

HEADS OF TERMS

for

Planning obligation pursuant to section 106 of the Town and Country Planning Act 1990 (as amended) in respect of Farnham Sandpit, Alton Road, Farnham, Surrey.

1. Parties

1.1. Surrey County Council of County Hall, Kingston upon Thames KT1 2DN (“Council”);

1.2. Cemex UK Operations Limited (formerly RMC UK Limited) (company no. 658390) whose registered office is at Cemex House, Coldharbour Lane, Thorpe, Egham, Surrey TW20 8TD (“Cemex”);

1.3. Hall Aggregates Limited (company no. 192269) whose registered office is at Cemex House aforesaid (“Hall”);

1.4. Blakedew 645 Limited (company no. 6026234) whose registered office is at Highfield Court, Tollgate, Chandlers Ford, Eastleigh SO53 3TY (“Blakedew”);

1.5. Daphne Stuart Corkins of Flat 1 Westfield House, 70 Wrecclesham Hill Surrey and André Alfred Kemplen of 87 Broomleaf Road, Farnham, Surrey GU15 8DH (“Kemplens”);

1.6. Earthline Limited (company no. 2534626) whose registered office is at The Upper Lime Kiln Works, Ogbourne St George, Nr Marlborough, Wiltshire SN8 1SU (“Earthline”).

2. Background

2.1. “The Site” is Farnham Sandpit, Alton Road, Farnham Surrey as shown edged red on plan 1 attached (“Plan 1”);

2.2. There are the following current interests in the Site:-

- (a) Blakedew is the freehold owner of the land edged red on Plan 2 attached ("Plan 2");
- (b) Cemex is the freehold owner of the land coloured brown on Plan 2 ("Access Road");;
- (c) Kemplens are the freehold owners of the land edged green on Plan 2 ("Green Land");
- (d) Cemex has a lease of the part of the land edged red hatched blue on Plan 2 ("Tipped Land");
- (e) Hall has a lease of the Green Land;
- (f) Earthline has a lease of the part of the land edged red on Plan 2 hatched yellow.

2.3 On 13 September 2002 the Council granted planning permission to RMC Aggregates (Southern) Limited (a member of the Cemex group) for the development of the Site by the extraction of sand and clay, filling of resultant void with waste followed by comprehensive restoration under reference number WA99 0223 ("Existing Permission").

2.4 On the same date Cemex (1) Hall (2) Belle Mead Farnham Limited (3) and J M and P A E Sargent (4) and the Kemplens (5) entered into a planning obligation under section 106 of the Town and Country Planning Act 1990 (as amended) ("1990 Act") with the Council ("2002 Deed").

2.5 Earthline has submitted to the Council an application under section 73 of the 1990 Act (inter alia) to extend the time under the Existing

Permission for extracting the minerals and infilling with waste (“Planning Application”).

2.6 Blakedew is the freehold owner of the land edged blue on Plan 1 (“Blue Land”).

2.7 If the Council grant planning permission pursuant to the Planning Application the parties (other than the Council) have agreed that :-

- (a) Blakedew will grant Earthline a lease of the land edged red on Plan 2;
- (b) Hall will assign to Earthline its lease of the Green Land;
- (c) Cemex will permit Earthline access to and across the Tipped Land and the Access Road; and
- (d) (if required for the purposes in paragraph 4 below) Blakedew will permit the Blue Land to be used in conjunction with the Site for habitat mitigation and compensation purposes.

3. Release existing covenants

3.1. The Council will release and discharge the other contracting parties from their obligations and liabilities under the 2002 Deed such release to take effect upon the parties entering into the obligations in paragraph 4 below.

3.2. Following completion of the release and discharge referred to in paragraph 2.1 the Council will remove notice of the 2002 Deed from the register of Land Charges.

4. Further planning obligations

4.1. Hall, Cemex, Blakedew and Kemplens (“the Owners”) and Earthline will enter into a new planning obligation under section 106 of the 1990

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Act (“New Deed”) under which within 6 months (or such longer period as the Council may agree) from the issue of a planning permission Earthline shall submit to the Council for approval an ecological enhancement and woodland management plan (“the Management Plan”) in respect of the Site, in substitution for the draft management plan submitted by or on behalf of Cemex in 2003, showing how the Site is to be managed for the duration of working and restoration including a 5 year after care scheme and for 20 years thereafter.

4.2. If required, the Management Plan will make appropriate provision for habitat mitigation and compensation measures for dormice, bats and reptiles on the Blue Land.

4.3. The approved Management Plan shall be subject to 5 year periodic reviews taking into account the progress made in working the Site. Earthline shall implement the Management Plan in full, once approved, unless the Council agrees to a variation.

5. Contents of the Management Plan

The Management Plan shall contain as a minimum the following information:-

- Aims and objectives of the Management Plan;
- Plan showing management compartments for each habitat or landscape type;
- Description and evaluation of features including new planting;
- Any constraints on site that may influence management;
- Management options for achieving the aims and objectives;

- Any specific management measures aimed at enhancing habitat quality or specific species;
- Detailed prescriptions for management actions including mitigation, enhancement, vegetation removal and vegetation replacement;
- Resources to be used in and personnel responsible for implementation of the Management Plan;
- Detailed work schedules for the progressive restoration of the site including a matrix indicating timing of annual operations.

6. Costs

Earthline shall pay the Council's reasonable legal costs for the negotiation and preparation and completion of the New Deed.

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