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COMPANIES FORM No. 395

00400150

Particulars of a mortgage or charge

395

A fee of £10 is payable to Companies House in respect of each register entry for a mortgage or charge.

CHFP025

Pursuant to section 395 of the Companies Act 1985

To the Registrar of Companies
(Address overleaf - Note 6)

For official use

Company number

Name of company

* Ineos Chlor Limited

Date of creation of the charge

31 December 2003

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

Ineos Security Agreement dated 31 December 2003 between Ineos Chlor Limited, Ineos Chlor Energy Limited and Ineos Chlor Sales International Limited (as Chargors), Ineos Fluor Limited, Ineos Silicas Limited, EVC International N.V. and Ineos Capital Limited (as Original Second Creditors) and Ineos Capital Limited (as Ineos Trustee)

Amount secured by the mortgage or charge

Please see continuation sheets

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

Ineos Capital Limited, Hawkslease, Chapel Lane, Lyndhurst, Hampshire

Postcode SO43 7FG

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

Slaughter and May (Ref: RCS/DDK)
One Bunhill Row
London
EC1Y 8YY

Time critical reference

For official Use
Mortgage Section

Post room



LD6
COMPANIES HOUSE

0350
14/01/04

Short particulars of all the property mortgaged or charged

Please see continuation sheets

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)

None

Signed

LUKEENYER

Date

12 01 2004

On behalf of [company] [XXXXXXXXXXXXXX]†

A fee of £10 is
payable to
Companies House
in respect of each
register entry for a
mortgage or
charge.
(See Note 5)

†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 Cheques and Postal Orders are to be made payable to **Companies House**.
- 6 The address of the Registrar of Companies is:-

Companies House, Crown Way, Cardiff CF14 3UZ

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AMOUNT SECURED BY THE MORTGAGE OR CHARGE

1. All of the obligations (whether present, future, actual or contingent) of the Borrower and each other member of the Borrower Group under the Ineos Group Loan Agreement and the Ineos Group Finance Documents (the "**Ineos Group Secured Obligations**").
2. All of the obligations (whether present, future, actual or contingent) of the Borrower and each other member of the Borrower Group under the Ineos Standby Facility Agreement and the Ineos Standby Finance Documents (the "**Ineos Standby Secured Obligations**").

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SHORT PARTICULARS OF ALL THE PROPERTY MORTGAGED OR CHARGED

1. Land

(A) The Chargor secures:

- (i) by way of a first legal mortgage all estates or interests in any freehold or leasehold property now owned by it; and
- (ii) (to the extent that they are not the subject of a mortgage under sub-paragraph (i)) by way of first fixed charge all estates or interests in any freehold or leasehold property now or subsequently owned by it.

(B) A reference in this paragraph 1 to a mortgage or charge of any freehold or leasehold property includes:

- (i) all buildings, fixtures, fittings and fixed plant and machinery on that property; and
- (ii) the benefit of any covenants for title given or entered into by any predecessor in title of the Chargor in respect of that property or any moneys paid or payable in respect of those covenants.

2. Creation of fixed security over investments

(A) The Chargor secures:

- (i) by way of a first legal mortgage all shares in any member of the Borrower Group owned by it or held by any nominee on its behalf; and
- (ii) except for the subject of a mortgage under sub-paragraph (i), by way of a first fixed charge its interest in all shares, stocks, debentures, bonds or other securities and investments owned by it or held by any nominee on its behalf.

(B) A reference in this paragraph 2 to a mortgage or charge of any stock, share, debenture, bond or other security includes:

- (i) any dividend or interest paid or payable in relation to it; and
- (ii) any right, money or property accruing or offered at any time in relation to it by way of redemption, substitution, exchange, bonus or preference, under option rights or otherwise.

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3. Plant and machinery

The Chargor secures by way of a first fixed charge all plant and machinery owned by it and its interest in any plant or machinery in its possession.

4. Credit balances

The Chargor secures by way of a first fixed charge all of its rights in respect of any amount standing to the credit of any account it has with any person and the debt represented by it provided that nothing in this paragraph 4 shall prevent the Chargor from disposing of cash standing to the credit of any account in the ordinary course of business or otherwise if not prohibited by the terms of any of the Ineos Group Loan Agreement, the Ineos Standby Facility Agreement or the Shareholders' Agreement.

5. Book debts etc.

The Chargor secures by way of a first fixed charge:

- (A) all of its book and other debts;
- (B) all other moneys due and owing to it; and
- (C) the benefit of all rights, securities or guarantees of any nature enjoyed or held by it in relation to any item under sub-paragraph (A) or (B) above,

provided that nothing in this paragraph 5 shall prevent the Chargor from disposing of the proceeds of any book or other debt in the ordinary course of business or otherwise if not prohibited by the terms of any of the Ineos Group Loan Agreement, the Ineos Standby Facility Agreement or the Shareholders' Agreement.

6. Insurances

The Chargor secures by way of first fixed charge all of its rights in respect of any contract or policy of insurance taken out by it or on its behalf or in which it has an interest.

7. Other contracts

The Chargor secures by way of first fixed charge all of its rights in respect of:

- (A) except to the extent that it is subject to any fixed security created under any other term of the Ineos Security Agreement, any agreement to which it is a party;
- (B) any letter of credit issued in its favour; and
- (C) any bill of exchange or other negotiable instrument held by it.

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8. Intellectual property

The Chargor secures by way of first fixed charge all of its rights in respect of:

- (A) any know-how, patent, trade mark, service mark, design, business name, topographical or similar right;
- (B) any copyright or other intellectual property monopoly right; or
- (C) any interest (including by way of licence) in any of the above,

in each case whether registered or not and including all applications for the same.

9. Miscellaneous

The Chargor secures by way of first fixed charge:

- (A) any beneficial interest, claim or entitlement it has in any pension fund;
- (B) its goodwill;
- (C) the benefit of any authorisation (statutory or otherwise) held in connection with its use of any Security Asset;
- (D) the right to recover and receive compensation which may be payable to it in respect of any Security Asset; and
- (E) its uncalled capital.

10. Floating charge

- (A) The Chargor charges by way of a first floating charge all its assets not otherwise effectively mortgaged, charged or assigned by way of fixed mortgage, charge or assignment under the Ineos Security Agreement.
- (B) The Ineos Trustee may by notice to the Chargor convert the floating charge referred to in sub-paragraph (A) into a fixed charge as regards any of the Chargor's assets specified in that notice, if:
 - (i) an Event of Default (as defined in the Ineos Group Loan Agreement or the Ineos Standby Facility Agreement) is continuing; or
 - (ii) the Ineos Trustee considers (acting reasonably) those assets to be in danger of being seized or sold under any form of distress, attachment, execution or other legal process or to be otherwise in jeopardy.

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11. Restriction on dealings

The Chargor must not:

- (A) create or permit to subsist any Security Interest on any Security Asset; or
- (B) sell, transfer, grant, or lease or otherwise dispose of any Security Asset,

except to the extent not prohibited by the Amended Barclays Facility Agreement or the Shareholders' Agreement.

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In this Form 395 the following terms shall have the following meanings:

"Amended Barclays Facility Agreement" means the £60,000,000 sales ledger financing agreement dated 9 January 2001 between Barclays Bank PLC and the Borrower, as amended prior to the date of the Ineos Security Agreement;

"Borrower" means Ineos Chlor Limited;

"Borrower Group" means the Borrower and its subsidiaries from time to time;

"Chargor" means Ineos Chlor Limited;

"Ineos Group Finance Documents" means:

- (A) the Ineos Group Loan Agreement;
- (B) the Ineos Security Agreement;
- (C) any Ineos Group Subsidiary Debenture;
- (D) any Ineos Group Subsidiary Guarantee;
- (E) the New Deed of Priority; and
- (F) any other document designated as such by each of the Ineos Group Lenders and the Borrower;

"Ineos Group Lenders" means Ineos Fluor Limited, Ineos Silicas Limited and EVC International N.V.;

"Ineos Group Loan Agreement" means the £20,000,000 revolving credit facility agreement dated 31 July 2003 between the Borrower and the Ineos Group Lenders;

"Ineos Group Subsidiary Debenture" means any deed or deeds entered or to be entered into by each subsidiary of the Borrower (in the terms agreed, and initialled by or on behalf of, the Ineos Group Lenders and the Borrower) (or, if the Ineos Group Lenders so elect in the case of any subsidiary not incorporated in England and Wales, an equivalent document or documents in the terms proposed by the Ineos Group Lenders, acting reasonably, governed by the laws of the jurisdiction of incorporation of that subsidiary), pursuant to the Ineos Group Loan Agreement, creating fixed and floating security for the Ineos Group Secured Obligations in favour of the Ineos Group Lenders over all of the property, assets and undertaking of that subsidiary;

"Ineos Group Subsidiary Guarantee" means a guarantee made or to be made by each subsidiary of the Borrower (in the terms agreed, and initialled by or on behalf of, the Ineos Group Lenders and the Borrower) (or, if the Ineos Group Lenders so elect in the case of any subsidiary not incorporated in England and Wales, an equivalent document in the terms proposed by the Ineos Group Lenders, acting reasonably, governed by the laws of the

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jurisdiction of incorporation of that subsidiary), pursuant to the Ineos Group Loan Agreement, guaranteeing to the Ineos Group Lenders the performance of the Ineos Group Secured Obligations;

"Ineos Security Agreement" means the Ineos Security Agreement dated 31 December 2003 between the Borrower, Ineos Chlor Energy Limited, Ineos Chlor Sales International Limited (as Chargors), the Ineos Group Lenders and Ineos Capital Limited (as Original Second Creditors) and Ineos Capital Limited (as Ineos Trustee);

"Ineos Standby Facility Agreement" means the £7,500,000 revolving credit facility agreement dated 31 July 2003 between the Borrower and Ineos Capital Limited;

"Ineos Standby Finance Documents" means:

- (A) the Ineos Standby Facility Agreement;
- (B) the Ineos Security Agreement;
- (C) any Ineos Standby Subsidiary Debenture;
- (D) any Ineos Standby Subsidiary Guarantee;
- (E) the New Deed of Priority; and
- (F) any other document designated as such by Ineos Capital Limited and the Borrower;

"Ineos Standby Subsidiary Debenture" means any deed or deeds entered or to be entered into by each subsidiary of the Borrower (in the terms agreed, and initialled by or on behalf of, Ineos Capital Limited and the Borrower) (or, if Ineos Capital Limited so elects in the case of any subsidiary not incorporated in England and Wales, an equivalent document or documents in the terms proposed by Ineos Capital Limited, acting reasonably, governed by the laws of the jurisdiction of incorporation of that subsidiary), pursuant to the Ineos Standby Facility Agreement, creating fixed and floating security for the Ineos Standby Secured Obligations in favour of Ineos Capital Limited over all of the property, assets and undertaking of that subsidiary;

"Ineos Standby Subsidiary Guarantee" means a guarantee made or to be made by each subsidiary of the Borrower (in the terms agreed, and initialled by or on behalf of, Ineos Capital Limited and the Borrower) (or, if Ineos Capital Limited so elects in the case of any subsidiary not incorporated in England and Wales, an equivalent document in the terms proposed by Ineos Capital Limited, acting reasonably, governed by the laws of the jurisdiction of incorporation of that subsidiary), pursuant to the Ineos Standby Facility Agreement, guaranteeing to Ineos Capital Limited the performance of the Ineos Standby Secured Obligations;

"Ineos Trustee" means Ineos Capital Limited;

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"New Deed of Priority" means the deed of priority dated 20 February 2001 and made between the Borrower, Ineos Chlor Energy Limited and Ineos Chlor Sales International Limited (as Obligors), Imperial Chemical Industries PLC (as Original Second Creditor and as ICI Trustee) and Barclays Bank PLC (as Senior Creditor) as amended and restated pursuant to a Deed of Amendment to a Deed of Priority dated 31 July 2003 between the Borrower, Ineos Chlor Energy Limited and Ineos Chlor Sales International Limited (as Obligors), EVC International N.V., Ineos Fluor Limited, Ineos Silicas Limited, Ineos Chlor Enterprises Limited, Ineos Capital Limited, ICI Industrial Investments Limited and Imperial Chemical Industries PLC (as Original Second Creditors), Imperial Chemical Industries Limited (as ICI Trustee), Barclays Bank PLC (as Senior Creditor) and Ineos Capital Limited (as Ineos Trustee);

"Security Assets" means all assets of the Chargor the subject of any security created by the Ineos Security Agreement;

"Security Interest" means any mortgage, charge, pledge, lien, assignment, hypothecation, security interest, title retention, flawed asset arrangement, preferential right, trust arrangement or other security arrangement, whether by law or agreement; and

"Shareholders' Agreement" means the Shareholders' Agreement relating to Ineos Chlor Limited dated 31 December 2003 between ICI Industrial Investments Limited, Ineos Chlor Holdings Limited, Ineos Chlor Newco 2 Limited and Ineos Chlor Limited.

FILE COPY



CERTIFICATE OF THE REGISTRATION OF A MORTGAGE OR CHARGE

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

COMPANY No. 04068812

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES HEREBY CERTIFIES THAT AN INEOS SECURITY AGREEMENT DATED THE 31st DECEMBER 2003 AND CREATED BY INEOS CHLOR LIMITED FOR SECURING ALL MONIES DUE OR TO BECOME DUE FROM THE BORROWER & EACH OTHER MEMBER OF THE BORROWER GROUP UNDER THE TERMS OF THE AFOREMENTIONED INSTRUMENT CREATING OR EVIDENCING THE CHARGE WAS REGISTERED PURSUANT TO CHAPTER 1 PART XII OF THE COMPANIES ACT 1985 ON THE 14th JANUARY 2004.

GIVEN AT COMPANIES HOUSE, CARDIFF THE 19th JANUARY 2004.

Pos



Companies House

— for the record —



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES