



**Registration of a Charge**

Company Name: **HOUGHTON LIMITED**

Company Number: **00063827**



Received for filing in Electronic Format on the: **20/04/2023**

XC1TKCA8

**Details of Charge**

Date of creation: **17/04/2023**

Charge code: **0006 3827 0003**

Persons entitled: **MARK ANTHONY BISHOP, JONATHAN DILLEY AND PETER GOSNOLD AS TRUSTEES (AND ANY OTHER PERSON OR PERSONS WHO IS OR ARE FOR THE TIME BEING A TRUSTEE) OF THE HOUGHTON PLC GROUP PENSION SCHEME**

Brief description: **NONE.**

**Contains fixed charge(s).**

**Contains negative pledge.**

**Authentication of Form**

This form was authorised by: **a person with an interest in the registration of the charge.**

**Authentication of Instrument**

Certification statement: **I CERTIFY THAT SAVE FOR MATERIAL REDACTED PURSUANT TO S.859G OF THE COMPANIES ACT 2006 THE ELECTRONIC COPY INSTRUMENT DELIVERED AS PART OF THIS APPLICATION FOR REGISTRATION IS A CORRECT COPY OF THE ORIGINAL INSTRUMENT.**

Certified by: **GOWLING WLG (UK) LLP**



## **CERTIFICATE OF THE REGISTRATION OF A CHARGE**

Company number: 63827

Charge code: 0006 3827 0003

The Registrar of Companies for England and Wales hereby certifies that a charge dated 17th April 2023 and created by HOUGHTON LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 20th April 2023 .

Given at Companies House, Cardiff on 22nd April 2023

The above information was communicated by electronic means and authenticated  
by the Registrar of Companies under section 1115 of the Companies Act 2006



**Companies House**



**THE OFFICIAL SEAL OF THE  
REGISTRAR OF COMPANIES**

Private & Confidential

EXECUTION VERSION

**Dated** 17 April **2023**

---

**HOUGHTON LIMITED (1)**

**AND**

**MARK ANTHONY BISHOP, JONATHAN DILLEY AND PETER GOSNOLD  
AS TRUSTEES OF THE HOUGHTON PLC GROUP PENSION SCHEME (2)**

---

**ACCOUNT SECURITY AGREEMENT**

---



**CONTENTS**

<b>Clause</b>	<b>Heading</b>	<b>Page</b>
1	INTERPRETATION.....	1
2	COVENANT TO PAY.....	7
3	CREATION OF SECURITY .....	7
4	PAYMENTS .....	8
5	REPRESENTATIONS.....	8
6	COVENANTS.....	11
7	WHEN SECURITY BECOMES ENFORCEABLE.....	14
8	ENFORCEMENT OF SECURITY.....	15
9	APPLICATION OF PROCEEDS.....	18
10	EXPENSES AND INDEMNITY .....	18
11	DELEGATION.....	20
12	FURTHER ASSURANCES.....	21
13	POWER OF ATTORNEY.....	21
14	PRESERVATION OF SECURITY .....	22
15	CHANGES TO THE PARTIES .....	24
16	AMENDMENTS .....	25
17	REMEDIES AND WAIVERS.....	25
18	SEVERABILITY, REMEDIES AND WAIVERS .....	25
19	COUNTERPARTS .....	26
20	CERTIFICATES AND DETERMINATIONS.....	26
21	NOTICES .....	26
22	LANGUAGE .....	27
23	GOVERNING LAW .....	27
24	ENFORCEMENT .....	27
SCHEDULE 1	FORMS OF NOTICE FOR ACCOUNT BANK .....	29

**THIS DEED** is dated 17 April 2023

**BETWEEN:**

- (1) **HOUGHTON LIMITED** (Registered Number 00063827) whose registered office is at Beacon Road, Trafford Park, Manchester, M17 1AF (the "**Chargor**"); and
- (2) **MARK ANTHONY BISHOP, JONATHAN DILLEY AND PETER GOSNOLD** as trustees of the **HOUGHTON PLC GROUP PENSION SCHEME** and any other person or persons who is or are for the time being a trustee of the Scheme (as defined below) (each a Trustee and together the "**Trustees**")

**IT IS AGREED** as follows:

**1 INTERPRETATION**

**1.1 Definitions**

In this Deed terms defined in, or construed for the purposes of, the Contribution Agreement (as defined below) have the same meaning when used in this Deed (unless the same are otherwise defined in this Deed) and at all times the following terms have the following meanings:

**Acceptable Bank**

a financial institution that:

- (a) has a current Requisite Rating;
- (b) is regulated and approved for business by the Prudential Regulation Authority, or in each case its applicable successor; and
- (c) is not affected by an Insolvency Proceeding;

<b>Account</b>	<p>the account with sort code [REDACTED] and account number [REDACTED] held at the Manchester City 8 branch of Barclays Bank Plc, (as the same may be renumbered at any time, and any sub-accounts thereof) together with:</p> <p>(a) all additions to or renewals or replacements of such account (in whatever currency) and all investments made out of the same; and</p> <p>(b) all rights, benefits and proceeds in respect of such account (including interest and rights to repayment of any monies standing to the credit of such account);</p>
<b>Account Balance</b>	<p>all monies at any time standing to the credit of the Account and:</p> <p>(a) all interest at any time accrued or accruing on such monies;</p> <p>(b) all investments at any time made out of such monies or account; and</p> <p>(c) all rights to repayment of any of the same;</p>
<b>Account Bank</b>	<p>Barclays Bank Plc or such other bank at which the Account is held pursuant to the terms of this Deed;</p>
<b>Act</b>	<p>the Law of Property Act 1925;</p>
<b>Business Day</b>	<p>a day (other than a Saturday or a Sunday) on which banks are open for general business in London;</p>
<b>Contribution Agreement</b>	<p>the contribution agreement dated on or about the date of this Deed and made between (1) the Chargor as principal employer and (2) the Trustees as the trustees of the Scheme;</p>

<b>Event of Default</b>	an event specified in clause 4 (Circumstances in which the Trustees can enforce the Security) of the Contribution Agreement;
<b>Financial Collateral Regulations</b>	the Financial Collateral Arrangements (No. 2) Regulations 2003;
<b>Fitch</b>	Fitch Ratings Limited or any successor to its ratings business;
<b>Moody's</b>	Moody's Investors Services Limited or any successor to its ratings business;
<b>Party</b>	a party to this Deed;
<b>Pension Protection Fund</b>	the Board of the Pension Protection Fund as established under Part 2 of the Pensions Act 2004;
<b>Pensions Regulator</b>	the body of that name and referred to as the "Regulator" in the Pensions Act 2004;
<b>Requisite Rating</b>	means a current long term issuer rating of:  (a) A- or better by Fitch; or  (b) A3 or better by Moody's; or  (c) A- or better by S&P;
<b>Scheme</b>	the Houghton Plc Group Pension Scheme which was established in 1961 and is now governed by a third definitive deed and rules dated 19 December 2000 (as amended to the date of this deed);
<b>Secured Liabilities</b>	all present and future obligations and liabilities (whether actual or contingent and whether owed jointly or severally and in any capacity whatsoever) of the Chargor to make payments to the Trustees under or in connection with clause 3 of the Contribution Agreement and shall include interest on the

above amounts (only to the extent they are not paid when due and default interest is not already accruing on the relevant unpaid obligation) from the date of demand until the date of payment in full (as well after as before any judgment) calculated on a daily basis as at the rate determined in accordance with any agreement between the Trustees and the Chargor, or, in the absence of any such agreement, at the rate of two per cent per annum above the base rate from time to time of Barclays Bank plc;

**Security Assets**

all assets of the Chargor the subject of any Security Interest created, or purported to be created, by this Deed;

**Security Interest**

any mortgage, charge, pledge, lien, assignment, hypothecation or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect;

**Security Period**

the period beginning on the date of this Deed and ending on the date on which all Secured Liabilities which may be or become due have been unconditionally and irrevocably paid and discharged in full;

**S&P**

Standard and Poor's Rating Services, a Division of the McGraw Hill Companies, Inc. or any successor to its ratings business;

**Tax**

any tax, levy, impost, duty or other charge or withholding of a similar nature (including any related penalty or interest payable in connection with any failure to pay or any delay in paying any of the same);

**Tax Deduction**

a deduction or withholding for or on account of Tax from a payment under this Deed.

## 1.2 Construction

- (a) In this Deed, unless the contrary intention appears, a reference to:
- (i) **assets** includes present and future properties, revenues and rights of every description and includes uncalled capital;
  - (ii) an **authorisation** includes an authorisation, consent, approval, resolution, licence, exemption, filing, registration or notarisation;
  - (iii) **consent** of the Trustees means consent given by any one of the Trustees;
  - (iv) **disposal** means a sale, transfer, grant, lease or other disposal, whether voluntary or involuntary, and dispose will be construed accordingly;
  - (v) **this Security** means any Security Interests created by this Deed;
  - (vi) a **person** includes any individual, firm, company, corporation, unincorporated association or body (including a partnership, trust, joint venture or consortium), government, state, agency, organisation or other entity whether or not having separate legal personality;
  - (vii) a **regulation** includes any regulation, rule, official directive, request or guideline (whether or not having the force of law but, if not having the force of law, being of a type with which persons to which it applies are accustomed to comply) of any governmental, inter-governmental or supranational body, agency, department or of any regulatory, self-regulatory or other authority or organisation;
  - (viii) **Sterling** or **£** is a reference to the lawful currency for the time being of the United Kingdom;
  - (ix) a **provision of law** is a reference to that provision as extended, applied, amended or re-enacted and includes any subordinate legislation;
  - (x) a **clause**, a **paragraph** or a **schedule** is a reference to a clause, a paragraph, or a schedule to, this Deed;

- (xi) a **Party** or any other person includes its successors in title, permitted assigns and permitted transferees and this Deed shall be binding on and enforceable by any person who is for the time being a trustee of the Scheme including any person who succeeds or replaces a trustee of the Scheme (and this paragraph 1.2(a)(xi) shall be in addition to, and not affect, the provisions of the Trustee Act dealing with transfers of assets and liabilities from one trustee to another);
  - (xii) this **Deed** (or any specified provision of it) or any other document shall be construed as a reference to this Deed, that provision or that document as in force for the time being and as amended, restated, varied, supplemented or novated from time to time;
  - (xiii) **including** shall not be construed narrowly but be taken as reading **including without limitation**;
  - (xiv) a **time of day** is a reference to London time; and
  - (xv) words importing the singular shall include the plural and vice versa.
- (b) Unless expressly provided to the contrary in this Deed, a person who is not a party to this Deed may not enforce any of its terms under the Contracts (Rights of Third Parties) Act 1999 and, notwithstanding any term of this Deed, no consent of any third party is required for any variation (including any release or compromise of any liability) or termination of this Deed. As contemplated by paragraph 1.2(a)(xi) above, any person who is for the time being a trustee of the Scheme may enforce or enjoy the benefit of any term of this Deed pursuant to the Contracts (Rights of Third Parties) Act 1999.
  - (c) If the Trustees consider that an amount paid to them under this Deed is capable of being avoided or otherwise set aside on the liquidation or administration of the payer or otherwise, then that amount will not be considered to have been irrevocably paid for the purposes of this Deed.
  - (d) Unless the context otherwise requires, a reference to a Security Asset includes the proceeds of sale of that Security Asset.
  - (e) An Event of Default is "continuing" if it has not been remedied or expressly waived in writing.

- (f) The headings in this Deed do not affect its interpretation.
- (g) It is intended by the Parties that this document takes effect as a deed notwithstanding the fact that a Party may only execute this document under hand.

## **2 COVENANT TO PAY**

The Chargor must pay or discharge the Secured Liabilities when due in accordance with the terms of the Contribution Agreement.

## **3 CREATION OF SECURITY**

### **3.1 General**

- (a) All the Security Interests created under this Deed:
  - (i) are created in favour of the Trustees;
  - (ii) are created over present and future assets of the Chargor;
  - (iii) are continuing security for the payment of all the Secured Liabilities; and
  - (iv) are made with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994.
- (b) The payment obligations of the Chargor under this Deed shall survive the enforcement of the whole or any part of the Security Assets.

### **3.2 Fixed Charge**

The Chargor charges and agrees to charge, by way of first fixed charge, all of its present and future claims, rights, title and interest in or to, or in respect of, the Account and the Account Balance.

## **4 PAYMENTS**

### **4.1 Funds**

Payments under this Deed to the Trustees must be made for value on the due date at such times and in such funds as the Trustees may specify to the Chargor as being customary at the time for the settlement of transactions in the relevant currency in the place for payment.

### **4.2 Currency**

Any amount payable under this Deed is payable in Sterling.

### **4.3 No Set-off or Counterclaim**

All payments made by the Chargor under this Deed shall be calculated and must be made without (and be free and clear of any deduction for) set-off or counterclaim.

### **4.4 Business Days**

If a payment under this Deed is due on a day which is not a Business Day, the due date for that payment will instead be the next Business Day in the same calendar month (if there is one) or the preceding Business Day (if there is not).

## **5 REPRESENTATIONS**

### **5.1 Representations**

The representations set out in this clause 5 are made by the Chargor to the Trustees.

### **5.2 Status**

- (a) It is a limited liability company, duly incorporated and validly existing under the laws of its jurisdiction of original incorporation.
- (b) It has the power to own its assets and carry on its business as it is being conducted.

### 5.3 Powers and Authority

- (a) It has the power to enter into, perform and deliver, and has taken all necessary action to authorise the entry into, performance and delivery of, this Deed and the transactions contemplated by this Deed.
- (b) No limit on its powers will be exceeded as a result of the grant of this Deed.

### 5.4 Legal Validity

The obligations expressed to be assumed by it in this Deed are legal, binding, valid and enforceable obligations.

### 5.5 Non-conflict

The entry into and performance by it of, and the transactions contemplated by, this Deed do not and will not conflict with:

- (a) any law or regulation applicable to it;
- (b) its constitutional documents; or
- (c) any document which is binding upon it in such a way as to constitute a default or termination event (howsoever described) under any such document.

### 5.6 No Insolvency

No Insolvency Proceedings or Creditors' Process have been taken or threatened in relation to it and no Insolvency Event applies to the Chargor.

### 5.7 Authorisations

All authorisations required by it in connection with the entry into, performance, validity and enforceability of, and the transactions contemplated by, this Deed have been obtained or effected (as appropriate) and are in full force and effect.

#### **5.8 Litigation**

No litigation, arbitration or administrative proceedings are current or, to its knowledge, pending or threatened against it which has or is reasonably likely to have a Material Adverse Effect.

#### **5.9 Nature of Security**

- (a) This Deed creates those Security Interests it purports to create and is not liable to be amended or otherwise set aside in the insolvency, liquidation or administration of the Chargor or otherwise.
- (b) The Security Interests created by this Deed constitute a first priority Security Interest of the type described over the Security Assets and the Security Assets are not subject to any prior or pari passu Security Interest.

#### **5.10 Adverse Claims**

The Chargor has not received or acknowledged notice of any adverse claim by any person in respect of the Security Assets.

#### **5.11 Adverse Covenants**

To the best of the Chargor's knowledge and belief, there are no covenants, agreements, stipulations, reservations, conditions, interests, rights or other matters whatever, which materially adversely affect the Security Assets.

#### **5.12 Account**

It is the sole legal and beneficial owner of the Security Assets.

#### **5.13 Times for Making Representations**

- (a) The representations set out in this clause 5 are made by the Chargor on the date of this Deed.
- (b) The representations set out in this clause 5 are deemed to be repeated by the Chargor:
  - (i) on each Scheduled Date (as defined in the Contribution Agreement); and

(ii) at any time that any monies are deposited into the Account (other than interest accruing on the Account Balance at any time).

(c) When a representation is repeated, it is applied to the circumstances existing at the time of repetition.

## **6 COVENANTS**

### **6.1 General**

The Chargor agrees to be bound by the covenants set out in this clause 6 so long as any Secured Liabilities are outstanding.

### **6.2 Notification of Breach**

The Chargor must notify the Trustees of any breach of any of the provisions of this Deed promptly upon becoming aware of its occurrence.

### **6.3 Authorisations**

The Chargor must promptly obtain, maintain and comply with the terms of any authorisation required under any law or regulation to enable it to perform its obligations under, or for the validity or enforceability of, this Deed.

### **6.4 Compliance with Laws**

The Chargor must comply in all respects with all laws to which it is subject where failure to do so has or is reasonably likely to have a Material Adverse Effect.

### **6.5 Pari Passu Ranking**

The Chargor must ensure that its payment obligations under this Deed rank at least pari passu with all its other present and future unsecured payment obligations, except for obligations mandatorily preferred by laws of general application to companies.

## **6.6 Disposals and Negative Pledge**

The Chargor must not:

- (a) create, purport to create or permit to subsist any Security Interest on any Security Asset (other than this Security);
- (b) sell, assign, transfer, licence, lease or otherwise dispose of in any manner (or purport to do so) all or any part of, or any interests in, any Security Asset; or
- (c) create or grant (or purport to create or grant) any interest in any Security Asset in favour of a third party (other than this Security).

## **6.7 No Withdrawals**

The Chargor shall not withdraw or attempt or be entitled to withdraw (or direct any transfer of) all or any part of the Account Balance without the prior written consent of the Trustees or as expressly permitted by the terms of the Contribution Agreement. The Trustees shall be entitled in their absolute discretion to refuse to permit any such withdrawal or transfer which is not in accordance with the Contribution Agreement.

## **6.8 No Variation of Terms**

The Chargor shall not, without the prior written consent of the Trustees, permit or agree to any variation of the rights attaching to the Account or the Account Balance or close the Account.

## **6.9 Account Bank Arrangements**

The Chargor must:

- (a) immediately serve a notice of charge, substantially in the form of part 1 of schedule 2 (Forms of Notice for Account Bank), on the Account Bank or such other form which the Trustees reasonably agree; and
- (b) use its reasonable endeavours to ensure that the Account Bank acknowledges the notice, substantially in the form of part 2 of schedule 2 (Forms of Notice for Account Bank) or such other form which the Trustees reasonably agree.

#### 6.10 Account

- (a) The Chargor must ensure that:
  - (i) the Trustees have sole signing rights in relation to the Account; and
  - (ii) the Account is at all times held at an Acceptable Bank.
- (b) The Chargor shall provide the Trustees with all information which they may reasonably request in relation to the Security Assets and any communication received by it from the Account Bank in relation to them.
- (c) The Chargor shall promptly notify the Trustees of any change in the details of the Account; and deliver to the Trustees copies of all statement showing the balance from time to time on the Account.

#### 6.11 Acceptable Account Bank

- (a) The Chargor must promptly notify the Trustees upon it becoming aware that the Account Bank has ceased to be an Acceptable Bank.
- (b) If the Account Bank ceases to be an Acceptable Bank the Chargor must:
  - (i) open a new account with another bank which is an Acceptable Bank (the "**Replacement Account**") and transfer all the Account Balance from the Account to the Replacement Account; and
  - (ii) grant Security Interests over the Replacement Account on the same terms as set out in this Deed,

each as soon as reasonably practicable and in any event, to the extent within the Chargor's control, within 30 days of the earlier of:

- (A) the Chargor becoming aware that the Account Bank has ceased to be an Acceptable Bank; and
- (B) a written request by the Trustees,

save that if this Security has become enforceable the Chargor shall only take the steps set out in paragraphs 6.11(b)(i) and 6.11(b)(ii) above if required to do so by the Trustees.

#### **6.12 Notifiable events**

- (a) The Chargor shall promptly notify the Trustees upon becoming aware that:
  - (i) any event has occurred in respect of the Chargor which would (or would if the Chargor were an employer in relation to the Scheme within the meaning set out in Section 318 of the Pensions Act 2004 and regulations made thereunder) require notification to the Pensions Regulator in accordance with Section 69 of the Pensions Act 2004 and any regulations and directions made thereunder; and
  - (ii) any representation made or deemed to be made by the Chargor under this Deed is or proves to have been incorrect or misleading when made or deemed to be made.

### **7 WHEN SECURITY BECOMES ENFORCEABLE**

#### **7.1 Event of Default**

This Security will become immediately enforceable at any time if an Event of Default occurs and remain so for so long as such Event of Default is continuing.

#### **7.2 Discretion**

After this Security has become enforceable, the Trustees may in their absolute discretion enforce all or any part of this Security in any manner they see fit.

#### **7.3 Power of sale**

The power of sale and other powers conferred by Section 101 of the Act, as amended by this Deed, will be immediately exercisable at any time after this Security has become enforceable.

## **8 ENFORCEMENT OF SECURITY**

### **8.1 General**

- (a) For the purposes of all powers implied by statute, the Secured Liabilities are deemed to have become due and payable on the date of this Deed.
- (b) Section 103 of the Act (restricting the power of sale) and Section 93 of the Act (restricting the right of consolidation) do not apply to this Security.

### **8.2 No Liability as Mortgagee in Possession**

No Trustee will be liable, by reason of entering into possession of a Security Asset, to account as mortgagee in possession or for any loss on realisation or for any default or omission for which a mortgagee in possession might be liable including any liability in connection with the Security Assets for:

- (a) any loss on realisation;
- (b) any failure to ensure that the correct amounts are paid or received in respect of the Security Assets;
- (c) any negligence, omission or default by its nominees; or
- (d) any other loss of any nature whatsoever.

### **8.3 Privileges**

Each Trustee is entitled to all the rights, powers, privileges and immunities conferred by the Act on mortgagees and receivers duly appointed under the Act, except that Section 103 of the Act does not apply.

### **8.4 Protection of Third Parties**

No person (including a purchaser) dealing with the Trustees or its agents will be concerned to enquire:

- (a) whether the Secured Liabilities have become payable;

- (b) whether any power which the Trustees is/are purporting to exercise has become exercisable or is being properly exercised;
- (c) whether any money remains due in respect of the Secured Liabilities;
- (d) how any money paid to a Trustee is to be applied; or
- (e) about any propriety or regularity on the part of a Trustee in relation to any of the dealings referred to in this clause 8.

#### **8.5 Redemption of Prior Mortgages**

- (a) At any time after this Security has become enforceable, the Trustees may:
  - (i) redeem any prior Security Interest against any Security Asset; and/or
  - (ii) procure the transfer of that Security Interest to themselves; and/or
  - (iii) settle and pass the accounts of the prior mortgagee, chargee or encumbrancer; any accounts so settled and passed will be, in the absence of manifest error, conclusive and binding on the Chargor.
- (b) The Chargor must pay to the Trustees, immediately on demand, the costs and expenses incurred by the Trustees in connection with any such redemption and/or transfer, including the payment of any principal or interest.

#### **8.6 No Duties**

No Trustee shall, in respect of any of the Security Assets, have any duty or incur any liability for:

- (a) ascertaining or taking any action in respect of any calls, instalments, conversions, exchanges, maturities, tenders or other matters relating to any Security Assets or the nature or sufficiency of any payment whether or not a Trustee has or is deemed to have knowledge of such matters; or
- (b) taking any necessary steps to preserve rights against prior parties or any other rights relating to any of the Security Assets.

## 8.7 Financial Collateral

- (a) To the extent that the Security Assets constitute "financial collateral" and this Deed and the obligations of the Chargor under this Deed constitute a "security financial collateral arrangement" (in each case for the purpose of and as defined in the Financial Collateral Regulations) the Trustees shall have the right on and at any time after this Security has become enforceable to appropriate with immediate effect all or any part of that financial collateral in or towards the satisfaction of the Secured Liabilities.
- (b) The value of any Security Asset appropriated under paragraph 8.7(a) above shall be the face value of the Account or Account Balance (as the case may be) at the time of appropriation, as converted, where necessary, into sterling at a market rate of exchange selected by the Trustees prevailing at the time of appropriation.
- (c) The Trustees will account to the Chargor for any amount by which the value of the appropriated Security Asset exceeds the Secured Liabilities and the Chargor shall remain liable to the Trustees for any amount by which the value of the appropriated Security Asset is less than the Secured Liabilities.
- (d) The Chargor agrees that the method of valuing the Security Assets under paragraph 8.7(b) above is commercially reasonable.

## 8.8 Currency Conversion

For the purpose of, or pending the discharge of, any of the Secured Liabilities the Trustees may convert any monies received, recovered or realised under this Deed (including the proceeds of any previous conversion under this clause 8) from their existing currencies of denomination into such other currencies of denomination as the Trustees may think fit. Any such conversion shall be effected at the then prevailing spot selling rate of exchange for such currency against the existing currency. Each reference in this clause 8 to a currency extends to funds of that currency and, for the avoidance of doubt, funds of one currency may be converted into different funds of the same currency.

## **9 APPLICATION OF PROCEEDS**

Any moneys received by the Trustees after this Security has become enforceable must be applied in the following order of priority:

- (a) in or towards payment of or provision for all costs and expenses incurred by the Trustees under or in connection with this Deed;
- (b) in or towards payment of or provision for the Secured Liabilities; and
- (c) in payment of the surplus (if any) to the Chargor or other person entitled to it.

This clause 9 is subject to the payment of any claims having priority over this Security. This clause 9 does not prejudice the right of the Trustees to recover any shortfall from the Chargor subject to the terms of this Deed and the Contribution Agreement.

## **10 EXPENSES AND INDEMNITY**

### **10.1 Amendment Costs**

If the Chargor requests an amendment, waiver or consent, the Chargor shall, within three (3) Business Days of demand, reimburse the Trustees for the amount of all reasonable costs and expenses (including legal fees) properly incurred by the Trustees in responding to, evaluating, negotiating or complying with that request.

### **10.2 Enforcement and Preservation Costs**

The Chargor shall, within three (3) Business Days of demand, pay to the Trustees the amount of all costs and expenses (including legal fees) incurred by the Trustees in connection with the enforcement of or the preservation of any rights under this Deed or this Security and any proceedings instituted against the Trustees as a consequence of them taking, holding or enforcing this Deed or this Security or any proceedings instituted by the Trustees against the Chargor as a consequence of the Trustees taking, holding or enforcing this Deed or this Security and the Company failing to comply with its obligations under this Deed.

### 10.3 Stamp Taxes and Fees

The Chargor shall pay and, within three (3) Business Days of demand, indemnify the Trustees against any cost, loss or liability that the Trustees incur in relation to all stamp duty, stamp duty reserve tax, registration and other similar Tax and fees payable in respect of this Deed.

### 10.4 Chargor Default

The Chargor shall, within three (3) Business Days of demand, indemnify the Trustees against any cost, expense, loss or liability incurred by the Trustees as a result of:

- (a) the occurrence of any Event of Default in relation to the Chargor; or
- (b) investigating any event which it reasonably believes is an Event of Default in relation to the Chargor.

### 10.5 Value Added Taxes

- (a) Any amount payable under this Deed by the Chargor is exclusive of any value added tax or any other Tax of a similar nature which might be chargeable in connection with that amount. If any such Tax is chargeable, the Chargor must pay to the Trustees (in addition to and at the same time as paying that amount) an amount equal to the amount of that Tax.
- (b) If the Chargor is required by this Deed to reimburse or indemnify the Trustees for any cost or expense, the Chargor shall reimburse or indemnify (as the case may be) the Trustees for the full amount of such cost or expense, including such part thereof as a value added tax or any other Tax of a similar nature, save to the extent that the Trustees reasonably determine that they are entitled to a credit or repayment in respect of such Tax from the relevant tax authority.

### 10.6 Tax Gross-up

- (a) The Chargor must make all payments to be made by it under this Deed without any Tax Deduction, unless a Tax Deduction is required by law.

- (b) If the Chargor is aware or becomes aware that it must make a Tax Deduction (or that there is a change in the rate or the basis of a Tax Deduction), it must promptly notify the Trustees.
- (c) If a Tax Deduction is required by law to be made by the Chargor or the Trustees, the amount of the payment due from the Chargor will be increased to an amount which (after making the Tax Deduction) leaves an amount equal to the payment which would have been due if no Tax Deduction had been required.
- (d) If the Chargor is required to make a Tax Deduction, the Chargor must make the minimum Tax Deduction required by law and must make any payment required in connection with that Tax Deduction within the time allowed by law.
- (e) Within 30 days of making either a Tax Deduction or a payment required in connection with a Tax Deduction, the Chargor must deliver to the Trustees evidence satisfactory to them (acting reasonably) that the Tax Deduction has been made or (as applicable) the appropriate payment has been paid to the relevant taxing authority.

## **11 DELEGATION**

### **11.1 Power of Attorney**

The Trustees may delegate by power of attorney or in any other manner to any person any right, power or discretion exercisable by them or it under this Deed.

### **11.2 Terms**

Any such delegation may be made upon any terms (including power to sub-delegate) which the Trustees may think fit.

### **11.3 Liability**

No Trustee will be in any way liable or responsible to the Chargor for any loss or liability arising from any act, default, omission or misconduct on the part of any delegate or sub-delegate.

## 12 FURTHER ASSURANCES

The Chargor must, at its own expense, take whatever action the Trustees may reasonably require for:

- (a) creating, perfecting or protecting any Security Interest intended to be created by this Deed; or
- (b) whilst the security is enforceable facilitating the realisation of any Security Asset; or
- (c) the exercise of any right, power or discretion exercisable, by the Trustees or any of their or its delegates or sub-delegates in respect of any Security Asset in accordance with the terms of this Deed.

Including:

- (i) whilst the security is enforceable the execution of any transfer, conveyance, assignment or assurance of any property, whether to the Trustees or their nominee; or
- (ii) the giving of any notice, order or direction and the making of any registration,

which, in any such case, the Trustees may think expedient.

## 13 POWER OF ATTORNEY

The Chargor, by way of security, irrevocably and severally appoints each Trustee and any of their delegates or sub-delegates to be its attorney and in its name and on its behalf to execute, deliver and perfect all documents and to do all things which the attorney may consider to be necessary:

- (a) for carrying out any obligation imposed on the Chargor by this Deed that the Chargor has failed to perform (including, without limitation, the execution and delivery of any deeds, withdrawal instructions to the bank, any payment obligations and its obligations under clause 15 (*Further Assurances*) of this Deed) provided that the Chargor has failed to perform such obligation within 3 Business Days of becoming aware of such failure; and

- (b) to take any action after an Event of Default has occurred and is continuing which the Chargor is obliged to take under this Deed.

The Chargor ratifies and confirms whatever any attorney does or purports to do under its appointment under this clause 13.

## **14 PRESERVATION OF SECURITY**

### **14.1 Continuing Security**

This Security is continuing and will extend to the ultimate balance of the Secured Liabilities regardless of any intermediate payment or discharge in whole or in part.

### **14.2 Reinstatement**

- (a) If any discharge, release or arrangement is made by the Trustees in whole or in part on the faith of any payment, security or other disposition which is avoided, set aside, refunded or reduced under any applicable law or proves to have been invalid or must be restored in insolvency, liquidation, administration or otherwise without limitation, the liability of the Chargor under this Deed will continue as if the discharge, release or arrangement had not occurred.
- (b) The Trustees may concede or compromise any claim that any payment, security or other disposition is liable to avoidance or restoration.

### **14.3 Waiver of Defences**

The liabilities and obligations of the Chargor under this Deed shall remain in full force and effect and will not be affected by any act, omission, neglect, event or thing which, but for this provision, would reduce, release or prejudice any of its obligations under this Deed (without limitation and whether or not known to the Chargor or any Trustee) including:

- (a) any time, waiver, consent or other accommodation granted to, or composition with, any person;
- (b) any release of any person under the terms of any composition or arrangement;
- (c) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, any person;

- (d) any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security;
- (e) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of any person;
- (f) any amendment, novation, supplement, extension or restatement (however fundamental and whether or not more onerous, and of whatsoever nature) or replacement of this Deed, and Secured Liability or any other document or security, including any agreement or document relating to the Scheme;
- (g) any unenforceability, illegality, invalidity or non-provability of any obligation of any person under this Deed, or any Secured Liability or any other document or security; or
- (h) any insolvency or similar proceedings.

#### **14.4 Chargor Intent**

Without prejudice to the generality of clause 14.3 (Waiver of Defences) the Chargor expressly confirms that it intends that this Security shall extend from time to time to any (however fundamental) variation, increase, extension or addition of or to any of the Secured Liabilities.

#### **14.5 Immediate Recourse**

The Chargor waives any right it may have of first requiring any Trustee (or any trustee, agent or appointee on its behalf) to proceed against or enforce any other right or security or claim payment from any person before claiming from the Chargor under this Deed. This waiver applies irrespective of any law to the contrary.

#### **14.6 Appropriations**

- (a) Each Trustee (or any trustee, agent or appointee on its behalf) may at any time during the Security Period without affecting the liability of the Chargor under this Deed:
  - (i) refrain from applying or enforcing any other moneys, security or rights held or received by that Trustee (or any trustee or agent on its behalf) in respect of those amounts; or

- (ii) apply and enforce the same in such manner and order as it sees fit (whether against those amounts or otherwise) and the Chargor shall not be entitled to the benefit of the same; and
- (b) hold in an interest bearing suspense account any moneys received from the Chargor or on account of the Chargor's liability under this Deed including, without prejudice to the generality of the foregoing, until an Insolvency Event has occurred in relation to the Chargor.

#### **14.7 Additional Security**

This Security is in addition to and is not in any way prejudiced or affected by, and shall not merge with any other judgment, guarantee, security, right or remedy now or subsequently obtained or held by the Trustees for the discharge and performance of any of the Secured Liabilities.

### **15 CHANGES TO THE PARTIES**

#### **15.1 Assignments and Transfers by the Chargor**

The Chargor may not assign or transfer any of its rights and obligations under this Deed.

#### **15.2 Assignments and Transfers by the Trustees**

- (a) The Chargor acknowledges that:
  - (i) the rights and obligations of the Trustees under this Deed may be transferred in whole or in part to the Pension Protection Fund as a result of the operation of Section 161 of and Schedule 6 to the Pensions Act 2004; and
  - (ii) the rights and obligations under this Deed shall be binding upon and enure for the benefit of any person who is for the time being a trustee of the Scheme including any person who succeeds or replaces a trustee of the Scheme.

- (b) Each Trustee may not assign and/or transfer any or all of its rights and/or obligations under this Deed to any person or persons without the consent of the Chargor, other than to the Pension Protection Fund or any successor trustee of the Scheme.

## **16 AMENDMENTS**

Any amendment of this Deed shall be in writing and signed by, or on behalf of, each Party.

## **17 REMEDIES AND WAIVERS**

No failure to exercise nor any delay in exercising any right or remedy under this Deed against the Chargor shall operate as a waiver, nor shall any single or partial exercise of any right or remedy prevent any further or other exercise, or the exercise of any other right or remedy. The rights and remedies provided are cumulative and not exclusive of any rights or remedies provided by law.

## **18 SEVERABILITY, REMEDIES AND WAIVERS**

- (a) If a term of this Deed is or becomes illegal, invalid or unenforceable in any respect in any jurisdiction, that shall not affect:
  - (i) the legality, validity or enforceability in that jurisdiction of any other term of this Deed; or
  - (ii) the legality, validity or enforceability in other jurisdictions of that or any other term of this Deed.
- (b) No failure to exercise, nor any delay in exercising, on the part of any Trustee, any right or remedy under this Deed shall operate as a waiver of any such right or remedy or constitute an election to affirm this Deed. No election to affirm this Deed on the part of any Trustee shall be effective unless it is in writing. No single or partial exercise of any right or remedy shall prevent any further or other exercise or the exercise of any other right or remedy. The rights and remedies provided in this Deed are cumulative and not exclusive of any rights or remedies provided by law.

## **19 COUNTERPARTS**

- 19.1 This Deed may be executed in any number of counterparts. This has the same effect as if the signatures on the counterparts were on a single copy of this Deed.
- 19.2 The parties to this deed agree that any legally valid electronic signature shall for all purposes have the same validity, legal effect and admissibility in evidence as an original manual signature and the parties to this deed hereby waive any objection to the contrary.

## **20 CERTIFICATES AND DETERMINATIONS**

Any certification or determination by the Trustees of an amount under this Deed is, in the absence of manifest error, conclusive evidence of the matters to which it relates.

## **21 NOTICES**

### **21.1 In Writing**

- (a) Any communication in connection with this Deed must be in writing and, unless otherwise stated, may be given in person, by post or email.
- (b) Unless it is agreed to the contrary, any consent or agreement required under this Deed must be given in writing.

### **21.2 Contact Details**

- (a) The contact details of the Chargor for this purpose are:

Arman Hemani, In-House Legal Adviser: [arman.hemani@quakerhoughton.com](mailto:arman.hemani@quakerhoughton.com)

- (b) The contact details of the Trustees are:

Mark Bishop, Trustee: [mab53@me.com](mailto:mab53@me.com)

Jonathan Dilley, Trustee: [jonathan.dilley@quakerhoughton.com](mailto:jonathan.dilley@quakerhoughton.com)

Peter Gosnold, Trustee: [peter.gosnold@quakerhoughton.com](mailto:peter.gosnold@quakerhoughton.com)

### **21.3 Effectiveness**

- (a) Except as provided below, any communication in connection with this Deed will be deemed to be given as follows:
  - (i) if delivered in person, at the time of delivery;
  - (ii) if posted, five days after being deposited in the post, postage prepaid, in a correctly addressed envelope; and
  - (iii) if by email, when received in readable form.
- (b) A communication given under paragraph 21.3(a) above but not received on a Business Day or after 5 pm on a Business Day will only be deemed to be given on the next Business Day.

## **22 LANGUAGE**

Any notice given in connection with this Deed must be in English.

## **23 GOVERNING LAW**

This Deed and any non-contractual obligations arising out of or in connection with it are governed by English law.

## **24 ENFORCEMENT**

### **24.1 Jurisdiction**

- (a) The English courts have exclusive jurisdiction to settle any dispute in connection with this Deed (including a dispute relating to the existence, validity or termination of this Deed or any non-contractual obligation arising out of or in connection with this Deed).
- (b) The Parties agree that the English courts are the most appropriate and convenient courts to settle any such dispute and accordingly no Party will argue to the contrary.

## 24.2 **Waiver of Immunity**

The Chargor irrevocably and unconditionally:

- (a) agrees not to claim any immunity from proceedings brought by a Trustee against it in relation to this Deed and to ensure that no such claim is made on its behalf;
- (b) consents generally to the giving of any relief or the issue of any process in connection with those proceedings;
- (c) waives generally all immunity it or its assets or revenues may otherwise have in any jurisdiction, including immunity in respect of:
  - (i) the giving of any relief by way of injunction or order for specific performance or for the recovery of assets or revenues; and
  - (ii) the issue of any process against its assets or revenues for the enforcement of a judgment or, in an action in rem, for the arrest, detention or sale of any of its assets and revenues; and
- (d) agrees that in any proceedings in England this waiver shall have the fullest scope permitted by the English State Immunity Act 1978 and that this waiver is intended to be irrevocable for the purposes of the English State Immunity Act 1978.

This document has been executed as a deed and is delivered and takes effect on the date stated at the beginning of this Deed.

## SCHEDULE 1

### Forms of Notice for Account Bank

#### Part 1

#### Notice to Account Bank

[On the letterhead of the Chargor]

To: [Account Bank]

[Date]

Dear Sirs,

**Account Security Agreement dated [ ] between ["Chargor"] and [ ] and [ ] as trustees of the [ pension scheme] (the "Security Document")**

This letter constitutes notice to you that under the Security Document we have charged (by way of first fixed charge) in favour of [ ] and [ ] as trustees of the [ pension scheme] and any other person or persons who is or are for the time being a trustee of the [ pension scheme] (the Trustees) all of our present and future claims, rights, title and interest in or to, or in respect of:

- (a) the account maintained by us with you, the details of which are set out below (as the same may be renumbered at any time, and any sub-accounts thereof, the Account), together with (i) all additions to or renewals or replacements of such account (in whatever currency) and all investments made out of the same; and (ii) all rights, benefits and proceeds in respect of such account (including interest and rights to repayment of any monies standing to the credit of such account); and
- (b) all monies at any time standing to the credit of the Account and all interest at any time accrued or accruing on such monies, all investments at any time made out of such monies or account, and all rights to repayment of any of the same.

Name of Account: [ ]

Sort code: [ ]

Account no. [ ]

We irrevocably instruct and authorise you:

- (a) to disclose to the Trustees any information relating to the Account requested from you by the Trustees;

- (b) to comply with the terms of any written notice or instruction relating to the Account received by you from the Trustees (and not comply with any notices or instructions from us);
- (c) to hold all sums from time to time standing to the credit of the Account exclusively to the order of the Trustees; and
- (d) to pay or release any sum standing to the credit of the Account exclusively in accordance with the written instructions of the Trustees; and
- (e) not, unless the Trustees so authorise you in writing, to permit withdrawals from the Account.

We acknowledge that you may comply with the instructions in this letter without any further permission from us.

The instructions in this letter may not be revoked or amended without the prior written consent of the Trustees.

This letter and any non-contractual obligations arising out of or in connection with it are governed by English law.

Please confirm your agreement to the above by signing the attached acknowledgement and returning it to the Trustees at [ ] with a copy to ourselves.

Yours faithfully,

.....  
(Authorised Signatory)  
[Chargor]

## Part 2

### Acknowledgement of Account Bank

[On the letterhead of the Account Bank]

To: [ ] and [ ] as trustees of the [ ] pension scheme] and any other person or persons who is or are for the time being a trustee of the [ ] pension scheme]

Copy: [Chargor]

[Date]

Dear Sirs,

**Account Security Agreement dated [ ] between [Chargor] and [ ] and [ ] as trustees of the [ ] pension scheme] (the "Security Document")**

We confirm receipt from [Chargor] (the Chargor) of a notice dated [ ] (the Notice) of a charge upon the terms of the Security Document over all of the Chargor's present and future claims, rights, title and interest in or to, or in respect of:

- (a) the account maintained by the Chargor with us, the details of which are set out below (as the same may be renumbered at any time, and any sub-accounts thereof, the Account), together with (i) all additions to or renewals or replacements of such account (in whatever currency) and all investments made out of the same; and (ii) all rights, benefits and proceeds in respect of such account (including interest and rights to repayment of any monies standing to the credit of such account); and
- (b) all monies at any time standing to the credit of the Account and all interest at any time accrued or accruing on such monies, all investments at any time made out of such monies or account, and all rights to repayment of any of the same.

Name of Account: [ ]

Sort code: [ ]

Account no. [ ]

We confirm that we:

- (c) accept the instructions contained in the Notice and agree to comply with the Notice;
- (d) have not received notice of the interest of any third party in the Account or any credit balance thereof;

- (e) neither claimed nor exercised, any security interest, set-off, counter-claim or other right in respect of the Account and any credit balance thereof;
- (f) will not permit any amount to be withdrawn from the Account other than as set out in the Notice; and
- (g) we will promptly act on any written instruction received in accordance with the Notice at any time to withdraw any amount from the Account.

We confirm our address for notices is as set out below.

This letter and any non-contractual obligations arising out of or in connection with it are governed by English law.

Yours faithfully,

.....

(Authorised signatory)

[Account Bank]

Address for notices:

[ ]

SIGNATORIES

Chargor

EXECUTED as a DEED by )  
HOUGHTON LIMITED )  
acting by a Director )

in the presence of:

Signature of witness \_\_\_\_\_  
Arman Hemani

Name \_\_\_\_\_

Address of witness \_\_\_\_\_

Occupation \_\_\_\_\_  
Legal Counsel EMEA

Trustees

EXECUTED as a DEED by )  
MARK ANTHONY BISHOP as Trustee of )  
The Houghton Plc Pension Scheme )  
in the presence of:

Signature of witness

Judith Adams

Address of witness

Retired

Occupation

EXECUTED as a DEED by )  
JONATHAN DILLEY as Trustee of )  
The Houghton Plc Pension Scheme )  
in the presence of:

Signature of witness

Name

MAE GEORGIA DILLEY

Address of witness

Student

Occupation

**EXECUTED** as a **DEED** by )  
**PETER GOSNOLD** as Trustee of )  
The Houghton Plc Pension Scheme )  
in the presence of:

Signature of witness \_\_\_\_\_

Name \_\_\_\_\_

Address of witness \_\_\_\_\_

Occupation \_\_\_\_\_