

Particulars of a mortgage or charge

395

Pursuant to section 395 of the Companies Act 1985

M85

Please do not write
in this margin

To the Registrar of Companies

For official use



Company number

2685504

Name of company

EPOCHAGE LIMITED ("the Company")

Date of creation of the charge

30th September, 1992

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

Guarantee and Debenture dated 30th September 1992 between the Company and others (1) and The Governor and Company of the Bank of Scotland ("BS") as Security Trustee (2)

Amount secured by the mortgage or charge

See Schedule 1 attached

69

A-

E. The Company acts as all or any of the other Companies named therein.

T. The Facilities Agreement dated 30th September 1992 and this charge.

Name(s) and address(es) of the mortgagee(s) or person(s) entitled to the charge

The Governor and Company of the Bank of Scotland, 38 Threadneedle Street, London EC2P 2EH as Security Trustee

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

LOVELL WHITE DURRANT
65 Holborn Viaduct
London EC1A 2DY

Tel: 071-236 0066

Ref: F3/MJC/AJP/19558.00451/8833v

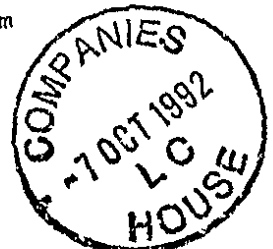
Time critical reference

For official Use
Mortgage Section

Post room

REGISTERED

- 7 OCT 1992



Short particulars of all the property mortgaged or charged

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See Schedule 2 attached. NB. The attached Schedule 2 contains covenants by and restrictions on the Company which protect and further define the charges and which must be read as part of the charges created

Particulars as to commission allowance or discount

N/A

Signed Lowell White Director Date 6th October 1992

On behalf of [company] [mortgagee / chargee] †

† Delete as
appropriate

Notes

- 1 The original instrument (if any) creating or evidencing the charge, together with these prescribed particulars correctly completed must be delivered to the Registrar of Companies within 21 days after the date of creation of the charge (section 395). If the property is situated and the charge was created outside the United Kingdom delivery to the Registrar must be effected within 21 days after the date on which the instrument could in due course of post, and if dispatched with due diligence, have been received in the United Kingdom (section 398). A copy of the instrument creating the charge will be accepted where the property charged is situated and the charge was created outside the United Kingdom (section 398) and in such cases the copy must be verified to be a correct copy either by the company or by the person who has delivered or sent the copy to the registrar. The verification must be signed by or on behalf of the person giving the verification and where this is given by a body corporate it must be signed by an officer of that body. A verified copy will also be accepted where section 398(4) applies (property situate in Scotland or Northern Ireland) and Form No. 398 is submitted.
- 2 A description of the instrument, eg "Trust Deed", "Debenture", "Mortgage" or "Legal charge", etc, as the case may be, should be given.
- 3 In this section there should be inserted the amount or rate per cent. of the commission, allowance or discount (if any) paid or made either directly or indirectly by the company to any person in consideration of his;
 - (a) subscribing or agreeing to subscribe, whether absolutely or conditionally, or
 - (b) procuring or agreeing to procure subscriptions, whether absolute or conditional, for any of the debentures included in this return. The rate of interest payable under the terms of the debentures should not be entered.
- 4 If any of the spaces in this form provide insufficient space the particulars must be entered on the prescribed continuation sheet.
- 5 This form should be addressed to:
Mortgage Section
PO Box 716
Companies House
Crown Way
CARDIFF CF4 3YA

SCHEDULE 1

Part A - Definitions

In this Schedule 1 and in Schedule 2 the following terms shall have the following meanings:-

"Acquisition Agreement"

means together:-

- (a) the amended and restated asset purchase agreement between BP Chemicals Limited and ISCL;
- (b) the amended and restated share purchase agreement relating to Hythe Chemicals Limited between BP Chemicals Limited and Inspec Group Limited; and
- (c) the OSP asset purchase agreement between BP Chemicals Limited and Inspec Group Limited,

providing for the acquisition of certain businesses and of the issued share capital of Hythe Chemicals Limited on 30th September 1992, each in the agreed terms.

"Banks"

means the original parties to the Facilities Agreement in their respective capacities as Banks under the Facilities Agreement, and shall be construed to include their respective successors, assignees and transferees in respect of the Facilities Agreement, and "Bank" shall mean any of the Banks as the context may admit or require.

"BP Debenture"

means the guarantee and debenture dated 30th September 1992 executed by the Companies in favour of BP Chemicals Limited.

"Commercial Agreements"

means the following agreements, each in the agreed terms:-

- (a) the DMB Manufacturing Agreement between ISCL and BP Chemicals Limited dated 30th September 1992, the Speciality Plasticisers Toll-Manufacturing Agreement between ISCL and BP Chemicals Limited dated 30th September 1992, and the Toll Manufacturing Agreement Diethyl Oxalate between BP Chemicals Limited and MTM Performance Chemicals Limited dated 11th December 1991 and the assignment thereof by BP Chemicals Limited to HCL dated 30th June 1992;

- (b) the Propylene Oxide Supply Agreement between ISCL and BP Chemicals Limited dated 30th September 1992, the Ethylene Oxide Supply Agreement between ISCL and BP Chemicals Limited dated 30th September 1992 and the ADX Supply Agreement between ISCL and BP Chemicals (Additives) Limited dated 30th September 1992;
- (c) the Option Agreement relating to Barry, South Glamorgan between ISCL and BP Chemicals Limited and the Option Agreement relating to Grangemouth, Stirling, between ISCL and BP Chemicals Limited each dated 30th September 1992, and the documents scheduled to each of them;
- (d) the Agreement between ISCL and Oceanfloor Limited relating to the acquisition of Oceanfloor Limited;
- (e) the Bridging Services Agreement between ISCL and BP Chemicals Limited dated 30th September 1992;

and includes agreements varying, amending, supplementing, replacing and/or restating any of the above agreements, and also includes all or any part of one or more of them; and "Commercial Agreement" shall be construed accordingly.

"Companies"

means Inspec Group Limited, International Speciality Chemicals Limited, Oceanfloor Limited, Hythe Chemicals Limited and Epochage Limited and includes any other company which may from time to time become a Group Company.

"Encumbrance"

means any mortgage, pledge, lien, charge, assignment by way of security, hypothecation, security interest, credit balance with a bank deposited for security purposes or any other security agreement or arrangement, whether conditional or not and whether relating to existing or future assets, securing any obligation of any relevant person, or any other type of preferential arrangement (including, without limitation, title transfer and retention arrangements) having a similar effect.

"Facilities Agreement"

means the Facilities Agreement dated 30th September 1992 between International Speciality Chemicals Limited (1), Inspec Group Limited (2), BS, Banque Indosuez,

- Morgan Grenfell & Co. Limited and Hambros Bank Limited as Underwriters (3), BS as Working Capital Bank (4) and BS as agent and Security Trustee (5), and includes any amendments, supplements, accessions, variations or additions to the Facilities Agreement, including without limitation changes to the facilities provided thereunder or their maximum amount.
- "Group" means, at any time, Inspec Group Limited and its Subsidiaries at that time (but excluding the Ring-Fenced Companies) and "Group Company" means any of them.
- "Intellectual Property Charges" means the trade marks mortgage, the patent mortgage, the mortgage of copyright and design right and the registered designs mortgage, each in the agreed terms, given by ISCL in favour of the Security Trustee.
- "ISCL" means International Speciality Chemicals Limited, a company registered in England and Wales with company number 2708129.
- "Ring-Fenced Companies" means any future-acquired or incorporated subsidiaries of Inspec Group Limited, which are financed, managed and operated entirely separately from and without recourse to the Group in accordance with Clause 15.2 of the Facilities Agreement.
- "Security Trustee" means BS acting as security trustee for the Banks, the Working Capital Bank and the Swap Counterparties which expression shall include any successor substituted in accordance with the Facilities Agreement but in any case any third party may rely on a deed of transfer of mortgage executed by the Security Trustee and by the successor as conclusive evidence of any change of Security Trustee.
- "Swap Agreements" means the interest rate management agreements referred to in Clause 15.1(bb) of the Facilities Agreement and any other agreements entered into between a Swap Counterparty and any Group Company at any time for the purpose of managing or hedging the interest rate risk under the Facilities Agreement whether by way of cap, collar, swap or otherwise and "Swap Agreement" shall be construed accordingly.
- "Swap Counterparty" means any Bank with which ISCL enters into a swap agreement as a counterparty thereunder, and "Swap Counterparties" shall be construed accordingly.

Working Capital Bank"	means BS as provider of the Working Capital Facilities and includes its substitutes, successors, assignees and transferees from time to time in that capacity.
"Working Capital Facilities"	means the facility for the utilisation of overdraft and other facilities for the issuance of bonds, guarantees, indemnities, letters of credit, forward foreign exchange contracts and any other ancillary facilities, provided by the Working Capital Bank in accordance with Clause 3.1 of the Facilities Agreement and the Working Capital Letter (or any other facility on substantially similar terms made available by a bank (which need not be a Bank) acceptable to the Majority Banks in substitution or replacement therefor), and any other banking facilities of any nature whatsoever that may from time to time be made available to any Group Company by BS.
"Working Capital Guarantee"	means the guarantee provided under the Working Capital Guarantee Facility and contained in Clause 3 of the Facilities Agreement or in the case of a substitute Working Capital Bank, a separate guarantee on the same terms.
"Working Capital Letters"	means all letters or other documents from time to time in force regulating the terms of the Working Capital Facilities or any part thereof.

Part B - Amount secured by the Mortgage or Charge

By clause 2 of the Guarantee and Debenture the Company covenanted to pay:-

- (a) all moneys and all obligations and liabilities which shall for the time being (and whether on or at any time after demand) be due owing or incurred to each of the Banks by it under the Facilities Agreement (including, for the avoidance of doubt, sums paid by the Banks to the Working Capital Bank under the Working Capital Guarantee);
- (b) all moneys and all obligations and liabilities which shall for the time being (and whether on or at any time after demand) be due owing or incurred to each of the Banks by any Group Company (including any of the other Companies) under the Facilities Agreement;
- (c) all moneys and all obligations and liabilities which shall for the time being (and whether on or at any time after demand) be due owing or incurred by it in respect of the Working Capital Facilities;
- (d) all moneys and all obligations and liabilities which shall for the time being be due owing or incurred by any Group Company (including any of the other Companies) in respect of the Working Capital Facilities; and

- (e) all moneys and all obligations which shall for the time being (and whether on or at any time after demand) be due owing or incurred to each of the Swap Counterparties by it or by any Group Company (including any of the other Companies) under the Swap Agreements.

Schedule 2

Short particulars of all the property mortgaged or charges

Terms defined in Part A of Schedule 1 have the same meanings where used in this schedule.

By clause 4.1 of the Guarantee and Debenture the Company charges:-

- (a) by way of first legal mortgage, all its freehold and leasehold property the title to which is registered at HM Land Registry together with all buildings, fixtures (excluding in the case of leasehold property landlord's fixtures but including trade fixtures and excluding in the case of freehold property and leasehold property which is let or sub-let to a third party, tenant's and trade fixtures and fittings of such third party) and fixed plant and machinery at any time thereon;
- (b) by way of first legal mortgage, all other freehold and leasehold property vested in it and not registered at HM Land Registry (including but not limited to the interest of the Company in the following:-

1. All those leasehold premises at Hythe, Fawley, Hampshire comprised in a Lease dated 1st April 1958 made between Esso Petroleum Company, Limited (1) and Gemec Limited (2) as amended by a Deed of Variation dated 29th June 1992 made between Esso Petroleum Company, Limited (1) and Hythe Chemicals Limited (2);
2. All those leasehold premises at Hythe, Fawley, Hampshire comprised in a Lease dated 5th June 1968 made between Esso Petroleum Company, Limited (1) and Union Carbide U.K. Limited (2));

together with all buildings, fixtures (excluding in the case of leasehold property landlord's fixtures but including trade fixtures and excluding in the case of freehold property and leasehold property which is let or sub-let to a third party, tenant's and trade fixtures and fittings of such third party) and fixed plant and machinery at any time thereon;

- (c) by way of first fixed charge, all future freehold and leasehold property of the Company together with all buildings, fixtures (excluding in the case of leasehold property landlord's fixtures but including trade fixtures and excluding in the case of freehold property and leasehold property which is let or sub-let to a third party, tenant's and trade fixtures and fittings of such third party) and fixed plant and machinery at any time thereon;
- (d) by way of first fixed charge, all estates and interests not effectively charged under paragraphs (a), (b) and (c) above now or hereafter belonging to the Company in or over land wheresoever situate or the proceeds of sale of land and all licences now or hereafter held by the

Company to enter upon or use land and the benefit of all other agreements relating to land to which the Company is or may become a party or otherwise entitled and all trade and tenants' fixtures, plant and machinery owned by the Company now or hereafter annexed to all freehold and leasehold property its estate or interest in which stands charged under the Guarantee and Debenture;

- (e) by way of first fixed charge, all book debts both present and future due or owing to the Company and the benefit of all rights relating thereto including (without prejudice to the generality of the foregoing) negotiable instruments, legal and equitable charges, reservation of proprietary rights, bank accounts (including without limitation, each and every account with any bank which is designated as a collection account for book and other debts), rights of tracing and unpaid vendors' liens and similar and associated rights;
- (f) by way of first fixed charge, all other monetary debts and claims both present and future including things in action which give rise or may give rise to a debt or debts now or hereafter due or owing to the Company and the benefit of all rights relating thereto including (without prejudice to the generality of the foregoing) such rights as are described in sub-clause (e) above, and all rights and claims arising pursuant to any trade indemnity policies in favour of Group Companies from time to time and the Swap Agreements;
- (g) by way of first fixed charge:
 - (i) all stocks and shares and other interests both present and future including (without prejudice to the generality of the foregoing) loan capital, indebtedness or liabilities on any account or in any manner owing to the Company in (and from) any company including, without limitation, in (and from) any company which is a Subsidiary of any of the Companies (subject in the case of the shares in Oceanfloor Limited to the BP Debenture); and
 - (ii) the full benefit of all stocks, shares and securities which, or the certificates of which, are now or may at any time hereafter be lodged with or held by or transferred to or registered in the name of the Security Trustee or its nominees; and
 - (iii) all rights in respect of or incidental to the property described at (i) and (ii) above (the property described at (i) to (iii) inclusive charged under the Guarantee and Debenture being hereinafter called "the Securities"); and
 - (iv) all stocks, shares, rights, moneys or property accruing or offered at any time by way of conversion, redemption, bonus, rights, preference, option, capital reorganisation, or otherwise to or in respect of any of the Securities, including all dividends, interest and other income payable in connection therewith (all of which property described at (i) to (iv) inclusive, charged under the Guarantee and Debenture are hereinafter called "Interests in Securities"),

but so that none of the Security Trustee, the Banks, the Working Capital Bank or the Swap Counterparties shall in any circumstances incur any liability whatsoever in respect of any calls, instalments or otherwise in connection with Interests in Securities;

- (h) by way of first fixed equitable charge, the goodwill, trade marks and trade mark application (and all goodwill associated therewith), service marks, trade names, copyrights, rights in the nature of copyright, design rights, all trade secrets and know-how and all other intellectual property rights now or hereafter obtained by the Company or (to the extent that the same may be capable of becoming the subject of a valid charge) in which the Company may have an interest (but excluding the property charged by the Intellectual Property Charge) and the benefits of all present and future agreements entered into or the benefit of which is enjoyed by the Company relating to the use or exploitation of rights of such nature whether owned by the Company or others and the uncalled capital of the Company both present and future; and
- (i) by way of floating charge, all the undertaking and all property and assets of the Company whatsoever and wheresoever both present and future including (without prejudice to the generality of the foregoing) heritable property and all other property and assets in Scotland, Northern Ireland and the Republic of Ireland and the property described in paragraphs (a) to (h) inclusive and described below if and so far as the charges thereon (or assignments thereof) or on any part thereof contained in the Guarantee and Debenture shall for any reason be ineffective as fixed charges;

By clause 4.3 of the Guarantee and Debenture the Company assigned by way of security all its rights and claims arising pursuant to the Acquisition Agreement and/or the Commercial Agreements.

By clause 7 of the Guarantee and Debenture the Company covenanted, inter alia, to:-

- (a) get in and realise all book debts and other debts and claims charged under the Guarantee and Debenture and pay all moneys which it may receive in respect thereof into its account with the Security Trustee and/or such other bank or banks as the Security Trustee may from time to time nominate forthwith on receipt and, pending such payment, hold all moneys so received upon trust for the Security Trustee on behalf of itself, the Banks, the Working Capital Bank and the Swap Counterparties and the Company shall not without the prior consent of the Security Trustee in writing purport to sell, charge, factor, discount or encumber or assign or otherwise sell or dispose of the same (or any interest therein) in favour of any other person and shall if called upon to do so by the Security Trustee at any time:-
 - (i) execute a legal assignment of such book debts and other debts and claims to the Security Trustee and give notice thereof to the relevant debtor; and/or
 - (ii) deliver such particulars as to the amount and nature of such book and other debts and claims as the Security Trustee may from time to time require;
- (b) ensure that the amounts guaranteed under the Guarantee and Debenture to be paid by the Company will at all times constitute the direct, unconditional and general obligations of the Company and, unless the Security Trustee otherwise agrees, will rank (save in respect of statutory preferential debts) at least pari passu with all present and future outstanding indebtedness issued, created, assumed or guaranteed by the Company;

- (c) not, and to procure that each other Group Company shall not, without the consent in writing of the Security Trustee (and save for any security created in favour of the Security Trustee or otherwise permitted by the Facilities Agreement) create, incur or permit to subsist any Encumbrance on any of its present or future property assets or revenues to secure any liability, actual or contingent;
- (d) not, and to procure that each other Group Company shall not, without the consent in writing of the Security Trustee or as permitted by the Facilities Agreement, redeem or purchase any of its own shares or otherwise reduce its share capital or create or issue any debenture stock or loan stock; and
- (e) not, and to procure that each other Group Company shall not, without the prior written consent of the Security Trustee, enter into any arrangement whereby any person (other than another Group Company which shall have executed a deed supplemental to the Guarantee and Debenture) shall acquire or gain the right to acquire the right to carry on the whole or any part of the trade or business presently being carried on by any of the Companies.



CERTIFICATE OF THE REGISTRATION OF A MORTGAGE OR CHARGE

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

I hereby certify that a mortgage or charge dated the 30th SEPTEMBER 1992
and created by EPOCHAGE LIMITED

for securing all moneys due or to become due from THE COMPANY AND/OR ALL
OR ANY OF THE OTHER COMPANIES NAMED THEREIN to THE GOVERNOR AND COMPANY OF
THE BANK OF SCOTLAND AS SECURITY TRUSTEE under the terms of THE
FACILITIES AGREEMENT DATED 30th SEPTEMBER 1992 AND THIS CHARGE

was registered pursuant to Chapter I Part XII of the Companies Act
1985, on the 7th OCTOBER 1992

Given under my hand at the Companies Registration Office,
Cardiff the 12th OCTOBER 1992

No. 2685504

Post
12.10.
S.

A handwritten signature in dark ink, appearing to read 'P. Jones'.

P. JONES

an authorised officer

C.69

Particulars of a mortgage or charge

395

Pursuant to section 395 of the Companies Act 1985

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

For official use

Company number

[] [] [] [] [] [] [] [] [] []

2685504

Name of company

* EPOCHAGE LIMITED ("the Company")

Date of creation of the charge

30th September 1992

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

Guarantee and Debenture dated 30th September 1992 and
Supplemental Deed dated 13 October 1992 (together, "the
Debenture")

Amount secured by the mortgage or charge

(1) On demand in writing made to the Company by the Trustee under the Secured Loan Stock Deed, the payment to Advent for the account of the Stockholders, all moneys, and the discharge of all obligations and liabilities which shall for the time being (and whether on or at any time after such demand) be due owing or incurred to each of the Stockholders by it under the Secured Loan Stock Deed; and

(2) on demand in writing made to the Company by the Trustee the payment to Advent for the account of the Stockholders, all moneys, and the discharge of all obligations and liabilities which shall for the time being (and whether on or at any time after such demand) be due owing or incurred to the Stockholders by any Group Company under the Secured Loan Stock Deed; (see continuation sheet No. 1)

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

ADVENT INTERNATIONAL CORPORATION, of 101 Federal Street,
Boston, Massachusetts 02110, USA

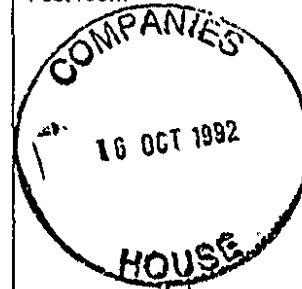
Postcode

Presenter's name address and
reference (if any):Baker & McKenzie
100 New Bridge Street
London EC4V 6JA

Ref: DPG

For official Use
Mortgage Section

Post room



Time critical reference

Short particulars of all the property mortgaged or charged

By Clause 4.1 of the Debenture, the Company as beneficial owner has charged to Advent with the payment and discharge of all moneys and liabilities thereby covenanted to be paid or discharged by it:-

- (a) by way of legal mortgage, all its freehold and leasehold property title to which is registered at HM Land Registry together with all buildings, fixtures, (excluding in the case of leasehold property landlord's fixtures but including trade fixtures and excluding in the case of freehold property and leasehold property which is let or sub-let to a third party, tenant's and trade fixtures and fittings of such third party) and fixed plant and machinery at any time thereon;

(see continuation sheet No. 1)

Please do not write in this margin

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

Particulars as to commission allowance or discount (note 3)

NIL

Signed

Date

On behalf of [company][mortgagee/chargee]†

† delete as appropriate

Notes

- 1 The original instrument (if any) creating or evidencing the charge, together with these prescribed particulars correctly completed must be delivered to the Registrar of Companies within 21 days after the date of creation of the charge (section 395). If the property is situated and the charge was created outside the United Kingdom delivery to the Registrar must be effected within 21 days after the date on which the instrument could in due course of post, and if dispatched with due diligence, have been received in the United Kingdom (section 398). A copy of the instrument creating the charge will be accepted where the property charged is situated and the charge was created outside the United Kingdom (section 398) and in such cases the copy must be verified to be a correct copy either by the company or by the person who has delivered or sent the copy to the registrar. The verification must be signed by or on behalf of the person giving the verification and where this is given by a body corporate it must be signed by an officer of that body. A verified copy will also be accepted where section 398(4) applies (property situate in Scotland or Northern Ireland) and Form No. 398 is submitted.
- 2 A description of the instrument, eg "Trust Deed", "Debenture", "Mortgage" or "Legal charge", etc, as the case may be, should be given.
- 3 In this section there should be inserted the amount or rate per cent. of the commission, allowance or discount (if any) paid or made either directly or indirectly by the company to any person in consideration of his;
 - (a) subscribing or agreeing to subscribe, whether absolutely or conditionally, or
 - (b) procuring or agreeing to procure subscriptions, whether absolute or conditional,for any of the debentures included in this return. The rate of interest payable under the terms of the debentures should not be entered.
- 4 If any of the spaces in this form provide insufficient space the particulars must be entered on the prescribed continuation sheet.
- 5 The address of the Registrar of Companies is:-
Companies House, Crown Way, Cardiff CF4 3UZ

(Continuation Sheet No. 1)

in each case, whether actually or contingently and whether solely or jointly with any other person and whether as principal or surety (under any document whether executed before, at the same time as, or at any time after execution of the Debenture) and whether or not such indebtedness, obligations or liabilities shall have been incurred directly to the Stockholder concerned or such stockholder is entitled to lodge a claim in respect thereof only by reason of the sale or assignment of such indebtedness or liability to it by the party originally entitled;

(3) Interest on each of the above (in the absence of express agreement to the contrary) computed and compounded according to the provisions of the Secured Loan Stock Deed as well after as before any demand made or judgment obtained under the Debenture.

(4) Notwithstanding anything contained elsewhere in the Debenture, Clause 2.5 of the Debenture provides that:-

- (a)
 - (i) payment may be required under paragraphs (1), (2) or (3) above,
 - (ii) the security constituted by or pursuant to the Debenture at any time shall be deemed enforceable, and
 - (iii) the rights granted pursuant to the Debenture at any time shall be exercisable only if, and to the extent, permitted under the terms of the Inter-Creditor Agreement; and
- (b) the security constituted by the Debenture at any time shall, if, and to the extent provided by the Inter-Creditor Agreement rank behind any security created to secure the Senior Debt or the Vendor Debt.

(Continuation Sheet No. 1)

(b) by way of legal mortgage, all other freehold and leasehold property now vested in the Company and not registered at HM Land Registry together with all buildings, fixtures (excluding in the case of leasehold property landlord's fixtures but including trade fixtures and excluding in the case of freehold property and leasehold property which is let or sub-let to a third party, tenant's and trade fixtures and fittings of such third party) and fixed plant and machinery at any time thereon;

(c) by way of fixed charge, all future freehold and leasehold property of the Company together with all buildings, fixtures (excluding in the case of leasehold property landlord's fixtures but including trade fixtures and excluding in the case of freehold property and leasehold property which is let or sub-let to a third party, tenant's and trade fixtures and fittings of such third party) and fixed plant and machinery at any time thereon;

(d) by way of fixed charge, all estates and interests not hereinbefore effectively charged now or hereafter belonging to the Company in or over land wheresoever situate or the proceeds of sale of land and all licences now or hereafter held by the Company to enter upon or use land and the benefit of all other agreements relating to land to which it is or may become a party or otherwise entitled and all trade and tenants' fixtures, plant and machinery owned by such Company now or hereafter annexed to all freehold and leasehold property its estate or interest in which stands charged under the Debenture;

(e) by way of fixed charge, all book debts both present and future due or owing to the Company and the benefit of all rights relating thereto including (without prejudice to the generality of the foregoing) negotiable instruments, legal and equitable charges, reservation of proprietary rights, bank accounts (including without limitation, each and every account with any bank which is designated as a collection account for book and other debts), rights of tracing and unpaid vendors' liens and similar and associated rights;

(f) by way of fixed charge, all other monetary debts and claims both present and future including things in action which give rise or may give rise to a debt or debts now or hereafter due or owing to the Company and the benefit of all rights relating thereto;

(g) by way of fixed charge:

(See Continuation Sheet No. 2)

(i) all stocks and shares and other interests both present and future including (subject, without prejudice to the generality of Clause 2.5(b) of the Debenture, in the case of the shares in Oceanfloor, ISCL, HCL and IFL to the BP OSP Security and the BP Security, as such terms are defined in the Inter-Creditor Agreement) loan capital, indebtedness or liabilities on any account or in any manner owing to the Company in (and from) any company including, without limitation, in (and from) any company which is a Subsidiary of any of the Companies (subject in the case of the shares in Oceanfloor to the BP OSP Charge); and

(ii) the full benefit of all stocks, shares and securities which, or the certificates of which, are now or may at any time hereafter be lodged with or held by or transferred to or registered in the name of Advent or its nominees; and

(iii) all rights in respect of or incidental to the property described at (i) and (ii) above (the property described at (i) to (iii) inclusive charged by the Debenture being hereinafter called "the Securities"); and

(iv) all stocks, shares, rights, moneys or property accruing or offered at any time by way of conversion, redemption, bonus, rights, preference, option, capital reorganisation, or otherwise to or in respect of any of the Securities, including all dividends, interest and other income payable in connection therewith (all of which property described at (i) to (iv) inclusive, charged by the Debenture are hereinafter called "Interests in Securities"),

but so that neither Advent nor the Stockholders shall in any circumstances incur any liability whatsoever in respect of any calls, instalments or otherwise in connection with Interests in Securities;

(h) by way of fixed equitable charge, the goodwill, patents, trade mark application (and all goodwill associated therewith), service marks, trade names, copyrights, rights in the nature of copyright, design rights, all trade secrets and know-how and all other intellectual property rights now or hereafter obtained by the Company or (to the extent that the same may be capable of becoming the subject of a valid charge) in which the

(See Continuation Sheet No. 3)

Company may have an interest and the benefits of all present and future agreements entered into or the benefit of which is enjoyed by the Company relating to the use or exploitation of rights of such nature whether owned by the Company or others and the uncalled capital of the Company both present and future; and

(i) by way of floating charge, all the undertaking and all property and assets of the Company whatsoever and wheresoever both present and future including (without prejudice to the generality of the foregoing) heritable property and all other property and assets in Scotland, Northern Ireland and the Republic of Ireland and the property described in paragraphs (a) to (h) inclusive if and so far as the charges thereon (or assignments thereof) or on any part thereof herein contained shall for any reason be ineffective as fixed charges.

so that such security shall rank at all times and in all respects subject to every other Encumbrance created over the Charged Property by the Company to secure the Vendor Debt and the Senior Debt.

Notes

1. Without prejudice to the covenant for further assurance deemed to be included in the Debenture by virtue of Section 76(i)(c) of the Law of Property Act 1925, the Company shall on demand in writing made to it by Advent at its own cost execute in the same form as the Debenture or in such other form as Advent may require in each case on terms no more onerous than those contained in the Debenture:

(a) a valid legal charge, mortgage, standard security or other hypothecation (as appropriate) in favour of Advent over any heritable property in Scotland or freehold property in Northern Ireland or the Republic of Ireland owned, or over any recorded lease of heritable property in Scotland or any leasehold property in Northern Ireland or the Republic of Ireland held, by the Company as at the date of the Debenture and over heritable fixtures and fittings and fixed plant and machinery at any time thereon, including (without prejudice to the generality of the foregoing) tenant's fixtures and fittings in and upon such leased property; and/or

(b) a valid legal mortgage of any freehold and leasehold and heritable properties the legal or equitable interest in which is acquired by the Company after the date of the Debenture and of

(See Continuation Sheet No. 4)

the fixtures (including trade fixtures) and fixed plant and machinery at any time thereon and of all stocks, shares and other securities and of all policies of life assurance and also such other documents as Advent may reasonably require but on terms no more onerous than as are contained in the Debenture in connection with this security further to secure the payment or discharge to advent of the moneys and liabilities hereby by the Debenture.

2. The Company agrees in the Debenture (at its own cost) that it will at all times:

(a) forthwith upon acquisition of any Interests in Securities deposit with Advent and permit Advent during the continuance of the security constituted by the Debenture to hold and retain (i) all stock and share certificates and documents of title relating to Interests in Securities (ii) transfers of the Securities duly completed in favour of Advent or its nominee and (iii) such other documents as Advent may from time to time require for perfecting its title to Interests in Securities (duly executed by or signed on behalf of the registered holder) or for vesting or enabling it to vest the same in itself or its nominees or in any purchaser;

(b) duly and promptly pay all calls, instalments or other payments which from time to time become due in respect of any Interests in Securities;

(c) not without the prior written consent of Advent:

(i) permit any person other than the Company, Advent or its nominee to be registered as holder of Interests in Securities or any part thereof; or

(ii) create or permit to subsist any mortgage, debenture, charge, lien or encumbrance (other than in favour of Advent or otherwise as permitted by the Secured Loan Stock Deed) on or over Interests in Securities or any part thereof or interest therein; or

(iii) sell, transfer or otherwise dispose of Interests in Securities or any part

(See Continuation Sheet No. 5)

thereof or interest therein or attempt or agree so to do; and

(d) not do or cause or permit to be done anything which may in any way depreciate, jeopardise or otherwise prejudice the value of Interests in Securities to Advent or the Stockholders.

3. The Debenture contains certain covenants by the Company. In particular, except as permitted by the terms of the Debenture, and subject to such consent as may be required thereunder, the Company may not:-

(1) create or agree to create or permit to arise or subsist any Encumbrance on its present or future undertaking property or assets or any part thereof, except Permitted Encumbrances; or

(2) Without the prior written consent of Advent sell, transfer, lend, factor or otherwise dispose of, whether by a single transaction or a number of transactions and whether related or not, the whole or any part of its undertaking, business or assets, except that this paragraph shall not apply to disposals (other than those prohibited by Clauses 7.1(g) and 7.2 of the Debenture) where such disposals are:-

(i) of assets expressed to be charged by way of floating charge only and in the ordinary course of its business; or

(ii) of assets which are obsolete or redundant or which are in need of replacement and which, in each case, are disposed of for a consideration representing a fair market value; or

(iii) of any plant where the aggregate amount of disposal proceeds thereof do not exceed £100,000 for all Group Companies in any Accounting Reference Period of the Group on a cumulative basis.

Nothing in this provision shall enable the Company to dispose of assets falling within the categories of paragraphs (ii) and (iii) above which are subject to a fixed charge without giving prior notice to and receiving consent and a specific release from Advent, but Advent shall grant such consent and execute a specific release

(See Continuation Sheet No. 6)

unless the security constituted by the Debenture shall become enforceable.

(3) During the continuance of the security created by the Debenture:-

(a) no statutory or other power of granting or agreeing to grant or of accepting or agreeing to accept surrenders of leases or tenancies or licences of the freehold and leasehold property charged by the Debenture or any part thereof shall be capable of being exercised by the Company (except in favour of any other Company) without the previous consent in writing of Advent;

(b) the Company shall not be entitled to part with possession (otherwise than on determination of any tenancy or licence) of any part of any freehold or leasehold property charged by the Debenture or to share occupation thereof with any other person or persons [(other than ISCL, HCL, Oceanfloor or Epochage)] or to surrender or purport to surrender or permit to be forfeited the lease of any leasehold property charged by the Debenture without the consent of Advent;

(4) Following the purchase or other acquisition by the Parent of any Ring-Fenced Company, the Company shall procure that none of the events referred to in sub-clause 7.2(b)(i), (ii) or (iii) occur with respect to it.

4. Advent may at any time after the security created by the Debenture shall have become enforceable and from time to time thereafter by notice in writing to the Company convert the floating charge contained in 1(i) above into a specific charge as regards any Charged Property specified in such notice.

5. The Debenture provides that the security created by the Debenture shall be subject to the provisions of the Inter-Creditor Agreement.

6. In this Form 395 and its continuation sheets, the following definitions shall, except to the extent that the context requires otherwise, apply:-

(See Continuation Sheet No. 7)

"Accounting Reference Period" shall have the same meaning as in Part VII of the Companies Act 1985;

"Advent" means Advent acting as trustee for the Stockholders which expression shall include any successor substituted in accordance with the Secured Loan Stock Deed but in any case any third party may rely on a deed of transfer of mortgage executed by the Security Trustee and by the successor as conclusive evidence of any change of Security Trustee;

"Banks' OSP Security" shall bear the meaning ascribed to it in the Inter-Creditor Agreement;

"Charged Property" means the property charged pursuant to Clauses 4.1 and 4.2;

"Encumbrance" means any mortgage, pledge, lien, charge, assignment by way of security, hypothecation, security interest, credit balance with a bank deposited for security purposes or any other security agreement or arrangement, whether conditional or not and whether relating to existing or future assets, securing any obligation of any relevant person, or any other type of preferential arrangement (including, without limitation, title transfer and retention arrangements) having a similar effect;

"Group" means, at any time, the Parent and its Subsidiaries at that time (but excluding Ring-Fenced Companies) and "Group Company" means any of them;

"HCL" means Hythe Chemicals Limited;

"IFL" means Epochage Limited;

"Inter-Creditor Agreement" means the agreement dated 30th September 1992 entered into between the Senior Agent (as defined therein) (1), the Banks (as defined therein) (2), the Vendor (3), Advent (4), the Stockholders (5), ISCL (6), the Company (7), IFL (8) and Oceanfloor (9);

"ISCL" means International Speciality Chemicals Limited;

"Oceanfloor" means Oceanfloor Limited;

(See Continuation Sheet No. 8)

"OSP Agreement" means the agreement, in the agreed terms, between ISCL and Oceanfloor, relating to the operation of Oceanfloor;

"Parent" means Inspec Group Limited;

"Permitted Encumbrances" means:-

- (i) Encumbrances granted with the consent of Advent; and
- (ii) (during the continuance of the Senior Facilities Agreement) any Encumbrance which is a Permitted Encumbrance under the Senior Facilities Agreement;

"Ring Fenced Company" means any future acquired or incorporated subsidiaries of the Parent which are financed, managed and operated entirely separately from or without recourse to the Group in accordance with Clause 7.2 of the Debenture;

"Security" shall have the meaning ascribed to it in the Senior Facilities Agreement;

"Security Documents" means together the Debenture and any further or other security created by the Group Companies or any of them in favour of Advent in respect of any or all of the moneys, obligations and liabilities secured by the Debenture;

"Security Trustee" means the Governor and Company of the Bank of Scotland in its capacity as agent and trustee for the Banks (as defined in the Senior Facilities Agreement) in relation to the Security;

"Senior Debt" means (subject to the Limits as defined in the Inter-Creditor Agreement) all present and future sums, liabilities or obligations from time to time due, owing or incurred (actually or contingently) by ISCL or any other Group Company to the Senior Agent and/or the Banks under or in connection with the Senior Facilities Agreement (including any connected Working Capital Letter as defined therein) and/or the Security and/or the Swap Agreements as defined therein, together with:-

- (i) any refinancing (on terms which are, taken as a whole, not materially inferior to

(See Continuation Sheet No. 9)

those contained in the Senior Facilities Agreement), novation, refunding, deferral or extension of such indebtedness;

- (ii) any additional advances which may be made by the Banks to ISCL or any other Group Company under any agreement expressed to be supplemental to or in restatement of the Senior Facilities Agreement, plus all interest, fees and costs in connection with such agreement or such advances;
- (iii) any claim against ISCL or any other Group Company arising from any recovery by ISCL or any other Group Company of a payment or discharge in respect of such indebtedness, or arising from cancellation or rescission of any such indebtedness;
- (iv) any amounts which would be included in such indebtedness or in (i), (ii) or (iii) above but for any discharge, non-provability, unenforceability or non-allowability in any insolvency or other proceedings, including but not limited to post-insolvency interest;
- (v) any obligation or liability to the Swap Counterparty (as defined in the Senior Facilities Agreement) arising under the Swap Agreements (as defined in the Senior Facilities Agreement) taken out pursuant to Clauses 15.1(bb) of the Senior Facilities Agreement;
- (vi) amounts made available by the Working Capital Bank by any of overdrafts, bonds, guarantees or other working capital facilities;
- (vii) any further advances drawn down in compliance with Clause 5.2 of the Acquisition Agreement for the development and expansion of the Business (including working capital facilities which would otherwise have fallen within paragraph (vi) had they related to the existing Business) for the purposes of working capital or capital expenditure for such development or expansion;

(See Continuation Sheet No. 10)

"Senior Facilities Agreement" means the facilities agreement dated 30 September 1992 made between ISCL (1) the Senior Agent (2) and the Banks (3) and references to the Senior Facilities Agreement shall include a reference to such document or facility as assigned, transferred, varied, modified, altered, increased, extended and/or replaced in any manner from time to time;

"Subsidiary" means:-

- (a) a subsidiary as defined in Section 736 of the Companies Act 1985; and
- (b) unless the context otherwise requires, a subsidiary undertaking as defined in Section 21 of the Companies Act 1989;

and "Subsidiaries" has a corresponding meaning;

"Trustee" shall have the meaning ascribed to it in the Secured Loan Stock Deed;

"Vendor" means BP Chemicals Limited;

"Vendor Debt" means the Further Consideration and the Additional Consideration (as those terms are defined in the Acquisition Agreement) payable under the Acquisition Agreement.

FILE COPY



**CERTIFICATE OF THE REGISTRATION
OF A MORTGAGE OR CHARGE**

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

I hereby certify that a mortgage or charge dated the 30th SEPTEMBER 1992
and created by EPOCHAGE LIMITED

for securing all moneys due or to become due from THE COMPANY AND/OR ALL
OR ANY OF THE OTHER COMPANIES NAMED THEREIN to ADVENT INTERNATIONAL
CORPORATION AS TRUSTEE FOR THE STOCKHOLDERS under the terms of THE
SECURED LOAN STOCK DEED AND THIS CHARGE (AS DEFINED)

was registered pursuant to Chapter I Part XII of the Companies Act
1985, on the 16th OCTOBER 1992

Given under my hand at the Companies Registration Office,
Cardiff the 22nd OCTOBER 1992

No. 2685504

A handwritten signature in dark ink, appearing to read 'P. Davies'.

PHIL DAVIES

an authorised officer

C.69

109x24/10/92

M

Declaration of satisfaction in full or in part of mortgage or charge

11/6 -

403a

Please do not
write in
this margin

Pursuant to section 403(1) of the Companies Act 1985

To the Registrar of Companies

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

For official use

Company number

[B] [1]

2685504

Name of company

• INSPEC FINANCE LIMITED (FORMERLY KNOWN AS EPOCHAGE LIMITED) (THE "COMPANY")

I, JAMES ARTHUR RATCLIFFE
of GREATFIELD, BUCKLERS HARD, BEAULIEU, HAMPSHIRE SO42 7XE

1 Delete as
appropriate

[a director] ~~the secretary~~ ~~the administrator~~ ~~the administrative receiver~~ of the above company, do
solemnly and sincerely declare that the debt for which the charge described below was given has been
paid or satisfied in [full] ~~[part]~~

2 Insert a
description of the
instrument(s)
creating or
evidencing the
charge, eg
'Mortgage',
'Charge',
'Debenture' etc

Date and Description of charge: GUARANTEE AND DEBENTURE DATED 30 SEPTEMBER 1992

Date of Registrations: 7 OCTOBER 1992

Name and address of ~~chargee~~ [trustee for the debenture holders] THE GOVERNOR AND COMPANY
OF THE BANK OF SCOTLAND, 38 THREADNEEDLE STREET, LONDON EC2P 2EH (THE "AGENT")

3 The date of
registration may
be confirmed
from the
certificate

Short particulars of property charged: SEE RIDER A

4 Insert brief
details of
property

And I 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 Blackfriars House
9 New Bridge Street
London EC4V 6JH

Declarant to sign below

the 7th day of April

one thousand nine hundred and ninety four

before me [Signature] J.A. Gold

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

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

BAKER & MCKENZIE
100 NEW BRIDGE STREET
LONDON EC4V 6JA
(CMB/MES)

For official use
REGISTERED
Mortgage Section

11 APR 1994

Post room

11 APR 1994
LC
HOUSE

dividends, interest and other income payable in connection therewith;

8. By way of fixed equitable charge, the goodwill, patents, trademarks and trademark applications (and all goodwill associated therewith), service marks, trade names, copyrights, rights in the nature of copyright, design rights, or trade secrets and know-how and all other intellectual property rights obtained by the Company and benefits of all agreements entered into or the benefit of which is enjoyed by the Company relating to the use or exploitation of such rights; and
9. By way of floating charge, all the undertaking and all property and assets of the Company whatsoever and wheresoever both present and future.

RIDER A

1. By way of legal mortgage, all the Company's freehold and leasehold property the title to which is registered at HM Land Registry together with all buildings, fixtures and fixed plant and machinery thereon;
2. By way of legal mortgage, all other freehold and leasehold property vested in the Company and not registered at HM Land Registry together with all buildings, fixtures and fixed plant and machinery thereon;
3. By way of fixed charge, all future freehold and leasehold property of the Company together with all buildings, fixtures and fixed plant and machinery thereon;
4. By way of fixed charge, all estates and interests not effectively charged under the Guarantee and Debenture belonging to the Company in or over land wheresoever situated or the proceeds of sale of land and all licences held by the Company to enter upon or use land and the benefit of all other agreements relating to land to which the Company is a party or otherwise entitled and all trade and tenants' fixtures, plant and machinery owned by the Company annexed to all freehold and leasehold property its estate or interest in which stands charged pursuant to the Guarantee and Debenture;
5. By way of fixed charge, all book debts both present and future due or owing to the Company and the benefit of all rights relating thereto;
6. By way of fixed charge, all other monetary debts and claims both present and future;
7. By way of fixed charge:
 - (i) all stocks and shares and other interests both present and future;
 - (ii) the full benefit of all stocks, shares and securities which, or the certificates of which are lodged with or held by or transferred to or registered in the name of the Agent or its nominees;
 - (iii) all rights in respect of or incidental to the property described at (i) and (ii) above (the property described at (i) to (iii) inclusive being called the "Securities"); and
 - (iv) all stocks, shares, rights, monies or property accruing or offered at any time by way of conversion, redemption, bonus, rights, preference, option, capital reorganisation, or otherwise to or in respect of any of the Securities, including all

M**403a**

Declaration of satisfaction in full or in part of mortgage or charge

Please do not
write in
this margin

Pursuant to section 403(1) of the Companies Act 1985

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

* Insert full name
of company

† Delete as
appropriate

‡ Insert a
description of the
instrument(s)
creating or
evidencing the
charge, eg
'Mortgage',
'Charge',
'Debenture' etc

§ The date of
registration may
be confirmed
from the
certificate

¶ Insert brief
details of
property

To the Registrar of Companies

For official use

Company number

[b] [2]

2685504

Name of company

INSPEC FINANCE LIMITED (FORMERLY KNOWN AS EPOCHAGE LIMITED) (THE "COMPANY")

I, JAMES ARTHUR RATCLIFFE
of GREATFIELD, BUCKLERS HARD, BEAULIEU, HAMPSHIRE, SO42 7XE

[a director] [~~the secretary~~] [~~the administrator~~] [~~the administrative receiver~~] of the above company, do

solemnly and sincerely declare that the debt for which the charge described below was given has been

paid or satisfied in [full] [~~part~~]

Date and Description of charge: GUARANTEE AND DEBENTURE DATED 30 SEPTEMBER 1992
(AS AMENDED)

Date of Registrations: 16 OCTOBER 1992

Name and address of [chargee] [~~debenture holder~~] ADVENT INTERNATIONAL
CORPORATION OF 101 FEDERAL STREET, BOSTON, MASSACHUSETTS, USA ("ADVENT")

Short particulars of property charged: SEE RIDER A

And I 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 Blackburn House

19 New Bridge Street
London EC4V 6DH

the 16th day of April

one thousand nine hundred and ninety four

before me [Signature] IAN COOK

Declarant to sign below

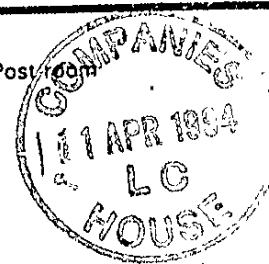
[Signature]

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

BAKER & MCKENZIE
100 NEW BRIDGE STREET
LONDON EC4V 6JA
(CMB/MES)

For official use
Mortgage section

Post room



OYEZ

The Solicitors' Law Stationery Society Ltd, Oyez House, 7 Spa Road, London SE16 3QQ

Companies M403a

RIDER A

1. By way of legal mortgage, all the Company's freehold and leasehold property the title to which is registered at HM Land Registry together with all buildings, fixtures and fixed plant and machinery thereon;
2. By way of legal mortgage, all other freehold and leasehold property vested in the Company and not registered at HM Land Registry together with all buildings, fixtures and fixed plant and machinery thereon;
3. By way of fixed charge, all future freehold and leasehold property of the Company together with all buildings, fixtures and fixed plant and machinery thereon;
4. By way of fixed charge, all estates and interests not effectively charged under the Guarantee and Debenture belonging to the Company in or over land wheresoever situated or the proceeds of sale of land and all licences held by the Company to enter upon or use land and the benefit of all other agreements relating to land to which the Company is a party or otherwise entitled and all trade and tenants' fixtures, plant and machinery owned by the Company annexed to all freehold and leasehold property its estate or interest in which stands charged pursuant to the Guarantee and Debenture;
5. By way of fixed charge, all book debts both present and future due or owing to the Company and the benefit of all rights relating thereto;
6. By way of fixed charge, all other monetary debts and claims both present and future;
7. By way of fixed charge:
 - (i) all stocks and shares and other interests both present and future;
 - (ii) the full benefit of all stocks, shares and securities which, or the certificates of which are lodged with or held by or transferred to or registered in the name of Advent or its nominees;
 - (iii) all rights in respect of or incidental to the property described at (i) and (ii) above (the property described at (i) to (iii) inclusive being called the "Securities"); and
 - (iv) all stocks, shares, rights, monies or property accruing or offered at any time by way of conversion, redemption, bonus, rights, preference, option, capital reorganisation, or otherwise to or in respect of any of the Securities, including all

dividends, interest and other income payable in connection therewith;

8. By way of fixed equitable charge, the goodwill, patents, trademarks and trademark applications (and all goodwill associated therewith), service marks, trade names, copyrights, rights in the nature of copyright, design rights, or trade secrets and know-how and all other intellectual property rights obtained by the Company and benefits of all agreements entered into or the benefit of which is enjoyed by the Company relating to the use or exploitation of such rights; and
9. By way of floating charge, all the undertaking and all property and assets of the Company whatsoever and wheresoever both present and future.