

Declaration in relation to assistance for the acquisition of shares.

Please do not write in this margin

Pursuant to section 155(6) of the Companies Act 1985

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

To the Registrar of Companies
(Address overleaf - Note 5)

For official use

Company number

48745

Name of company

* Ineos Silicas Limited

Note
Please read the notes on page 3 before completing this form

*Insert full name of company

†We † See Appendix A attached hereto.

†Insert name(s) and address(es) of all the directors

§ Delete as appropriate

~~{the sole director}~~ [all the directors] § of the above company do solemnly and sincerely declare that:

The business of the company is:

‡ Delete whichever is inappropriate

~~{a} that of a {recognised bank} {licensed institution} § within the meaning of the Banking Act 1979 - ‡~~

~~{b} that of a person authorised under section 3 or 4 of the Insurance Companies Act 1982 to carry on insurance business in the United Kingdom - ‡~~

(c) something other than the above ‡

The company is proposing to give financial assistance in connection with the acquisition of shares in the [company] ~~[company's holding company - §~~

‡

The assistance is for the purpose of ~~[that acquisition]~~ [reducing or discharging a liability incurred for the purpose of that acquisition].

The number and class of the shares acquired or to be acquired is: 3,005,000 Ordinary Shares of £1

Presenter's name, address and reference (if any):

FRESHFIELDS BRUCKHAUS
DERINGER
65 FLEET STREET, LONDON
ENGLAND EC4Y 1HS
DX 23 LONDON/CHANCERY
LANE

For official use
General Section

Post room



LD6
COMPANIES HOUSE

0821
30/05/01

The assistance is to be given to: (note 2)

See Appendix B attached hereto.

Please do not
write in
this margin

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

The assistance will take the form of:

See Appendix C attached hereto.

The person who [has acquired][~~will acquire~~]* the shares is:
Ineos Silicas Holdings Limited

*Delete as
appropriate

The principal terms on which the assistance will be given are:

See Appendix D attached hereto.

The amount of cash to be transferred to the person assisted is £

Nil

The value of any asset to be transferred to the person assisted is £

Nil

The date on which the assistance is to be given is the date hereof or within 8 weeks.

Please do not
write in
this margin

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

† Delete either (a) or
(b) as appropriate

4/We have formed the opinion, as regards the company's initial situation immediately following the date on which the assistance is proposed to be given, that there will be no ground on which it could then be found to be unable to pay its debts. (note 3)

(a) 4/We have formed the opinion that the company will be able to pay its debts as they fall due during the year immediately following that date] † (note 3)

(b) ~~It is intended to commence the winding-up of the company within 12 months of that date, and I/we have formed the opinion that the company will be able to pay its debts in full within 12 months of the commencement of the winding-up.] † (note 3)~~

And 4/we make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act 1835.

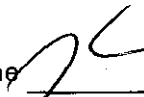
Declared at Freshfields Bruckhaus Deringer, 65 Fleet Street, London

Declarants to sign below

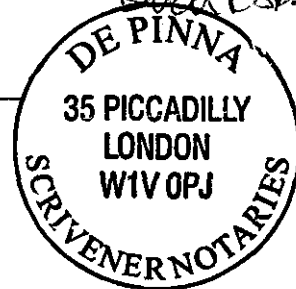
on Day Month Year

on

22 05 2001

before me  **J. KERR MILLIGAN**
Notary Public of London, England

A Commissioner for Oaths or Notary Public or Justice of the Peace or a Solicitor having the powers conferred on a Commissioner for Oaths.



NOTES

- 1 For the meaning of "a person incurring a liability" and "reducing or discharging a liability" see section 152(3) of the Companies Act 1985.
- 2 Insert full name(s) and address(es) of the person(s) to whom assistance is to be given; if a recipient is a company the registered office address should be shown.
- 3 Contingent and prospective liabilities of the company are to be taken into account-see section 156(3) of the Companies Act 1985.
- 4 The auditors report required by section 156(4) of the Companies Act 1985 must be annexed to this form.
- 5 The address for companies registered in England and Wales is:-

The Registrar of Companies
Companies House
Crown Way
Cardiff
CF14 3UZ

or, for companies registered in Scotland:-

The Registrar of Companies
37 Castle Terrace
Edinburgh
EH1 2EB

INEOS SILICAS LIMITED
COMPANY NUMBER: 48745

(the *Company*)

APPENDIX A

List of Directors

Mike Maher

Capel North
3 Capel-y-Nant
Northop Mold
Flintshire
CH7 6DJ

Brian Robert Foster

16 Belvedere Gardens
Chineham
Basingstoke
Hampshire
RG24 8GB

This is the Appendix A referred to in the Form 155(6)a declared by the Directors of the Company on *22 May* 2001.

INEOS SILICAS LIMITED

COMPANY NUMBER: 48745

(the *Company*)

APPENDIX B

Recipient of Financial Assistance

Ineos Silicas Holdings Limited
PO Box 26
Liverpool Road
Warrington
Cheshire
WA5 1AB

Company Number: 4012355

This is the Appendix B referred to in the Form 155(6)a declared by the Directors of the Company on *22 May* 2001.

INEOS SILICAS LIMITED

COMPANY NUMBER: 48745

(the *Company*)

APPENDIX C

Form which assistance will take

The execution and delivery by the Company of and the performance by the Company of its obligations under:

- (a) a senior credit agreement to be entered into on or about 22 May 2001 (the ***Senior Credit Agreement***) between, amongst others, Ineos Group Limited as Parent, Ineos Holdings Limited as Principal Obligor and various of their subsidiaries, Barclays Capital, Merrill Lynch International and UBS Warburg Ltd. as joint mandated lead arrangers, Barclays Bank PLC as facility agent and security agent, and the financial institutions named therein as lenders, pursuant to which such lenders will agree to make available to the Borrowers (as defined therein) term and revolving credit facilities up to a maximum aggregate amount of €900,000,000;
- (b) a subordinated credit agreement to be entered into on or about 22 May 2001 (the ***Subordinated Credit Agreement*** and, together with the Senior Credit Agreement, the ***Credit Agreements***) between, amongst others, Ineos Group Holdings Limited, Ineos Holdings Limited, and various of their subsidiaries, including the Company, Barclays Capital, Merrill Lynch International and UBS Warburg Ltd. as joint mandated lead arrangers, Deutsche Bank AG, London as subordinated facility agent and Barclays Bank PLC as security agent and the financial institutions named therein as subordinated lenders, pursuant to which such subordinated lenders will agree to make available to the Borrower (as defined therein) a term advance of €210,000,000;
- (c) a debenture to be entered into on or about 22 May 2001 (the ***Debenture***) in favour of Barclays Bank PLC (in its capacity as security agent for and on behalf of the Secured Parties (as defined therein)) and the Company as Charging Company (as defined in the Debenture);
- (d) an intra-group loan agreement to be entered into on or about 22 May 2001 (the ***Intra-Group Loan Agreement***) between Ineos Holdings Limited and certain borrowers under the Senior Credit Agreement and the Company, amongst others, as lender, to support the ongoing financing obligations of such borrowers under the Senior Credit Agreement and of Ineos Holdings Limited under (i) the Senior Credit Agreement; and (ii) an inter-company loan agreement between Ineos Holdings Limited as borrower and Ineos Group Holdings Limited as lender;
- (e) an intercreditor deed dated on or about 22 May 2001 (the ***Intercreditor Deed***) under which certain of the rights of the Company against the obligors under

the Credit Agreements will be subordinated to the rights of the Finance Parties (as defined in the Intercreditor Deed) and the rights of the Subordinated Finance Parties are subordinated to the rights of the Senior Finance Parties (as such terms are defined in the Intercreditor Deed).

This is the Appendix C referred to in the Form 155(6)a declared by the Directors of the Company on *22 May* 2001.

INEOS SILICAS LIMITED

COMPANY NUMBER: 48745

(the *Company*)

APPENDIX D

Principal terms of the assistance given

1. By entering into the Senior Credit Agreement the Company irrevocably and unconditionally and jointly and severally:
 - (a) guarantees to each Senior Finance Party (as defined in the Senior Credit Agreement) punctual performance by each obligor under the Senior Credit Agreement of all that obligor's obligations under the Senior Finance Documents (as defined in the Senior Credit Agreement);
 - (b) undertakes with each Senior Finance Party that whenever an Obligor does not pay any amount when due under or in connection with any Senior Finance Document, the Company shall immediately on demand pay that amount as if it was the principal obligor; and
 - (c) indemnifies each Senior Finance Party immediately on demand against any cost, loss or liability suffered by that Senior Finance Party if the guarantee given in accordance with (a) above or any obligation guaranteed by it is or becomes unenforceable, invalid or illegal.
2. By entering into the Subordinated Credit Agreement the Company irrevocably and unconditionally and jointly and severally:
 - (a) guarantees to each Subordinated Finance Party punctual performance by each obligor under the Subordinated Credit Agreement of all that obligor's obligations under the Subordinated Finance Documents (as defined in the Subordinated Credit Agreement);
 - (b) undertakes with each Subordinated Finance Party that whenever an obligor does not pay any amount when due under or in connection with any Subordinated Finance Document, the Company shall immediately on demand pay that amount as if it was the principal obligor; and
 - (c) indemnifies each Subordinated Finance Party immediately on demand against any cost, loss or liability suffered by that Subordinated Finance Party if the guarantee given in accordance with (a) above or any obligation guaranteed by it is or becomes unenforceable, invalid or illegal.
3. By executing the Debenture, the Company:

- (a) as security for the payment of the Indebtedness, charges in favour of the Security Agent with full title guarantee, by way of first legal mortgage, all freehold and leasehold property together with all buildings and fixtures (including trade fixtures) on that property, both present and future, from time to time owned by it or in which it has an interest;
- (b) as further security for the payment of the Indebtedness, charges in favour of the Security Agent with full title guarantee, by way of first fixed charge, both present and future, from time to time owned by it or in which it has an interest:
 - (i) all the Subsidiary Shares and Investments and all corresponding Distribution Rights;
 - (ii) all other interests (not charged under 3(a) above) in any freehold or leasehold property, the buildings and fixtures (including trade fixtures) on that property, all proceeds of sale derived therefrom and the benefit of all warranties and covenants given in respect thereof and all licences to enter upon or use land and the benefit of all other agreements relating to land;
 - (iii) all plant, machinery, vehicles, computers, office and other equipment and the benefit of all contracts, licences and warranties relating thereto;
 - (iv) all Book Debts and all rights and claims against third parties and against any security in respect of Book Debts;
 - (v) (subject to clause 8.4(b) (Collection of Book Debts) of the Debenture) all monies standing to the credit of its accounts (including the Cash Collateral Accounts) with any bank, financial institution or other person;
 - (vi) all its Intellectual Property Rights;
 - (vii) its goodwill and uncalled capital; and
 - (viii) if not effectively assigned by the terms of the Debenture, all its rights and interests in (and claims under) the Assigned Agreements;
- (c) as further security for the payment of the Indebtedness, charges in favour of the Security Agent with full title guarantee, by way of first floating charge, all its present and future assets not effectively charged by way of first fixed charge or assigned under the terms of the Debenture;

- (d) as further security for the payment of the Indebtedness, assigns absolutely to the Security Agent all its rights, title and interest in the Assigned Agreements, provided that on payment or discharge in full of the Indebtedness the Security Agent will at the request and cost of that the Company re-assign the Assigned Agreements to the Company (or as it shall direct);

(where each capitalised term referred to above has the meaning given to it in the Debenture)

4. By entering into the Intra-Group Loan Agreement, the Company (together with each other lender thereunder) undertakes to provide advances to the borrowers under the Intra-Group Loan Agreement in so far as its directors resolve that, having regard to the cash flow forecasts of that lender for the following twelve months, it can lend without there being a shortfall in working capital for that lender.
5. By entering into the Intercreditor Deed, the Company subordinates its rights against the obligors under the Credit Agreements to the Finance Parties (as defined in the Intercreditor Deed) and the rights of the Subordinated Finance Parties are subordinated to the rights of the Senior Finance Parties (as such terms are defined in the Intercreditor Deed).

This is the Appendix D referred to in the Form 155(6)a declared by the Directors of the Company on *22 May* 2001.

PricewaterhouseCoopers
89 Sandford Road
Newcastle upon Tyne NE99 1PL
Telephone +44 (0) 191 232 8493
Facsimile +44 (0) 191 261 9490

The Directors
Ineos Silicas Limited
Bank Quay
Warrington
Cheshire
WA5 1AB

22 May 2001

Ref: KB/TW8

Dear Sirs

Auditors' report to the directors of Ineos Silicas Limited pursuant to Section 156(4) of the Companies Act 1985

We have examined the attached statutory declaration of the directors of Ineos Silicas Limited ('the Company') dated 22 May 2001 in connection with the proposal that the Company should give financial assistance to discharge a liability incurred for the purchase of ordinary shares of the Company.

Basis of opinion

We have enquired into the state of the Company's affairs in order to review the bases for the statutory declaration.

Opinion

We are not aware of anything to indicate that the opinion expressed by the directors in their declaration as to any of the matters mentioned in Section 156(2) of the Companies Act 1985 is unreasonable in all the circumstances.

Yours faithfully



PricewaterhouseCoopers
Chartered Accountants and Registered Auditors