

MR01

Particulars of a charge



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☒ **What this form is for**
You may use this form to register
a charge created or evidenced by
an instrument.

☒ **What this form is NOT for**
You may not use this form to
register a charge where the charge
instrument. Use form M...

This form **must be delivered to the Registrar for registration within 21 days** beginning with the day after the date of creation of the charge. If delivered outside of the 21 days it will be rejected unless it is accompanied by a court order extending the time for delivery.

☒ You **must** enclose a certified copy of the instrument with this form. This will be scanned and placed on the public record. **Do not send the original.**

1 Company details

Company number 0 6 3 9 8 2 2 7

Company name in full British Salt Limited

6

For official use

Filing in this form

Please complete in typescript or in bold black capitals.

All fields are mandatory unless specified or indicated by *

2 Charge creation date

Charge creation date d 1 d 4 m 0 m 3 y 2 y 0 y 1 y 8

3 Names of persons, security agents or trustees entitled to the charge

Please show the names of each of the persons, security agents or trustees entitled to the charge.

Name Standard Chartered Bank (and its successors in title and permitted transferees)

Name

Name

Name

If there are more than four names, please supply any four of these names then tick the statement below.

☐ I confirm that there are more than four persons, security agents or trustees entitled to the charge.

MR01

Particulars of a charge

4	Brief description	
Brief description	Please give a short description of any land, ship, aircraft or intellectual property registered or required to be registered in the UK subject to a charge (which is not a floating charge) or fixed security included in the instrument.	Please submit only a short description. If there are a number of plots of land, aircraft and/or ships, you should simply describe some of them in the text field and add a statement along the lines of, "for more details please refer to the instrument". Please limit the description to the available space.
	The Real Property specified in the instrument, including Leasehold land lying to the east of Warmington Road Crewe, title number CH594743. For more details please refer to the instrument.	
5	Other charge or fixed security	
	Does the instrument include a charge (which is not a floating charge) or fixed security over any tangible or intangible or (in Scotland) corporeal or incorporeal property not described above? Please tick the appropriate box. <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
6	Floating charge	
	Is the instrument expressed to contain a floating charge? Please tick the appropriate box. <input checked="" type="checkbox"/> Yes Continue <input type="checkbox"/> No Go to Section 7 Is the floating charge expressed to cover all the property and undertaking of the company? <input checked="" type="checkbox"/> Yes	
7	Negative Pledge	
	Do any of the terms of the charge prohibit or restrict the company from creating further security that will rank equally with or ahead of the charge? Please tick the appropriate box. <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
8	Trustee statement ^①	
	You may tick the box if the company named in Section 1 is acting as trustee of the property or undertaking which is the subject of the charge. <input type="checkbox"/>	^① This statement may be filed after the registration of the charge (use form MR06).
9	Signature	
Signature	Please sign the form here. Signature <div style="display: flex; align-items: center; justify-content: space-between;"> X <i>Linklaters LLP</i> X </div>	
	This form must be signed by a person with an interest in the charge.	

MR01

Particulars of a charge

**Presenter information**

You do not have to give any contact information, but if you do, it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name	Aanchal Kapoor
Company name	Linklaters LLP
Address	One Silk Street
Post town	London
County/Region	
Postcode	E C 2 Y 8 H Q
Country	
DX	10 CDE
Telephone	020 7456 2000

**Certificate**

We will send your certificate to the presenter's address if given above or to the company's Registered Office if you have left the presenter's information blank.

**Checklist**

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☐ The company name and number match the information held on the public Register.
- ☐ You have included a certified copy of the instrument with this form.
- ☐ You have entered the date on which the charge was created.
- ☐ You have shown the names of persons entitled to the charge.
- ☐ You have ticked any appropriate boxes in Sections 3, 5, 6, 7 & 8.
- ☐ You have given a description in Section 4, if appropriate.
- ☐ You have signed the form.
- ☐ You have enclosed the correct fee.
- ☐ Please do not send the original instrument; it must be a certified copy.

**Important information**

Please note that all information on this form will appear on the public record.

**How to pay**

A fee of £23 is payable to Companies House in respect of each mortgage or charge filed on paper.

Make cheques or postal orders payable to 'Companies House.'

**Where to send**

You may return this form to any Companies House address. However, for expediency, we advise you to return it to the appropriate address below:

For companies registered in England and Wales:

The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.

For companies registered in Scotland:

The Registrar of Companies, Companies House,
Fourth floor, Edinburgh Quay 2,
139 Fountainbridge, Edinburgh, Scotland, EH3 9FF.
DX ED235 Edinburgh 1
or LP - 4 Edinburgh 2 (Legal Post).

For companies registered in Northern Ireland:

The Registrar of Companies, Companies House,
Second Floor, The Linenhall, 32-38 Linenhall Street,
Belfast, Northern Ireland, BT2 8BG.
DX 481 N.R. Belfast 1.

**Further information**

For further information, please see the guidance notes on the website at www.gov.uk/companieshouse or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse



FILE COPY

CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 6398227

Charge code: 0639 8227 0016

The Registrar of Companies for England and Wales hereby certifies that a charge dated 14th March 2018 and created by BRITISH SALT LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 16th March 2018.

Given at Companies House, Cardiff on 21st March 2018



Companies House



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES

SECURITY AGREEMENT

dated 14 March 2018

BRITISH SALT LIMITED AND CHESHIRE SALT LIMITED

as the Chargors

and

STANDARD CHARTERED BANK

acting as Security Trustee

Certified as a true copy of the original
except for redactions made in accordance
with section 859G of the Companies Act 2006

Signed..... Linklaters LLP

Dated..... 16 March 2018

Linklaters

Ref: L-270455/AK

Linklaters LLP

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SIGNATORIES

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THIS DEED is dated 14 March 2018 and is made between:

- (1) BRITISH SALT LIMITED, a company incorporated in England and Wales with registered number 06398227 (the "**Borrower Chargor**");
- (2) CHESHIRE SALT LIMITED, a company incorporated in England and Wales with registered number 06266142 (the "**Parent Chargor**" and together with the Borrower Chargor, the "**Chargors**", each a "**Chargor**"); and
- (3) STANDARD CHARTERED BANK incorporated in England by Royal Charter 1853 of One Basinghall Avenue, London EC2V 5DD, United Kingdom (the "**Security Trustee**") as security trustee for the Secured Parties (as defined in the Facilities Agreement defined below).

BACKGROUND:

- (A) Each Chargor enters into this Deed in connection with the Facilities Agreement (as defined below).
- (B) It is intended that this document takes effect as a deed notwithstanding the fact that a party may only execute this document under hand.

IT IS AGREED as follows:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Deed:

"Act" means the Law of Property Act 1925.

"Bank Accounts" means, in relation to a Chargor, all its right, title and interest from time to time in and to all current, deposit or other accounts with any bank or financial institution, all balances from time to time standing to the credit of or accrued or accruing on those accounts and all Related Rights.

"Facilities Agreement" means the term and revolving credit facilities agreement dated 13 March 2018 between (amongst others) the Chargors and the Security Trustee.

"Intellectual Property" means all interests in and to:

- (a) any patents, trade marks, service marks, designs, business names, copyrights, database rights, design rights, domain names, moral rights, inventions, confidential information, knowhow and other intellectual property rights and interests whether registered or unregistered;
- (b) the benefit of all applications and rights to use such assets; and
- (c) any related licences and sub-licences of the same.

"Investments" means, in relation to the Borrower Chargor, all its right, title and interest from time to time in and to:

- (a) shares, stocks, debentures, units, bonds, notes, commercial paper, certificates of deposit, depository interests, securities and other investments;
- (b) warrants, options and other rights to subscribe for, purchase or otherwise acquire securities and investments; and

- (c) any other securities or investments deriving from Investments or any rights attaching or relating to securities or investments,

in each case excluding Shares and including whether in certificated or uncertificated form, held through CREST or any other electronic share clearing, transfer or settlement system, and any rights against any custodian, nominee, clearing system or other similar person holding any such right, title or interest on its behalf, and all dividends and other Related Rights.

"Material Policy" shall have the meaning given to such term in the Facilities Agreement.

"Mortgaged Property" means all freehold or leasehold property included in the definition of Security Asset.

"Party" means a party to this Deed.

"Receivables" means, in relation to a Chargor, all its right, title and interest from time to time in and to all book and other debts of any nature, all other rights to receive money (excluding Bank Accounts), and all Related Rights.

"Receiver" means a receiver or receiver and manager or administrative receiver, in each case appointed under this Deed.

"Related Rights" means, in relation to a Security Asset:

- (a) any proceeds of sale, transfer or other disposal, lease, licence, sub-licence, or agreement for sale, transfer or other disposal, lease, licence or sub-licence, of that Security Asset;
- (b) any moneys or proceeds paid or payable deriving from that Security Asset;
- (c) any rights, claims, guarantees, indemnities, Security or covenants for title in relation to that Security Asset;
- (d) any awards or judgments in favour of a Chargor in relation to that Security Asset; and
- (e) any other assets deriving from, or relating to, that Security Asset.

"Secured Liabilities" means all present and future obligations and liabilities (whether actual or contingent and whether owed jointly or severally or in any other capacity whatsoever) of each Obligor to any Secured Party under each Finance Document.

"Security Asset" means any asset of a Chargor which is, or is expressed to be, subject to any Security created by this Deed.

"Security Period" means the period beginning on the date of this Deed and ending on the date on which all the Secured Liabilities have been unconditionally and irrevocably paid and discharged in full.

"Shares" means, in relation to a Chargor, all its right, title and interest from time to time in and to:

- (a) the shares described in Schedule 3 (*Shares*) and any other shares issued in the future by any person identified in Schedule 3 (*Shares*) as issuer of any such shares;
- (b) warrants, options and other rights to subscribe for, purchase or otherwise acquire any such shares; and

- (c) any other securities or investments deriving from any such shares or any rights attaching or relating to any such shares,

in each case including any rights against any custodian, nominee, clearing system or other similar person holding any such right, title or interest on its behalf, and all dividends and other Related Rights.

1.2 Construction

- (a) Capitalised terms defined in the Facilities Agreement have the same meaning in this Deed unless expressly defined in this Deed.
- (b) The provisions of clause 1.2 (*Construction*) of the Facilities Agreement apply to this Deed as though they were set out in full in this Deed except that references to the Facilities Agreement will be construed as references to this Deed.
- (c) Unless a contrary indication appears, a reference in this Deed to:
 - (i) a Finance Document or Transaction Document or any other agreement or instrument is a reference to that Finance Document or Transaction Document or other agreement or instrument as amended, novated, supplemented, extended or restated; and
 - (ii) the term **this Security** means any Security created by this Deed.
- (d) Any covenant of a Chargor under this Deed (other than a payment obligation which has been discharged) remains in force during the Security Period.
- (e) The terms of the other Finance Documents and of any other agreement or instrument between any Parties in relation to any Finance Document are incorporated in this Deed to the extent required to ensure that any purported disposition, or any agreement for the disposition, of any freehold or leasehold property contained in this Deed is a valid disposition in accordance with section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.
- (f) Unless the context otherwise requires, a reference to a Security Asset includes the proceeds of any disposal of that Security Asset.

1.3 Third party rights

- (a) Unless expressly provided to the contrary in a Finance Document, a person who is not a Party has no right under the Third Parties Act to enforce or to enjoy the benefit of any term of this Deed.
- (b) Notwithstanding any term of any Finance Document, the consent of any person who is not a Party is not required to rescind or vary this Deed at any time.
- (c) Any Receiver may enforce and enjoy the benefit of any Clause which expressly confers rights on it, subject to paragraph (b) above and the provisions of the Third Parties Act.

2. CREATION OF SECURITY

2.1 General

- (a) Each Chargor must pay or discharge the Secured Liabilities in the manner provided for in the Finance Documents.
- (b) All the security created under this Deed:

- (i) is created in favour of the Security Trustee;
 - (ii) is created over present and future assets of the Chargors;
 - (iii) is security for the payment of all the Secured Liabilities; and
 - (iv) is made with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994.
- (c) The Security Trustee holds the benefit of this Deed and this Security on trust for the Secured Parties.
- 2.2 Land**
- (a) The Borrower Chargor charges by way of a first legal mortgage all estates or interests over the real property specified in Schedule 2 (*Real Property*).
- (b) The Parent Chargor charges by way of a first legal mortgage all estates or interests over the real property owned by it specified in Schedule 2 (*Real Property*).
- (c) A reference in this Clause 2 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 relevant Chargor in respect of that property or any moneys paid or payable in respect of those covenants.
- 2.3 Shares**
- Each Chargor, with full title guarantee and as security for the payment of all the Secured Liabilities, charges in favour of the Security Trustee by way of first mortgage, all its Shares.
- 2.4 Investments**
- The Borrower Chargor charges by way of a first fixed charge its interest in all its Investments.
- 2.5 Plant and machinery**
- To the extent that they are not the subject of a mortgage or a first fixed charge under Clause 2.2 (*Land*), each Chargor charges 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.
- 2.6 Credit balances**
- The Borrower Chargor charges by way of a first fixed charge all of its Bank Accounts.
- 2.7 Book debts etc.**
- The Borrower Chargor charges by way of a first fixed charge all its Receivables.
- 2.8 Insurances**
- (a) The Borrower Chargor assigns absolutely, subject to a proviso for re-assignment on redemption, all of its rights under any contract or policy relating to any Material Policy taken out by it or on its behalf or in which it has an interest (together, the "**Insurance Rights**").
- (b) To the extent that they have not been effectively assigned under paragraph (a) above, the Borrower Chargor charges by way of a first fixed charge all of its Insurance Rights relating to each Material Policy.

2.9 Intellectual Property

The Borrower Chargor charges by way of first fixed charge its interest in all its Intellectual Property.

2.10 Other contracts

- (a) The Borrower Chargor assigns absolutely, subject to a proviso for re-assignment on redemption, all of its rights under any document, agreement or instrument to which it and any nominee or trustee is party in respect of an Investment.
- (b) The Borrower Chargor charges by way of a first fixed charge all of its rights under any other document, agreement or instrument to which it is a party except to the extent that it is subject to any fixed security created under any other term of this Clause 2.

2.11 Miscellaneous

The Borrower Chargor charges by way of first fixed charge:

- (a) its goodwill;
- (b) the benefit of any Authorisation (statutory or otherwise) held in connection with its use of any Security Asset;
- (c) the right to recover and receive compensation which may be payable to it in respect of any Authorisation referred to in paragraph (b) above;
- (d) its uncalled capital; and
- (e) the benefit of all rights in relation to any item under paragraphs (a) to (d) above.

2.12 Floating charge

- (a) Each Chargor charges by way of a first floating charge all its assets not otherwise effectively mortgaged, charged or assigned by way of fixed mortgage, fixed charge or assignment under this Clause 2.
- (b) Except as provided below, the Security Trustee may by notice to each Chargor convert the floating charge created by this Clause 2.12 (*Floating charge*) into a fixed charge as regards any of that Chargor's assets specified in that notice if:
 - (i) an Event of Default is continuing; or
 - (ii) the Security Trustee considers 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.
- (c) The floating charge created by this Clause 2.12 (*Floating charge*) may not be converted into a fixed charge solely by reason of:
 - (i) the obtaining of a moratorium; or
 - (ii) anything done with a view to obtaining a moratorium,under section 1A of the Insolvency Act 1986.
- (d) In respect of the Borrower Chargor, the floating charge created by this Clause 2.12 (*Floating charge*) will (in addition to the circumstances when this may occur under the general law) automatically convert into a fixed charge over all of the Borrower Chargor's assets if:

- (i) an administrator is appointed or the Security Trustee receives notice of an intention to appoint an administrator in respect of the Borrower Chargor;
 - (ii) the Borrower Chargor takes any step to create any Security in breach of Clause 3.1 (*Security*) over any Security Asset subject to a floating charge; or
 - (iii) any person takes any step to effect any expropriation, attachment, sequestration, distress or execution against any such Security Asset.
- (e) In respect of the Borrower Chargor, the floating charge created by this Clause 2.12 (*Floating charge*) is a **qualifying floating charge** for the purpose of paragraph 14 of Schedule B1 to the Insolvency Act 1986.

3. **RESTRICTIONS ON DEALINGS**

3.1 **Security**

Except as expressly allowed under the Facilities Agreement or this Deed, no Chargor shall create or permit to subsist any Security on any Security Asset.

3.2 **Disposals**

Except as expressly allowed under the Facilities Agreement or this Deed, no Chargor shall enter into a single transaction or a series of transactions (whether related or not and whether voluntary or involuntary) to dispose of all or any part of any Security Asset.

4. **LAND**

4.1 **Land Registry**

Each Chargor consents to a restriction in the following terms being entered into on the Register of Title relating to its Mortgaged Property registered at the Land Registry:

"No disposition of the registered estate by the proprietor of the registered estate is to be registered without a written consent signed by the proprietor for the time being of the charge dated [] in favour of [] referred to in the charges register or their conveyancer. (Standard Form P)".

5. **INVESTMENTS**

5.1 **Deposit**

The Borrower Chargor must immediately:

- (a) deposit with the Security Trustee, or as the Security Trustee may reasonably direct, all certificates and other documents of title or evidence of ownership in relation to its Investments; and
- (b) execute and deliver to the Security Trustee all share transfers and other documents which may be requested by the Security Trustee in order to enable the Security Trustee or its nominees to be registered as the owner of or otherwise obtain a legal title to its Investments.

5.2 **Calls**

- (a) The Borrower Chargor must pay all calls or other payments due and payable in respect of any of its Investments.

- (b) If the Borrower Chargor fails to do so, the Security Trustee may pay the calls or other payments in respect of any of its Investments on behalf of the Borrower Chargor. The Borrower Chargor must immediately on request reimburse the Security Trustee for any payment made by the Security Trustee under this Clause 5.2 (*Calls*).

5.3 Other obligations in respect of Investments

- (a) The Borrower Chargor must promptly send a copy to the Security Trustee of, and comply with all requests for, information which is within its knowledge and which are made under any law or regulation or any similar provision contained in any articles of association, partnership agreement, trust instrument or other constitutional document, or by any listing or other authority, relating to any of its Investments. If it fails to do so, the Security Trustee may elect to provide such information as it may have on behalf of the Borrower Chargor.
- (b) The Borrower Chargor must comply with all other conditions and obligations assumed by it in respect of any of its Investments.
- (c) The Security Trustee is not obliged to:
 - (i) perform any obligation of the Borrower Chargor;
 - (ii) make any payment;
 - (iii) make any enquiry as to the nature or sufficiency of any payment received by it or the Borrower Chargor; or
 - (iv) present or file any claim or take any other action to collect or enforce the payment of any amount to which it may be entitled under this Deed,in respect of any of its Investments.

6. SHARES

6.1 Notification

Each Chargor shall promptly notify the Security Trustee of:

- (a) its acquisition of, or agreement to acquire, any Share; and
- (b) the declaration, payment, receipt, offer or issue of any Related Right in respect of any Share excluding any cash dividend.

6.2 Documents

Each Chargor shall on the date of this Deed and, where Shares are acquired by it after the date of this Deed, on the date of that acquisition:

- (a) deliver to the Security Trustee, or as it directs, and the Security Trustee shall be entitled to hold, all certificates and other documents of title or evidence of ownership in relation to its Shares; and
- (b) deliver to the Security Trustee, or as it directs, and the Security Trustee shall be entitled to hold, transfers of the Shares, each executed in blank, and other documents relating to the Shares reasonably required by the Security Trustee.

6.3 Voting before enforcement

At any time prior to the occurrence of an Event of Default which is continuing each Chargor shall be entitled to exercise or direct the exercise of the voting and other rights attached to any Share provided that:

- (a) it does so for a purpose not inconsistent with any Finance Document; and
- (b) the exercise of or, as the case may be, the failure to exercise those rights would not have an adverse effect on the value of the relevant Shares or the Security Assets or the ability of the Security Trustee to realise the Security Interests and would not otherwise prejudice the interests of any Finance Party under any Finance Document.

6.4 Voting after enforcement

At any time while an Event of Default is continuing and the Security Trustee has given notice to the relevant Chargor that it intends to exercise its rights under this Clause 6.4:

- (a) the Security Trustee or the Receiver shall be entitled to exercise or direct the exercise of the voting and other rights attached to any Share; and
- (b) each Chargor shall comply or procure the compliance with any directions of the Security Trustee or the Receiver in respect of the exercise of those rights and shall promptly execute and/or deliver to the Security Trustee or the Receiver such forms of proxy as it requires with a view to enabling such person as it selects to exercise those rights.

6.5 Cash dividends before enforcement

At any time prior to the occurrence of an Event of Default which is continuing each Chargor shall be entitled to retain any cash dividend deriving from the Shares.

6.6 Cash dividends after enforcement

At any time while an Event of Default is continuing each Chargor shall hold any cash dividend deriving from the Shares received by it on trust for the Finance Parties and transfer or pay the same immediately to the Security Trustee or as it may direct.

6.7 Shares held by nominees of Chargors

If any Share is held in the name of a nominee of a Chargor, that Chargor shall promptly upon request by the Security Trustee deliver to it an irrevocable power of attorney, expressed to be given by way of security and executed as a deed by that nominee. That power of attorney shall appoint the Security Trustee, each Receiver and each Delegate, as the attorney of the holder and shall be in such form as the Security Trustee requires.

6.8 Communications

- (a) Each Chargor shall promptly upon request by the Security Trustee deliver to it a copy of each circular, notice, report, set of accounts or other document received by it or its nominee relating to any of its Shares.
- (b) Each Chargor shall promptly deliver to the Security Trustee a copy of, and comply with, each request for information which is made under section 793 of the Companies Act 2006 or any similar provision contained in any articles of association or other constitutional document relating to any of its Shares.

- (c) If a Chargor does not comply with paragraph (b) above, the Security Trustee may provide any information it has on behalf of that Chargor.

6.9 Payment of calls

- (a) Each Chargor shall promptly pay all calls or other payments in respect of any of its Shares.
- (b) If a Chargor does not comply with paragraph (a) above, the Security Trustee may pay that call or other payment on behalf of that Chargor.
- (c) The relevant Chargor shall immediately on request by the Security Trustee reimburse the Security Trustee for any payment made by the Security Trustee under this Clause 6.9.

7. RECEIVABLES

7.1 Book debts and receipts

- (a) The Borrower Chargor must promptly collect its Receivables and hold the proceeds of collection (until payment into a Bank Account if required in accordance with paragraph (b) below) on trust for the Security Trustee.
- (b) The Borrower Chargor must pay all the proceeds of collection of Receivables into a Bank Account (as instructed by the Security Trustee in writing).

7.2 Restrictions on dealing with Receivables

The Borrower Chargor shall not enter into a single transaction or a series of transactions (whether related or not and whether voluntary or involuntary) to sell, factor, transfer, discount or otherwise dispose of all or any part of any of its Receivables.

7.3 Documents

The Borrower Chargor shall promptly deliver to the Security Trustee, and the Security Trustee shall be entitled to hold, such documents relating to the Borrower Chargor's Receivables as the Security Trustee requires.

8. OTHER CONTRACTS

The Borrower Chargor must, at the request of the Security Trustee:

- (a) immediately serve a notice of assignment, substantially in the form of Schedule 5 (*Forms of Letter for Other Contracts*), on each counterparty to a contract listed in Clause 2.9 (*Other contracts*), in each case in relation to which the Borrower Chargor has any rights; and
- (b) use reasonable endeavours to ensure that each such party acknowledges that notice, substantially in the form of the acknowledgement attached to the notice.

9. INSURANCES

9.1 Notice of assignment

Each Chargor shall within 45 days from the date of the first Utilisation give notice of the assignment in paragraph (a) of Clause 2.8 (*Insurance*) substantially in the form set out in Schedule 4 (*Form of Letter for Insurers*) (or in such other form as is acceptable to the Security Trustee) in relation to each Material Policy and shall use its best endeavours to ensure that each recipient of any such notice promptly signs and returns the relevant form of acknowledgement.

10. REPRESENTATIONS AND WARRANTIES

Each Chargor makes the representations and warranties set out in clause 21 (*Representations*) of the Facilities Agreement to the Security Trustee on the date of this Deed.

11. ENFORCEMENT OF SECURITY INTERESTS

11.1 When enforceable

The Security Interests shall be immediately enforceable on and at any time after the occurrence of an Event of Default which is continuing.

11.2 Enforcement action

At any time after the Security Interests have become enforceable, the Security Trustee may in its absolute discretion enforce all or any part of the Security Interests in any manner it sees fit or as directed by the Majority Lenders.

11.3 Law of Property Act powers

At any time after the Security Interests have become enforceable, the powers, authorities and discretions conferred by the Law of Property Act on mortgagees, including the power of sale and other powers conferred by section 101 (*Powers incident to estate or interest of mortgagee*) of the Law of Property Act, as varied and extended by this Deed, shall be immediately exercisable.

12. LAW OF PROPERTY ACT

12.1 Section 101

The power of sale and other powers conferred by section 101 (*Powers incident to estate or interest of mortgagee*) of the Law of Property Act on mortgagees, as varied and extended by this Deed, shall arise (and the Secured Liabilities shall be deemed due and payable for that purpose) on the date of this Deed and shall be exercisable in accordance with Clause 11.3 (*Law of Property Act powers*).

12.2 Section 103

Section 103 (*Regulation of exercise of power of sale*) of the Law of Property Act shall not apply to this Deed.

12.3 Section 93

Section 93 (*Restriction on consolidation of mortgages*) of the Law of Property Act shall not apply to this Deed.

12.4 Sections 99 and 100

At any time after the Security Interests have become enforceable, the Security Trustee may make any lease or agreement for lease, accept any surrender of lease and grant any option as it sees fit and without the need to comply with any provision of section 99 (*Leasing powers of mortgagor and mortgagee in possession*) or section 100 (*Powers of mortgagor and mortgagee in possession to accept surrenders of leases*) of the Law of Property Act.

13. APPOINTMENT OF RECEIVERS AND ADMINISTRATORS

13.1 Appointment of Receivers

If:

- (a) requested by any Chargor; or
- (b) the Security Interests have become enforceable,

without any notice or further notice, the Security Trustee may, by deed or otherwise in writing signed by the Security Trustee or any person authorised for this purpose by the Security Trustee, appoint one or more persons to be a Receiver of all or any part of the Security Assets. The Security Trustee may similarly remove any Receiver and appoint any person instead of any Receiver. If the Security Trustee appoints more than one person as Receiver, the Security Trustee may give those persons power to act either jointly or severally.

13.2 Appointment of Administrators

Paragraph 14 of Schedule B1 to the Insolvency Act applies to this Deed and the Security Trustee may appoint an Administrator of any Chargor pursuant to that paragraph.

13.3 Agent of Chargor

Any Receiver shall be the agent of the relevant Chargor for all purposes. That Chargor alone shall be responsible for the Receiver's contracts, engagements, acts, omissions and defaults.

13.4 Remuneration of Receivers

The Security Trustee may determine the remuneration of any Receiver and the maximum rate specified in section 109(6) (*Appointment, powers, remuneration and duties of receiver*) of the Law of Property Act shall not apply. The Security Trustee may direct payment of that remuneration out of moneys it receives as Receiver. The relevant Chargor alone shall be liable for the remuneration and all other costs, losses, liabilities and expenses of the Receiver.

14. RIGHTS AND LIABILITIES OF SECURITY TRUSTEE AND RECEIVERS

14.1 Rights of Receivers

Any Receiver appointed pursuant to Clause 13 (*Appointment of Receivers and Administrators*) shall have:

- (a) the rights set out in Schedule 1 (*Rights of Receivers*); and
- (b) the rights, powers, privileges and immunities conferred by law, including:
 - (i) in the case of an administrative receiver, the rights, powers, privileges and immunities conferred by the Insolvency Act on administrative receivers duly appointed under the Insolvency Act; and
 - (ii) in all other cases, the rights, powers, privileges and immunities conferred by the Law of Property Act and the Insolvency Act on receivers or receivers and managers.

14.2 Rights of Security Trustee

At any time after the Security Interests have become enforceable, to the fullest extent permitted by law, any rights conferred by any Finance Document or by law upon a Receiver may be

exercised by the Security Trustee, whether or not the Security Trustee shall have appointed a Receiver of all or any part of the Security Assets.

14.3 Delegation

The Security Trustee may delegate in any manner to any person any rights exercisable by the Security Trustee under any Finance Document. Any such delegation may be made upon such terms and conditions (including power to sub-delegate) as the Security Trustee thinks fit and the Security Trustee may pass confidential information to any such delegate.

14.4 Financial collateral arrangement

- (a) To the extent that this Deed constitutes a "financial collateral arrangement" (as defined in the Financial Collateral Arrangements (No. 2) Regulations 2003 (the "**Financial Collateral Regulations**")) the Security Trustee shall have the right at any time after the Security Interests have become enforceable, to appropriate any Security Asset which constitutes "financial collateral" (as defined in the Financial Collateral Regulations ("**Financial Collateral**")) in such manner as it sees fit in or towards satisfaction of the Secured Liabilities in accordance with the Financial Collateral Regulations.
- (b) If the Security Trustee is required to value any Financial Collateral for the purpose of paragraph (a) above, the value shall be:
 - (i) in the case of cash, its face value at the time of appropriation; and
 - (ii) in the case of financial instruments or other Financial Collateral, their market value at the time of appropriation as determined (after appropriation) by the Security Trustee by reference to a public index or other applicable generally recognised source or such other process as the Security Trustee may select, including a valuation carried out by an independent investment bank, firm of accountants or other valuers appointed by the Security Trustee,

as converted, where necessary, into the currency in which the Secured Liabilities are denominated at a market rate of exchange prevailing at the time of appropriation selected by the Security Trustee. The Parties agree that the methods of valuation set out in this paragraph (b) are commercially reasonable for the purpose of the Financial Collateral Regulations.

14.5 Possession

If the Security Trustee, any Receiver or any Delegate takes possession of the Security Assets, it may at any time relinquish possession. Neither the Security Trustee, any Receiver nor any Delegate shall be liable, by reason of viewing or repairing any of the present or future assets of any Chargor, as a mortgagee in possession.

14.6 Security Trustee's liability

Neither the Security Trustee, any Receiver nor any Delegate shall, either by reason of taking possession of the Security Assets or for any other reason and whether as mortgagee in possession or otherwise, be liable for:

- (a) any costs, losses, liabilities or expenses relating to the realisation of any Security Assets;
or

- (b) any act or omission of the Security Trustee, any Receiver, any Delegate or their respective officers, employees or agents in relation to the Security Assets or in connection with the Finance Documents, unless directly caused by its gross negligence or wilful misconduct.

15. ORDER OF APPLICATION

All amounts from time to time received or recovered by the Security Trustee or any Receiver pursuant to the terms of this Deed or in connection with the realisation or enforcement of all or any part of the Security Interests shall be held by the Security Trustee on trust to apply them at any time as the Security Trustee (in its discretion) sees fit, to the extent permitted by applicable law, in the following order of priority:

- (a) in discharging any sums owing to the Security Trustee, any Receiver or any Delegate;
- (b) in discharging all costs and expenses incurred by any Finance Party in connection with any realisation or enforcement of the Security Interests or any action taken at the request of the Security Trustee under clause 24.29 (*Further assurance*) of the Facilities Agreement;
- (c) in payment or distribution to the Agent on its own behalf and on behalf of the other Finance Parties for application towards the discharge of the Secured Liabilities in accordance with the terms of the Facilities Agreement;
- (d) if none of the Chargors is under any further actual or contingent liability under any Finance Document, in payment or distribution to any person to whom the Security Trustee is obliged to pay or distribute in priority to any Chargor; and
- (e) the balance, if any, in payment or distribution to the relevant Chargor.

16. POWER OF ATTORNEY

16.1 Appointment

Each Chargor by way of security irrevocably appoints the Security Trustee, each Receiver and each Delegate severally to be its attorney (with full power of substitution), on its behalf and in its name or otherwise, at such time and in such manner as the attorney thinks fit:

- (a) to do anything which that Chargor is obliged to do under any Finance Document to which it is party but has failed to do (after any applicable grace period in the Facilities Agreement and if not applicable, within the date falling 5 Business Days of being notified by the Security Trustee) (including to do all such acts or execute all such documents, assignments, transfers, mortgages, charges, notices, instructions, filings and registrations as the Security Trustee may reasonably specify (and in such form as the Security Trustee may reasonably require in favour of the Security Trustee or its nominee(s))); and
- (b) to exercise any of the rights conferred on the Security Trustee, any Receiver or any Delegate in relation to the Security Assets or under any Finance Document or under any law.

16.2 Ratification

Each Chargor ratifies and confirms and agrees to ratify and confirm whatever any such attorney shall do in the exercise or purported exercise of the power of attorney granted by it in Clause 16.1 (*Appointment*).

17. DISCHARGE OF SECURITY

17.1 Final redemption

Subject to Clause 17.2 (*Retention of security*), upon the expiry of the Security Period, the Security Trustee shall at the request and cost of the Chargors release, reassign or discharge (as appropriate) the Security Assets from the Security Interests, without recourse to, or any representation or warranty by, the Security Trustee or any of its nominees.

17.2 Retention of security

If the Security Trustee considers that any amount paid or credited to any Finance Party under any Finance Document is capable of being avoided or otherwise set aside, that amount shall not be considered to have been paid for the purposes of determining whether all the Secured Liabilities have been irrevocably paid.

18. VAT

Clause 15.7 (VAT) of the Facilities Agreement shall apply as if it were set out in full in this Deed, save that references in that clause to "Finance Party" shall be treated in this Deed as being to "Finance Party, Receiver or Delegate".

19. INDEMNITY

Each Chargor shall, within three Business Days of demand, indemnify the Security Trustee and any Receiver against any cost, loss, liability or expense incurred by it or them as a result of:

- (a) any breach by any Chargor of this Deed; or
- (b) the exercise or purported exercise of any of the rights, powers, discretions, authorities and remedies conferred on it or them by this Deed or otherwise relating to the Security Assets.

20. PAYMENTS

20.1 Undertaking to pay

Each Chargor shall pay each of the Secured Liabilities when due in accordance with its terms.

20.2 Demands

Any demand for payment made by any Finance Party shall be valid and effective even if it contains no statement of the relevant Secured Liabilities or an inaccurate or incomplete statement of them.

20.3 Payments

All payments by any Chargor under this Deed shall be made to such account, with such financial institution and in such other manner as the Security Trustee may direct.

20.4 Continuation of accounts

- (a) At any time after a Finance Party has received or is deemed to have received notice of any subsequent Security affecting all or any part of the Security Assets of any Chargor, that Finance

Party may open a new account in the name of that Chargor (whether or not it permits any existing account to continue).

- (b) If that Finance Party does not open such a new account, it shall be treated as if it had done so when the relevant notice was received or deemed to have been received and as from that time all payments made by or on behalf of that Chargor to that Finance Party shall be credited or be treated as having been credited to the relevant new account and not as having been applied in reduction of the Secured Liabilities as at the time the relevant notice was received or deemed to have been received.

20.5 Contingencies

If all or any part of the Security Interests are enforced at a time when no amount is due under the Finance Documents but any such amount may or will become due, the Security Trustee or the Receiver may pay the proceeds of any recoveries effected by it into a suspense account.

21. REMEDIES, WAIVERS AND DETERMINATIONS

21.1 Remedies and waivers

No failure to exercise, nor any delay in exercising, on the part of any Finance Party, Receiver or Delegate, any right or remedy under any Finance Document shall operate as a waiver of any such right or remedy or constitute an election to affirm any of the Finance Documents. No waiver or election to affirm any of the Finance Documents on the part of any Finance Party, Receiver or Delegate shall be effective unless 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 the Finance Documents are cumulative and not exclusive of any rights or remedies provided by law, including the right to appoint an Administrator under the Insolvency Act.

21.2 Certificates and Determinations

Any certification or determination by the Security Trustee or any Receiver of a rate or amount under any Finance Document is, in the absence of manifest error, conclusive evidence of the matters to which it relates.

22. GOVERNING LAW

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

THIS DEED has been executed and delivered as a deed on the date stated at the beginning of this Deed.

SCHEDULE 1
RIGHTS OF RECEIVERS

Any Receiver appointed pursuant to Clause 13 (*Appointment of Receivers and Administrators*) shall have the right, either in its own name or in the name of the relevant Chargor or otherwise and in such manner and upon such terms and conditions as the Receiver thinks fit, and either alone or jointly with any other person:

(a) **Enter into possession**

to take possession of, get in and collect all or any part of the Security Assets, and to require payment to it or to any Finance Party of any Receivables;

(b) **Bank Accounts**

to apply, transfer or set-off any or all of the credit balances from time to time on any Bank Account in or towards payment or other satisfaction of all or part of the Secured Liabilities;

(c) **Carry on business**

to manage and carry on any business of that Chargor;

(d) **Contracts**

to enter into any contract or arrangement and to perform, repudiate, rescind or vary any contract or arrangement to which that Chargor is a party;

(e) **Deal with Security Assets**

to sell, transfer, assign, exchange, hire out, lend, licence or otherwise dispose of or realise all or any part of the Security Assets (including any Fixtures, which may be sold separately from the related Real Property) to any person either by public offer or auction, tender or private contract and for a consideration of any kind (which may be payable or delivered in one amount or by instalments or deferred);

(f) **Hive down**

to form a new company and to subscribe for or acquire (for cash or otherwise) any investment in or of the new company and to sell, transfer, assign, exchange and otherwise dispose of or realise any such investments or any rights attaching thereto;

(g) **Borrow money**

to borrow or raise money either unsecured or on the security of all or any part of the Security Assets (either in priority to the Security Interests or otherwise);

(h) **Lend money**

to lend money or advance credit to any person;

(i) **Covenants and guarantees**

to enter into bonds, covenants, guarantees, indemnities and other commitments;

(j) **Dealings with tenants**

to grant leases, tenancies, licences and rights of user, grant renewals and accept surrenders of leases, tenancies, licences or rights of user, and otherwise to reach agreements and make arrangements with, and to make allowances to, any lessees, tenants or other persons;

(k) **Rights of ownership**

to manage and use all or any part of the Security Assets and to exercise and do all such rights and things as the Receiver would be capable of exercising or doing if it were the absolute beneficial owner of all or any part of the Security Assets;

(l) **Protection of Security Assets**

to insure all or any part of the Security Assets, to carry out decorations, repairs, alterations, improvements and additions to all or any part of the Security Assets (including the development or redevelopment of any Real Property), to commence and/or complete any building operation, to apply for and maintain any planning permission, building regulation approval or any other authorisation and to purchase or otherwise acquire or do anything in connection with all or any part of the Security Assets;

(m) **Legal actions**

to bring, prosecute, enforce, defend and abandon actions, suits and proceedings relating to all or any part of the Security Assets or any business of that Chargor;

(n) **Claims**

to settle, adjust, refer to arbitration, compromise and arrange any claims, accounts, disputes, questions and demands with or by any person or relating to all or any part of the Security Assets or any business of that Chargor;

(o) **Redemption of Security**

to redeem any Security (whether or not having priority to the Security Interests) over all or any part of the Security Assets and to settle the accounts of any person with an interest in all or any part of the Security Assets;

(p) **Employees**

to appoint, hire and employ officers, employees, contractors, agents, advisors and others and to discharge any such persons and any such persons appointed, hired or employed by that Chargor;

(q) **Delegation**

to delegate in any manner to any person any rights exercisable by the Receiver under any Finance Document, and any such delegation may be made upon such terms and conditions (including power to sub-delegate) as it thinks fit, and to pass confidential information to any such delegate;

(r) **Insolvency Act**

to exercise all powers set out in Schedule 1, Schedule B1 or (in the case of a Scottish Receiver) Schedule 2 to the Insolvency Act as now in force (whether or not in force at the date of exercise

and whether or not the Receiver is an administrative receiver) and any powers added to Schedule 1 or Schedule 2, as the case may be, after the date of this Deed;

(s) **Receipts**

to give a valid receipt for any moneys and do anything which may be necessary or desirable for realising all or any part of Security Assets; and

(t) **Other powers**

to do anything else it may think fit for the realisation of all or any part of the Security Assets or incidental to the exercise of any of the rights conferred on the Receiver under or by virtue of any Finance Document to which the relevant Chargor is party, the Law of Property Act or the Insolvency Act.

SCHEDULE 2
REAL PROPERTY

Chargor	Property	Title No.
British Salt Limited	Leasehold land lying to the east of Warmington Road Crewe	CH594743
British Salt Limited	Freehold hold on the north side of Cledford Lane and land at Faulkner drive Middlewich	CH292747
British Salt Limited	Leasehold land at Hole House Farm Minshull Vernon Crewe	CH416832
British Salt Limited	Freehold land at Hole House Farm Minshull Vernon Crewe	CH441867
British Salt Limited	Freehold Mines Minerals salt rock and brine under the land being land at Parksfield Farm Minshull Vernon Middlewich	CH455194
British Salt Limited	Freehold land at redlane tip, red lane, Moston, Sandbach	CH455199
British Salt Limited	Freehold land on the southwest side of boothlane Middlewich	CH455202
British Salt Limited	Freehold brine, minerals and brine substances channels and seams under the land being land at Bottoms Farm Warmington road, Warmington	CH455282
Cheshire Salt Limited	Freehold land at Hilltop Farm school land Warmington Sandbach CWI 13QN	CH428473

SCHEDULE 3
SHARES

Chargor	Name of Issuer	No. and Type of Shares	Held in Certificated Form
Cheshire Salt Limited	British Salt Limited	1 ordinary share of £1 each	
British Salt Limited	Cheshire Cavity Storage 2 Limited	1 ordinary share of £1 each	
British Salt Limited	Cheshire Compressor Limited	1 ordinary share of £1 each	
British Salt Limited	Irish Feeds Limited	1 ordinary share of £1 each	
British Salt Limited	New Cheshire Salt Works Limited	761947 ordinary shares of £1 each	

SCHEDULE 4
FORMS OF LETTER FOR INSURERS

To: [Insurer]

Copy: Standard Chartered Bank (as Security Trustee as defined below)

[Date]

Dear Sirs,

**Security Agreement dated ____ 2018 between British Salt Limited, Cheshire Salt Limited and
Standard Chartered Bank (the "Security Agreement")**

This letter constitutes notice to you that under the Security Agreement we have assigned absolutely (subject to a proviso for re-assignment on redemption) to Standard Chartered Bank (as trustee for the Secured Parties as referred to in the Security Agreement, the "**Security Trustee**") all our rights in respect of *[insert details of contract of insurance]* (the "**Insurance**").

We confirm that:

- (a) we will remain liable under the Insurance to perform all the obligations assumed by us under the Insurance; and
- (b) none of the Security Trustee, its agents, any receiver or any other person will at any time be under any obligation or liability to you under or in respect of the Insurance (unless, and to the extent, otherwise expressly provided for in the Insurance).

We will also remain entitled to exercise all our rights, powers and discretions under the Insurance, and you should continue to give notices and make payments under the Insurance to us (unless, and to the extent, otherwise expressly provided for in the Insurance or in any insurer letter you may have issued to the Security Trustee in respect of the Insurance), unless and until you receive notice from the Security Trustee to the contrary stating that the security under the Security Agreement has become enforceable. In this event, all the rights, powers and discretions will be exercisable by, and notices must be given and payments must be made to, the Security Trustee or as it directs (unless, and to the extent, otherwise expressly provided for in the Insurance or in any insurer letter you may have issued to the Security Trustee in respect of the Insurance).

We irrevocably instruct and authorise you to disclose to the Security Trustee any information relating to the Insurance requested from you by the Security Trustee.

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

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

Please acknowledge receipt of this letter by sending the attached acknowledgement to the Security Trustee at [address] with a copy to us.

Yours faithfully,

.....

(Authorised signatory)

[Chargor]

ACKNOWLEDGEMENT OF INSURER

To: Standard Chartered Bank (as Security Trustee)

Copy: [Chargor]

[Date]

Dear Sirs,

**Security Agreement dated ____ 2018 between British Salt Limited, Cheshire Salt Limited and
Standard Chartered Bank (the "Security Agreement")**

We confirm receipt from [Chargor] (the "Chargor") of a notice dated [_____] (the "Notice") in relation to [insert details of the contract of insurance] (the "Insurance").

We confirm that we:

- (c) accept the instructions contained in the Notice and agree to comply with the Notice; and
- (d) will give notices and make payments under the Insurance as directed in the Notice.

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

Yours faithfully,

.....

(Authorised signatory)

[Insurer]

SCHEDULE 5
FORMS OF LETTER FOR OTHER CONTRACTS

To: [Contract Counterparty]

Copy: Standard Chartered Bank (as Security Trustee as defined below)

[Date]

Dear Sirs,

**Security Agreement dated ____ 2018 between British Salt Limited, Cheshire Salt Limited and
Standard Chartered Bank (the "Security Agreement")**

This letter constitutes notice to you that under the Security Agreement we have assigned absolutely (subject to a proviso for re-assignment on redemption) to Standard Chartered Bank (as trustee for the Secured Parties as referred to in the Security Agreement, the "**Security Trustee**") all our rights in respect of [insert details of contract] (the "**Contract**").

We confirm that:

- (a) we will remain liable under the Contract to perform all the obligations assumed by us under the Contract; and
- (b) none of the Security Trustee, its agents, any receiver or any other person will at any time be under any obligation or liability to you under or in respect of the Contract.

We will also remain entitled to exercise all our rights, powers and discretions under the Contract, and you should continue to give notices and make payments under the Contract to us, unless and until you receive notice from the Security Trustee to the contrary stating that the security under the Security Agreement has become enforceable. In this event, all the rights, powers and discretions will be exercisable by, and notices must be given and payments must be made to, the Security Trustee or as it directs.

We irrevocably instruct and authorise you to disclose to the Security Trustee any information relating to the Contract requested from you by the Security Trustee.

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

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

Please acknowledge receipt of this letter by sending the attached acknowledgement to the Security Trustee at [address] with a copy to us.

Yours faithfully,

.....

(Authorised signatory)

[Chargor]

PART II

ACKNOWLEDGEMENT OF COUNTERPARTY

To: Standard Chartered Bank (as Security Trustee)

Copy: [Chargor]

[Date]

Dear Sirs,

**Security Agreement dated ____ 2018 between British Salt Limited, Cheshire Salt Limited and
Standard Chartered Bank (the "Security Agreement")**

We confirm receipt from [Chargor] (the "**Chargor**") of a notice dated [_____] (the "**Notice**") in relation to [insert details of the contract] (the "**Contract**").

We confirm that we:

- (a) accept the instructions contained in the Notice and agree to comply with the Notice; and
- (b) will give notices and make payments under the Contract as directed in the Notice.

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

Yours faithfully,

.....

(Authorised signatory)

[Contract counterparty]

SIGNATORIES

Chargors

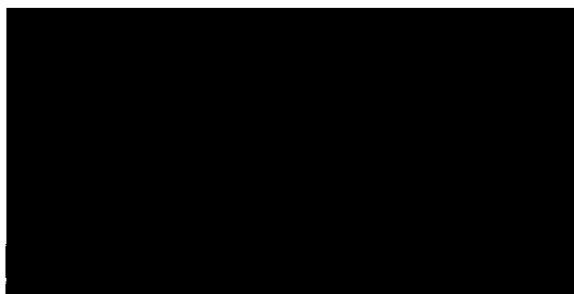
EXECUTED as a DEED by

British Salt Limited

acting by:

Director

Director/~~Secretary~~



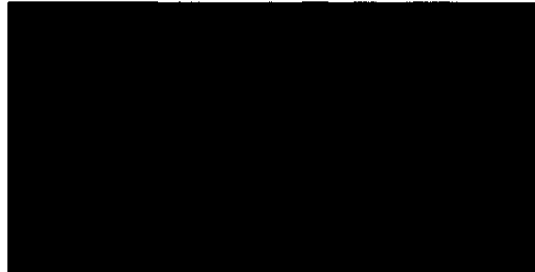
EXECUTED as a DEED by

Cheshire Salt Limited

acting by:

Director

Director/~~Secretary~~



Security Trustee

Standard Chartered Bank

By.

Paul Thompson
Global Head of Transaction Management
Standard Chartered Bank