SHANKS GROUP PLC

(*incorporated in Scotland with registered number SC077438*)

Public offer in the Kingdom of Belgium and the Grand Duchy of Luxembourg of up to €100,000,000
4.23 per cent Guaranteed Notes due 30 July 2019

guaranteed by

Caird Group Limited

(incorporated in Scotland with registered number SC010344)

Orgaworld Canada Ltd.

(incorporated in Canada with registered number 812799-9)

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)

Shanks Belgium Holding B.V.

(incorporated in The Netherlands with registered number 24366534)

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)

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)

Shanks PFI Investments Limited

(incorporated in England & Wales with registered number 03158124)

Shanks SA

(incorporated in Belgium with registered number 0440.853.122)

Shanks Vlaanderen NV

(incorporated in Belgium with registered number 0429.366.144)

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: 30 July 2013

Offer Period: 9.00 a.m. (CET) on 3 July 2013 to 4.00 p.m. (CET) on 24 July 2013

The amount of up to €100,000,000 of 4.23 per cent guaranteed Notes due 30 July 2019 (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 30 July 2013 (the "**Trust Deed**") between (a) the Issuer, (b) Caird Group Limited, Orgaworld Canada Ltd., Shanks & McEwan (Environmental Services) Limited, Shanks & McEwan (Overseas Holdings) Limited, Shanks B.V., Shanks Belgium Holding B.V., 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 Vlaanderen NV and Shanks Waste Management Limited (each a "**Guarantor**" and together the "**Guarantors**", which expression shall include any subsidiary of the Issuer which becomes a guarantor 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 30 July 2019 (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, 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 30 July 2013 (the "**Issue Date**") at the rate of 4.23 per cent per annum payable annually in arrear on 30 July each year commencing on 30 July 2014. Payments on the Notes will be made in Euro without deduction for or on account of taxes imposed or levied by Belgium, Canada, 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 Conduct Authority (the "**FCA**"), which is the United Kingdom competent authority for the purpose of Directive 2003/71/EC, as amended (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 will be made for the Notes to be admitted to listing on the Official List of the FCA 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.

Application will also be made for a certificate of approval under Article 18 of the Prospectus Directive as implemented in the United Kingdom to be issued by the FCA to (1) the competent authority in Belgium, the Autoriteit voor Financiële Diensten en Markten / Autorité des services et marchés financiers (the "**FSMA**"), 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 Commission de Surveillance du Secteur Financier (the "**CSSF**"), for the purposes of the Public Offer in Luxembourg.

The Notes will be offered to the public in Belgium and Luxembourg (the "**Public Offer Jurisdictions**") between 9.00 a.m. (CET) on 3 July 2013 and 4.00 p.m. (CET) on 24 July 2013 (the "**Offer Period**"), or such earlier end date as BNP Paribas Fortis SA/NV and KBC Bank NV (each a "**Joint Lead Manager**" and, together, the "**Joint Lead Managers**") and the Issuer may agree (the "**Public Offer**"). Any such earlier end date of the Public Offer will be announced on the website of each of the Joint Lead Manager (*www.bnpparibasfortis.be/emissions / www.bnppparibasfortis.be/emissies 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 "*Important information relating to the Public Offer of the Notes" and "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 22 to 34 and to the warning set out under the heading "Warning" on page 6.

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**"). Interests in 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 from (but not including) 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 27 June 2013

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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 relating to itself or the Guarantee, 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.

Shanks Nederland B.V. accepts responsibility for the information contained in this Prospectus relating to itself and the Share Pledge 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; and that 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 and the Guarantee have not been and will not be registered under the Securities Act and the Notes are subject to United States tax law requirements. Subject to certain exceptions, Notes and the Guarantee 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.

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 appropriate knowledge 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.

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.

IMPORTANT INFORMATION RELATING TO THE PUBLIC OFFER OF THE NOTES

The Issuer consents to the use of this Prospectus in connection with the Public Offer in the Public Offer Jurisdictions during the Offer Period:

1. By any financial intermediary which is authorised to make such offers under the MiFID and publishes on its website the following statement (with the information in square brackets completed with the relevant information):

   "We, [*insert legal name of financial intermediary*], are a financial intermediary authorised under the Markets in Financial Instruments Directive (Directive 2004/39/EC) to make offers of securities such as the amount of up to €100,000,000 4.23 per cent Guaranteed Notes due 30 July 2019 (the "**Notes**") described in the prospectus dated 27 June 2013 (the "**Prospectus**") published by Shanks Group plc (the "**Issuer**"). We refer to the offer of the Notes in Belgium and Luxembourg during the period from 9.00 a.m. (CET) on 3 July 2013 to 4.00 p.m. (CET) on 24 July 2013 (the "**Public Offer**"). In consideration for the Issuer offering to grant its consent to our use of the Prospectus in connection with the Public Offer on the Authorised Offeror Terms specified in the Prospectus and, subject to the conditions to such consent, we hereby accept such offer. Accordingly, we are using the Prospectus in connection with the Public Offer in accordance with the consent of the Issuer on the Authorised Offeror Terms and subject to the conditions to such consent."

2. By the following financial intermediaries, for so long as they are authorised to make such offers under the MiFID:

   BNP Paribas Fortis SA/NV, 3 Montagne du Parc, B-1000 Bruxelles, Belgium (including the branches acting under the commercial name of Fintro)

   KBC Bank NV, 2 Havenlaan, B-1080 Brussels, Belgium (including CBC SA, 5 Grand-Place, B-1000 Brussels, Belgium)

   KBC Securities NV, 12 Havenlaan, B-1080 Brussels, Belgium

   The Issuer may give consent to additional financial intermediaries after the date of this Prospectus and, if it does so, the Issuer will publish the names of such additional financial intermediaries and identify them as Authorised Offerors on its website (www.shanksplc.com).

The "**Authorised Offeror Terms**" are that the relevant financial intermediary:

(a) represents, warrants and undertakes for the benefit of the Issuer and the Joint Lead Managers that it will, at all times in connection with the Public Offer:

(i) act in accordance with all applicable laws, rules, regulations and guidance of any applicable regulatory bodies (the "**Rules**") including, without limitation and in each case, Rules relating to both the appropriateness or suitability of any investment in the Notes by any person and disclosure to any potential Investor;

(ii) comply with the restrictions set out under "*Subscription and Sale*" in this Prospectus which would apply as if it were a Joint Lead Manager;

(iii) ensure that any fee (and any commissions or benefits of any kind) received or paid by that financial intermediary in relation to the offer or sale of the Notes does not violate the Rules and, to the extent required by the Rules, is fully and clearly disclosed to investors or potential investors;

(iv) hold all licences, consents, approvals and permissions required in connection with solicitation of interest in, or offers or sales of, the Notes under the Rules;

(v) comply with applicable anti-money laundering and anti-bribery Rules;

(vi) retain investor identification records for at least the minimum period required under applicable Rules, and shall, if so requested, make such records available to the Joint Lead Managers, to the Issuer or directly to the appropriate authorities with jurisdiction over the Issuer and/or the relevant Joint Lead Managers in order to enable the Issuer and/or the Joint Lead Managers to comply with anti-money laundering and anti-bribery Rules applying to the Issuer and/or the Joint Lead Managers;

(vii) ensure that it does not, directly or indirectly, cause the Issuer or the Joint Lead Managers to breach any Rule or subject the Issuer or the Joint Lead Managers to any requirement to obtain or make any filing, authorisation or consent in any jurisdiction;

(viii) comply with any further requirements relevant to the Public Offer;

(ix) not convey or publish any information that is not contained in or entirely consistent with this Prospectus;

(x) if it conveys or publishes any communication (other than this Prospectus or any other materials provided to such financial intermediary by or on behalf of the Issuer for the purposes of the relevant Public Offer) in connection with the relevant Public Offer, it will ensure that such communication (1) is fair, clear and not misleading and complies with the Rules, (2) states that such financial intermediary has provided such communication independently of the Issuer, that such financial intermediary is solely responsible for such communication and that none of the Issuer or the Joint Lead Managers accepts any responsibility for such communication and (3) does not, without the prior written consent of the Issuer or the Joint Lead Managers (as applicable), use the legal or publicity names of the Issuer or the Joint Lead Managers or any other name, brand or logo registered by an entity within their respective groups or over which any such entity retains a proprietary interest, except to describe the Issuer as issuer of the Notes;

(xi) co-operate with the Issuer and the Joint Lead Managers in providing such information (including, without limitation, documents and records maintained pursuant to paragraph (vi) above) upon written request from the Issuer or the Joint Lead Managers as is available to such financial intermediary or which is within its power and control from time to time, together with such further assistance as is reasonably requested by the Issuer or the Joint Lead Managers:

(A) in connection with any request or investigation by any regulator in relation to the Notes, the Issuer or the Joint Lead Managers; and/or

(B) in connection with any complaints received by the Issuer and/or the Joint Lead Managers relating to the Issuer and/or the Joint Lead Managers or another Authorised Offeror including, without limitation, complaints as defined in rules published by any regulator of competent jurisdiction from time to time; and/or

(C) which the Issuer or the Joint Lead Managers may reasonably require from time to time in relation to the Notes and/or as to allow the Issuer or the Joint Lead Managers fully to comply with its own legal, tax and regulatory requirements,

in each case, as soon as is reasonably practicable and, in any event, within any time frame set by any such regulator or regulatory process; and

(xii) during the primary distribution period of the Notes: (i) only sell the Notes at the Issue Price (unless otherwise agreed with the Joint Lead Managers); (ii) only sell the Notes for settlement on the Issue Date; (iii) not appoint any sub-distributors (unless otherwise agreed with the Joint Lead Managers); (iv) not pay any fee or remuneration or commissions or benefits to any third parties in relation to the offering or sale of the Notes (unless otherwise agreed with the Joint Lead Managers); and (v) comply with such other rules of conduct as may be reasonably required and specified by the Joint Lead Managers;

(b) undertakes to indemnify the Issuer and the Joint Lead Managers (in each case on behalf of such entity and its respective directors, officers, employees, agents, affiliates and controlling persons) against any losses, liabilities, costs, claims, charges, expenses, actions or demands which any of them may incur or which may be made against any of them arising out of or in relation to, or in connection with, any breach of any of the foregoing representations, warranties or undertakings by such financial intermediary, including (without limitation) any unauthorised action by such financial intermediary or failure by such financial intermediary to observe any of the above restrictions or requirements; and

(c) agrees and accepts that:

(i) the contract between the Issuer and the financial intermediary formed upon acceptance by the financial intermediary of the Issuer's offer to use this Prospectus with its consent in connection with the Public Offer (the "**Authorised Offeror Contract**"), and any non-contractual obligations arising out of or in connection with the Authorised Offeror Contract, shall be governed by, and construed in accordance with, English law;

(ii) subject to (iv) below, the courts of England are to have exclusive jurisdiction to settle any disputes which may arise out of or in connection with the Authorised Offeror Contract (including a dispute relating to any non-contractual obligations arising out of or in connection with the Authorised Offeror Contract) (a "**Dispute**") and the Issuer and the financial intermediary submit to the exclusive jurisdiction of the English courts;

(iii) for the purposes of (c)(ii) and (iv), the Issuer and the financial intermediary waive any objection to the English courts on the grounds that they are an inconvenient or inappropriate forum to settle any dispute;

(iv) this paragraph (iv) is for the benefit of the Issuer and each Joint Lead Manager. To the extent allowed by law, the Issuer and each Joint Lead Manager may, in respect of any Dispute or Disputes, take (1) proceedings in any other court with jurisdiction; and (2) concurrent proceedings in any number of jurisdictions; and

(v) each Joint Lead Manager will, pursuant to the Contracts (Rights of Third Parties) Act 1999, be entitled to enforce those provisions of the Authorised Offeror Contract which are, or are expressed to be, for their benefit, including the agreements, representations, warranties, undertakings and indemnity given by the financial intermediary pursuant to the Authorised Offeror Terms.

The Issuer accepts responsibility in the Public Offer Jurisdictions during the Offer Period for the content of this Prospectus in relation to any person (an "**Investor**") in a Public Offer Jurisdiction to whom an offer of Notes is made by any financial intermediary to whom it gives its consent to use this

Prospectus as described above (each, an "**Authorised Offeror**") during the Offer Period. However, neither the Issuer nor any Joint Lead Manager has any responsibility for any of the actions of any Authorised Offeror, including compliance by an Authorised Offeror with applicable conduct of business rules or other local regulatory requirements or other securities law requirements in relation to such offer.

The Issuer has not authorised the making of any Public Offer of Notes other than as described in this Prospectus, nor has it consented to the use of this Prospectus by any person other than the Authorised Offerors in connection with any Public Offer. Any such unauthorised offers are not made by or on behalf of the Issuer, the Guarantors or the Joint Lead Managers and none of the Issuer, the Guarantors and the Joint Lead Managers accepts any responsibility or liability for the actions of the persons making any unauthorised offer of Notes. If an Investor is in any doubt about whether it can rely on this Prospectus and/or who is responsible for its contents, it should take legal advice.

An Investor intending to acquire or acquiring any Notes from an Authorised Offeror will do so, and offers and sales of the Notes to an Investor by an Authorised Offeror will be made, in accordance with any terms and other arrangements in place between the relevant Authorised Offeror and such Investor including as to price, allocation, settlement arrangements and any expenses or taxes to be charged to the Investor (the "Terms and Conditions of the Public Offer"). The Issuer will not be a party to any such arrangements with Investors (other than the Joint Lead Managers) in connection with the offer or sale of the Notes. The Terms and Conditions of the Public Offer shall be provided to Investors by that Authorised Offeror at the relevant time. None of the Issuer, any of the Guarantors and the other Authorised Offerors has any responsibility or liability for such information.

Each Authorised Offeror will provide information to Investors on the Terms and Conditions of the Public Offer and will, for the duration of the Offer Period, publish on its website that it is using this Prospectus for the Public Offer in accordance with the consent of the Issuer and the conditions attached thereto.

DEFINITIONS

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, whichever occurs later, the Issuer will have a supplement to this Prospectus published containing this information. This supplement will be published in compliance with at least the same regulations as this Prospectus and will be published on the websites of the Joint Lead Managers (*www.bnpparibasfortis.be/emissions / www.bnppparibasfortis.be/emissies 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.morningstar.co.uk/uk/NSM*). In the event that a supplement is published within 48 hours of the expected settlement of the Notes, the Issue Date will be postponed by two business days.

The Issuer will ensure that such supplement is submitted to the FCA 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 FCA. 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 2013, together with the notes thereto and the Auditors' report thereon, which can be found on pages 72 to 118 of the Issuer's Annual Report for the financial year ended 31 March 2013 (the "**2013 Annual Report**"); and

(b) the audited consolidated financial statements of the Issuer as at and for the financial year ended 31 March 2012, together with the notes thereto and the Auditors' report thereon, which can be found on pages 86 to 140 of the Issuer's Annual Report for the financial year ended 31 March 2012 (the "**2012 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 2012 Annual Report and the 2013 Annual Report are available, free of charge, in electronic format on the website of the Issuer (*www.shanksplc.com/investor-centre*) and as detailed in "*General Information — Documents on Display*".

For ease of reference, the tables below set out the relevant page references in the 2013 Annual Report and the 2012 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 2013 and 31 March 2012. Information contained in the documents incorporated by reference other than information listed in the tables below is either not relevant for the investors or is covered elsewhere in the Prospectus and does not form part of this Prospectus. Information contained on websites referred to in this Prospectus does not form part of this Prospectus.

2013 Annual Report

Auditors' Report	Page 72
Financial Statements	Pages 74 to 77
Notes to Financial Statements	Pages 78 to 118

2012 Annual Report

Auditors' Report	Page 86
Financial Statements	Pages 88 to 91
Notes to Financial Statements	Pages 92 to 140

SUMMARY

Summaries are made up of disclosure requirements known as "Elements". These elements are numbered in Sections A – E (A.1 – E.7). This summary contains all the Elements required to be included in a summary for this type of securities, issuer and guarantors. Because some Elements are not required to be addressed, there may be gaps in the numbering sequence of the Elements.

Even though an Element may be required in the summary because of the type of securities and issuer, it is possible that no relevant information can be given regarding the Element. In this case a short description of the Element is included in the summary with the mention of "Not Applicable".

	Section A – Introduction and Warnings	
A.1	**Introduction:**	This summary should be read as introduction to this Prospectus. Any decision to invest in the Notes should be based on consideration of this Prospectus as a whole by the investor. Where a claim relating to the information contained in this Prospectus is brought before a court, the plaintiff investor might, under the national legislation of the Member States, have to bear the costs of translating this Prospectus before the legal proceedings are initiated. Civil liability attaches only to those persons who have tabled the summary including any translation thereof, but only if the summary is misleading, inaccurate or inconsistent when read together with the other parts of this Prospectus or it does not provide, when read together with the other parts of this Prospectus, key information in order to aid investors when considering whether to invest in such Notes.
A.2	**Consent:**	The Issuer consents to the use of this Prospectus by the Authorised Offerors in relation to the public offer of the Notes into Belgium and Luxembourg (the "**Public Offer**"). The offer period will be from 9.00 a.m. (CET) on 3 July 2013 to 4.00 p.m. (CET) on 24 July 2013 (the "**Offer Period**"). The Joint Lead Managers and the Issuer may agree to an earlier end date for the Public Offer, including in the case that Joint Lead Managers fully place their allotments of Notes, 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. ***Authorised Offerors***: (1) any financial intermediary which is authorised to make such offers under the MiFID and which publishes on its website the following statement (with the information in square brackets completed with the relevant information): "We, [*insert legal name of financial intermediary*], are a financial intermediary authorised under the Markets in Financial Instruments Directive (Directive 2004/39/EC) to make offers of securities such as the amount of up to €100,000,000 4.23 per cent Guaranteed Notes due 30 July 2019 (the "**Notes**") described in the prospectus dated 27 June 2013 (the "**Prospectus**") published by Shanks Group plc (the "**Issuer**"). We refer to the offer of the Notes in Belgium and Luxembourg during the period from 9.00 a.m. (CET) on 3 July 2013 to 4.00 p.m. (CET) on 24 July 2013 (the "**Public Offer**"). In consideration for the Issuer offering to grant its consent to our use of the Prospectus in connection with the Public Offer on the Authorised Offeror Terms specified in the Prospectus and, subject to the conditions to such consent, we hereby accept such offer. Accordingly, we are using the Prospectus in connection with the Public Offer in accordance with the consent to the Issuer on the Authorised Offeror Terms and subject to the conditions of such consent"; and (2) the following financial intermediaries, for so long as they are authorised to make offers of the Notes under the MiFID: BNP Paribas Fortis SA/NV (including the branches acting

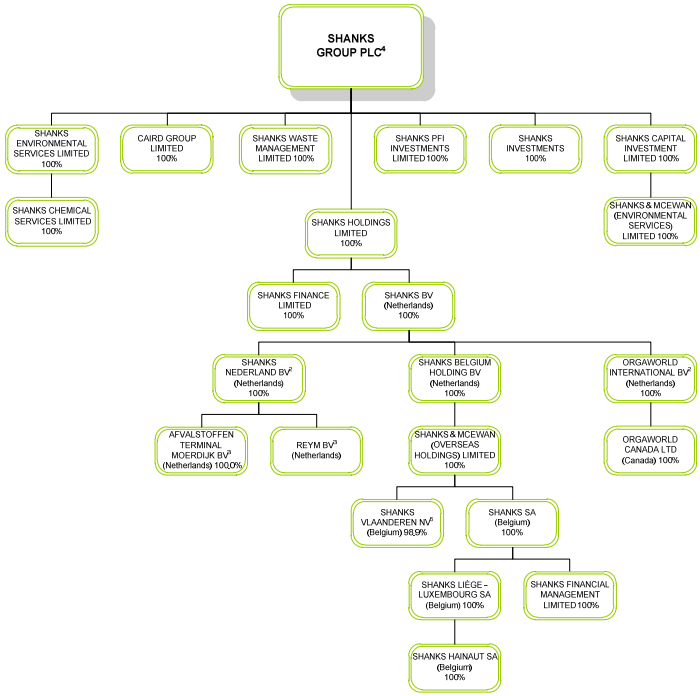
		under the commercial name of Fintro), KBC Bank NV (including CBC SA) and KBC Securities NV. The Issuer may give consent to additional financial intermediaries after the date of this Prospectus and, if it does, the Issuer will publish the names of such additional financial intermediaries and identify them as Authorised Offerors on its website (www.shanksplc.com). **Each Authorised Offeror will provide information to an Investor on the terms and conditions of the Public Offer at the time such Public Offer is made by the relevant Authorised Offeror to the Investor.**

	Section B – Issuer, Guarantors and Shanks Nederland B.V.	
B.1	**Legal name and commercial name:**	***The Issuer***: Shanks Group plc ***The Guarantors***: Caird Group Limited, Orgaworld Canada Ltd., Shanks & McEwan (Environmental Services) Limited, Shanks & McEwan (Overseas Holdings) Limited, Shanks B.V., Shanks Belgium Holding B.V., 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 Vlaanderen NV and Shanks Waste Management Limited. ***Share Pledge*:** a pledge over Shanks Nederland B.V.'s shares.
B.2	**Domicile, legal form, legislation and country of incorporation:**	The Issuer, Shanks Group plc, is a public company limited by shares incorporated and registered in Scotland with registration number SC077438. It operates under the Companies Act 2006 (as amended). The corporate head office is in the United Kingdom and its registered office is in Scotland. The following Guarantors are incorporated in England and Wales or Scotland (as applicable) and operate under the Companies Act 2006 (as amended). They all have their registered offices in the United Kingdom:

Guarantor	**Type of Company**	**Registration Number**
Caird Group Limited	Private Limited Company (Scotland)	SC010344
Shanks Capital Investment Limited	Private Limited Company (England and Wales)	04391813
Shanks Chemical Services Limited	Private Limited Company (England and Wales)	00934787
Shanks Environmental Services Limited	Private Limited Company (England and Wales)	04391804
Shanks Finance Limited	Private Limited Company (England and Wales)	04265481
Shanks Financial Management Limited	Private Limited Company (England and Wales)	05365983
Shanks Holdings Limited	Private Limited Company (England and Wales)	03886399
Shanks Investments	Private Unlimited Company (England and Wales)	05315714
Shanks & McEwan (Environmental Services) Limited	Private Limited Company (England and Wales)	01954243

		Shanks & McEwan (Overseas Holdings) Limited — Private Limited Company (England and Wales) — 02563748 Shanks PFI Investments Limited — Private Limited Company (England and Wales) — 03158124 Shanks Waste Management Limited — Private Limited Company (England and Wales) — 02393309 The following Guarantors are incorporated in Belgium and operate under the Belgian Companies Code. They all have their registered offices in Belgium: **Guarantor** — **Type of Company** — **Registration Number** Shanks SA — Société Anonyme (Belgium) — 0440.853.122 Shanks Hainaut SA — Société Anonyme (Belgium) — 0432.547.546 Shanks Liège-Luxembourg SA — Société Anonyme (Belgium) — 0452.324.361 *Shanks Vlaanderen NV* — *Naamloze Vennootschap (Belgium)* — *0429.366.144* The following Guarantors are incorporated in The Netherlands and operate under the Civil Code of The Netherlands. They all have their registered offices in The Netherlands: **Guarantor** — **Type of Company** — **Registration Number** Shanks B.V. — Private Limited Company (The Netherlands) — 34129989 *Shanks Belgium Holding B.V.* — *Private Limited Company (The Netherlands)* — *24366534* Orgaworld Canada Ltd. is a Guarantor and is a private corporation incorporated in Canada under company registration number 812799-9. It operates under the Canada Business Corporations Act and has its registered office in Canada. Shanks Nederland B.V. is a private corporation incorporated in The Netherlands under company registration number 24186893. It operates under the Civil Code of The Netherlands and has its registered office in The Netherlands.
B.4b	**Trends:**	The following are descriptions of known trends affecting the Group, including the Issuer, the Guarantors and Shanks Nederland B.V., and the industries in which the Group operates. **Solid Waste** – The Netherlands, Belgium and the UK This market has contracted in the Financial Year 2013 and has been under sustained and significant pressure during the recession, principally as a result of a reduction in the waste volumes from target sectors. **Hazardous Waste** Growth in the cleaning element of the market has been flat at best in the Financial Year 2013, with moderate growth in the services element of the market. Despite this moderate growth, prices have remained under pressure. The waste water market has grown in the Financial Year 2013 as a

		result of increased regulation and growth in the ship cleaning business. A downturn in government and EU sponsored remediation and construction has put pressure on the soil sector of the market in the Financial Year 2013. The paints and solvents treatment market has over-capacity in treatment assets and is not seen as an area for growth. **Organics** In The Netherlands, the market is fairly mature but the overall volumes of source segregated organic waste are expected to grow steadily. In the UK, the market is less mature. In Canada and North America, national and provincial governments have passed legislation to support more sustainable methods of waste treatment which has led to a significant increase in bidding activity for municipal and province-level contracts. **UK Municipal** A waste treatment provider or solution has been identified for around 75 per cent of all UK municipal waste, with up to half of the required assets having been built. The PFI funding structure has ended, so the remainder of the market needs to seek solutions in shorter-term financing models and/or by leveraging capacity in existing assets and those under construction.
B.5	**The Group:**	The Group, including the Issuer, the Guarantors and Shanks Nederland B.V., is a leading international sustainable waste management business. The diagram below illustrates the corporate structure of the Issuer, the Guarantors and Shanks Nederland B.V. as at the date of this Prospectus:

		Shanks Making more from waste Shanks Group plc Group Legal Structure as at the date of this Prospectus (Guarantee Companies)  Notes: 1. Companies are incorporated in either England & Wales or Scotland unless otherwise indicated in brackets. 2. Orgaworld International BV and Shanks Nederland BV are not guarantee companies, but included to show current legal structure. 3. Afvalstoffen Terminal Moerdijk BV & Reym BV are not guarantee companies, but shown as main hazardous waste trading companies. 4. All companies are controlled by the ultimate parent company Shanks Group plc (the 'Issuer') 5. Shanks Vlaanderen NV: - 100,020 Shares owned by Shanks & McEwan (Overseas Holdings) Limited (98.9%); - 1,110 Shares owned by Group Company Enviro+ NV (1.1%); and - 1 Share owned by the Issuer Shanks Group plc
B.9	**Profit forecast or profit estimate:**	Not applicable; no profit forecast or estimate is made.
B.10	**Audit report qualifications**	Not applicable; there are no qualifications in the Audit report of the Issuer's consolidated financial statements for the years ended 31 March 2012 and 31 March 2013.

B.12	**Selected key financial information:** **A statement that there has been no material adverse change in the prospects of the issuer since the date of its last published audited financial statements or a description of any material adverse change; and a description of significant changes in the financial or trading position subsequent to the period covered by the historical financial information:**	<table><tr><th></th><th>Financial Year 2013</th><th>Financial Year 2012</th></tr><tr><td></td><td>(£ million)</td><td></td></tr><tr><td>Revenue</td><td>670.0</td><td>750.1</td></tr><tr><td>EBITDA</td><td>84.8</td><td>102.4</td></tr><tr><td>Trading Profit(1)</td><td>41.3</td><td>53.4</td></tr><tr><td>Underlying free cash flow(2)</td><td>48.8</td><td>43.0</td></tr><tr><td>Underlying Profit before tax(3)</td><td>26.5</td><td>37.3</td></tr><tr><td>(Loss)/profit before tax</td><td>(35.3)</td><td>29.9</td></tr></table> (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, exceptional items and changes in fair value of derivatives. There has been no material adverse change in the prospects of the Issuer, the Guarantors and Shanks Nederland B.V. since 31 March 2013. There has been no significant change in the financial or trading position of the Group since 31 March 2013.
B.13	**Recent events:**	Not applicable; there are no recent events particular to the Issuer, the Guarantors or Shanks Nederland B.V. which are to a material extent relevant to the evaluation of the Issuer's, any Guarantor's or Shanks Nederland B.V.'s solvency.
B.14	**Dependence upon other entities within the Group:**	As holding company of the Group, the Issuer's operating results and financial condition are entirely dependent on the performance of members of the Group. The following Guarantors are dependent on other entities in the Group: Shanks & McEwan (Overseas Holdings) Limited is a debtor of Shanks Financial Management Limited; Shanks Chemical Services Limited is a debtor of its indirect subsidiary, Shanks Chemical Services (Scotland) Limited and Shanks & McEwan (Environmental Services) Limited; Shanks Environmental Services Limited is a debtor of the Issuer; Shanks Investments is a debtor of the Issuer; Shanks Waste Management Limited is a debtor of the Issuer; Shanks B.V. is a debtor of other Group companies, the Issuer and Shanks Investments; and Shanks Nederland B.V. is a debtor of other Group companies, its holding company, Shanks B.V. and its own subsidiaries. No other Guarantor is dependent on other entities in the Group. Shanks Nederland B.V. is not dependent on other entities in the Group.
B.15	**Principal activities:**	The Group, including the Issuer, the Guarantors and Shanks Nederland B.V., is a leading sustainable waste management business. Its portfolio of facilities and businesses offers alternatives to landfill, recycling and waste collection capabilities and proven waste-to-energy technologies. The principal activities encompass the sorting, reprocessing and

		recycling of solid waste; hazardous waste (including contaminated soil, water and other materials); organic waste (from municipal and industrial sectors); and, in the United Kingdom, municipal solid waste.
B.16	**Controlling persons:**	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: **Number of shares** / **Percentage** Schroders plc ..... 55,275,505 13.90% Royal London Asset Management ..... 19,898,363 5.01% Norges Bank ..... 21,102,718 5.31% Legal & General Group plc ..... 13,138,758 3.31% Sterling Strategic Value Ltd ..... 11,954,123 3.01% The following Guarantors are wholly owned by the Issuer: Shanks Waste Management Limited, Caird Group Limited, Shanks Environmental Services Limited, Shanks PFI Investments Limited, Shanks Holdings Limited, Shanks Capital Investment Limited and Shanks Investments. Shanks & McEwan (Environmental Services) Limited is wholly owned by Shanks Capital Investment Limited. Shanks Chemical Services Limited is wholly owned by Shanks Environmental Services Limited. The following Guarantors are wholly owned by Shanks Holdings Limited: Shanks Finance Limited and Shanks B.V. Shanks Belgium Holding B.V. is wholly owned by Shanks B.V. Orgaworld Canada Ltd. is wholly owned by Orgaworld International B.V., which is wholly owned by Shanks B.V. Shanks & McEwan (Overseas Holdings) Limited is wholly owned by Shanks Belgium Holding B.V. The following Guarantors are wholly owned by Shanks & McEwan (Overseas Holdings) Limited: Shanks Vlaanderen NV and Shanks SA. The following Guarantors are wholly owned by Shanks SA: Shanks Liège-Luxembourg SA and Shanks Financial Management Limited. Shanks Hainaut SA is wholly owned by Shanks Liège-Luxembourg SA. Shanks Nederland B.V. is wholly owned by Shanks B.V.
B.17	**Credit ratings:**	Not applicable. Shanks Group plc has not been assigned a rating. The Notes to be issued have not been assigned any ratings solicited by the Issuer.

B.18	**Guarantee:**	***The 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 described below. The Trust Deed will contain the Guarantee and the provisions for addition and removal of Guarantors. ***Status of the Guarantee*****:** The Guarantee provided by each Guarantor will constitute an unsubordinated and (subject as described below) unconditional obligation of such Guarantor. ***Limitation of Certain Guarantors' Liability*****:** The Guarantee provided by any Guarantor incorporated in The Netherlands and Belgium may be limited. ***Share Pledge*****:** The Notes, upon issue, have the benefit of 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. (the "**Share Pledge**"). The Share Pledge is not a guarantee. If the security agent enforces the security, the net proceeds of the sale of the shares of Shanks Nederland B.V. will be applied towards the repayment of the Notes, the Outstanding Notes and the other creditors under the Group's Financing but ahead of any other creditors.
B.19	**Guarantors:**	See Element B.1 to Element B.18 above.

	Section C – The Notes	
C.1	**Type and class:**	The Notes will be issued in bearer form in the denomination of €1,000 each. The Notes will be constituted by, will have the benefit of and will in all respects be subject to, the Trust Deed. The Notes have been accepted for clearance through Euroclear and Clearstream, Luxembourg. They have the ISIN XS0949931645 and the Common Code 094993164.
C.2	**Currency:**	Euro.
C.5	**Restrictions on free transferability:**	Subject to compliance with any applicable selling restriction, the Notes are freely transferable.
C.8	**Rights attaching to the securities, including ranking and limitations to those rights:**	***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 has the benefit of the Guarantee and the Transaction Security. ***Negative Pledge***: The Notes contain a negative pledge provision. ***Cross Default and Cross Acceleration***: The Notes contain a cross default and cross acceleration provision. ***Events of Default***: The Conditions contain Events of Default including, but not limited to, in respect of (a) non-payment, (b) breach of other obligations, (c) cross default subject to a threshold of £20,000,000, (d) unsatisfied judgment, (e) security enforcement, (f) insolvency, and (g) winding-up. The provisions include certain minimum thresholds and grace periods. In addition, Trustee certification that certain events would be materially prejudicial to the interests of the Noteholders is required before certain events will be deemed to constitute Events of

		Default. ***Meetings***: The Conditions contain certain 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. ***Modification and Waiver***: The Trustee may, without the consent of the Noteholders or Couponholders, agree to certain modifications 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. ***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, The Netherlands and the United Kingdom, unless the withholding is required by law or in connection with FATCA. In that event the Issuer or relevant Guarantor will (subject to certain exceptions) 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 are governed by English law and the Share Pledge is governed by Dutch law.
C.9	**Rights attaching to the securities, including information as to interest, maturity, yield and the representatives of the Holders:**	***Interest***: The Notes will bear interest from (and including) the Issue Date at a rate of 4.23 per cent per annum payable annually in arrear on 30 July in each year commencing 30 July 2014. ***Maturity Date***: 30 July 2019. ***Redemption***: Unless previously redeemed or purchased and cancelled in accordance with the Conditions, the Notes will be redeemed at their principal amount on the Maturity Date. ***Optional Redemption***: Early redemption at the option of the Noteholders prior to the Maturity Date will only be permitted following a Change of Control. ***Tax Redemption***: Early redemption at the option of the Issuer prior to the Maturity Date will only be permitted for tax reasons. ***Issue Price***: The issue price is 101.875 per cent of the principal amount of the Notes. ***Indication of Yield***: Based on the Issue Price and a redemption of the Notes on the Maturity Date at par, the anticipated gross yield of the Notes at the Issue Date will be 3.874 per cent per year and the anticipated net yield of the Notes at the Issue Date will be, for the retail investors in Belgium, 2.828 per cent per year, taking into account the Belgian withholding tax of 25 per cent per year applicable to Belgian retail investors. Such yield does not take into account other possible costs, such as the costs linked to the custody of the retail investors' accounts and/or any other tax regime. ***Representative of the Noteholders***: BNP Paribas Trust Corporation UK

		Ltd will act as trustee (the "**Trustee**"). 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. ***Security Agent***: Barclays Bank PLC will act 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 Trustee (on behalf of itself and the Noteholders) will, pursuant to the Intercreditor Accession Deed, have the benefit of the Transaction Security.
C.10	**Derivative components in interest payment:**	Not applicable: the Notes bear interest at a fixed rate and there is not a derivative component in the interest payments.
C.11	**Listing and trading:**	Application will be made for the Notes to be admitted to listing on the Official List of the FCA 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.

	Section D – Risks	
D.2	**Key information on the key risks that are specific to the Issuer or its industry:**	The following is key information on the key risks that are specific to the Group, including the Issuer, the Guarantors and Shanks Nederland B.V., or its industry: **Incoming waste arising in the market may fall**. The volume of waste received closely mirrors the industrial and commercial output in the geographic areas in which the Group's facilities are located. As a consequence, the revenues of the Group may be adversely affected by a downturn in economic activity in those geographic areas. **Market pricing may put pressure on the Group's margins**. The Group operates in competitive markets where competition for waste materials has led and may in the future lead to lower margins for waste management companies which may restrict the Group's ability to generate cash. Any sustained reduction in its ability to generate cash may prevent the Group from, among others things, growing its operations from acquisitions and could lead to increased debt levels. This may have an adverse impact on the Group's results of operations and financial position. **The Group may lack the required management capabilities**. 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. **The Group may be exposed under its long-term contracts**. The Group has a limited number of key long-term contracts which generate substantial revenue and profit for the Group and the Group continues to identify new long-term contracts to enter into. Entry into these contracts on disadvantageous terms may have a material adverse impact on the

		Group's results of operations and financial position. **The Group may be unable to refinance its debt effectively or the Group may be unable to generate sufficient cash to grow**. The Issuer expects on current performance that it will be able to refinance in the current corporate debt market. Should the economic and credit market conditions deteriorate significantly and/or the Group's debt levels increase, it is possible that the Group will not be able to renew its financing at current rates or amounts or at all. This may have an adverse effect on the Group's ability to meet its growth plans and may have a material adverse effect on its financial condition and prospects. **Fire or another physical disaster could cause an interruption in 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.
D.3	**Key information on the key risks that are specific to the Notes:**	The following is key information on the key risks that are specific to the Notes: ***Risks relating to the Notes***: As fixed-rate securities, the Notes are vulnerable to fluctuations and movements in market interest rates. The value of the Notes may also be affected by other factors, meaning that the price at which a Noteholder will be able to sell the Notes prior to maturity may be at a discount from the price paid by such purchaser. The Issuer may choose to redeem the Notes for tax reasons, and 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. The Put Option may only be exercised in specified circumstances, which may not cover all situations where a change of control may occur. Additionally, 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. 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 (or the Issuer only) for payments. Furthermore, the Guarantee provided by Guarantors incorporated in The Netherlands and Belgium will be subject to limitations under the laws of those jurisdictions and there can be no assurance as to the amount, if any, and timing of any payment of the Guarantors incorporated in The Netherlands and Belgium. 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. 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 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 Noteholders' rights (including the ability of the Trustee to take enforcement action against the Issuer and Guarantors) are subject to limitations in the Intercreditor Deed. For example, in respect of certain requests to the Trustee in relation to consents, approvals, releases, waivers, agreements or approvals under the Intercreditor Deed or a Security Document, unless the Trustee is instructed by the Noteholders pursuant to a Snooze/Lose Extraordinary Resolution to take or refrain from taking any actions, it will not do so and if as a result, the Trustee fails to respond to such request, consent, approval, release, waiver, agreement or approval 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. The Conditions contain provisions for calling meetings of Noteholders which 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. ***Risks relating to the Market Generally***: The Notes may have no established trading market when issued and one may never develop. Any market that does develop may not be very liquid. The Issuer will pay principal and interest on the Notes in Euro. If an investor's financial activities are denominated principally in a currency other than Euro, it may be subject to currency conversion risks. The structure of the transaction is based on the law and administrative practice in effect at the date of this Prospectus and no assurance can be given that there will not be any change which might impact on the Notes and the expected principal and interest payments. ***Risks relating to Taxation***: The Issuer's and Guarantors' obligation to gross up in the event that withholding or deduction is required by law or in connection with FATCA is subject to a number of exceptions. 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. Purchasers and sellers of the Notes 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.

	Section E – Offer	
E.2b	**Reasons for the offer and use of proceeds:**	The net proceeds of the issue of the Notes will be used by the Issuer for its general corporate purposes.
E.3	**Terms and Conditions of the Public Offer:**	***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 being executed by all parties thereto prior to the start of the Offer Period; (b) the correctness of the representations and warranties made by the Issuer and the Guarantors in the Subscription Agreement; (c) 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;

		(d) the issue of a certificate of approval under Article 18 of the Prospectus Directive as implemented in the United Kingdom by the FCA to the CSSF and FSMA together with translations of this Prospectus summary in French and Dutch as required by the Belgian Prospectus Law and approval by the FSMA of the marketing materials to be used in Belgium in connection with the Public Offer; and (e) various legal opinions and comfort letters being delivered. ***Issue Price***: Investors who are retail investors will pay the Issue Price. A non-retail 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 non-retail investor, each as determined by the Joint Lead Managers in their sole discretion. ***Result(s) of the Public Offer***: The result(s) 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* / *www.bnppparibasfortis.be/emissies 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 FSMA. 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.
E.4	**Interests material to the issue:**	The Issuer has appointed BNP Paribas Fortis SA/NV and KBC Bank NV (the "**Joint Lead Managers**") as joint lead managers for the Notes. Interests material to the issue/offer of Notes may arise principally as a result of the ordinary business activities of the Joint Lead Managers and their affiliates, in the course of which they may make, hold and actively trade investments that may involve Notes and/or instruments of the Issuer, the Guarantors or the Issuer's affiliates, including Notes, and may hedge their credit exposure to the Issuer. Such hedging may include the purchase of credit default swaps or the creation of short positions in Notes of the Issuer, the Guarantors or the Issuer's affiliates, including potentially the Notes. The Joint Lead Managers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of the Notes. Additionally, the Joint Lead Managers and their respective affiliates have performed various investment banking, financial advisory and other services for the Shanks Group (such as entering into credit facilities with the Shanks Group), and may provide such services in the future.
E.7	**Estimated expenses:**	It is not anticipated that the Issuer will charge any expenses to investors in connection with any issue of Notes. The Authorised Offeror(s) will charge expenses to investors as follows: (a) subscribers who are retail 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) subscribers who are non-retail investors will normally bear a distribution commission of 1 per cent of the principal amount of the Notes subscribed for, subject to the relevant discount or margin. Such commission will be included in the issue price applied to them. Any financial services for the Notes (i.e., payment of interest and principal) will be provided free of charge by BNP Paribas Fortis SA/NV 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 of the Joint Lead Managers on the date that subscriptions are settled 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 / www.bnpparibasfortis.be/ sparenenbeleggen > Nuttige info or www.kbc.be*)).

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 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 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. 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.

Competitive pressures may impact margins and constrain the Group's ability to generate cash, invest and grow and/or service its debts.

The Group operates in competitive markets where competition for waste materials has led and may in the future lead to reduced prices to customers and lower margins for waste management companies. As a result, the Group may not be able to generate sufficient cash from its trading activities to reinvest in operations as well as service its debt. Any sustained reduction in its ability to generate cash may prevent the Group from investing in necessary new plants or growing its operations from acquisitions and could lead to increased debt levels. This may have an adverse 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.

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

The Group has a limited number of key long-term commercial contracts, (typically lasting 25 years) which generate substantial revenue and profit for the Group, including, in particular, PFI and PPP municipal waste contracts. Entering into these long-term contracts, which expire between 2026 and 2040, exposes the Group to the risks of:

(a) an increase 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) an increase in costs that are not met through corresponding attributable increases in revenues from such contracts; and

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

Unless, and to the extent that, such risks are taken into account in periodic benchmarking and/or market testing, they may have a materially adverse effect on the Group's future revenues and profitability. Persistent or major failure to meet performance targets may result in early termination of these contracts which may materially adversely affect the Group's future revenues and profitability.

The Group may be unable to refinance its borrowings.

The Group has issued Series B Notes (the "**Series B Notes**") which are approximately €18.1 million in aggregate principal amount under a private placement agreement (the "**Pricoa Note Agreement**"), which are due to be repaid in September 2013. The Group intends to repay the Series B Notes from funds drawn under its existing committed bank facilities which have, at the date of this Prospectus, in excess of €48 million undrawn funds. The Group is also financed by, excluding working capital facilities and facilities relating to its PFI and PPP projects, a) Series A Notes issued under the Pricoa Note Agreement which are €40 million in aggregate principal amount which are due to be repaid in 2018, b) previous issuance of notes to retail investors in the aggregate principal amount of €100 million (the "**Outstanding Notes**") which are due to be repaid in 2015 and c) a €188.4 million and C$50.0 million term loan and multicurrency revolving credit facility (the "2011 Bank Facility") which is due to be repaid in 2015 (together, the "**Longer Term Group Financing**").

The Group fully expects, in current market conditions, and has received assurances in preliminary discussions with its financial advisers, existing banks, private placement noteholders and other financial institutions who are not current lenders, that it would currently be able to refinance the Longer Term Group Financing due in 2015 to 2018. Global events such as the credit crises of the recent past might result in a reduction in the amount of credit available to the Group or increase in the cost of its borrowings which might have an adverse effect on the Group's ability to meet its growth plans and may have a material adverse effect on its financial condition and prospects.

The Pricoa Note Agreement and the 2011 Bank Facility (the "**Financing Agreements**" and each a "**Financing Agreement**") contain numerous covenants, undertakings and warranties by the Issuer and the Guarantors. The covenants are designed, amongst other things, to prevent the Group from incurring too much debt or interest costs relative to its earnings and profits. The breach of any covenants, undertakings or warranties, or non-performance of the obligations by one or more of the Issuer or the Guarantors under either Financing Agreement, or any default under the Outstanding Notes or the Notes (which both are subject to identical default provisions), if not cured or waived within specified periods could result in the acceleration of debt repayment under the relevant Financing Agreement, the Outstanding Notes or the Notes (as applicable), which may result in a cross default under the other Financing Agreement, the Outstanding Notes and the Notes (as applicable). Such an event may affect the Group’s ability to obtain alternative financing in the longer term, either on a timely basis or on terms favourable to the Group, and the Group’s ability to pursue its strategic business plans. This could have a material adverse effect on the Group’s financial condition, results of operations and prospects.

Any failure to refinance the Group may also affect the Issuer's ability to pay interest on the Notes or pay the capital invested by Noteholders when the Notes mature in 2019 which could lead to default under the Notes and cross default to the Financing Agreements and/or the Outstanding Notes, and, in extreme circumstances, could lead to the insolvency of the Issuer. Should the Issuer become insolvent and unable to pay its debts, an administrator or liquidator would be expected to make distributions to the Issuer's creditors in accordance with statutory order of priority. The Noteholders have the benefit of a Share Pledge and therefore would be entitled, together with the creditors under the Financing Agreements and the Outstanding Notes, to the proceeds of the sale of the shares of Shanks Nederland B.V., the subject of the Share Pledge. Thereafter, the claims of Noteholders against the Issuer would be expected to rank after those creditors who are given preferential treatment by laws of mandatory application relating to creditors, such as outstanding remuneration to the employees of the Issuer, but ahead of the claims of the Issuer's shareholders. The Noteholders would, however, rank equally with the holders of the Outstanding Notes and the Financing Agreements.

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 100 sites, which mitigates against the possibility of significant disruption from any one cause.

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 to 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.

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 its 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.

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.

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.

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 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 instruments, the 2011 Bank Facility and the Pricoa Note Agreement, measure 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 translation 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.

As at 31 March 2013, 80 per cent of the Group's core financing was on fixed terms. Furthermore, the 2011 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 €67 million of the 2011 Bank Facility effective from October 2011 for a period of three 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 an 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 Revised – Employee Benefits to account for pensions. The pension charge in the Financial Year 2013 was £11.2 million (£11.6 million in the Financial Year 2012). Using assumptions laid down in IAS 19 Revised – Employee Benefits, in the Financial Year 2013, there was a gross retirement benefit deficit of £8.8 million (£7.6 million in the Financial Year 2012). This relates solely to the defined benefit section of the Group's UK scheme. 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 2012, the Group has agreed to fund the deficit over a seven year period with a payment of £3.05 million over seven years. This payment profile will be reconsidered at the next valuation, due in April 2015. 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 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.

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.

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

Approximately 70 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 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.

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 Organisation 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

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 FCA 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 "*The 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.

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, 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 101 per cent of the principal amount of the Notes. 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.

Under the Terms and Conditions of the Notes 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 2011 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 2011 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 2011 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 the Terms and Conditions of the Notes (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 is given by the Guarantors on the same terms as the guarantees given by the Guarantors in respect of the Group's Financing, and will be subject to the same limitations under the relevant laws in Belgium and The Netherlands:

(a) if any security (whether in relation to property law, contractual or other) which has been given by any of the Dutch Guarantors, or its (foreign or Dutch) subsidiaries, and/or any of the Belgian Guarantors, in respect of the Financing, including the Notes, was deemed to be given with a view to the subscription or acquisition of shares in the capital of the relevant Guarantor(s), this may constitute "financial assistance" under the relevant laws, and the Guarantee could become null and void or partially void; and

(b) the obligations of any Belgian Guarantor will be further limited in all instances, for reasons of proving the corporate benefit of the Guarantee, 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.

While there may be limitation on the Guarantee which is given by any Belgian or Dutch Guarantor, the Group owns 100 per cent of the assets of the Belgian and Dutch Guarantors and the assets in the case of liquidation or winding up of the relevant Belgian or Dutch Guarantor(s) would not be subject to any such limitation.

The process of receiving or enforcing payments by Guarantors incorporated in The Netherlands and Belgium 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 and Belgium 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.

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, The Netherlands and United Kingdom taxation, unless the withholding or deduction is required by law or in connection with FATCA. 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, and any withholding or deduction of withholding tax in connection with FATCA. 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, 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 (until 1 January 2015) 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.

Certain U.S. tax legislation, non-U.S. legislation implemented in furtherance of such U.S. legislation or an agreement with a taxing authority pursuant to such US legislation (collectively, "**FATCA**") may, under certain circumstances and beginning no earlier than January 1, 2017, impose a 30 per cent withholding tax on payments, including principal and gross proceeds, in respect of securities such as the Notes and the Guarantee, including those held by beneficial owners through an intermediary financial institution. Payments on the Notes, however, are not expected to be subject to withholding unless the Notes are modified and treated as reissued, for U.S. federal income tax purposes, after the date that is six months after the date on which final U.S. Treasury regulations addressing "foreign passthru payments" are issued. In addition, FATCA withholding also will not apply if the Noteholder or beneficial owner complies with the necessary requirements under FATCA, which may include providing certain identifying information about itself or its owners, or complying with withholding and reporting obligations. Beneficial owners may also be required to provide a waiver of any laws prohibiting the disclosure of such information to a taxing authority. To extent withholding applies, no

additional amounts will be payable by the Issuer, Guarantors or an intermediary payor in respect of any amounts withheld in connection with FATCA. See "Taxation — FATCA".

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 amount of up to €100,000,000 of 4.23 per cent guaranteed Notes due 30 July 2019 (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 30 July 2013 (as amended or supplemented from time to time, the "**Trust Deed**") between the Issuer, Caird Group Limited, Orgaworld Canada Ltd., Shanks & McEwan (Environmental Services) Limited, Shanks & McEwan (Overseas Holdings) Limited, Shanks B.V., Shanks Belgium Holding B.V., 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 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 30 July 2013 (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 27 September 2010 (as amended, restated 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:

"**2011 Bank Facility**" means the €188,430,216.55 and C$49,958,720.56 term loan and multicurrency revolving credit facility entered into by the Issuer and the Existing Guarantors (among others) on 2 February 2011, 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 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;

(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 2011 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, The Prudential Insurance Company of America and the Prudential Retirement Insurance and Annuity Company (among others) on 24 March 2011, 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;

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*);

"**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.

(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) 30 July 2013 (the "**Issue Date**") at the rate of 4.23 per cent per annum (the "**Rate of Interest**") calculated by reference to the principal amount thereof and payable in arrear on 30 July in each year (each, an "**Interest Payment Date**") commencing with the Interest Payment Date falling on 30 July 2014, 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 €42.30 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 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 30 July 2019, 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, 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 27 June 2013; 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 101 per cent of its principal amount, 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 Notice, 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 or purchased and surrendered to a Paying Agent for cancellation 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*: Subject as provided in Condition 7 (*Taxation*), 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 or other laws and regulations to which the Issuer or any Guarantor or its Agents agree to be subject and neither the Issuer nor the Guarantor will be liable for any taxes or duties of whatever nature imposed or levied by such laws, regulations or agreements.

(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, 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 or in connection with FATCA. 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; or

(e) where such withholding or deduction is imposed by reason of the failure of the holder or beneficial owner of a Note to comply with any reasonable written request by or on behalf of the Issuer addressed to the holder and made at least 60 days before any such withholding or deduction would be payable to satisfy any certification, identification, information or other reporting requirements, whether required by statute, treaty, regulation or administrative practice of a tax jurisdiction, as a precondition to exemption from, or reduction in the rate of deduction or withholding of, taxes imposed by such tax jurisdiction (including, without limitation, a certification that the holder or beneficial owner is not resident in the tax jurisdiction); or

(f) where such withholding or deduction is imposed in connection with FATCA on payments to a holder, beneficial owner, or any agent having custody or control over a payment made by the Issuer, a Guarantor or any agent in the chain of payment.

If the Issuer or any of the Guarantors becomes subject at any time to any taxing jurisdiction other than Belgium, Canada, The Netherlands or the United Kingdom, references in these Conditions to Belgium, Canada, The Netherlands or the United Kingdom shall be construed as references to Belgium, Canada, 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 to 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, 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 authority, stock exchange and/or quotation system 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 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, such Security Document or such Transaction Document 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.

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 also 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*).

[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**" means (a) entities which are required to be authorised or regulated to operate in the financial markets, such as credit institutions, investment firms, other authorised or regulated financial institutions, insurance companies, collective investment schemes and management companies of such schemes, pension funds and management companies of such funds, commodity and commodity derivatives dealers, locals, other institutional investors, (b) large undertakings meeting two of the following size requirements on a company basis (i) balance sheet total: EUR 20,000,000, (ii) net turnover: EUR 40,000,000 or (iii) own funds: EUR 2,000,000, (c) national and regional governments, public bodies that manage public debt, central banks, international and supranational institutions such as the World Bank, the IMF, the ECB, the EIB and other similar international organisations, and (d) other institutional investors whose main activity is to invest in financial instruments, including entities dedicated to the securitisation of assets or other financing transactions.

In addition, other persons or entities that are, pursuant to their request, treated as "professional clients" in accordance with Annex II to Directive 2004/39/EC or recognised as "eligible counterparties" in accordance with Article 24 of Directive 2004/39/EC will also be qualified investors.

USE OF PROCEEDS

The net proceeds of the issue of the Notes are expected to be approximately €99,750,000 based on an issue of €100,000,000 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 net proceeds of the issue of the Notes will be used by the Issuer for its 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 subsequently 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.

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

The Issuer serves as a holding company for the Group. As holding company of the Group, the Issuer's operating results and financial condition are entirely dependent on the performance of members of the Group. The Issuer's shares were admitted to the Official List of the FCA and admitted to trading on the Main Market of the London Stock Exchange in 1988.

The registered office of the Issuer 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).

Overview

The Group is a leading international sustainable waste management business. The Group has over 100 facilities handling more than seven million tonnes of waste a year, of which 78 per cent is recycled or recovered. Its portfolio offers alternatives to landfill, recycling and waste collection capabilities as well as proven waste-to-energy technologies, including anaerobic digestion and biological treatment.

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* – sorting and reprocessing of mainly commercial, industrial and construction related waste;
- *Hazardous Waste* – reprocessing and recycling of contaminated soil, water and other contaminated materials, and industrial cleaning of heavily contaminated industrial plants;
- *Organics* – reprocessing of organic waste from municipal and industrial sectors; and
- *UK Municipal* – sorting and reprocessing of municipal solid waste under long-term agreements.

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 at Amersfoort in The Netherlands.

Financial Highlights

In the financial year ended 31 March 2013 (the "**Financial Year 2013**"), the Group generated revenue of £670.0 million and a trading profit of £41.3 million (compared to £750.1 million and £53.4 million, respectively, in the financial year ended 31 March 2012 (the "**Financial Year 2012**")). As at 31 March 2013, the Group's net assets were £313.7 million (compared to £370.6 million as at 31 March 2012). As at 31 March 2013, the Group's cash and cash equivalents, were £75.4 million (compared to £59.8 million as at 31 March 2012) and the total net debt (after cash and cash equivalents), amounted to £277.4 million (compared to £206.2 million as at 31 March 2012). The total net debt, as at 31 March 2013, comprised £177.3 million of core net debt (compared to £160.8 million as at 31 March 2012) and

£100.1 million of non-recourse funding to project finance companies within the Group (compared to £45.4 million as at 31 March 2012).

The following table shows the certain key performance indicators of the Group for the two financial years ended 31 March 2012 and 31 March 2013.

	Financial Year 2013	Financial Year 2012
	(£ million)	
Revenue	670.0	750.1
EBITDA	84.8	102.4
Trading Profit[(1)]	41.3	53.4
Underlying free cash flow[(2)]	48.8	43.0
Underlying Profit before tax[(3)]	26.5	37.3
(Loss)/profit before tax	(35.3)	29.9

(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, exceptional items and changes in the fair value of derivatives.

The waste management industry has experienced progressively more challenging market conditions in the Financial Year 2013, with both the volume and pricing of waste and value of recyclate products having fallen sharply as the Eurozone returned to recession. Despite growth in the Group's Organics and Municipal UK divisions, the Solid Waste division has experienced particularly challenging conditions.

The Group's revenue in the Financial Year 2013 decreased by 11 per cent to £670.0 million compared to the Financial Year 2012, with sharp falls in both the UK Solid Waste and Benelux Solid Waste divisions. Trading profit fell by 23 per cent to £41.3 million. Strong growth in Organics and UK Municipal divisions was offset by the challenging conditions in the Solid Waste divisions. The cost of Group central services, which comprise the Group's head office functions, reduced in the Financial Year 2013 as a result of lower bonuses and incentives as well as a number of one-off costs in the Financial Year 2012.

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 north 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 Group's remaining construction operations were sold in 1995 to concentrate solely on waste management. 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 established a position 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 Group further invested in its European operations, while remaining committed to its waste and resource management operations in the United Kingdom.

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

In April 2007, the Group acquired Orgaworld B.V. ("**Orgaworld**"), a leading company by market share 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 company in the wood waste and by-products market in Benelux.

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 to design, build and operate new waste infrastructure.

In October 2010, the Group acquired United Utilities PLC's UK waste private finance initiative ("**PFI**") interests.

In March 2012, the Group acquired the assets of a glass recycling business, Van Tuijl Glasrecycling B.V. ("**Van Tuijl**"), in The Netherlands, and, in December 2012, the Group announced that it had been awarded a contract to recycle 15,000 tons of glass bottles for the international brewer, Heineken.

In March 2012, the Group reached financial close on the Barnsley, Rotherham and Doncaster PFI contract.

In January 2013, the Group signed a 25 year PFI contract with Wakefield council to build a residual waste treatment facility at South Kirby in the UK to treat and recycle waste from the Wakefield District.

In April 2013, the Group completed the sale of its joint venture interest in the Leeds-based landfill site, Caird Bardon Limited.

Market Overview

Benelux Solid Waste market

The largest segment in the Dutch market is Construction and Demolition ("**C&D**"). This segment has been under sustained and significant pressure during the recession. The market is believed to have contracted by more than 7 per cent in 2012. The Dutch residential real estate market has shrunk by 50 per cent over the last three years, demonstrating the severity of the contraction. This was due in part to new austerity measures by the Dutch government that have reduced infrastructure spend and greater funding challenges in the residential market. As a result, in 2012, new building permits reached the lowest levels since 1953. Lower volumes of waste have had a significant consequential impact on the pricing of both incoming waste and outgoing recycled products for use in the sector. Lower global recyclate prices and lower demand for wood chips, paper and metals have added to the economic pressure. The Economic Institute for Building Industry forecasts a further contraction of 5 per cent in 2013 in this market, followed by a return to stability and modest growth.

The Dutch Industrial and Commercial ("**I&C**") sector also contracted during 2012 in line with the general recessionary environment. Manufacturers have been taking measures to reduce their waste volumes and waste disposal costs. The fall in waste volumes since the credit crunch began has created a significant incinerator over-capacity. The incinerators receive residues after recycling but also receive waste directly from those who do not wish to recycle. The over-capacity has caused incinerator 'spot' gate fees to roughly halve from €100 per tonne five years ago, with consequent price pressure on the gate fees of the recycling companies. The incinerators have partially addressed their lack of capacity by importing waste from the UK and other markets. Currently, incinerator assets that make-up around 50 per cent of Dutch capacity are believed to be in a sale process.

The Belgian solid waste market has a significant component of the market in public ownership. The key segmentation in Belgium is between the three regions of Wallonia, Flanders and Brussels; each market operating with a high degree of independence and with little waste transferring between them. The general waste market in Belgium has remained weak in the last year, with a slight decline in volumes due to the recession and due to an ongoing decline in the Belgian manufacturing base, especially in Wallonia.

The market leaders in the Benelux solid waste market are the van Gansewinkel Group, Sita and the Group. Each of these businesses has implemented a programme of cost and capacity reduction over the past year. The market is highly fragmented, however, and there are many small-to medium-sized operators. The Group has seen an increase in the number of small players exiting the market in the Financial Year 2013, but it is not yet clear whether sufficient capacity has been removed from the market to prevent further pricing reductions.

In The Netherlands, the government wants to improve recycling rates from 80 per cent to 83 per cent In Flanders the new Vlarema legislation will, from 2014, require businesses either to sort their waste themselves before sending to incineration, or ensure that it is sent to a recycler. Both of these initiatives should drive an increase in volumes for recycling. There is also a sustained growth in the market for waste mono-streams such as glass and plastics.

UK Solid Waste market

The overall UK solid waste market has a similar structure to the Benelux solid waste market, except that around 25 per cent of I&C and 40 per cent of Municipal waste still goes to landfill. The market has suffered from a similar sustained downturn as in the Benelux, with waste volumes down by 12 per cent in 2012. This has created over-capacity in collection and recycling assets, creating economic pressures on the business models historically adopted by the industry. The recycling market has had a high dependence on recyclate prices, so the decline in prices on average by a quarter, when compared to the Financial Year 2012 has had a strong impact on profitability in the sector.

Hazardous Waste market

The cleaning market in The Netherlands has been flat at best since the downturn: the decline in the Dutch heavy industrial activity has been offset by growth in the petrochemicals segment. The services element of the market is growing moderately. Prices are under strong pressure due to the financial challenges faced by customers in the market.

The waste water market is growing steadily as a consequence of increased regulation and growth in the ship cleaning business. The soil market, which includes contaminated soil, sludges and TAG (tar and asphalt), has been under sustained pressure during the recession, as the primary supply of soil comes from government or EU sponsored remediation and construction projects. In addition, TAG has recently started to be exported overseas. The paints and solvents treatment market has over-capacity in treatment assets and is not seen as an area for growth.

Organics market

The Netherlands. The Dutch organics market is relatively mature, with high levels of organic waste diverted and treated, primarily through anaerobic digestion ("**AD**") and composting. Around a third of the market is served by dedicated industrial AD facilities. Composting to produce fertiliser is a well served market with an established national footprint of facilities. Overall volumes of source segregated organics (SSO) are expected to grow steadily, but the expiry of a number of long-term municipal composting contracts in the market in the next two to three years is expected to test current market pricing.

United Kingdom. The UK market is less mature than The Netherlands, with less than 20 per cent of food waste being treated by composting or AD. UK government incentives are leading to a significant increase in AD facility capacity somewhat ahead of the provision of municipal segregated organic waste; however there is support for the technology from the Scottish and Welsh governments under their respective waste programmes. While the long-term future is one of continued expansion in AD, the short-term market is relatively saturated, given the relatively immature supply chain. The key to success is to secure municipal or merchant organic waste on medium to long-term contracts.

Canada and North America. The Canadian and North American markets have very limited organic waste treatment and send over 90 per cent of waste to landfill. National and provincial governments (especially in Canada) are keen to treat waste more sustainably and have passed legislation to support this development. As a result, there is a significant increase in bidding activity at city and province level for organic treatment solutions which are often combined with residual waste treatment such as mechanical biological treatment ("**MBT**").

UK Municipal market

Market data suggests that a waste treatment provider or solution has now been identified for around 75 per cent of all UK Municipal waste, with up to half of the assets required having been built. The PFI funding structure has now ended, so waste solutions for the remainder of the market will be through a combination of shorter-term financing models and/or leveraging capacity in existing assets and those under construction. In February 2013, the government withdrew PFI funding for three contracts that were pre-financial close but the Group was unaffected by this change in policy.

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 2013 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):

Principal Group subsidiary undertakings	Country of incorporation	The issued share capital held by the Issuer
Shanks Nederland B.V.	Netherlands	100%
Shanks B.V.	Netherlands	100%
Icova B.V.	Netherlands	100%
B.V. van Vliet Groep Milieu-dienstverleners	Netherlands	100%
Vliko B.V.	Netherlands	100%
Klok Containers B.V.	Netherlands	100%
Smink Beheer B.V.	Netherlands	100%
Transportbedrijf van Vliet B.V. (Contrans)	Netherlands	100%
Afvalstoffen Terminal Moerdijk B.V. (ATM)	Netherlands	100%
Reym B.V	Netherlands	100%
Orgaworld International B.V	Netherlands	100%
Orgaworld Nederland B.V.	Netherlands	100%
Shanks S.A	Belgium	100%
Shanks Hainaut S.A.	Belgium	100%
Shanks Liège-Luxembourg S.A.	Belgium	100%
Shanks Brussels-Brabant S.A.	Belgium	100%
Shanks Vlaanderen N.V.	Belgium	100%
Foronex N.V.	Belgium	100%
Shanks Waste Management Limited	UK	100%
Shanks PFI Investments Limited	UK	100%
Shanks Waste Operations Limited	UK	100%
Orgaworld Canada Ltd.	Canada	100%

Subsidiary undertakings holding PFI/PPP contracts	County of incorporation	The issued share capital held by the Issuer
Shanks Argyll & Bute Limited	UK	100%
Shanks Cumbria Limited	UK	100%
Resource Recovery Solutions (Derbyshire) Limited	UK	100%
3SE (Barnsley, Doncaster and Rotherham) Limited	UK	75%
Wakefield Waste PFI Limited	UK	100%

As at the date of this Prospectus, the Issuer held, through wholly owned subsidiaries, the following interests in material joint venture companies and associates, all of which operate as waste management companies (the Group's share of profits has been incorporated in the Group's 2013 Financial Statements):

Material joint ventures and associates	Country of incorporation	The issued share capital held by the Issuer
Energen Biogas Limited	UK	24.999%*
ELWA Holdings Limited	UK	20%
Shanks Dumfries and Galloway Holdings Limited	UK	20%

* The Issuer has a 50 per cent economic interest in Energen Biogas Limited.

Structure of the Group

Overview

In the Financial Year 2013, the Group reorganised into market-facing divisions of Solid Waste (which is divided into the Benelux business, including The Netherlands and Belgium, and the UK business), Hazardous Waste, Organics, and UK Municipal.

The following table shows the breakdown of the Group's total revenue and trading profit by market-facing segment for the two financial years ended 31 March 2012 and 31 March 2013:

	Revenue				Trading profit [1]			
	Mar 13	**Mar 12**	**Change**	**Change**	**Mar 13**	**Mar 12**	**Change**	**Change**
	£million		*Reported %*	*CER %[2]*	*£million*		*Reported %*	*CER %[2]*
Solid Benelux	330.9	387.8	-15%	-9%	16.3	26.2	-38%	-34%
Solid UK	59.8	78.8	-24%	-24%	(3.2)	2.3	-239%	-239%
Hazardous	139.4	149.6	-7%	-1%	19.1	21.2	-10%	-4%
Organics	35.9	34.4	4%	11%	5.3	5.2	2%	7%
UK Municipal	110.9	106.8	4%	4%	9.2	5.1	80%	80%
Group Central Services	—	—			(5.4)	(6.6)	18%	18%
Inter-segment revenue	(6.9)	(7.3)			—	—		
Total	**670.0**	**750.1**	**-11%**	**-7%**	**41.3**	**53.4**	**-23%**	**-18%**

(1) Operating profit before the amortisation of acquisition intangibles, exceptional items and discontinued operations.

(2) Changes expressed as CER are recalculated at constant exchange rates to eliminate the effect of fluctuations in exchange rates between years.

Solid Waste

The Solid Waste division covers the collection, sorting, treatment and ultimate disposal of solid waste materials from a range of sources. The market can be divided into three main sources of waste: C&D, I&C, and Municipal waste (where the latter has not been tied up in a long-term PFI type contract).

Benelux Solid Waste

Benelux Solid Waste comprises the Group's businesses in The Netherlands and Belgium. The Netherlands has three operating regions: North, Central and South West. Belgium comprises the two regions of Wallonia (including Brussels) and Flanders.

The Benelux Solid Waste division operates a number of technologies in order to recycle the waste it sources into usable products. The core technology is material recycling facility ("**MRF**"), which combines automated sorting technologies (such as magnets, eddy current separators and optical sorters to remove recyclates) along with manual sorting lines. Waste also may be delivered to a transfer station, where it is collected and subjected to a rough sort before being sent on for further treatment at a MRF. C&D waste passes through heavier duty processes, including stone crushers to produce rubble.

The Group also operates businesses that focus on mono-streams such as glass (including the Van Tuijl site), wood (including the Van Vliet Nieuwegein and Foronex sites) and paper or cardboard (including the Kluivers site). The Icova site further processes selectively collected (dry) commercial waste into high calorific Icopower pellets which can be used in power stations or cement plants. The Hook of Holland facility serves the local horticultural market with composting of green waste and the treatment of rockwool in which flowers and vegetables are grown. The division also operates a small Hazardous Waste business in Belgium, one landfill in each country and a sand quarry in Belgium.

The main products produced by the Benelux Solid Waste division include:

1. Recyclates (or commodities): ferrous and non-ferrous metals, glass, plastics, cardboard, paper, wood chips and batteries;

2. Industrial products: rubble, aggregate, compost and building materials; and

3. Fuels: gas from landfills, Icopower pellets and solid recovered fuel ("**SRF**").

Operational review

The following table shows the breakdown of the Group's revenue and trading profit in Euros in the Benelux Solid Waste division for the two financial years ended 31 March 2012 and 31 March 2013:

	Revenue				Trading profit[1]			
	Year ended				Year ended			
	Mar 13	Mar 12	Change		Mar 13	Mar 12	Change	
	€m		€m	%	€m		€m	%
Netherlands Solid Waste	231.0	253.0	(22.0)	-9%	11.9	19.7	(7.8)	-40%
Belgium Solid Waste	109.4	113.1	(3.7)	-3%	8.4	8.4	—	0%
Belgium Others	84.1	100.9	(16.8)	-17%	9.3	11.0	(1.7)	-15%
Divisional central services	—	—	—		(9.5)	(8.8)	(0.7)	
Intra-segment revenue	(18.3)	(18.8)	0.5		—	—		
Total €m	**406.2**	**448.2**	**(42.0)**	**-9%**	**20.1**	**30.3**	**(10.2)**	**-34%**
Total £m (at average rate)	**330.9**	**387.8**	**(56.9)**	**-15%**	**16.3**	**26.2**	**(9.9)**	**-38%**

[1] Operating profit before the amortisation of acquisition intangibles, exceptional items and discontinued operations.

In the Financial Year 2013, revenue and trading profit (after central services and in Euros) in the Benelux Solid Waste division decreased by 9 per cent and 34 per cent respectively compared to the Financial Year 2012 which was as a result of reduced volumes of waste and continued pricing pressures.

In the Financial Year 2013, the Benelux Solid Waste division embarked on a cost saving exercise with cost savings of £3 million as a result of the following exercises which were effected in the Financial Year 2013:

1. a reduction of headcount;

2. the closure of the Van Vliet Puin recycling transfer station at Wateringen;

3. the conversion of turning and sorting lines at Burgerbrug, the Hague and Amersfoort into transfer stations for onward shipment to larger MRFs; and

4. the completion of the feasibility phase of the shared services project, with a plan approved for the creation of a shared service centre in Brussels and in Amersfoot.

The Group has won or renewed some significant contracts during the Financial Year 2013, despite the overall market challenges. This has included winning contracts with:

1. a leading Dutch construction company, Dura Vermeer, to treat waste across The Netherlands;

2. Rabobank's regional banking network (including over 200 banks), to collect and treat and collect waste; and

3. Heineken, to recycle over 15,000 tonnes of brown glass as a result of the conversion to use green glass bottles throughout.

The Group has also successfully commissioned new assets in the Hook of Holland and in Van Tuijl. The Hook of Holland composting facility serves the local horticultural industry by treating green waste. The facility has been built with a state of the art closed composting system which not only meets stringent environmental targets, but also reduces the composting time from around 18 months to just six weeks, while greatly increasing capacity and reducing working capital employed. The Van Tuijl glass processing business has installed a further sorting line that has doubled capacity.

The Group sold the transport activities (including property) of Foronex in Belgium for £6.2 million in the Financial Year 2013.

UK Solid Waste

The UK operates similar assets and technologies to the Benelux region. It has two transfer stations and two MRFs in Scotland and four transfer stations and three MRFs in England.

Operational review

The following table shows the breakdown of the Group's revenue and trading profit in the UK Solid Waste division for the two financial years ended 31 March 2012 and 31 March 2013:

	Revenue				Trading profit[1]			
	Year ended				Year ended			
	Mar 13	Mar 12	Change		Mar 13	Mar 12	Change	
	£m		*£m*	*%*	*£m*		*£m*	*%*
Solid Waste	59.8	78.8	(19.0)	-24%	(0.7)	5.8	(6.5)	-112%
Divisional central services	—	—	—		(2.5)	(3.5)	1.0	
Total	**59.8**	**78.8**	**(19.0)**	**-24%**	**(3.2)**	**2.3**	**(5.5)**	**-239%**

(1) Operating profit before the amortisation of acquisition intangibles, exceptional items and discontinued operations.

In the Financial Year 2013, revenue in the UK Solid Waste division fell by 24 per cent compared to the Financial Year 2012 to £59.8 million, with collection and recycling tonnages down by 12 per cent and 17 per cent respectively. The division made a trading loss (after central services) of £3.2 million in the Financial Year 2013 compared with a trading profit of £2.3 million in Financial Year 2012, which included a profit of £1.9 million from a specific contract in relation to the contaminated land services business.

The Group reduced costs in the Financial Year 2013 and, in Scotland in particular, reduced costs by £2.4 million. Cost savings exercises included mothballing the Blochairn MRF and a reduction in head count which represented 12 per cent of the UK work force.

There have been significant commercial successes in the Financial Year 2013, including securing the Silverburn shopping centre contract in Glasgow. The Group also commissioned a MRF in Kettering at the end of the Financial Year 2013.

Hazardous Waste

The Hazardous Waste division comprises two companies: Reym B.V. ("**Reym**") and Afvalstoffen Terminal Moerdijk B.V. ("**ATM**"). Reym is a leading industrial cleaning company in The Netherlands, providing a "total care solution" (cleaning, transport and waste management) for heavy industry, petrochemical sites, oil and gas production (both on and offshore) and the food industry. ATM, which is also based in The Netherlands, is one of Europe's largest companies by tonnage treated for the treatment of contaminated soil and water, as well as for the disposal of a broad range of hazardous waste such as waste paints and solvents.

Operational review

The following table shows the breakdown of the Group's revenue and trading profit in Euros in the Hazardous Waste division for the two financial years ended 31 March 2012 and 31 March 2013:

	Revenue				Trading profit[1]			
	Year ended				Year ended			
	Mar 13	Mar 12	Change		Mar 13	Mar 12	Change	
	€m		*€m*	*%*	*€m*		*€m*	*%*
Hazardous Waste	170.9	172.9	(2.0)	-1%	25.3	26.4	(1.1)	-4%
Divisional central services	—	—	—		(1.9)	(1.9)	—	
Total €m	**170.9**	**172.9**	**(2.0)**	**-1%**	**23.4**	**24.5**	**(1.1)**	**-4%**
Total £m (at average rate)	**139.4**	**149.6**	**(10.2)**	**-7%**	**19.1**	**21.2**	**(2.1)**	**-10%**

(1) Operating profit before the amortisation of acquisition intangibles, exceptional items and discontinued operations.

In the Financial Year 2013, revenue (in Euros) in the Hazardous Waste division decreased by 1 per cent to €170.9 million compared to the Financial Year 2012 and trading profit (after central services and in Euros) by 4 per cent to €23.4 million. During the prior year, ATM benefited from the storage and treatment of waste water from a large remediation project. Overall trading profit declined slightly in the year with improvements at Reym compensating a shortfall in ATM.

Organics

The Organics division offers sustainable treatment for organic waste, turning it into green energy, compost and fertiliser. The Organics division receives green waste (e.g. garden waste) and food waste from both municipalities and commercial businesses.

The Group operates two main technologies for the treatment of organic waste: AD and tunnel composting. AD can be performed by a wet or dry process. In the wet AD process, depackaged food slurry is fed into large steel digester tanks full of bacteria, which break down the organic waste to produce methane and digestate. In the dry AD process, food waste and green waste is loaded into tunnels from which air is then extracted allowing the AD process to begin. From both wet and dry AD processes, the methane is burned in engines to produce electricity (and heat, where the latter has an economic use). The digestate is dewatered where possible and treated to become a fertiliser, while the water is cleaned and discharged. Tunnel composting is an accelerated composting technology which uses forced aeration to process food, garden waste and other types of waste into compost.

Operational review

The following table shows the breakdown of the Group's revenue and trading profit in Euros in the Organics division for the two financial years ended 31 March 2012 and 31 March 2013:

	Revenue				**Trading profit[1]**			
	Year ended				**Year ended**			
	Mar 13	**Mar 12**	**Change**		**Mar 13**	**Mar 12**	**Change**	
	€m		**€m**	**%**	**%**	**€m**	**€m**	**%**
The Netherlands	17.8	18.2	(0.4)	-2%	3.3	3.4	(0.1)	-3%
Canada	18.4	17.5	0.9	5%	4.4	4.5	(0.1)	-2%
Other Organics	7.8	4.1	3.7	90%	—	(0.6)	0.6	100%
Divisional central services	—	—	—		(1.2)	(1.2)	—	
Total €m	**44.0**	**39.8**	**4.2**	**11%**	**6.5**	**6.1**	**0.4**	**7%**
Total £m (at average rate)	**35.9**	**34.4**	**1.5**	**4%**	**5.3**	**5.2**	**0.1**	**2%**

(1) Operating profit before the amortisation of acquisition intangibles, exceptional items and discontinued operations.

In the Financial Year 2013, revenue (in Euros) in the Organics division grew by 11 per cent compared to the Financial year 2012 to €44.0 million and trading profit (after central services and in Euros) by 7 per cent to €6.5 million, with growth coming from improved performance in the UK and Belgium.

In The Netherlands, a third combined heat and power engine is in the process of being installed at the Group's flagship site in Amsterdam which will increase the Group's installed capacity when it is commissioned in 2013. The Biocel AD facility also achieved record performance with a gas output of 107m3 per tonne of input.

A key contract was also renewed for the medium term with Albert Heijn, the leading Dutch supermarket brand, and a further contract was won with McCain. The Group also secured a new five year waste water treatment contract from a leading biodiesel manufacturer in partnership with Reym.

In the UK, the joint venture in Energen Biogas at Cumbernauld increased production and became profitable in the Financial Year 2013. In October 2012, the Group signed a power purchase agreement with Marks & Spencer ("**M&S**") to deliver up to 19,000 MWh of green electricity per annum to M&S and also contracted to process M&S's organic waste. This has helped M&S achieve their sustainability targets, whilst underpinning the commercial performance of the Cumbernauld site. Construction work has largely been completed on the new AD facility at Westcott Park in Buckinghamshire, which will be commissioned in summer 2013 and move into production in the second half of the next financial year, although it is not expected to reach profitability until 2014/15.

Waste volumes at the London, Ontario, facility decreased in the Financial Year 2013 because management have been operating the facility below its maximum levels while upgrades to the odour management systems have been made. In early 2012, the Canadian Government licensed Shanks to use ammonium sulphate (an odour abatement system by-product) as a land applied fertiliser, further increasing the complete conversion of waste to usable products.

UK Municipal

The UK Municipal division operates waste treatment facilities for UK city and county councils under long-term contracts, typically 25 years. Such contracts are established primarily to divert waste from landfill in a cost-effective and sustainable way. The capital cost of the associated infrastructure is financed with non-recourse bank debt and in the case of PFI is supported by central government funding.

The Group has entered into several PFI contracts for the provision of waste disposal services to local authorities in (i) east London, (ii) Dumfries and Galloway, (iii) Argyll and Bute, (iv) Barnsley, Doncaster & Rotherham, (v) Cumbria County, and (vi) Wakefield. Under these contracts, expiring in December 2027, November 2029, August 2026, July 2040, June 2034 and January 2038 respectively, the Group is responsible for dealing with 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 (with the exception of Barnsley, Doncaster & Rotherham).

Operational review

The following table shows the breakdown of the Group's revenue and trading profit in UK Municipal for the two financial years ended 31 March 2012 and 31 March 2013:

	Revenue				**Trading profit[1]**			
	Year ended				**Year ended**			
	Mar 13	**Mar 12**	**Change**		**Mar 13**	**Mar 12**	**Change**	
	£m		***£m***	***%***	***£m***		***£m***	***£m***
PFI/PPP contracts	110.9	106.8	4.1	4%	13.5	10.8	2.7	25%
Divisional central services	—	—	—		(4.3)	(5.7)	1.4	
Total	**110.9**	**106.8**	**4.1**	**4%**	**9.2**	**5.1**	**4.1**	**80%**

(1) Operating profit before the amortisation of acquisition intangibles, exceptional items and discontinued operations.

In the Financial Year 2013, revenue increased by 4 per cent compared to the Financial Year 2012 and trading profit (after central services) increased by 80 per cent to £9.2 million.

Furthermore, the Derby, Cumbria, East London and Argyll & Bute contracts saw operating margins increase to 8.3 per cent (after central services) in the Financial Year 2013. The Group also reduced losses at the Dumfries & Galloway site and amendments to the operating contract have resulted in a reduction of the onerous contract provision.

In January 2013, the Group achieved financial close on the 25 year £750 million Wakefield PFI contract after prolonged negotiations in a complex and increasingly challenging financing environment. The Group will build a residual waste facility at South Kirkby, comprising two MRFs, an autoclave, in-vessel composting and an AD facility, processing up to 230,000 tonnes of waste per annum. This will raise Wakefield Metropolitan District Council's landfill diversion towards 90 per cent, with construction due to start in 2013 and the site will be commissioned in late 2015.

In March 2013, the Group commissioned a new 75,000 tonne MBT facility under the Cumbria PFI contract. This £22 million facility has been built at Barrow in south Cumbria to complement the initial MBT built near Carlisle in north Cumbria. 150,000 tonnes per annum of waste can be treated at the two sites. The Barrow facility was commissioned slightly ahead of schedule and on budget.

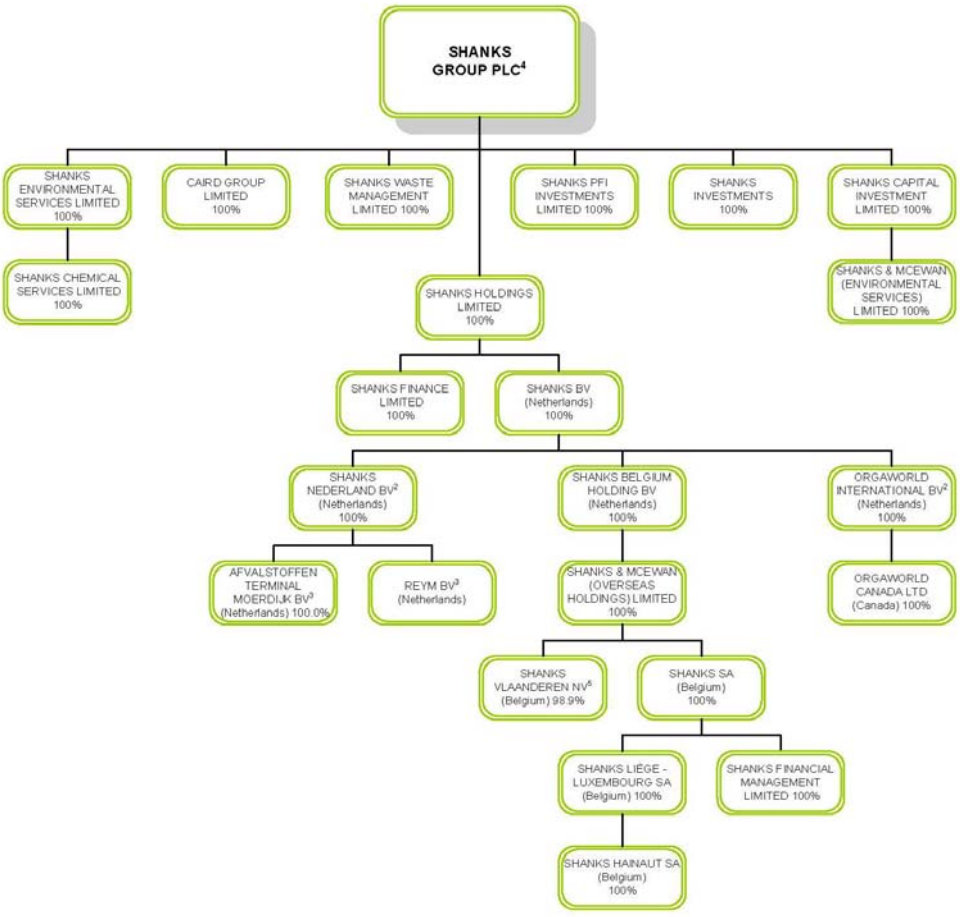
In February 2013, the Group progressed to the construction phase of the 25 year £720 million contract with Barnsley, Doncaster and Rotherham councils. Construction of this 265,000 tonne per annum MBT and AD site is on schedule, and is due to commission in late 2015.

Current Group Structure

The diagram below illustrates the corporate structure of the Issuer, Guarantors and Shanks Nederland B.V. as at date of this Prospectus and sets out the percentage of the shares owned by the Group:

Shanks
Making more from waste

Shanks Group plc
Group Legal Structure as at the date of this Prospectus
(Guarantee Companies)



Notes:
1. Companies are incorporated in either England & Wales or Scotland unless otherwise indicated in brackets.
2. Orgaworld International BV and Shanks Nederland BV are not guarantee companies, but included to show current legal structure.
3. Afvalstoffen Terminal Moerdijk BV & Reym BV are not guarantee companies, but shown as main hazardous waste trading companies.
4. All companies are controlled by the ultimate parent company Shanks Group plc (the 'Issuer')
5. Shanks Vlaanderen NV:
   - 100,020 Shares owned by Shanks & McEwan (Overseas Holdings) Limited (98.9%);
   - 1,110 Shares owned by Group Company Enviro+ NV (1.1%); and
   - 1 Share owned by the Issuer Shanks Group plc

Corporate reorganisation in The Netherlands

The Group intends to implement a corporate reorganisation (the "**Reorganisation**") in The Netherlands by 14 July 2013 to, amongst other things, align the corporate structure with the way in which the Group is organised and managed. The Reorganisation is subject to board approval and advice from the works councils of ATM and Reym.

As part of this Reorganisation the following changes are expected to be implemented:

1. a new company, incorporated in The Netherlands under the name Shanks Netherlands Holdings B.V. ("**Shanks Netherlands Holdings**") would be established as a 100 per cent owned subsidiary of Shanks Holdings Limited;

2. a new company, incorporated in The Netherlands under the name Shanks Hazardous Waste B.V. ("**Shanks Hazardous Waste**") would be established as a 100 per cent owned subsidiary of Shanks Netherlands Holdings;

3. 100 per cent of the issued share capital of Shanks B.V. would be sold by Shanks Holdings Limited to its new subsidiary, Shanks Netherlands Holdings; and

4. 100 per cent of the issued share capital of each of ATM and Reym would be sold by Shanks Nederland B.V. to Shanks Hazardous Waste.

If the Reorganisation is implemented, ATM, Reym, Shanks Netherlands Holdings and Shanks Hazardous Waste will provide a guarantee under the Group's Financings and consequently will be added as Guarantors under the Notes, on the same terms as the Guarantees given by the other Guarantors, in accordance with the Conditions of the Notes.

If the Reorganisation is implemented and the new Guarantors added during the Offer Period, a supplement will be published as required under Article 16 of the Prospectus Directive.

The following disclosure relates to ATM and Reym, and, to the extent possible, Shanks Netherlands Holdings and Shanks Hazardous Waste:

Afvalstoffen Terminal Moerdijk B.V.

Overview
ATM was incorporated in the Netherlands on 12 March 2001 as a private company limited by shares with company registration number 20047607. ATM is governed by the Civil Code of the Netherlands. Its registered office is Vlasweg 12, 4782 PW Moerdijk, the Netherlands, telephone number +31 (0)168 389289.

As set out in article 2 of its articles of association, the objects and purposes of ATM include: treating household, industrial and commercial waste; cleaning and disinfecting industrial installations and premises; and managing waste, including dangerous and toxic waste and oils.

ATM's primary business activities involve: the processing and final disposal of contaminated materials including thermal treatment of soils, the biological and physio-chemical treatment of waste water and pyrolysis of paint waste. ATM competes principally in the Netherlands market and operates nationwide; it also works together with other group companies to offer a total package in the field of environmental services.

The issued share capital of ATM amounts to €8,500,000 divided into 17,000 shares of €500 each.

Administration and Management
The directors of ATM and their significant principal outside activities are as follows:

Name	Position held	Significant principal outside activities
J Kappen	Director	-
M van ‘t Westende	Director	-

J de Jong	Director	-
F Muller	Director	-
A van Marrewijk	Director	-

The business address of the directors is Vlasweg 12, 4782 PW Moerdijk, the Netherlands. No potential conflicts of interest exist between any duties owed to ATM by its directors and their private interests or other duties.

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

Reym B.V.

Overview
Reym was incorporated in the Netherlands on 3 January 1992 as a private company limited by shares with company registration number 31038541. Reym is governed by the Civil Code of the Netherlands. Its registered office is Postbus 1545, 3800 BM Amersfoort, the Netherlands, telephone number +31 (0)33 4558890.

As set out in article 2 of its articles of association, the objects and purposes of Reym include: treating household, industrial and commercial waste; cleaning and disinfecting industrial installations and premises; and managing waste, including dangerous and toxic waste and oils.

Reym supplies industrial cleaning services to the oil and gas, petrochemical and other industries. Reym competes principally in the Netherlands market and operates nationwide; it also works together with other group companies to offer a total package in the field of environmental services.

The issued share capital of Reym amounts to €15,000,000 divided into 30,000 shares of €500 each.

Administration and Management
The directors of Reym and their significant principal outside activities are as follows:

Name	Position held	Significant principal outside activities
J Kappen	Director	-
A van Marewijk	Director	-
R Brobecker	Director	-

The business address of the directors is Computerweg 12d, 3821 AB Amersfoort, the Netherlands. No potential conflicts of interest exist between any duties owed to Reym by its directors and their private interests or other duties.

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

Shanks Netherlands Holdings B.V.

Overview

Shanks Netherlands Holdings will be incorporated in The Netherlands as a private company limited by shares. Shanks Netherlands Holdings will be governed by the Civil Code of The Netherlands. Its registered office will be Postbus 25273800 GB Amersfoort, The Netherlands, telephone number +31 (0) 334 558282.

As will be set out in its articles of association, the objects and purposes of Shanks Netherlands Holdings will include: acquiring and/or disposing of interests in corporations; acquiring and disposing of property, commodities and intellectual property rights; financing of business and companies; trading of assets; and acting as surety.

Shanks Netherlands Holdings will be a holding company for the Group companies in The Netherlands.

The issued share capital of Shanks Netherlands Holdings will amount to €1 divided into 1 share of €1.

Administration and Management

The directors of Shanks Netherlands Holdings and their significant principal outside activities will be as follows:

Name	Position held	Significant principal outside activities
M van Hulst	Director	-
T Woolrych	Director	-

The business address of the directors will be Lindeboomseweg 15, 3828 NG Hoogland, The Netherlands. Once incorporated, no potential conflicts of interest will exist between any duties owed to Shanks Netherlands Holdings by its directors and their private interests or other duties.

Corporate Governance

Shanks Netherlands Holdings will comply with the corporate governance regime applicable under the laws of The Netherlands. Shanks Netherlands Holdings will fall within the remit of the Issuer's Audit Committee, described in the "Description of the Issuer — Corporate Governance — Audit Committee".

Shanks Hazardous Waste B.V.

Overview

Shanks Hazardous Waste will be incorporated in The Netherlands as a private company limited by shares. Shanks Hazardous Waste will be governed by the Civil Code of The Netherlands. Its registered office will be Postbus 1545, 3800 BM Amersfoort, The Netherlands, telephone number +31 (0)174 219900.

As will be set out in its articles of association, the objects and purposes of Shanks Hazardous Waste will include: acquiring and/or disposing of interests in corporations; acquiring and disposing of property, commodities and intellectual property rights; financing of business and companies; trading of assets; and acting as surety.

Shanks Hazardous Waste will be a holding company for the Hazardous Waste division companies.

The issued share capital of Shanks Hazardous Waste will amount to €1 divided into 1 share of €1.

Administration and Management
The directors of Shanks Hazardous Waste and their significant principal outside activities will be as follows:

Name	Position held	Significant principal outside activities
J Kappen	Director	-
A van Marewijk	Director	-

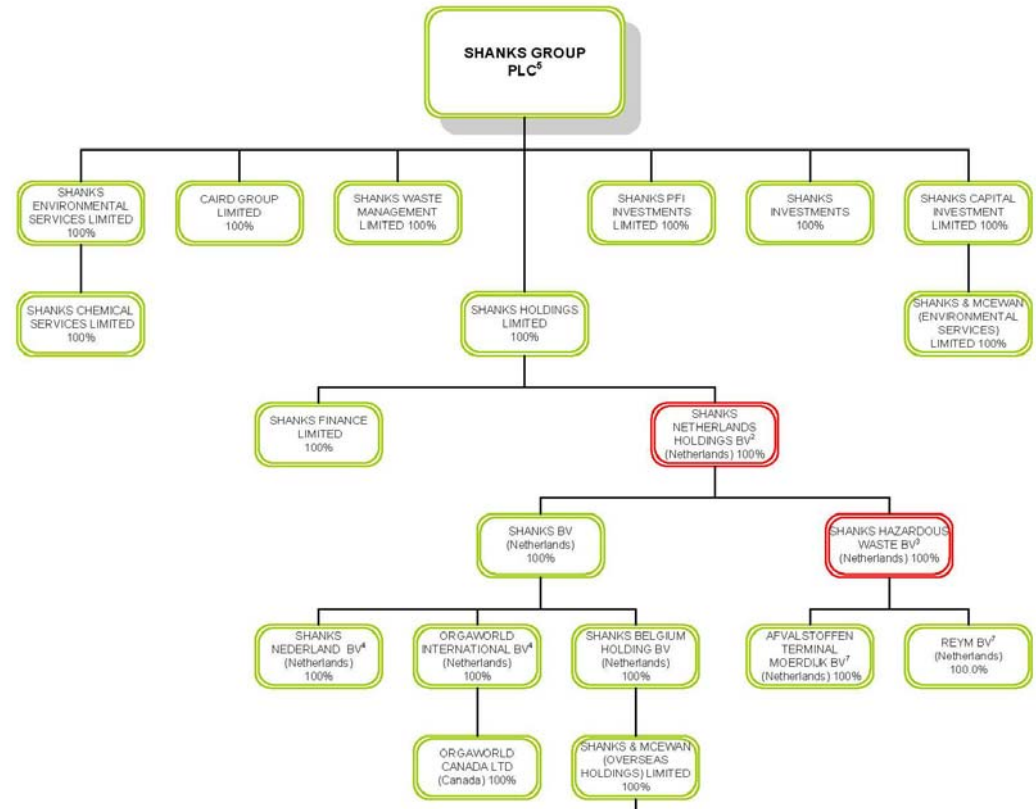
The business address of the directors will be Computerweg 12d, 3821 AB Amersfoort, The Netherlands. Once incorporated, no potential conflicts of interest will exist between any duties owed to Shanks Hazardous Waste by its directors and their private interests or other duties.

Corporate Governance
Shanks Hazardous Waste will comply with the corporate governance regime applicable under the laws of The Netherlands. Shanks Hazardous Waste will fall within the remit of the Issuer's Audit Committee, described in the "Description of the Issuer — Corporate Governance — Audit Committee".

The following diagram illustrates the corporate structure of the Issuer, Guarantors and Shanks Nederland B.V. following the proposed Reorganisation:

Shanks
Making more from waste

Shanks Group plc
Proposed Group Legal Structure as at 14 July 2013
(Guarantee Companies)



Notes:

1. Companies are incorporated in either England & Wales or Scotland unless otherwise indicated in brackets.
2. Shanks Netherlands Holdings will be incorporated in the Netherlands prior to 14 July 2013. 100% owned by Shanks Holdings Limited.
3. Shanks Hazardous Waste BV will be incorporated in the Netherlands prior to 14 July 2013. 100% owned by Shanks Netherlands Holdings.
4. Orgaworld International BV and Shanks Nederland BV are not guarantee companies, but included to reflect the current guarantee company's legal structure.
5. All companies are controlled by the ultimate parent company Shanks Group plc (the 'Issuer').
6. Shanks Vlaanderen NV
   - 100,020 Shares owned by Shanks & McEwan (Overseas Holdings) Limited (98.9%);
   - 1,110 Shares owned by Group Company Enviro+ NV (1.1%); and
   - 1 Share owned by the Issuer Shanks Group plc
7. Reym BV and Afvalstoffen Terminal Moerdijk BV were previously 100% owned subsidiaries of Shanks Nederland BV.

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:

- The Group's focus on sustainable cost-effective alternatives to landfill and mass incineration;
- Operational processes that create products from material that is otherwise thrown away;
- A senior management team with over 70 years experience in waste combined with blue-chip experience in other industries;
- Local scale in solid waste markets enabling productivity and cost advantages;
- Fully integrated range of hazardous waste treatments;
- In-house organics waste design, build and operate offering based on years of experience in The Netherlands, capable of fulfilling the international demand for new facilities; and
- One of the leading portfolios of waste PFI / PPP projects with experience in construction and operation of the necessary infrastructure.

Vision and Strategy

Vision

To be the leading provider of sustainable waste management solutions in the Issuer's target markets.

Strategy

The Issuer's overarching strategy of 'making more from waste' remains consistent. However, the Group structure with four market-facing divisions has led to the strategy evolving into one which is more market-orientated. The core pillars of this strategy are therefore now aligned with each division and aim to generate growth in each of the Issuer's distinct markets.

The core pillars of the Issuer's strategy are to:

1. Improve the profitability of the Solid Waste businesses.
2. Broaden the scope of the Hazardous Waste business.
3. Expand the Organics footprint in target geographies.
4. Grow the UK Municipal long-term contract business.

Underpinning the four divisional strategies are two key Group strategies that span all the businesses; they are to:

1. Develop world-class capabilities in a cohesive Group culture.
2. Actively manage the Group's portfolio.

Investment programme

Since 2008, the Group has had a stated strategy of investing up to £250 million in sustainable waste management infrastructure. As at 31 March 2013, £145 million had been invested. The divisional split of the investment to date has been: Organics: £80 million (55 per cent), Solid Waste £49 million (34 per cent), Hazardous Waste £16 million (11 per cent).

As at 31 March 2013, £65 million of the investment portfolio was considered fully operational and it delivered a post-tax return of 12.1 per cent on capital invested. The portfolio as a whole delivered a post-tax return of 12.4 per cent The post-tax return varied according to division, with good returns from

the Hazardous Waste investments, strong but increasing returns from the Organics portfolio, and mixed returns from the Solid Waste investments due to the market volatility.

There were no other new growth assets under construction at the end of the Financial Year 2013. Management has, however approved an investment totalling £5 million in capacity expansion in Hazardous Waste. This investment will largely take place in 2014/15 once permits have been secured.

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 the UK Corporate Governance Code (as amended from time to time) in all material respects throughout the Financial Year 2013 with the exception of Code provision B.7.1 regarding the annual re-election of all directors: whilst the non-executive directors are required to stand for annual re-election, executive directors are only required to stand at their first AGM and then every third year thereafter. The Issuer also believes that the Group has, in all material respects, complied with the Financial Reporting Council Guidance on Audit Committees issued in September 2012.

Audit Committee

The Audit Committee is comprised solely of non-executive Directors: Peter Johnson, Stephen Riley, Jacques Petry, Eric van Amerongen and Marina Wyatt. 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 comprised solely of non-executive Directors: Eric van Amerongen, Adrian Auer, Peter Johnson, Jacques Petry, Stephen Riley and Marina Wyatt. 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 and Savings Related 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, Stephen Riley, Jacques Petry and Marina Wyatt. 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	Other Principal Activities
Adrian Auer	Chairman	Director of AZ Electronic Materials SA. with its registered office at 32-36 Boulevard d'Avranches, L-1160, Luxembourg Director of Electrocomponents Public Limited Company with its registered office at International Management Centre, 8050 Oxford Business Park North, Oxford, OX4 2HW, United Kingdom Chairman of Addaction and Finance Director of Addaction Social Enterprises Limited, both with their registered office at 67-69 Cowcross Street, London, EC1M 6PM, United Kingdom
Peter Dilnot	Group Chief Executive	–
Toby Woolrych	Group Finance Director	–
Eric van Amerongen	Senior Independent Director	Supervisory Board Member of ANWB B.V. with its registered office at Wassenaarseweg 220, The Hague, 2596 EC, The Netherlands Director of BT Nederland B.V. with its registered office at Herikerbergweg 2, Amsterdam 1101 CM, The Netherlands Supervisory Board Member of Essent NV with its registered office at Willemsplen 4, 5211 AK, The Netherlands Supervisory Board Member of Imtech NV with its registered office at Kampenringweg 45a, 2803 PE, Gouda, The Netherlands Supervisory Board Member of Royal Wegener NV with its registered office at Apeldoorn, The Netherlands Director of Thales Nederland B.V. with its registered office at Haaksbergerstraat 49, 7554 PA Hengelo, The Netherlands
Peter Johnson	Non-executive Director	–
Jacques Petry	Non-executive Director	Chairman and CEO of Albioma (formerly Sechilienne Sidec) with its registered office at 22, place des Vosges, Immeuble Le Monge, La Défense 5, 92400 Courbevoie, France

		Chairman and CEO of Jacques Petry Strategic Services, Sarl, with its registered office at Malouinière de Cancaval 35730 Pleurtuit
Stephen Riley	Non-executive Director	Regional Director of International Power (Trading) Limited, Swindon Power Technical Services Limited, IPM Hydro (UK) Limited, International Power Retail (UK) Limited, International Power Levanto Investments Limited, International Power Consolidated Holdings Limited, IPM International B.V. and Director of GDF Suez Shotton Limited, GDF Suez Teesside Limited and Scotia Wind (Craigengelt) Limited with their registered office at Senator House, 85 Queen Victoria Street, London, EC4V 4DP, United Kingdom Regional Director of IPM (UK) Power Holdings Limited with its registered office at 57-63 Line Wall Road, Gibraltar Regional Director of Morwell Financial Services pty Ltd with its registered office at Australia National Power Level 37, Ratio North Tower 525 Collins Street, Melbourne, 3000, Australia Director of GDF Suez Energy UK Limited, GDF Suez Sales Limited, GDF Suez Marketing Limited, GDF Suez Sales Limited, GDF Suez Services Limited, GDF Suez Solutions Limited, Teesside Energy Trading Limited and IPM Energy Retail Limited with their registered office at No.1 Leeds, 26 Whitehall Road, Leeds, LS12 1BE, United Kingdom
Marina Wyatt	Non-executive Director	Director of TomTom Sales B.V. and TomTom Gobal Assets B.V. with their registered offices at Rembrandtplein 35, 1017CT Amsterdam, The Netherlands Chief Financial Officer of TomTom N.V. with its registered office at Oosterdoksstraat 114, 1011DK Amsterdam, The Netherlands Director of TomTom Development Germany GmbH with its registered office at Maximilianallee 4, 04129 Leipzig, Germany

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.

SHARE CAPITAL AND MAJOR SHAREHOLDERS

As at the date of this Prospectus, the Issuer had an issued and fully paid share capital of £39,754,163.20 comprising 397,541,632 ordinary shares of £0.10 each.

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:

	Number of shares	Percentage
Schroders plc	55,275,505	13.90%
Royal London Asset Management	19,898,363	5.01%
Norges Bank	21,102,718	5.31%
Legal & General Group plc	13,138,758	3.31%
Sterling Strategic Value Ltd	11,954,123	3.01%

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.

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
P Dilnot	Director	–
T Woolrych	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 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*".

Orgaworld Canada Ltd.

Overview

Orgaworld Canada Ltd. was incorporated in Canada on 1 April 2012 as a private corporation with registration number 812799-9. Orgaworld Canada Ltd. is governed by the Canada Business Corporations Act. Its registered office is 150 Kent Street, London, Ontario, Canada N6A 1L3, telephone number +1 519 649 4446.

As set out in its articles of incorporation, there are no restrictions on the business that Orgaworld Canada Ltd. may carry on.

Orgaworld Canada Ltd.'s primary business activity is to operate the Group's organics business in Canada.

Orgaworld Canada Ltd. competes principally in the Canadian market.

The issued share capital of Orgaworld Canada Ltd amounts to C$10 divided into 1,000 common shares of C$0.01 each.

Administration and Management

The directors of Orgaworld Canada Ltd. and their significant principal outside activities are as follows:

Name	Position held	Significant principal outside activities
T Woolrych	Director	–
H Kaskens	Director	–
M Koppeser	Director	Partner, McCarter Grespan Benton Weir LLP

The business address of the directors is 150 Kent Street, London, Ontario, Canada N6A 1L3. No potential conflicts of interest exist between any duties owed to Orgaworld Canada Ltd. by its directors and their private interests or other duties.

Corporate Governance

Orgaworld Canada Ltd. complies with the corporate governance regime applicable under the laws of Canada. Orgaworld Canada Ltd. 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 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
P Dilnot	Director	–
T Woolrych	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 (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.

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
P Dilnot	Director	–
T Woolrych	Director	–
P Griffin-Smith	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.

Shanks B.V. is a debtor of other Group companies, the Issuer and Shanks Investments. In the event that Shanks B.V. is required to repay such indebtedness, Shanks B.V.'s ability to repay such indebtedness would depend on its ability to realise value from its investment in Shanks Nederlands B.V. over whose shares it has given the Share Pledge.

The issued share capital of Shanks B.V. amounts to €123,650 divided into 123,650 shares of €1 each.

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
H Rogiers	Director	–
T Woolrych	Director	–

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.

The issued share capital of Shanks Belgium Holding B.V. amounts to €50,800 divided into 50,800 shares of €1.

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
H Rogiers	Director	–
T Woolrych	Director	–

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 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.

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**
P Dilnot	Director	–
T Woolrych	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 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 Woolrych	Director	–
P Eglinton	Director	–
J Simpson	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.

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
P Dilnot	Director	–
T Woolrych	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 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.

The issued share capital of Shanks Finance Limited amounts to £0.60 divided into 60 ordinary shares of £0.01 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**
P Dilnot	Director	–
T Woolrych	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 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
P Dilnot	Director	–
T Woolrych	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 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 divided into 2,640,066 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**
M van Hulst	Director	–
H Rogiers	Director	–
L Dauge	Director	–
Shanks SA	Director (represented by H Rogiers)	–

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.

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
P Dilnot	Director	–
T Woolrych	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 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**
P Dilnot	Director	–
T Woolrych	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 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**
M van Hulst	Director	–
H Rogiers	Director	–
L Dauge	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.

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 Woolrych	Director	–
J Simpson	Director	–
E Bayley	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**
M van Hulst	Director	–
H Rogiers	Director	–
E 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 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 a bus 41,8800 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
M van Hulst	Director	–
Henk Rogiers	Director	–
Padavan bvba	Director (represented by P Laevers)	–

The business address of the directors is Kwadestraat 151 a bus 41,8800 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.

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 Woolrych	Director	–
P Eglinton	Director	–
J Simpson	Director	–
M Turner	Director	–
E Bayley	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 (as described in the *"General Information – Material Contracts"* section below) 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 (as defined below) on or before the Issue Date. 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 27 September 2010 to allow for the accession of a trustee under any New Notes (as defined below) (the "**Intercreditor Deed**").

Definitions

For the purposes of this section titled "*Intercreditor Deed, Share Pledge and Enforcement*":

"Designated Finance Instrument" means an instrument recording Financing Debt, Hedging Debt, Working Capital Debt and/or Noteholder Debt for the purposes of the Intercreditor Deed and which therefore benefits from the security created by the Security Documents (including the Share Pledge granting security over the Shanks Nederland B.V. shares);

"**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 "2011 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 Issuer 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 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;

"**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 to 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 Note, 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:

(a) 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 Issuer and the other Working Capital Borrowers party to the agreement;

(b) 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 Issuer and the other Working Capital Borrowers party to the agreement; and

(c) any other agreement designated as such by the Issuer 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

Intercreditor Overview

The Intercreditor Deed allows the Issuer to designate certain financing agreements and instruments as Designated Finance Instruments (see above). Once so designated such agreements or instruments benefit from the security conferred by the Security Documents (including the Share Pledge over the Shanks Nederland B.V. shares). The Notes will be so designated. The agreements and instruments which have already been so designated as Designated Finance Instruments are as follows:

(a) the 2011 Bank Facility;

(b) the Pricoa Note Agreement and the Pricoa Notes;

(c) the Outstanding Notes;

(d) the Working Capital Documents;

(e) a £47,000,000 standby letter of credit facility between (among others) the Issuer and HSBC Bank plc;

(f) certain Hedging Agreements between the Issuer and (respectively), Fortis Bank N.V./S.A., Rabobank International, ING Bank N.V., The Royal Bank of Scotland plc, HSBC Bank plc and Barclays Bank plc; and

(g) the Guarantee Facility Agreement dated on or around 21 February 2013 with, among others, Rabobank International.

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 Share Pledge (which is governed by Dutch law), Shanks B.V. granted security over all its present and future shareholding in Shanks Nederland B.V. (and all related rights). The security is given in favour of the Security Agent and secures the Security Agent Claims (which in turn are equivalent to the Transaction Party Claims). As a result, the Share Pledge secures outstandings under Designated Finance Instruments (which will include the Notes).

If the Security Agent enforces the security over the Shanks Nederland B.V. shares (see Enforcement of Security above) then the net proceeds derived from a sale of the shares in Shanks Nederland B.V. by the Security Agent will be applied in or towards re-paying outstanding amounts in respect of the Notes (and the other outstandings under Designated Finance Instruments) as described in the Enforcement of Security section above. Noteholders and the other holders of Designated Finance Instruments will have a priority right to receive those proceeds ahead of all other creditors of Shanks B.V. (the pledgor of the Shanks Nederland B.V. shares) subject to any costs, expenses and subject to preferential payment obligations which arise under Dutch law.

The security created under the Share Pledge is limited to the extent that such security would not contravene the provision of any law on financial assistance. It is not anticipated that such limitation will result in any reduced recoveries in relation to the Share Pledge.

Description of Shanks Nederland B.V.

Shanks Nederland B.V.

Overview

Shanks Nederland B.V. was incorporated in The Netherlands on 27 December 1990 as a private company limited by shares with company registration number 24186893. Shanks Nederland 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 Nederland 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 Nederland B.V. is a holding company for certain subsidiary companies in The Netherlands.

Shanks Nederland B.V. is a debtor of other Group companies, its holding company, Shanks B.V. and its own subsidiaries. Should Shanks Nederland B.V. be required to repay such indebtedness, which is due to be repayable in less than one year, Shanks Nederland B.V.'s ability to repay such indebtedness would depend on its ability to realise value from its investments in its subsidiary companies by way of dividends or sale.

The issued share capital of Shanks Nederland B.V. amounts to €25,000,000 divided into 50,000 shares of €500 each.

Administration and Management

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

Name	Position held	Significant principal outside activities
M van Hulst	Director	–
J Kappen	Director	–
H Rogiers	Director	–

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 Nederland B.V. by its directors and their private interests or other duties.

Corporate Governance

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

TAXATION

The following is a general description of certain Belgian, Canadian, EU, Luxembourg, The Netherlands and United Kingdom tax and FATCA 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, 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. In addition, all prospective purchasers of Notes should read the discussion of potential withholding in the section "FATCA" below and the discussion of a potential financial transaction tax under the section "The proposed financial transaction tax" below. 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.

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 25 per cent the tax base of the withholding tax is any interest income (after deduction of any non-Belgian withholding taxes), 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.

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 25 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 separately at a flat tax rate of 25 per cent (in the present

case not increased by communal surcharges) or at the progressive personal tax rates 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 normally 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 (after deduction of any non-Belgian withholding tax) in their personal income tax returns. Such interest will be subject to separate taxation at a flat rate of 25 per cent unless progressive personal tax rates are again more favourable.

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 25 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, subject to what is stated below. If such Noteholders receive interest on the Notes through a Belgian paying agent or 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) they deliver the necessary affidavit. If the interest income is not collected through a Belgian paying agent or a financial intermediary, no Belgian withholding tax will be due.

Non-resident Noteholders are also entitled to an exemption from Belgian withholding tax on interest from the Notes, if they deliver an affidavit confirming that (i) they are the legal owners or usufructors of the Notes, (ii) they have not allocated the Notes to business activities in Belgium and (iii) they are non-residents of Belgium, provided that the interest is paid through a Belgian credit institution, stock

exchange company or a licensed clearing or settlement institution and that the interest on the Notes is not imputed on the results of a Belgian establishment of the Issuer.

Non-resident Noteholders, who do not allocate the Notes to a professional activity in Belgium, are not subject to Belgian income tax save, as the case may be, for the withholding tax on interest. However, such non-residents may still be liable to Belgian income tax on capital gains realized on the Notes, if the following three conditions are cumulatively met, i.e. (i) the capital gain would have been taxable if the investor were a Belgian tax resident, (ii) the capital gain is realized upon a transfer of the Notes to a Belgian resident individual, company or other (legal) entity with registered office or principal place of business in Belgium, a Belgian public authority or a Belgian establishment of a non-resident and (iii) the capital gain is taxable in Belgium pursuant to an applicable bilateral tax treaty or, in the absence thereof, where the investor does not bring evidence that the capital gain has been effectively taxed in his state of residence.

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 0.09 per cent, with a maximum of €650 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*)).

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, the tax authorities of the former Netherlands Antilles (Curaçao, Bonaire, Saba, Sint Maarten, Sint Eustatius), Aruba, Guernsey, Jersey, the Isle of Man, Montserrat and the British Virgin Islands, Anguilla, the Cayman Islands and the Turks and Caicos Islands (the "**Dependent and Associated Territories**", and each a "**Dependent and Associated Territory**") or the tax authorities of Switzerland, Lichtenstein, Andorra, Monaco or San Marino (the "**Other European Countries**") 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 EU Member State, in a Dependent and Associated Territory or in one of the Other European Countries (the "**Disclosure of Information Method**"). From the EU Member States, only Belgium, Austria and Luxembourg were instead allowed (unless they elected 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 increased again to 35 per cent on 1 July 2011.

Belgium switched to the Disclosure of Information Method on 1 January 2010 (pursuant to two Royal Decrees of 27 September 2009 published in the *Belgian Official Gazette* on 1 October 2009). Therefore, interest paid on the Notes from 1 January 2010 and falling within the scope of application of the EU Savings Tax Directive will be subject to the Disclosure of Information Method.

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. This resulted in the adoption by the European Commission on 13 November 2008 of an amending proposal to the EU Savings Directive. The European Parliament expressed its opinion on the proposal 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, a Dependent and Associated Territory or one of the Other European Countries must provide the Belgian tax administration with certain details of such payments. The Belgian tax administration will (subject to reciprocity obligations) automatically, and at least once a year, exchange this information with the competent authorities of the Member State, the Dependent and Associated Territory or the Other European Country 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 or an Other European Country.

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 Belgian personal income tax return (see section entitled "*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 per cent.

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.

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.

All payments of interest and principal by the Issuer in the context of the holding, disposal, redemption or repurchase of the Notes can be made free of withholding 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 in accordance with applicable law, subject however to:

1. the application of the Luxembourg laws of June 21, 2005 (the "**Laws**") implementing the Council Directive 2003/48/EC of 3 June 2003 on taxation of savings income in the form of interest payments (the "**EU Savings Directive**") and several agreements (the "**Agreements**") concluded with certain dependent or associated territories and providing for the possible application of a withholding tax on interest paid to or for the benefit of certain non-Luxembourg resident investors (individuals and certain types of entities called "residual entities") in the event such payments being made by the relevant Issuer or by a paying agent established in Luxembourg within the meaning of the above-mentioned directive unless the beneficiary of the payment of interest or similar income elects for an exchange of information or provides a specific tax certificate to the Luxembourg paying agent; and

2. the application of the Luxembourg law of December 23, 2005 as amended introducing a final tax on certain payments of interest made to certain Luxembourg resident individuals (the "**Law**").

Resident Holders

Payment of interest or similar income (within the meaning of the Law) 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 Luxembourg resident for tax purposes who is the beneficial owner of such payment or to certain residual entities (entities defined in article 4.2 of the EU Savings Directive, hereafter "Residual Entities") established in another EU Member State or in an associated or dependent territory with which an Agreement has been signed, and deemed to be acting on behalf of an individual Luxembourg resident, may be subject to a final tax at a rate of 10 per cent. Such final tax will be in full discharge of income tax if the individual beneficial owner acts in the course of the management of his/her private wealth. Responsibility for the withholding and payment of the tax lies with the Luxembourg paying agent.

An individual beneficial owner of interest or similar income (within the meaning of the Law) 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 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 Holders

Under the EU Savings Directive and the Laws, a Luxembourg based paying agent (within the meaning of the EU Savings Directive) may be required to withhold tax on interest and other similar income (within the meaning of the Laws) paid by it to (or under certain circumstances, to the benefit of) an individual resident in another Member State of the European Union or a Residual Entity established in another Member State of the European Union, unless the beneficiary of the interest payments or the Residual Entity (where applicable) 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 resident in or Residual Entities established in certain dependent or associated territories (including Aruba, the British Virgin Islands, Guernsey, the Isle of Man, Jersey, Montserrat, Curaçao, Saba, Sint Eustatius, Bonaire and Sint Maarten).

The current tax rate is 35 per cent The 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 (the transitional period may therefore never end). In April 2013, the Luxembourg Government announced its intention to abolish the withholding system with effect from 1 January 2015, in favour of automatic information exchange under the EC Council Directive.

Netherlands Taxation

The following is a general summary of certain The 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 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 per cent (a corporate income tax rate of 20 per cent applies with respect to taxable profits up to €200,000 (the bracket for 2013)).

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 are the fair market value of the investment assets less the allowable liabilities on 1 January of the relevant calendar 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 The 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 The 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 FCA 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 per cent 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 or certain non-corporate entities resident in that other Member State; however, for a transitional period, Austria and Luxembourg are instead applying a withholding system in relation to such payments, deducting tax at a rate of 35 per cent. The transitional period is to terminate at the end of the first full fiscal year following agreement by certain non-EU countries to the exchange of information relating to such payments. However, Luxembourg announced that it will cease to withhold from 1 January 2015 and instead provide the required information.

A number of non-EU countries, 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 or certain non-corporate entities resident in a Member State. In addition, the Member States have entered into provision of information or transitional withholding arrangements with certain of those non EU nationality dependent or associated territories of certain Member States in relation to payments made by a person in a Member State to, or collected by such a person for, an individual resident or certain non-corporate entities resident in one of those territories.

The European Commission has proposed certain amendments to the EU Savings Tax Directive, which may, if implemented, amend or broaden the scope of the requirements described above. Investors who are in any doubt as to their position should consult their professional advisers.

The proposed financial transactions tax ("FTT")

The European Commission has published a proposal for a Directive for a common FTT in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the participating Member States).

The proposed FTT has very broad scope and could, if introduced in its current form, apply to certain dealings in the Notes (including secondary market transactions) in certain circumstances.

Under current proposals the FTT could apply in certain circumstances to persons both within and outside of the participating Member States. Generally, it would apply to certain dealings in the Notes where at least one party is a financial institution, and at least one party is established in a participating Member State. A financial institution may be, or be deemed to be, "established" in a participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a participating Member State.

The FTT proposal remains subject to negotiation between the participating Member States and is the subject of legal challenge. It may therefore be altered prior to any implementation, the timing of which remains unclear. Additional EU Member States may decide to participate. Prospective holders of the Notes are advised to seek their own professional advice in relation to the FTT.

FATCA

Under 31 C.F.R. part 10, the regulations governing practice before the Internal Revenue Service (Circular 230), the Issuer and its tax advisors are (or may be) required to inform you that any advice contained herein is not intended or written to be used, and cannot be used by any taxpayer, for the purpose of avoiding penalties that may be imposed on the taxpayer; any such advice is written to support the promotion or marketing of the Notes and the transactions described herein; and each taxpayer should seek advice based on the taxpayer's particular circumstances from an independent tax advisor.

Certain U.S. tax legislation, non-U.S. legislation implemented in furtherance of such U.S. legislation or an agreement with a taxing authority pursuant to such U.S. legislation (collectively referred to as the Foreign Account Tax Compliance Act or "**FATCA**") may impose a 30 per cent withholding tax on certain payments to "foreign financial institutions" (as such term is defined under FATCA) that do not comply with the relevant reporting and withholding requirements. The Issuer and Guarantors may, and an intermediary financial institution, broker or agent (each, an "**Intermediary**") through which a Note is held by a beneficial owner will, be required to comply with the relevant reporting and withholding requirements under FATCA in order to avoid the withholding tax. Under FATCA, the Issuer, a Guarantor or an Intermediary may, beginning no earlier than January 1, 2017, be required to deduct a 30 per cent withholding tax on payments, including principal and gross proceeds, on a Note. Withholding will not apply, however, if the Noteholder or beneficial owner of the Notes complies with the necessary requirements under FATCA, which may include providing certain identifying information about itself or its owners, or complying with the applicable withholding and reporting obligations. Noteholders and beneficial owners may also be required to provide a waiver of any laws prohibiting the disclosure of such information to a taxing authority. No additional amounts will be payable by the Issuer, Guarantors or an Intermediary in respect of any amounts withheld in connection with FATCA. Prospective purchasers should refer to Condition 7 (Taxation).

Any withholding on the Notes, to the extent required, is not expected to begin prior to January 1, 2017. In addition, a grandfathering rule provides that certain non-U.S. source obligations that are outstanding on December 31, 2013 (or six months after the adoption of final U.S. Treasury regulations addressing "**foreign passthru payments**") and that are not modified and treated as reissued, for U.S. federal income tax purposes, after such date will not be subject to withholding. Obligations that are treated as equity and certain debt obligations lacking a definitive term (such as saving and demand deposits), however, are not eligible for grandfathering. Assuming that the Notes are treated, for U.S. federal income tax purposes, as non-U.S. source debt obligations, Notes that are issued prior to the grandfathering date should qualify for the grandfathering exemption. However, there can be no assurance that the Notes, including after the modification or waiver of any conditions or terms relating to the Notes, will qualify for such treatment.

The U.S. has recently concluded intergovernmental agreements with several jurisdictions in respect of FATCA, including the UK. If a financial institution is resident in a jurisdiction that has an intergovernmental agreement in effect, the procedures with which such financial institution will be required to comply in order to be FATCA compliant will be different than for a financial institution that is not resident in such a jurisdiction. For example, a financial institution resident in a jurisdiction with an intergovernmental agreement in effect will not be required to enter a reporting and withholding agreement with the U.S. Internal Revenue Service ("**IRS**"), but would instead be required to register with the IRS and comply with local legislation that would be implemented to give effect to such intergovernmental agreement. Local legislation may require the financial institution to report account information to the local taxing authority instead of to the IRS. It is also anticipated that withholding will not be imposed on payments made to a financial institution resident in a jurisdiction with an intergovernmental agreement in effect unless the IRS has specifically identified the financial institution as noncompliant. In addition, it is anticipated that a financial institution resident in a jurisdiction with an intergovernmental agreement in effect generally will not be required to withhold on payments it makes (other than payments made to other financial institutions) unless it has otherwise assumed responsibility for withholding under US tax law.

The final impact of FATCA on the Noteholders, Issuer, Guarantors and Intermediaries is uncertain at this time. Each Noteholder and beneficial owner of the Notes should consult its own tax advisor to determine how FATCA may affect such Noteholder or beneficial owner in its particular circumstances.

SUBSCRIPTION AND SALE

The Joint Lead Managers, the Issuer and the Guarantors will enter into a subscription agreement dated 27 June 2013 (the "**Subscription Agreement**") and intend to enter into a supplement to the subscription agreement to be dated on or about 30 July 2013 (the "**Supplemental Subscription Agreement**") upon the terms and subject to the conditions contained therein. Pursuant to the Subscription Agreement, each of the Joint Lead Managers will use its best efforts to procure subscribers for the Notes. The Issuer will pay an arrangement fee payable to BNP Paribas Fortis SA/NV as agreed in a side letter between the Issuer and BNP Paribas Fortis SA/NV dated 24 May 2013[1]. 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

Offer Period

The Notes will be offered to the public in Belgium and Luxembourg (the "**Public Offer**"). The Public Offer will start on 3 July 2013 at 9.00 a.m. (CET) and end on 24 July 2013 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* / *www.bnppparibasfortis.be/emissies* 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, or by going on the website of, the following distributors appointed by the Issuer, using the subscription form provided by the relevant distributor (if any): BNP Paribas Fortis SA/NV (website: *www.bnpparibasfortis.be/emissions* / *www.bnppparibasfortis.be/emissies*) (including the branches acting under the commercial name of Fintro – website: *www.fintro.be*), KBC Bank NV (including CBC SA) (website*: www.kbc.be*) and KBC Securities NV (via *www.bolero.be*).

1. 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 being executed by all parties thereto prior to the start of the Offer Period;

(b) the correctness of the representations and warranties made by the Issuer and the Guarantors in the Subscription Agreement;

(c) the issue of a certificate of approval under Article 18 of the Prospectus Directive as implemented in the United Kingdom by the FCA to the CSSF and FSMA together with translations of this Prospectus summary in French and Dutch as required by the Belgian Prospectus Law and approval by the FSMA of the marketing materials to be used in Belgium in connection with the Public Offer;

[1] Investors may obtain further information in respect of the arrangement fee by contacting BNP Paribas Fortis SA/NV.

(d) 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; and

(e) various legal opinions and comfort letters being delivered.

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 FCA 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.

2. **Issue Price**

The Issue Price of the Notes is 101.875 per cent of their principal amount.

Investors who are not Qualified Investors 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 3.874 per cent on an annual basis. The yield is calculated on the basis of the Issue Price, an issue of €100,000,000 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.

The minimum amount of application for the Notes is €1,000. There is no maximum amount of application.

3. **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.

4. 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.

5. 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 BNP Paribas Fortis SA/NV 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 / www.bnpparibasfortis.be/ sparenenbeleggen > Nuttige info or www.kbc.be*)).

Investors must inform themselves about the costs that financial institutions other than the Joint Lead Managers may charge them.

6. Oversubscription Of The Notes

Early termination of the Offer Period will, at the earliest, occur at 5.00 p.m. (CET) on the third working day in Belgium after this Prospectus has been published on the websites of the Joint Lead Managers (i.e. at the earliest at 5.00 p.m. (CET) on 3 July 2013). Thereafter, early termination can occur at any moment (including during the course of the day). In the case of early termination of the Offer Period, a notice of the same specifying the date and time of the early termination will be published as soon as possible 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*).

All subscriptions that have been validly made by investors via the Joint Lead Managers prior to the early termination of the Public Offer will be taken into account when the Notes are allotted, it being understood that, in the case of oversubscription, a reduction may apply (i.e., the subscriptions will be scaled back). In the case of subscriptions in excess of the aggregate nominal amount of the Notes determined by the Issuer, the allocation by the Joint Lead Managers of Notes to investors that subscribed for Notes in the Public Offer shall occur subject to (a) prior consent by the Issuer in relation to the aggregate number of Notes to be allocated to investors (which consent shall not be unreasonably withheld or delayed) and (b) prior consultation in relation to the allocation criteria to be applied to

investors (including certain categories of investors). Subject to the foregoing, the intention of the Joint Lead Managers is to apply, insofar as possible, an allotment method whereby priority is given to subscriptions made via the Joint Lead Managers before the early termination of the Public Offer and whereby a proportional reduction is applied in the case of early termination of the Public Offer. It is foreseen that the allotment will be made, insofar as reasonably possible on a ½, ½ basis between the Joint Lead Managers. As a result of the reduction, percentages applied by each of the Joint Lead Managers can be different for each Joint Lead Manager, depending on the level of subscriptions received by each of them. In this respect, the Issuer will be consulted and involved by each of the Joint Lead Managers on an ongoing and continued basis during the Offer Period regarding the respective subscriptions of each of the Joint Lead Managers and each Joint Lead Manager will send the Issuer its expected final allocations in a transparent manner (as is customary for this type of transaction and subject to applicable laws).

The Joint Lead Managers have no responsibility whatsoever for the allotment criteria applied to subscriptions by other financial intermediaries.

In the case of early termination of the Public Offer, investors will be informed of the number of Notes that have been allotted to them as soon as possible after the date of the early termination.

Any payment made by an investor in the Notes in connection with the subscription by it of Notes which are not allotted to such investor will be refunded within 7 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 investor and the relevant financial intermediary, and such investor shall not be entitled to any interest in respect of such refunded payment.

7. 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 FSMA.

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.

8. Public Offer Timetable

The main steps and the expected timing of the Public Offer are as follows:

27 June 2013	Prospectus approved by the FCA
28 June 2013	Passporting request sent by the FCA to FSMA
By 1 July 2013 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 passported into Belgium and Luxembourg
3 July 2013 at 9.00 a.m. (CET)	Start of the Offer Period
24 July 2013 at 4.00 p.m. (CET)	End of the Offer Period subject to early termination referred to in paragraph 6 above
Between 25 July 2013 and 29 July 2013	Expected publication date of the results of the Public Offer of the Notes (including its net proceeds)

30 July 2013	Issue Date
On or around 31 July 2013	Admission of the Notes to listing on the Official List of the FCA and trading on the Main Market of the London Stock Exchange

9. **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*", and **provided that** the Issuer has consented in writing to the use of this Prospectus for any such 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 any legal entity which is a qualified investor as defined in the Prospectus Directive;

(b) to fewer than 100 or, if the Relevant Member State has implemented the relevant provision of the 2010 PD Amending Directive, 150, natural or legal persons (other than qualified investors as defined in the Prospectus Directive), as permitted under the Prospectus Directive, subject to obtaining the prior consent of the Joint Lead Managers; or

(c) 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 Joint Lead Manager 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 to purchase or subscribe the Notes, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State, the expression "**Prospectus Directive**" means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State), and includes any relevant implementing measure in the Relevant Member State and the expression "**2010 PD Amending Directive**" means Directive 2010/73/EU.

The Netherlands

The Notes have not been and will not be offered in The Netherlands other than to persons or entities which are qualified investors (*gekwalificeerde beleggers*) as defined in article 1:1 of the Dutch Financial Supervision Act (*Wet op het financieel toezicht*).

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.

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 Financial Services and Markets Act 2000) received by it in connection with the issue or sale of the Notes in circumstances in which Section 21(1) of the Financial Services and Markets Act 2000 does not apply to the Issuer or the Guarantors; and

(b) it has complied and will comply with all applicable provisions of the Financial Services and Markets Act 2000 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 and the Guarantee 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 of 1986 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 and the Guarantee, (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 and the Guarantee during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Notes and the Guarantee within the United States or to, or for the account or benefit of, U.S. persons. Terms used in this paragraph have the meanings given to them by Regulation S.

In addition, until 40 days after commencement of the offering of Notes and the Guarantee, an offer or sale of Notes or the Guarantee within the United States by a dealer that is 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.

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 4 June 2013 and 27 June 2013.

2. The giving of the Guarantee has been authorised by a resolution of the Board of Directors of each Guarantor dated 10 June 2013, in the case of the Guarantors incorporated either in England and Wales or Scotland, and 18 June 2013, in the case of the Guarantors incorporated in Canada, Belgium or The Netherlands.

Listing and Admission to Trading

3. Application will be made for the Notes to be admitted to listing on the Official List of the FCA and trading on the Main Market of the London Stock Exchange. The listing of the Notes is expected to be granted on or around 31 July 2013. 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 £3600.

Governmental, Legal and Arbitration Proceedings

4. There are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer, the Guarantors or Shanks Nederland B.V. are aware) during the 12 months prior to the date of this Prospectus which may have, or have had in the recent past, significant effects on the Group's financial position or profitability.

Financial and Trading Position

5. There has been no material adverse change in the prospects of the Issuer, the Guarantors or Shanks Nederland B.V. and there has been no significant change in the financial or trading position of the Group since 31 March 2013.

Auditors

6. The consolidated financial statements of the Issuer have been audited without qualification for each of the financial years ended 31 March 2013 and 31 March 2012 by PricewaterhouseCoopers LLP, independent auditors, 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, each Guarantor and Shanks Nederland B.V. (together with accurate English translations thereof);

(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 2013 and the Annual Report 2012.

Transaction Security

8. 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 have, pursuant to an accession deed to be dated on or before the Issue Date by which it will accede to the Intercreditor Deed as a secured creditor for itself and on behalf of the Noteholders (the "**Intercreditor Accession Deed**"), amongst others, the benefit of the Transaction Security and will 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*).

Material Contracts

9. ***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.

10. ***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:

Syndicated Banking Facility

The Group has a €188,430,216.55 and C$49,958,720.56 term loan and multicurrency revolving credit facility which was entered into on 2 February 2011 and expires on 30 June 2015 (the "**2011 Bank Facility**") with, among others, Barclays Corporate, HSBC Bank plc, Fortis Bank SA-NV, ING Bank N.V., Radobank International, The Royal Bank of Scotland plc and Barclays Bank PLC. As at 31 March 2013, €128 million of the 2011 Bank Facility had been drawn.

Interest is calculated on the 2011 Bank Facility at a percentage rate per annum equal to the aggregate of applicable (i) margin, (ii) LIBOR or, in relation to any loan in euro, EURIBOR and (iii) mandatory costs. The margin payable on interest varies on a ratchet fixed by the consolidated net borrowings to consolidated EBITDA ratio of the Group. The financial

covenants of the 2011 Bank Facility principally include ensuring that (i) the consolidated Group net worth is not at any time less than £225,000,000, (ii) the ratio of consolidated net borrowings to consolidated EBITDA of the Group at the end of each quarter does not exceed a ratio of 3.00:1, and (iii) the consolidated EBITA to consolidated net interest charges ratio of the Group is not, at the end of each accounting period, less than 3.00:1.

For details relating to the security under the 2011 Bank Facility, please see the section entitled "*Intercreditor Deed, Share Pledge and Enforcement*".

Pricoa Note Agreement

The Issuer entered into a multi-currency note facility and guarantee agreement with, among others, The Prudential Insurance Company of America and The Prudential Retirement Insurance and Annuity Company on 24 March 2011 (the "**Pricoa Note Agreement**"). The Pricoa Note Agreement comprises (i) Series A Notes which are €40 million in aggregate principal amount, carry a fixed interest of 5.025 per cent and are due for repayment in April 2018 and (ii) Series B Notes which are €18,054,582.53 in aggregate principal amount, carry a fixed interest of 6.98 per cent and are due for repayment in September 2013. The Series B Notes were amended and restated in the Pricoa Note Agreement from a multi-currency note facility and guarantee agreement originally entered into on 30 March 2001.

The financial covenants of the Pricoa Note Agreement are substantially in the form of those in the 2011 Bank Facility described above.

For details relating to the security under the Pricoa Note Agreement, please see the section entitled "*Intercreditor Deed, Share Pledge and Enforcement*".

Outstanding Notes

The Issuer issued €100,000,000 in aggregate principal amount of notes to retail investors, carrying a fixed interest of 5 per cent which are due for repayment in October 2015 (the "**Outstanding Notes**"). The noteholders under the Outstanding Notes have the benefit of any security from time to time existing in respect of the Group's Financing.

For further details relating to the security under the Outstanding Notes, please see the section entitled "*Intercreditor Deed, Share Pledge and Enforcement*".

Working Capital Facilities

The Group also access to £28.4 million of undrawn uncommitted working capital facilities with various banks. Cash flows are pooled at a country level and each operation is tasked with operating within the limits of the locally available working capital facilities.

PFI/PPP Financing

Each of the Group's PFI/PPP projects has senior debt facilities which contribute approximately 85 per cent of the capital funding required. These facilities are secured on the future cash flows of the PFI/PPP companies with no recourse to the Group as a whole. Repayment of these facilities, and any equity bridge facility in respect of the remaining capital funding, commences when construction is complete and concludes one to two years prior to the expiry of the PFI/PPP contract period. The maximum which could be drawn down under these facilities at 31 March 2013 was £167.7 million. Interest rates are fixed by means of interest rate swaps at the time of contract inception.

Yield

11. Based on the Issue Price and a redemption of the Notes on the Maturity Date at par, the anticipated gross yield of the Notes at the Issue Date will be 3.874 per cent per year and the anticipated net yield of the Notes at the Issue Date will be, for the retail investors in Belgium, 2.828 per cent per year, taking into account the Belgian withholding tax of 25 per cent per year applicable to Belgian retail investors. Such yield does not take into account other possible

costs, such as the costs linked to the custody of the retail investors' accounts and/or any other tax regime and is not an indication of future yield.

Legend Concerning U.S. Persons

12. 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

13. The Notes have been accepted for clearance through Euroclear and Clearstream, Luxembourg. The ISIN is XS0949931645 and the Common Code is 094993164. 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.

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*)

Up to €100,000,000
4.23 per cent Guaranteed Notes due 30 July 2019

(issued in the denomination of €1,000 and as described in the Listing and Offering Prospectus dated 27 June 2013)

ISIN: XS0949931645

(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.

[3] 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

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Shanks & McEwan (Environmental Services) Limited
Dunedin House
Auckland Park
Mount Farm
Milton Keynes
Buckinghamshire MK1 1BU
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Shanks & McEwan (Overseas Holdings) Limited
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Shanks B.V.
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The Netherlands

Shanks Belgium Holding B.V.
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2292 JM Wateringen
The Netherlands

Shanks Capital Investment Limited
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Shanks Chemical Services Limited
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Buckinghamshire MK1 1BU
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Shanks Environmental Services Limited
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Shanks Finance Limited
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Buckinghamshire MK1 1BU
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Shanks Financial Management Limited
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Shanks Hainaut SA
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Shanks Holdings Limited
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Buckinghamshire MK1 1BU
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Shanks Investments
Dunedin House
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Mount Farm
Milton Keynes
Buckinghamshire MK1 1BU
United Kingdom

Shanks Liège-Luxembourg SA
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B-4100 Seraing
Belgium

Shanks PFI Investments Limited
Dunedin House
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Mount Farm
Milton Keynes
Buckinghamshire MK1 1BU
United Kingdom

Shanks SA
Rue Edouard Belin 3/1
1435 Mont-Saint Guibert
Belgium

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

REGISTERED OFFICE OF SHANKS NEDERLAND B.V

Shanks Nederland B.V.
Stoelmatter 41,
2292 JM Wateringen,
The Netherlands

JOINT LEAD MANAGERS

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B-1000 Bruxelles
Belgium

KBC Bank NV
2 Havenlaan
B-1080 Brussels
Belgium

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L-2085 Luxembourg
Grand Duchy of Luxembourg

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London EC2R 6PA
United Kingdom

SECURITY AGENT

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To the Issuer and the Guarantors as to Scottish law:

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To the Joint Lead Managers as to Belgian law:

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