netherlands taxes on income or capital gains in respect of any payment under the Notes or in respect of any gain or loss realised on the disposal or deemed disposal of the Notes, provided that:

(i) such holder does not have an interest in an enterprise or deemed enterprise (as defined in The Netherlands Income Tax Act 2001 and The Netherlands Corporate Income Tax Act 1969) which, in whole or in part, is either effectively managed in the Netherlands or carried on through a permanent establishment, a deemed permanent establishment or a permanent representative in the Netherlands and to which enterprise or part of an enterprise the Notes are attributable; and

(ii) in the event the holder is an individual, such holder does not carry out any activities in the Netherlands with respect to the Notes that go beyond ordinary asset management and does not derive benefits from the Notes that are (otherwise) taxable as benefits from other activities in the Netherlands.

Gift and inheritance taxes

Residents of the Netherlands

Gift or inheritance taxes will arise in the Netherlands with respect to a transfer of the Notes by way of a gift by, or on the death of, a holder of such Notes who is resident or deemed resident of the Netherlands at the time of the gift or his/her death.

Non residents of the Netherlands

No Netherlands gift or inheritance taxes will arise on the transfer of Notes by way of gift by, or on the death of, a holder of Notes who is neither resident nor deemed to be resident in the Netherlands, unless:

(i) in the case of a gift of a Note by an individual who at the date of the gift was neither resident nor deemed to be resident in the Netherlands, such individual dies within 180 days after the date of the gift, while being resident or deemed to be resident in the Netherlands; or

(ii) the transfer is otherwise construed as a gift or inheritance made by, or on behalf of, a person who, at the time of the gift or death, is or is deemed to be resident in the Netherlands.

For purposes of Netherlands gift and inheritance taxes, amongst others, a person that holds the Netherlands nationality will be deemed to be resident in the Netherlands if such person has been resident in the Netherlands at any time during the ten years preceding the date of the gift or his/her death. Additionally, for purposes of Netherlands gift tax, amongst others, a person not holding the Netherlands nationality will be deemed to be resident in the Netherlands if such person has been resident in the Netherlands at any time during the twelve months preceding the date of the gift. Applicable tax treaties may override deemed residency.

Value added tax (VAT)

No Netherlands VAT will be payable by the holders of the Notes with respect to the payment of interest or principal by Shanks B.V. and Shanks Belgium Holding B.V. in their capacity as Guarantors under the Notes.

Other taxes and duties

No Netherlands registration tax, customs duty, stamp duty or any other similar documentary tax or duty, other than court fees, will be payable by the holders of the Notes in respect or in connection with the payment of interest or principal by Shanks B.V. and Shanks Belgium Holding B.V. in their capacity as Guarantors under the Notes.

United Kingdom Taxation

*The comments below are of a general nature based on current United Kingdom law and Her Majesty's Revenue and Customs ("**HMRC**") practice and are not intended to be exhaustive. They describe only certain aspects of the United Kingdom tax treatment of payments of principal and interest in respect of the Notes. They do not deal with any other United Kingdom tax implications of acquiring, holding or disposing of Notes. The following is only a general guide and should be treated with caution. Prospective holders are strongly advised to seek independent advice. This summary is based upon the law as in effect on the date of this Prospectus and is subject to any change in law that may take effect after such date.*

Holders who may be liable to taxation in jurisdictions other than the United Kingdom in respect of their acquisition, holding or disposal of the Notes are particularly advised to consult their professional advisers as to whether they are so liable (and if so under the laws of which jurisdictions), since the following comments relate only to certain United Kingdom taxation aspects of payments in respect of the Notes. In particular, holders should be aware that they may be liable to taxation under the laws of other jurisdictions in relation to payments in respect of the Notes even if such payments may be made without withholding or deduction for or on account of taxation under the laws of the United Kingdom.

The references to "interest" and "principal" in the comments below on United Kingdom withholding tax mean "interest" and "principal" as understood in United Kingdom tax law. The comments do not take any account of any different definitions of "interest" or "principal" which may prevail under any other law or which may be created by the Conditions or any related documentation.

United Kingdom withholding on interest paid by the Issuer

Interest may be paid by the Issuer on the Notes without deduction for or on account of United Kingdom tax so long as the Notes constitute "quoted Eurobonds" within the meaning of Section 987 of the Income Tax Act 2007 ("**ITA 2007**"). They will do so provided they carry a right to interest and provided they are listed and continue to be listed on a recognised stock exchange within the meaning of Section 1005 of ITA 2007. The London Stock Exchange is a recognised stock exchange for these purposes. The Notes will satisfy this requirement if they are included in the Official List of the FSA and admitted to trading on the London Stock Exchange. Whilst the Notes are and continue to be quoted eurobonds, any payments paid at the Maturity Date in relation to the exercise of the Put Option may also be made without withholding or deduction for or on account of United Kingdom tax.

In all other cases, interest (which may for these purposes include the 1.875 per cent. or 1 per cent., as the case may be, premium payable on exercise of the Put Option) paid by the Issuer on Notes will generally be paid under deduction of United Kingdom income tax at the basic rate (currently 20 per cent.), subject to the availability of reliefs or to any direction to the contrary from HMRC.

United Kingdom withholding on interest paid by a Guarantor

It is possible that payments by a Guarantor would be subject to withholding on account of United Kingdom tax, subject to any claim which could be made under applicable double tax treaties and any other reliefs. The fact that the Notes constitute quoted Eurobonds may not be sufficient to allow the guarantor to pay without withholding.

Reporting Requirements

The Principal Paying Agent or other person through whom interest is paid to, or by whom interest is received on behalf of, an individual (whether resident in the United Kingdom or elsewhere) may be required to supply to HMRC certain information in relation to the payment and individual concerned (including the individual's name and address). HMRC may communicate information to the tax authorities of other jurisdictions.

EU Savings Tax Directive

Under the EU Savings Tax Directive, each Member State is required to provide to the tax authorities of another Member State details of payments of interest (or other similar income) paid by a person within its jurisdiction to, or collected by such a person for, an individual resident in that other Member State or certain limited types of entities established in that other Member State. However, during the current

transitional period, Austria and Luxembourg instead impose a withholding system, subject to a procedure whereby, on meeting certain conditions, the beneficial owner of the interest or other income may request that no tax be withheld. The end of the transitional period is dependent upon the conclusion of other arrangements relating to the information exchange with certain other countries.

A number of non-EU countries, including Switzerland, and certain dependent or associated territories of certain Member States, have adopted similar measures (either provision of information or transitional withholding) in relation to payments made by a person within its jurisdiction to, or collected by such a person for, an individual resident in a Member State or certain limited types of entities established in that other Member State with effect from the same date.

In addition, the EU Savings Tax Directive has been the subject of a review which has resulted in a series of proposals being put forward to amend it. Any changes, resulting from any such amendment of the EU Savings Tax Directive, could apply to Notes that have already been issued at the date of such amendment.

SUBSCRIPTION AND SALE

The Joint Lead Managers, the Issuer and the Guarantors will enter into a subscription agreement dated 24 September 2010 (the "**Subscription Agreement**") and a supplement to the subscription agreement dated 21 October 2010 (the "**Supplemental Subscription Agreement**") upon the terms and subject to the conditions contained therein. Pursuant to the Subscription Agreement, Fortis Bank NV/SA will give to the Issuer a firm commitment to subscribe for up to €50,000,000 in aggregate principal amount of the Notes at the Issue Price subject to fulfilment of certain conditions described in the Subscription Agreement, such amount being determined as per the provisions of the Subscription Agreement. In addition, each of the Joint Lead Managers will use its best efforts to procure subscribers for the Notes. The Issuer will pay the structuring fee payable to Fortis Bank NV/SA agreed in the side letter between the Issuer and Fortis Bank NV/SA dated 15 September 2010[2] and an underwriter fee of 0.30 per cent. agreed in a mandate letter dated 15 September 2010 between the Issuer and Fortis Bank NV/SA payable to Fortis Bank NV/SA to be calculated on the principal amount of the amount of Notes to be underwritten by Fortis Bank NV/SA, which for the avoidance of doubt, shall not exceed a maximum of €150,000. The Issuer (failing which, the Guarantors) has also agreed to reimburse the Joint Lead Managers for certain of their expenses incurred in connection with the management of the issue of the Notes. The Joint Lead Managers may, in certain circumstances, be released and discharged from their obligations under the Subscription Agreement prior to the issue of the Notes.

PUBLIC OFFER

1. Offer Period

The Notes will be offered to the public in Belgium and Luxembourg (the "**Public Offer**"). The Public Offer will start on 28 September 2010 at 9.00 a.m. (CET) and end on 20 October 2010 at 4.00 p.m. (CET) (the "**Offer Period**"), or such earlier end date as the Joint Lead Managers and the Issuer may agree. Any such earlier end date will be announced on the websites of the Joint Lead Managers (*www.bnpparibasfortis.be/emissions* and *www.kbc.be*) and on the website of the Regulatory News Service operated by the London Stock Exchange (*www.londonstockexchange.com/exchange/news/market-news/market-news-home.html*).

Except in case of oversubscription as set out in "*Oversubscription Of The Notes*" below, a prospective subscriber will receive 100 per cent. of the amount of the Notes allocated to it during the Offer Period. Prospective subscribers will be notified of their allocations of Notes by the applicable financial intermediary in accordance with the arrangements in place between such financial intermediary and the prospective subscriber.

No dealings in the Notes on a regulated market for the purposes of the MiFID may take place prior to the Issue Date. After having decided to subscribe the Notes and having, amongst other things, read the entire Prospectus, prospective subscribers can subscribe the Notes via the branches of the following distributors appointed by the Issuer, using the subscription form provided by the distributor (if any): Fortis Bank NV/SA acting under the commercial name BNP Paribas Fortis (including the branches acting under the commercial name of Fintro), KBC Bank NV (including CBC S.A.), KBL European Private Bankers S.A., Centea NV and KBC Securities NV, as well as any relevant subsidiary in Luxembourg of each of the above-mentioned banks (as decided by each bank and its subsidiary).

Applications can also be submitted via agents or any other financial intermediaries in Belgium and in Luxembourg. In this case, the investors must obtain information concerning the commission fees that the financial intermediaries can charge. These commission fees are charged to the investors.

2. Conditions To Which The Public Offer Is Subject

The Public Offer is subject to a number of conditions which include, amongst other things:

(a) the Subscription Agreement and the Intercreditor Deed being executed by all parties thereto prior to the start of the Offer Period;

[2] Investors may obtain further information in respect of the structuring fee by contacting Fortis Bank NV/SA.

(b) the correctness of the representations and warranties made by the Issuer and the Guarantors in the Subscription Agreement;

(c) the approval of this Prospectus by the FSA as the competent authority in the United Kingdom for the purpose of the Prospectus Directive;

(d) issue of a certificate of approval under Article 18 of the Prospectus Directive as implemented in the United Kingdom by the FSA to the CSSF and CBFA together with translations of the Prospectus summary in French and Dutch as required by the Belgian Prospectus Law, confirmation of receipt of such certificate and translations by the CSSF and CBFA and approval by the CBFA of the marketing materials to be used in Belgium in connection with the Public Offer; and

(e) the Issuer having filed a legalised copy of its (i) deed of incorporation and (ii) articles of association together with a sworn translation of these documents, as required by article 88 of the Belgian Companies Code.

The issue of the Notes is subject to a number of further conditions set out in the Subscription Agreement, which include, amongst other things:

(a) the correctness of the representations and warranties made by the Issuer and the Guarantors in the Subscription Agreement if they were repeated on the Issue Date with reference to the facts and circumstances then subsisting;

(b) the Supplemental Subscription Agreement, the Paying Agency Agreement and the Trust Deed being executed by all parties thereto and the Trustee (on behalf of itself and the Noteholders) has acceded to the Intercreditor Deed prior to the Issue Date;

(c) confirmation that the admission of the Notes to listing on the Official List of the FSA and trading on the Main Market of the London Stock Exchange, subject only to the issue of the Notes;

(d) there having been, as at the Issue Date, no Material Adverse Change, or any development reasonably likely to involve a Material Adverse Change; and

(e) at the latest on the Issue Date, the Joint Lead Managers having received customary documents and confirmations as to certain legal and financial matters pertaining to the Issuer and the Guarantors.

These conditions can be waived (in whole or in part) by the Joint Lead Managers.

"**Material Adverse Change**" means (i) any adverse change in the condition (financial or otherwise) or prospects of the Issuer and the Guarantors taken as a whole that is material in the context of the issue of the Notes or (ii) any significant adverse change in the financial or trading position or prospects of the Issuer or the Guarantors, other than, in each case, as mentioned in this Prospectus.

3. **Issue Price**

The Issue Price of the Notes is 101.875 per cent. of their principal amount.

Investors who are not Qualified Investors (as defined in the Belgian Prospectus Law or the Luxembourg Act dated 10 July 2005 on prospectuses for securities, as applicable) will pay the Issue Price.

A Qualified Investor will pay the Issue Price less a discount or plus a margin, such resulting price being subject to change during the Offer Period based, among other things, on (i) the evolution of the credit quality of the Issuer (credit spread), (ii) the evolution of interest rates, (iii) the success (or lack of success) of the placement of the Notes, and (iv) the amount of Notes purchased by such Qualified Investor, each as determined by the Joint Lead Managers in their sole discretion.

The gross real yield of the Notes is 4.572 per cent. on an annual basis. The yield is calculated on the basis of the Issue Price, the expected issue of a minimum amount of €50,000,000 in aggregate principal amount of the Notes of and a redemption amount of €1,000 per denomination of €1,000. It is not an indication of future yield.

The minimum amount of application for the Notes is €1,000. There is no maximum amount of application.

4. **Payment**

The payment date is the Issue Date. The payment for the Notes can only occur by means of debiting from a current account.

On the date that the subscriptions are settled, Euroclear and/or Clearstream, Luxembourg will credit the custody accounts of the Joint Lead Managers according to the rules of Euroclear and/or Clearstream, Luxembourg.

Subsequently, the Joint Lead Managers, at the latest on the settlement date, will credit the amounts of the subscribed Notes to the account of the participants for onward distribution to the subscribers, in accordance with the usual operating rules of Euroclear and/or Clearstream, Luxembourg.

5. **Costs And Fees**

The net proceeds (before deduction of expenses) will be an amount equal to (i) the aggregate nominal amount of the Notes issued (the "**Aggregate Nominal Amount**") multiplied by the Issue Price expressed as a percentage minus (ii) the selling fee detailed at (a) below of 1.875 per cent. of the Aggregate Nominal Amount.

The Issue Price shall include the selling and distribution commission described below, such commission being borne and paid by the subscribers.

Expenses specifically charged to the subscribers:

(a) the subscribers who are not Qualified Investors will bear a selling fee of 1.875 per cent. of the principal amount of the Notes subscribed for, included in the Issue Price; and

(b) the subscribers who are Qualified Investors will normally bear a distribution commission of 1 per cent. of the principal amount of the Notes subscribed for, subject to the discount or margin described under "*Issue Price*" above. Such commission will be included in the issue price applied to them.

Each subscriber shall make his own enquiries with his financial intermediaries on the related or incidental costs (transfer fees, custody charges, etc.), which the latter may charge him with.

The expenses payable by the Issuer to the Joint Lead Managers are expected to not exceed €275,000.

6. **Financial Services And Related Costs**

Any financial services for the Notes (i.e., payment of interest and principal) will be provided free of charge by Fortis Bank NV/SA to its clients. Any financial services provided by KBC Bank NV will be provided at its standard rates, to be paid by the investors.

The costs of the custody fee in respect of the Notes while in the custody accounts as detailed in "*Payment*" above will be charged by each Joint Lead Manager to the subscribers of the Notes based on the standard rates of each Joint Lead Manager (such rates are set out in the brochure (available in French and Dutch) on the tarification of the general securities operations published by each Joint Lead Manager on its website (*www.bnpparibasfortis.be/epargneretplacer > Infos utiles* or *www.kbc.be*)).

Investors must inform themselves about the costs that financial institutions other than the Joint Lead Managers may charge them.

7. **Oversubscription Of The Notes**

In case of early termination of the Offer Period due to oversubscription or to changes in market conditions as agreed between the Joint Lead Managers and the Issuer, allotment of the Notes will be made in accordance with the following objective allotment criteria:

(a) the subscriptions from investors who are not Qualified Investors received via the Joint Lead Managers will be served in the chronological order of their receipt by a Joint Lead Manager (as

determined jointly by the Joint Lead Managers);

(b) then the subscriptions received via financial intermediaries other than the Joint Lead Managers or from Qualified Investors will be served in the chronological order of their receipt by each Joint Lead Manager (as determined jointly by the Joint Lead Managers); and

(c) if required, the last subscription (or the last subscriptions, if received by the Joint Lead Manager(s) exactly at the same time) mentioned under (a) and (b), if any, will be reduced in order to correspond with the Aggregate Nominal Amount, to an amount determined by the Issuer and the Joint Lead Managers in their sole discretion (it being understood that such amount will depend on the wishes of the Issuer and on the demand from prospective investors, but is expected to be not less than €50,000,000 to the extent there is sufficient demand from the investors).

Any payment made by an applicant in connection with the subscription for Notes which are not allotted will be refunded within seven Brussels Business Days (where "**Brussels Business Day**" means a day on which banks are open for general business in Brussels, Belgium) after the date of payment in accordance with the arrangements in place between such relevant applicant and the relevant financial intermediary. The relevant applicant shall not be entitled to any interest in respect of any such payments.

8. **Results Of The Public Offer**

The results of the Public Offer (including its net proceeds) shall be published as soon as possible after the end of the Offer Period and on or before the Issue Date on the websites of the Joint Lead Managers (*www.bnpparibasfortis.be/emissions* and *www.kbc.be*) and on the website of the Regulatory News Service operated by the London Stock Exchange (*www.londonstockexchange.com/exchange/news/market-news/market-news-home.html*) and will be communicated to the CSSF and the CBFA.

The same method of publication as described above will be used to inform the investors in case of an early termination of the Offer Period.

9. **Public Offer Timetable**

The main steps and the timing of the Public Offer are as follows:

24 September 2010	Prospectus approved by the FSA
By 28 September 2010 at 9.00 a.m. (CET)	Prospectus to be published on the websites of the Joint Lead Managers (*www.bnpparibasfortis.be/emissions* and *www.kbc.be*) and on the website of the Regulatory News Service operated by the London Stock Exchange (*www.londonstockexchange.com/exchange/news/market-news/market-news-home.html*) and passported into Belgium and Luxembourg
28 September 2010 at 9.00 a.m. (CET)	Start of the Offer Period
20 October 2010 at 4.00 p.m. (CET)	End of the Offer Period
Between 21 October 2010 and 22 October 2010	Expected publication date of the results of the Public Offer of the Notes (including its net proceeds)
22 October 2010	Issue Date
On or around 25 October 2010	Admission of the Notes to listing on the Official List of the FSA and trading on the Main Market of the London Stock Exchange

10. **Transfer Of The Notes**

Subject to compliance with any applicable selling restriction, including those listed in "*Selling Restrictions*" below, the Notes are freely transferable.

SELLING RESTRICTIONS

Public Offer Selling Restriction

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each a "**Relevant Member State**"), each Joint Lead Manager has represented and agreed that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the "**Relevant Implementation Date**") it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Prospectus to the public in that Relevant Member State other than the offers contemplated in this Prospectus in Belgium and Luxembourg during the Offer Period as set out above under "*Public Offer*", except that it may, with effect from and including the Relevant Implementation Date, make an offer of such Notes to the public in that Relevant Member State:

(a) to legal entities which are authorised or regulated to operate in the financial markets or, if not so authorised or regulated, whose corporate purpose is solely to invest in securities;

(b) to any legal entity which has two or more of (1) an average of at least 250 employees during the last financial year; (2) a total balance sheet of more than €43,000,000; and (3) an annual net turnover of more than €50,000,000, as shown in its last annual or consolidated accounts;

(c) to fewer than 100 natural or legal persons (other than qualified investors as defined in the Prospectus Directive) subject to obtaining the prior consent of the other Joint Lead Manager; or

(d) in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of Notes shall require the Issuer or any Manger to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expression an "**offer of Notes to the public**" in relation to any Notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide whether to purchase or subscribe the Notes and the expression "**Prospectus Directive**" means Directive 2003/71/EC and includes any relevant implementing measure in each Relevant Member State.

Canada

Subject to available exemptions, the Notes have not been, and will not be, qualified for sale under the securities laws of any province or territory of Canada to or for the benefit of any resident thereof. Accordingly, each Joint Lead Manager has represented, warranted and undertaken that it will not offer, sell or deliver the Notes within the Canada or to, or for the account or benefit of, any resident of Canada.

Guernsey

The Notes may only be offered in the Bailiwick of Guernsey either:

(a) by persons licensed to do so under the Protection of Investors (Bailiwick of Guernsey) Law, 1987 (as amended) (the "**POI Law**"); or

(b) to persons licensed under the POI Law or the Insurance Business (Bailiwick of Guernsey) Law, 2002 (as amended), or the Banking Supervision (Bailiwick of Guernsey) Law, 1994 (as amended), or the Regulation of Fiduciaries, Administration Businesses and Company Directors, etc (Bailiwick of Guernsey) Law, 2000 (as amended), provided that the Issuer complies with the applicable requirements of the POI Law, the Prospectus Rules 2008 and all applicable guidance notes issued by the Guernsey Financial Services Commission.

No regulatory approval has been sought for the offer of the Notes in the Bailiwick of Guernsey and the Guernsey Financial Services Commission does not accept any responsibility for the financial soundness of or any representations made in connection with the Issuer.

Each Joint Lead Manager has represented, warranted and undertaken that it will not offer, sell or deliver the Notes within the Bailiwick of Guernsey or to, or for the account or benefit of, any resident of the Bailiwick of Guernsey.

United Kingdom

Each Joint Lead Manager has further represented, warranted and undertaken that:

(a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of the Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer or the Guarantors; and

(b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Notes in, from or otherwise involving the United Kingdom.

United States of America

The Notes have not been and will not be registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S.

The Notes are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person, except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the United States Internal Revenue Code and regulations thereunder.

Each Joint Lead Manager has represented, warranted and undertaken that, except as permitted by the Subscription Agreement, it has not and will not offer, sell or deliver the Notes, (a) as part of their distribution at any time or (b) otherwise, until 40 days after the later of the commencement of the offering and the issue date of the Notes, within the United States or to, or for the account or benefit of, U.S. persons, and that it will have sent to each dealer to which it sells Notes during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons.

In addition, until 40 days after commencement of the offering, an offer or sale of Notes within the United States by a dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act.

General

Each Joint Lead Manager has represented, warranted and agreed that it has complied and will comply with all applicable laws and regulations in each country or jurisdiction in which it purchases, offers, sells or delivers Notes or possesses, distributes or publishes this Prospectus or any other offering material relating to the Notes. Persons into whose hands this Prospectus comes are required by the Issuer, the Guarantors and the Joint Lead Managers to comply with all applicable laws and regulations in each country or jurisdiction in which they purchase, offer, sell or deliver Notes or possess, distribute or publish this Prospectus or any other offering material relating to the Notes, in all cases at their own expense.

In addition to the applications described in this Prospectus, the Issuer may, on or after the date of this Prospectus, make applications for one or more further certificates of approval under Article 18 of the Prospectus Directive as implemented in the United Kingdom to be issued by the FSA to the competent authority in any Member State.

GENERAL INFORMATION

Authorisation

1. The creation and issue of the Notes has been authorised by resolutions of the Board of Directors of the Issuer dated 26 August 2010 and 6 September 2010.

2. The giving of the Guarantee has been authorised by a resolution of the Board of Directors of each Guarantor (other than Shanks B.V. and Shanks Belgium Holding B.V.) dated 26 August 2010. The giving of the Guarantee by Shanks B.V. and Shanks Belgium Holding B.V. has been authorised by a resolution of the Board of Directors of each of Shanks B.V. and Shanks Belgium Holding B.V. dated 22 September 2010.

Listing and Admission to Trading

3. Application will be made for the Notes to be admitted to listing on the Official List of the FSA and trading on the Main Market of the London Stock Exchange. The listing of the Notes is expected to be granted on or around 25 October 2010. The total expenses related to the admission of the Notes to trading on the Main Market of the London Stock Exchange are expected to amount to approximately £3,000.

Legal and Arbitration Proceedings

4. Save as disclosed in "*Description of the Issuer — Governmental, Legal and Arbitration Proceedings*" above, neither the Issuer nor any member of the Group is or has been involved in any governmental, legal or arbitration proceedings, of which the Issuer is aware, which are pending or threatened and which may have, or have had during the 12 months prior to the date of this Prospectus, a significant effect on the Issuer and/or the financial position or profitability of the Group.

Financial and Trading Position

5. There has been no material adverse change in the prospects of the Issuer nor any significant change in the financial or trading position of the Group since 31 March 2010.

Auditors

6. The consolidated financial statements of the Issuer have been audited without qualification for each of the financial years ended 31 March 2010 and 31 March 2009 by PricewaterhouseCoopers LLP of 1 Embankment Place, London WC2N 6RH, England. PricewaterhouseCoopers LLP is a registered member of the Institute of Chartered Accountants in England and Wales.

Documents on Display

7. Copies of the following documents may be inspected during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted) at registered office for the time being of the Trustee, being at the date hereof 55 Moorgate, London EC2R 6PA, United Kingdom, and at the Issuer's principal office at Dunedin House, Auckland Park, Mount Farm, Milton Keynes, Buckinghamshire MK1 1BU, United Kingdom for 12 months from the date of this Prospectus:

   (a) the constitutive documents of the Issuer and each Guarantor (together with English translations thereof, if available);

   (b) the Intercreditor Deed, the Intercreditor Accession Deed and the Share Pledge;

   (c) the Paying Agency Agreement, the Trust Deed and any supplemental trust deed executed by a Subsidiary of the Issuer which becomes a Guarantor after the Issue Date pursuant to Condition 2(f) (*Status and Guarantee of the Notes — Additional Guarantors*); and

   (d) the Annual Report 2010 and the Annual Report 2009.

Material Contracts

8. ***Contracts relating to the Notes***

The following contracts directly concerning the issue of the Notes have been entered into by a member or members of the Group immediately preceding the publication of this Prospectus or will, shortly after the date of this Prospectus, be entered into by a member or members of the Group and are, or may be, material:

(a) the Trust Deed;

(b) the Paying Agency Agreement; and

(c) the Subscription Agreement.

9. ***Other Contracts***

As at the date of this Prospectus, the Issuer and the Guarantors were party to the following material contracts which were not entered into in their ordinary course of business and could affect their ability to meet their respective obligations to the holders of the Notes in respect of the Notes:

(a) the Intercreditor Deed;

(b) the Pricoa Note Agreement; and

(c) the 2009 Bank Facility.

Pricoa Note Agreement

The following is a brief summary of certain of the provisions of the Pricoa Note Agreement. This summary is not exhaustive and is subject to detailed provisions of the Pricoa Note Agreement. The Pricoa Note Agreement contains a number of provisions which are not summarised below or elsewhere in this Prospectus. Consequently, prospective investors should carefully review the provisions of the Pricoa Note Agreement which is available for inspection as detailed in "Documents on Display" above.

On 30 March 2001, the Issuer and Pricoa entered into a multi-currency note facility and guarantee agreement (the "**Pricoa Note Agreement**"), governed by the laws of the State of New York, which has subsequently been amended and restated.

The Pricoa Notes which are currently outstanding are detailed as follows:

(a) Shanks B.V. €17,862,632 to 9 April 2011 (6.91 per cent.); and

(b) Shanks B.V. €18,054,583 to 13 September 2013 (6.89 per cent.).

The Pricoa Notes are mandatorily repayable in certain circumstances, including, if there is the occurrence of (i) a change of control in the Issuer, (ii) certain tax related events, (iii) certain sales of assets, (iv) a debt or equity issue or (v) if there is an acceleration following an event of default.

The Pricoa Note Agreement requires that subsidiaries which guarantee or create liens above particular thresholds become guarantors under that agreement, subject to limits imposed by the operation of relevant local law. The Issuer is under an obligation to ensure that the gross assets and pre-tax profits of the guarantors under the Pricoa Note Agreement contribute at any time 85 per cent. or more of the consolidated gross assets and pre-tax profits of the Group (as defined in the Pricoa Note Agreement). This is subject to certain conditions and excludes from the definition of "Group" any subsidiaries of Shanks B.V.

2009 Bank Facility

The following is a brief summary of certain of the provisions of the 2009 Bank Facility. This summary is not exhaustive and is subject to detailed provisions of the 2009 Bank Facility. The

2009 Bank Facility contains a number of provisions which are not summarised below or elsewhere in this Prospectus. Consequently, prospective investors should carefully review the provisions of the 2009 Bank Facility which is available for inspection as detailed in "Documents on Display" above.

On 7 April 2009, the Issuer and the Guarantors, amongst others, entered into the English law governed 2009 Bank Facility. The €270,000,000 term loan and the €90,000,000 revolving credit facility (together, the "**2009 Bank Facility**") was entered into for the general corporate purposes of the Group. The final maturity date of the 2009 Bank Facility is 7 April 2012, being the third anniversary from the date of the 2009 Bank Facility.

The 2009 Bank Facility is mandatorily repayable in certain circumstances, including, (i) a change of control of the Issuer, (ii) if certain net proceeds from debt issues are created, (iii) if a Lender notifies the Facility Agent (as defined in the 2009 Bank Facility) and the Issuer that it has become unlawful in any applicable jurisdiction for that lender to perform any of its obligations under the 2009 Bank Facility (or certain other documents) or to fund or maintain its share of the 2009 Bank Facility or (iv) if there is an acceleration following an event of default.

Each guarantor under the 2009 Bank Facility provides a joint and several guarantee to each Finance Party. The Issuer is under an obligation to ensure that the gross assets and pre-tax profits of the guarantors under the 2009 Bank Facility contribute at any time 85 per cent. or more of the consolidated gross assets and pre-tax profits of the Group. This is subject to certain conditions and excludes from the definition of "Group" any subsidiaries of Shanks B.V. The Issuer can request to the Facility Agent, who notifies the Lenders of such request, that any additional wholly-owned subsidiaries become guarantors. Upon satisfaction of the relevant conditions in the 2009 Bank Facility, the Facility Agent will notify the other Finance Parties of the accession of the additional guarantor. Where a guarantor ceases to be a member of the Group or is released from all its obligations under the Finance Documents, any security over that guarantor is released. The retiring guarantor (a) is released from any liability and (b) each other guarantor waives any rights that it may have to take the benefit of any right of any Finance Party or of any other security taken under or in connection with any Finance Document where the rights or security are granted by or in relation to the assets of the retiring guarantor. (Each of the defined terms used in this paragraph has the meaning set out in the 2009 Bank Facility.)

Yield

10. On the basis of the Issue Price, the gross real yield of the Notes is 4.572 per cent. on an annual basis. The yield is calculated on the basis of the Issue Price, the expected issue of a minimum amount of €50,000,000 in aggregate principal amount of the Notes and a redemption amount of €1,000 per denomination of €1,000. It is not an indication of future yield.

Legend Concerning US Persons

11. The Notes and any Coupons appertaining thereto will bear a legend to the following effect: "Any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in Sections 165(j) and 1287(a) of the Internal Revenue Code."

ISIN and Common Code

12. The Notes have been accepted for clearance through Euroclear and Clearstream, Luxembourg. The ISIN is XS0544487837 and the common code is 054448783. The address of Euroclear is 1 Boulevard du Roi Albert II, B-1210 Brussels, Belgium and the address of Clearstream, Luxembourg is 42 Avenue JF Kennedy, L-1855 Luxembourg.

Passporting

13. The Issuer may, on or after the date of this Prospectus, make applications for one or more further certificates of approval under Article 18 of the Prospectus Directive as implemented in the United Kingdom to be issued by the FSA to the competent authority in any Member State.

FORM OF PUT EXERCISE NOTICE

Noteholders wishing to exercise the Put Option following a Change of Control pursuant to Condition 5(c) (Redemption and Purchase — Redemption at the option of Noteholders) will be required to deposit a duly completed and signed Put Exercise Notice and, in respect of any Definitive Notes, the applicable Notes and unmatured Coupons with the Intermediary through which the Noteholder holds such Notes. The Intermediary will arrange for the delivery of Put Exercise Notices and Notes to the account of a Paying Agent for the account of the Issuer by the relevant Optional Redemption Date on the Noteholder's behalf. Any fees and/or costs charged by the relevant Intermediary in respect of the exercise by a Noteholder of the Put Option shall be borne by the Noteholder.

Noteholders who are Qualified Investors may, if a Note is represented by the Permanent Global Note and the Permanent Global Note is deposited with a common depositary for Euroclear and Clearstream, Luxembourg when a Put Option Notice is delivered to Noteholders, exercise their Put Option by giving notice of such exercise within the Put Period to any Paying Agent in accordance with the standard procedures of Euroclear or Clearstream, Luxembourg in lieu of depositing a completed and signed Put Exercise Notice with an Intermediary.

To: [*Details of the Intermediary through which the Noteholder holds the Notes*]

SHANKS GROUP PLC

(*incorporated in Scotland with registered number SC077438*)

Expected minimum amount of €50,000,000
5.00 per cent. Guaranteed Notes due 2015

(issued in the denomination of €1,000 and as described in the Listing and Offering Prospectus dated 21 October 2010)

ISIN: XS0544487837

(the "**Notes**")

PUT EXERCISE NOTICE

By sending this duly completed Put Exercise Notice to a Paying Agent in accordance with Condition 5(c) (*Redemption and Purchase — Redemption at the option of Noteholders*) of the Notes, the undersigned holder of the Notes specified below exercises its option to have such Notes redeemed early in accordance with Condition 5(c) on the Optional Redemption Date falling on .....[1] The undersigned holder of such Notes hereby confirms to the Issuer that (i) he/she holds the amount of Notes specified in this Put Exercise Notice and (ii) he/she undertakes not to sell or transfer such Notes until the Optional Redemption Date specified above.

Nominal amount of Notes held:

€..... ([*amount in figures*] Euro)

[**Certificate numbers and denominations:**

Certificate Number	Denomination
.....	.....][2]

Noteholder contact details:

Name or Company: .....

Address: .....

Telephone number: .....

Payment instructions:

Please make payment in respect of the Notes redeemed early pursuant to Condition 5(c) by Euro transfer to the following bank account:

Name of Bank: .....

Branch Address: .....

Account Number: .....

[The undersigned holder of the Notes confirms that payment in respect of the redeemed Notes shall be made against debit of his/her securities account number ..... with [*name and address of bank*] for the above-mentioned nominal amount of Notes.][3]

All notices and communications relating to this Put Exercise Notice should be sent to the address specified above.

Terms used and not otherwise defined in this Put Exercise Notice have the meanings given to them in the terms and conditions of the Notes.

Signature of the holder: ..... Date: .....

N.B. The Paying Agents will not in any circumstances be liable to any Noteholder or any other person for any loss or damage arising from any act, default or omission of such Paying Agent in relation to the said Notes or any of them unless such loss or damage was caused by the fraud or negligence of such Paying Agent.

THIS PUT EXERCISE NOTICE WILL NOT BE VALID UNLESS (I) ALL OF THE PARAGRAPHS REQUIRING COMPLETION ARE DULY COMPLETED AND (II) IT IS DULY SIGNED AND SENT TO THE RELEVANT INTERMEDIARY.

NOTEHOLDERS ARE ADVISED TO CHECK WITH THE RELEVANT INTERMEDIARY WHEN SUCH INTERMEDIARY WOULD REQUIRE TO RECEIVE THE COMPLETED PUT EXERCISE NOTICE TO ARRANGE TO DELIVER THE PUT EXERCISE NOTICE AND THE NOTES TO BE REDEEMED TO THE ACCOUNT OF AN AGENT FOR THE ACCOUNT OF THE ISSUER BY THE RELEVANT OPTIONAL REDEMPTION DATE.

ONCE VALIDLY GIVEN THIS PUT EXERCISE NOTICE IS IRREVOCABLE.

Notes:

[1] Complete as appropriate.

[2] Only required for Put Exercise Notices in respect of Notes represented by Definitive Notes. In the case of a Put Exercise Notice relating to Definitive Notes, such Definitive Notes and each Coupon relating thereto maturing after the relevant Optional Redemption Date (if any) should be deposited with the Put Exercise Notice.

[2] Only required for Put Exercise Notices while the Notes are represented by Global Notes.

REGISTERED OFFICE OF THE ISSUER

Shanks Group plc
16 Charlotte Square
Edinburgh EH2 4DF
United Kingdom

PRINCIPAL OFFICE OF THE ISSUER

Shanks Group plc
Dunedin House
Auckland Park
Mount Farm
Milton Keynes
Buckinghamshire MK1 1BU
United Kingdom

REGISTERED OFFICES OF THE GUARANTORS

Caird Group Limited
16 Charlotte Square
Edinburgh EH2 4DF
United Kingdom

Shanks & McEwan (Environmental Services) Limited
Dunedin House
Auckland Park
Mount Farm
Milton Keynes
Buckinghamshire MK1 1BU
United Kingdom

Shanks & McEwan (Overseas Holdings) Limited
Dunedin House
Auckland Park
Mount Farm
Milton Keynes
Buckinghamshire MK1 1BU
United Kingdom

Shanks B.V.
Stoelmatter 41
2292 JM Wateringen
The Netherlands

Shanks Belgium Holding B.V.
Stoelmatter 41
2292 JM Wateringen
The Netherlands

Shanks Canada Finance Limited
675 Riverbend Drive
Kitchener
Ontario
N2K 3S3
Canada

Shanks Capital Investment Limited
Dunedin House
Auckland Park
Mount Farm
Milton Keynes
Buckinghamshire MK1 1BU
United Kingdom

Shanks Chemical Services Limited
Dunedin House
Auckland Park
Mount Farm
Milton Keynes
Buckinghamshire MK1 1BU
United Kingdom

Shanks Environmental Services Limited
Dunedin House
Auckland Park
Mount Farm
Milton Keynes
Buckinghamshire MK1 1BU
United Kingdom

Shanks Finance Limited
Dunedin House
Auckland Park
Mount Farm
Milton Keynes
Buckinghamshire MK1 1BU
United Kingdom

Shanks Financial Management Limited
Dunedin House
Auckland Park
Mount Farm
Milton Keynes
Buckinghamshire MK1 1BU
United Kingdom

Shanks Hainaut SA
Rue de l'Industrie 1
B-7321 Bernissart
Belgium

Shanks Holdings Limited
Dunedin House
Auckland Park
Mount Farm
Milton Keynes
Buckinghamshire MK1 1BU
United Kingdom

Shanks Investments
Dunedin House
Auckland Park
Mount Farm
Milton Keynes
Buckinghamshire MK1 1BU
United Kingdom

Shanks Liège-Luxembourg SA
Rue de l'Environnement 18
B-4100 Seraing
Belgium

Shanks PFI Investments Limited
Dunedin House
Auckland Park
Mount Farm
Milton Keynes
Buckinghamshire MK1 1BU
United Kingdom

Shanks SA
Rue Edouard Belin 3/1
1435 Mont-Saint Guibert
Belgium

Shanks SIL Capital Limited
Manor Place
St Peter Port
Guernsey GY1 4EW
Channel Islands

Shanks SIL Finance Limited
Manor Place
St Peter Port
Guernsey GY1 4EW
Channel Islands

Shanks SIL Investments Limited
Manor Place
St Peter Port
Guernsey GY1 4EW
Channel Islands

Shanks Vlaanderen NV
Kwadestraat 151 B
box 31
8800 Roeselare
Belgium

Shanks Waste Management Limited
Dunedin House
Auckland Park
Mount Farm
Milton Keynes
Buckinghamshire MK1 1BU
United Kingdom

JOINT LEAD MANAGERS

Fortis Bank NV/SA
(acting in Belgium under the commercial name BNP Paribas Fortis)
3 Montagne du Parc
B-1000 Bruxelles
Belgium

KBC Bank NV
2 Havenlaan
B-1080 Brussels
Belgium

PRINCIPAL PAYING AGENT

BNP Paribas Securities Services, Luxembourg Branch
33, rue de Gasperich, Howald - Hesperange
L-2085 Luxembourg
Grand Duchy of Luxembourg

TRUSTEE

BNP Paribas Trust Corporation UK Ltd
55 Moorgate
London EC2R 6PA
United Kingdom

SECURITY AGENT

Barclays Bank PLC
5 The North Colonnade
Canary Wharf
London E14 5BB
United Kingdom

LEGAL ADVISERS

To the Issuer and the Guarantors as to English law:

Ashurst LLP
Broadwalk House
5 Appold Street
London EC2A 2HA
United Kingdom

To the Issuer and the Guarantors as to Belgian law:

Ashurst LLP
Avenue Louise 489
1050 Brussels
Belgium

To the Issuer and the Guarantors as to Belgian tax law:

DLA Piper UK LLP
106 Avenue Louise
Brussels B-1050
Belgium

To the Issuer and the Guarantors as to Canadian law:

McCarter Grespan Beynon &Weir LLP
675 Riverbend Drive
Kitchener, ON
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