



**Registration of a Charge**

Company Name: **PQ HOLDINGS I LIMITED**

Company Number: **07570350**



Received for filing in Electronic Format on the: **07/12/2021**

XAITB1OB

**Details of Charge**

Date of creation: **01/12/2021**

Charge code: **0757 0350 0001**

Persons entitled: **GOLDMAN SACHS BANK USA AS COLLATERAL AGENT**

Brief description: **N/A**

**Contains fixed charge(s).**

**Contains floating 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: **DAVIS POLK & WARDWELL LONDON LLP**



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

Company number: 7570350

Charge code: 0757 0350 0001

The Registrar of Companies for England and Wales hereby certifies that a charge dated 1st December 2021 and created by PQ HOLDINGS I LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 7th December 2021 .

Given at Companies House, Cardiff on 8th December 2021

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

Date: 1 December, 2021

**DEBENTURE**

**between**

**THE CHARGORS LISTED HEREIN**

as Initial Chargors

and

**GOLDMAN SACHS BANK USA**

as Collateral Agent

**KIRKLAND & ELLIS INTERNATIONAL LLP**

30 St. Mary Axe  
London EC3A 8AF  
Tel: +44 (0)20 7469 2000  
Fax: +44 (0)20 7469 2001  
[www.kirkland.com](http://www.kirkland.com)

## Table of Contents

	<b>Page</b>
1 Interpretation.....	1
2 Covenant to Pay.....	5
3 Charging Provisions.....	6
4 Representations and Warranties.....	9
5 Protection of Security .....	10
6 Rights of Chargors.....	12
7 Continuing Security .....	13
8 Enforcement of Security .....	13
9 Receivers.....	15
10 Application of Proceeds.....	17
11 Protection of Collateral Agent and Receiver .....	17
12 Power of Attorney.....	18
13 Protection for Third Parties.....	19
14 Deferral of Chargor rights.....	19
15 Discharge Conditional .....	19
16 Covenant to Release.....	20
17 Set-off .....	20
18 Ruling Off.....	20
19 Redemption of Prior Charges.....	21
20 Changes to Parties.....	21
21 Miscellaneous .....	21
22 Governing Law and Jurisdiction.....	22
SCHEDULE 1 The Initial Chargors .....	23
SCHEDULE 2 Shares .....	24
SCHEDULE 3 Form of Security Accession Deed .....	25

This Deed is made on 1 December 2021

## PARTIES

- (1) **PQ HOLDINGS I LIMITED**, a company incorporated in England and Wales with registered number 07570350 and registered office at 4 Liverpool Road, Bank Quay, Warrington, Cheshire, WA5 1AQ (“**PQ Holdings**”);
- (2) **PQ SILICAS UK LIMITED**, a company incorporated in England and Wales with registered number 06458647 and registered office at 4 Liverpool Road, Bank Quay, Warrington, Cheshire, WA5 1AQ (“**PQ Silicas**”);
- (3) **PQ INTERMEDIATE LIMITED**, a company incorporated in England and Wales with registered number 07570352 and registered office at 4 Liverpool Road, Bank Quay, Warrington, Cheshire, WA5 1AQ (the “**Company**”); and
- (4) **GOLDMAN SACHS BANK USA** as collateral agent for itself and the other Secured Parties (the “**Collateral Agent**”).

It is agreed as follows:

### 1 Interpretation

#### 1.1 Definitions

In this Debenture:

“**Acceleration Event**” means the “Applicable Acceleration Event” as defined in the Agreed Security Principles.

“**Charged Property**” means all the assets and undertakings from time to time mortgaged, charged or assigned to or subject to the security created or expressed to be created in favour of the Collateral Agent by or pursuant to this Debenture and any Security Accession Deeds;

“**Chargor**” means each Initial Chargor together with any person which grants Security over its assets in favour of the Collateral Agent by executing a Security Accession Deed (each such person being an “**Additional Chargor**”);

“**Credit Agreement**” means the credit agreement dated 2 August 2021, between, amongst others, Sparta U.S. Holdco LLC as the US Borrower (as defined therein), the Lenders (as defined therein), the Collateral Agent and the other parties thereto, as amended, restated, amended and restated, extended, supplemented or otherwise modified from time to time;

“**Event of Default**” means “**Event of Default**” as defined in the Credit Agreement;

“**Group**” means Holdings and its Restricted Subsidiaries (each as defined in the Credit Agreement);

“**Guarantor**” means “**Foreign Guarantor**” as defined in the Agreed Security Principles;

“**Initial Chargor**” means the companies listed in Schedule 1 (*The Initial Chargors*);

“**Intra-Group Debt Documents**” means in relation to each Chargor, all structural intra-group receivables owed to it from any direct Subsidiary of it that is a Loan Party;

“**Loan Documents**” means “**Loan Documents**” as defined in the Credit Agreement;

“**Loan Parties**” means “**Loan Parties**” as defined in the Credit Agreement;

“**Real Property**” means any freehold and/or leasehold property and/or any buildings, fixtures, fittings, fixed plant or machinery from time to time situated on or forming part of such freehold or leasehold property, and includes all Related Rights;

“**Receiver**” means a receiver appointed pursuant to this Debenture or to any applicable law, whether alone or jointly, and includes a receiver and/or manager and, if the Collateral Agent is permitted by law to appoint an administrative receiver, includes an administrative receiver;

“**Related Rights**” means in relation to any asset:

- (a) the net proceeds of sale of any part of that asset;
- (b) all rights and benefits under any licence, assignment, agreement for sale or agreement for lease in respect of that asset;
- (c) all rights, powers, benefits, claims, contracts, warranties, remedies, security, guarantees, indemnities or covenants for title in respect of that asset; and
- (d) any moneys and proceeds received by or paid or payable in respect of that asset;

“**Secured Obligations**” means “**Obligations**” as defined in the Credit Agreement;

“**Secured Parties**” means “**Secured Parties**” as defined in the Credit Agreement;

“**Security**” means any mortgage, charge (fixed or floating), pledge, lien or other security interest securing any obligation of any person and any other agreement entered into for the purpose and having the effect of conferring security or any arrangement having a similar effect;

“**Security Accession Deed**” means a deed executed by a member of the Group substantially in the form set out in Schedule 3 (*Form of Security Accession Deed*);

“**Shares**” means, in relation to:

- (a) each Initial Chargor, all shares owned by that Initial Chargor from time to time in a Guarantor which is incorporated in England and Wales including but not limited to the shares as specified in Schedule 2 (*Shares*);
- (b) in relation to an Additional Chargor, all shares owned by it from time to time in each Guarantor which is incorporated in England and Wales including but

not limited to the shares as specified in Schedule 1 (*Shares*) of any relevant Security Accession Deed; and

## 1.2 Construction

In this Debenture, unless a contrary intention appears, a reference to:

- (a) an “agreement” includes any legally binding arrangement, concession, contract, deed or franchise (in each case whether oral or written);
- (b) an “amendment” includes any amendment, supplement, variation, novation, modification, replacement or restatement and “amend”, “amending” and “amended” shall be construed accordingly;
- (c) “assets” includes present and future properties, revenues and rights of every description;
- (d) this “Debenture” includes, in respect of any Chargor (other than an Initial Chargor), any Security Accession Deed hereto;
- (e) “including” means including without limitation and “includes” and “included” shall be construed accordingly;
- (f) “losses” includes losses, actions, damages, claims, proceedings, costs, demands, expenses (including fees) and liabilities and “loss” shall be construed accordingly;
- (g) “person” includes any individual, firm, company, corporation, government, state or agency of a state or any association, trust or partnership (whether or not having separate legal personality);
- (h) “regulation” includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation; and
- (i) a “Chargor” in relation to any Charged Property is, if that Chargor holds any right, title or interest in that Charged Property jointly with any other Chargor, a reference to those Chargors jointly.

## 1.3 Other References and Interpretation

- (a) In this Debenture, unless a contrary intention appears, a reference to:
  - (i) any Secured Party, Loan Party, Chargor or any other person is, where relevant, deemed to be a reference to or to include, as appropriate, that person’s (and any subsequent) successors in title, permitted assignees and transferees and, in the case of the Collateral Agent, any person for the time being appointed as Collateral Agent or Collateral Agents in accordance with the Loan Documents;

- (ii) any Loan Document or other agreement or instrument is to be construed as a reference to that agreement or instrument as amended, novated, varied, released, supplemented, extended, restated or replaced (in each case, however fundamentally), including by way of increase of the facilities or other obligations or addition of new facilities or other obligations made available under them or accession or retirement of the parties to these agreements but excluding any amendment or novation made contrary to any provision of any Loan Document;
  - (iii) any clause or schedule is a reference to, respectively, a clause of and schedule to this Debenture and any reference to this Debenture includes its schedules;
  - (iv) an Event of Default or Acceleration Event is “continuing” if it has not been remedied, waived or is otherwise “continuing” in accordance with the terms of the Credit Agreement; and
  - (v) a provision of law is a reference to that provision as amended or re enacted.
- (b) The index to and the headings in this Debenture are inserted for convenience only and are to be ignored in construing this Debenture.
  - (c) Words importing the plural shall include the singular and vice versa.
  - (d) Unless otherwise defined in this Debenture, words and expressions defined in the Credit Agreement shall have the same meanings when used in this Debenture. In the event of any conflict or inconsistency between the terms of this Debenture and the terms of the Credit Agreement, the terms of the Credit Agreement will prevail.
  - (e) A person who is not a party to this Debenture has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or to enjoy the benefit of any term of this Debenture.
  - (f) Notwithstanding anything to the contrary in this Debenture, the terms of this Debenture shall not operate or be construed so as to prohibit or restrict any transaction, matter or other step not prohibited by the Loan Documents or where the consent of the Required Lenders has been obtained (***Required Creditor Consent***) and the Collateral Agent shall promptly enter into such documentation and/or take such other action as is required by a Chargor in order to facilitate any such transaction, matter or other step, including by way of executing any confirmation, consent to dealing, release or other similar or equivalent document, **provided that** any costs and expenses incurred by the Collateral Agent entering into such documentation and/or taking such other action at the request of such Chargor pursuant to this paragraph shall be for the account of such Chargor, in accordance with the costs and expenses provisions set out in the Credit Agreement.
  - (g) The terms of the other Collateral Documents and of any side letters between any Chargor and any Secured Party relating to the Secured Obligations are

incorporated into each Collateral Document to the extent required for any purported disposition of the Real Property contained in this Debenture to be a valid disposition in accordance with Section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.

- (h) The obligations of each Chargor under this Debenture shall be in addition to the covenants for title deemed to be included in this Debenture by virtue of Part 1 of the Law of Property (Miscellaneous Provisions) Act 1994.
- (i) Section 1 of the Trustee Act 2000 shall not apply to the duties of the Collateral Agent in relation to the trusts created by this Debenture or any other Collateral Document or Loan Document.
- (j) This Debenture is intended to take effect as a deed notwithstanding that the Collateral Agent has executed it under hand only.
- (k) Notwithstanding any other provision of this Debenture, the Security constituted in relation to the trusts created by this Debenture and the exercise of any right or remedy by the Collateral Agent hereunder shall be subject to the Credit Agreement.
- (l) Notwithstanding anything to the contrary in this Debenture, until the occurrence of an Acceleration Event which is continuing (or such later date as provided by this Agreement), the Chargors shall continue to have the sole right to (without any notice to or consent of any Secured Party): (i) deal with, operate or transact business in relation to any Charged Property (including opening and closing any bank accounts), (ii) amend, waive, terminate or allow to lapse any rights, benefits and/or obligations in respect of such Charged Property, in each case, other than to the extent agreed to be restricted pursuant to the other Loan Documents (save where Required Creditor Consent has been obtained).

## **2 Covenant to Pay**

Subject to any limits on its liability specified in the Loan Documents, each Chargor covenants, as primary obligor and not only as surety, with the Collateral Agent (for the benefit of itself and the other Secured Parties) that it will pay and discharge each of the Secured Obligations on their due date in accordance with the Loan Documents (or if they do not specify a time for payment, promptly on prior written demand of the Collateral Agent).

## **3 Charging Provisions**

### **3.1 Chargor Security**

Subject to Clause 3.5 (*Excluded Assets*), each Chargor, as continuing security for the payment of the Secured Obligations, charges in favour of the Collateral Agent with full title guarantee the following assets, both present and future, from time to time owned by it or in which it has an interest by way of first fixed charge:

- (i) the Shares and all corresponding Related Rights; and

- (ii) if not effectively assigned by Clause 3.2 (*Security Assignment*), all of its rights, title and interest from time to time in (and claims under) the Intra-Group Debt Documents and all Related Rights.

### 3.2 Security Assignment

Subject to Clause 3.5 (*Excluded Assets*) and as continuing security for the full payment of the Secured Obligations, each Chargor assigns absolutely by way of security with full title guarantee to the Collateral Agent all its right, title and interest from time to time in and to (and claims under) the Intra-Group Debt Documents and all Related Rights, provided that on payment and discharge in full of the Secured Obligations the Collateral Agent will, at the request of the relevant Chargor, promptly re-assign the relevant Intra-Group Debt Documents to that Chargor (or as it shall direct).

### 3.3 Floating Charge

- (a) Subject to Clause 3.5 (*Excluded Assets*), as further continuing security for the full payment of the Secured Obligations, each Chargor charges with full title guarantee in favour of the Collateral Agent (for the benefit of itself and the other Secured Parties) by way of first floating charge all its present and future assets and undertakings, including if not effectively charged under Clause 3.1 (*Chargor Security*) or assigned under Clause 3.2 (*Security Assignment*).
- (b) Paragraph 14 of Schedule B1 to the Insolvency Act 1986 shall apply to each floating charge created pursuant to this Clause 3.3.

### 3.4 Conversion of a Floating Charge

- (a) The Collateral Agent may, by prior written notice to the relevant Chargor, convert the floating charge created under this Debenture into a fixed charge with immediate effect as regards those assets which it specifies in the notice, if:
  - (i) an Acceleration Event has occurred and is continuing;
  - (ii) it is necessary to do so in order to protect the priority of the Security created in favour of the Collateral Agent under this Debenture over any assets, where the relevant Chargor creates or purports to create Security over such assets, save where such Chargor is not prohibited from creating such Security under the Loan Documents or where the Collateral Agent has given prior written consent;
  - (iii) any relevant Chargor creates (or purports to create) any Security over such asset, other than to the extent not prohibited by the Loan Documents or where Required Creditor Consent has been obtained or with the prior consent of the Collateral Agent; or
  - (iv) the relevant Chargor is or is deemed to be or is declared for the purposes of any applicable law to be, unable to or admits its inability to pay its debts as they fall due, suspends making payments on any of its debts or, by reason of actual or anticipated financial difficulties,

commences negotiations with its creditors generally or any class of them (other than the Secured Parties) for the rescheduling any of its financial indebtedness.

- (b) The floating charge created under this Debenture will automatically (without notice) and immediately be converted into a fixed charge over any asset charged under the floating charge created under this Debenture if:
  - (i) any third party levies or attempts to levy any distress, execution, attachment or other legal process against any asset secured by such floating charge (but only over those assets in relation to which that third party is levying or attempting to levy any distress, execution, attachment or other legal process); or
  - (ii) the appointment of an administrator, administrative receiver, liquidator or analogous appointment with respect to any Chargor.
- (c) The obtaining of a moratorium under section 1A of the Insolvency Act 1986, or anything done with a view to obtaining such a moratorium (including any preliminary decision or investigation), shall not be an event causing any floating charge created by this Debenture to crystallise or causing restrictions which would not otherwise apply to be imposed as the disposal or property by the relevant Chargor or a ground for the appointment of the Receiver.

### 3.5 Excluded Assets

- (a) Unless otherwise expressly agreed in writing between the relevant Chargor and the Collateral Agent after the date on which it becomes a party to this Debenture, there shall be excluded from the relevant Security created by this Clause 3 (*Charging Provisions*), from the other provisions of this Debenture and from the operation of any further assurance provisions contained in the Loan Documents:
  - (i) any asset or undertaking which a Chargor is at any time prohibited (whether conditionally or unconditionally) from creating the relevant Security on or over by reason of any legal requirement, contract, licence, lease, instrument, regulatory consent (including any agreement with any government or regulatory body) or other arrangement, in each case, with a third party (including any asset or undertaking which a Chargor is precluded from creating the relevant Security on or over without the prior consent of a third party, supervisory board or works council (or equivalent)) in each case to the extent of that prohibition and for so long as such prohibition is in existence or until consent has been received from the third party;
  - (ii) any asset or undertaking which, if subject to any of the relevant Security or the provisions of this Debenture, would give a third party the right to terminate or otherwise amend any rights, benefits and/or obligations of any member of the Group in respect of that asset or undertaking or require any member of the Group to take any action materially adverse to the interests of the Group or any member thereof,

in each case to the extent of that prohibition and for so long as such prohibition is in existence or until the relevant consent or waiver has been received from the third party;

- (iii) any asset or undertaking situated outside England and Wales;
- (iv) any unregistered Real Property which, (A) if subject to any such Security, would be required to be registered under the Land Registration Act 2002 (provided that such Real Property shall only be excluded for so long as it remains unregistered), or (B) (except as otherwise agreed between the relevant Chargor and the Collateral Agent) is a leasehold property that has 25 years or less to run on the lease or has a rack-rent payable in respect thereof;
- (v) any shares, ownership interests or investments in a joint venture or similar arrangement (or other minority interest investment), or any member of the Group which is not wholly owned by another member or members of the Group;
- (vi) any asset or undertaking subject to security in favour of a third party (to the extent such security is permitted or not prohibited by the Loan Documents) (other than in relation to security under general business conditions of account banks which do not prohibit or prevent the creation of Security over such accounts) or any cash constituting regulatory capital or customer cash;
- (vii) any asset or undertaking representing more than 65 per cent. of the total combined voting power of all classes of shares entitled to vote of (i) any “controlled foreign corporation” (as defined under Section 957 of the Internal Revenue Code of 1986, as amended) (a “CFC”) that is directly owned for US federal income tax purposes by a US Person owned by a Chargor or (ii) any (A) US entity or (B) non-US entity that is treated as a disregarded entity for US federal income tax purposes, in each case that is owned by a US Person owned by a Chargor and has no material assets other than equity interests (or equity interests and indebtedness) of one or more CFCs; and
- (viii) any Excluded Property (including Excluded Equity),

provided that in the case of paragraphs (i) and (ii), (A) any such prohibition or right to terminate was not included at the request of or otherwise procured by the relevant Chargor or any other member of the Group following the date of this Debenture or, as the case may be, the date of such Chargor’s execution of a Security Accession Deed (as applicable)) with the purpose of excluding that asset from the Security created by this Clause 3 (*Charging Provisions*) (B) each relevant Chargor shall use reasonable endeavours (for a period of not more than 20 Business Days and without incurring material costs or taking any action which adversely impacts relationships with third parties) to obtain consent to charging any such asset or undertaking (where otherwise prohibited) if the Collateral Agent specifies prior to the date of this Debenture or, as the case may be, the date of such Chargor’s execution of a Security

Accession Deed (as applicable), that such asset or undertaking is material, and (C), if such prohibition or right to terminate is waived or otherwise ceases to apply, the Chargor agrees to take all steps required pursuant to Section 6.12 (*Further Assurances and Post-Closing Covenants*) of the Credit Agreement such that the relevant asset is thereafter included in the Security created by this Clause 3, but otherwise continuing to be subject to this Clause 3.5 (*Excluded Assets*).

- (b) If at any time a Chargor notifies the Collateral Agent that an asset being subject to the Security created by this Clause 3 (*Charging Provisions*) or any other provision of this Debenture has a material adverse effect on the ability of the relevant member of the Group to conduct its operations and business in the ordinary course as otherwise not prohibited by the Loan Documents or as otherwise excluded at that time by virtue of this Clause 3.5 (*Excluded Assets*), the Collateral Agent shall promptly, at the request of the relevant Chargor, enter into such documentation as is required by that Chargor in order to release that asset from the Security created by this Clause 3 (*Charging Provisions*) and the other provisions of this Debenture, provided that any reasonable and documented out-of-pocket costs and expenses incurred by the Collateral Agent entering into such documentation at the request of such Chargor pursuant to this Clause 3.5 (*Excluded Assets*) shall be for the account of such Chargor (subject to clause 10.04 (*Attorney Costs and Expenses*) of the Credit Agreement). The Collateral Agent is entitled to rely absolutely and without any further investigation on any such notification from a Chargor and is irrevocably authorised by each Secured Party to enter into such documentation.

## **4 Representations and Warranties**

### **4.1 General**

The Chargors represents and warrants to the Collateral Agent and to each Secured Party as set out in this Clause 4, in the case of the Initial Chargors, on the date of this Debenture and, in the case of any Additional Chargor, on the date of the relevant Security Accession Deed.

### **4.2 Shares**

- (a) The Shares identified against its name in Schedule 2 (*Shares*) or, as the case may be, the applicable schedule in the Security Accession Deed, represent the entire issued share capital of the relevant Guarantor and all of those Shares are fully paid (save insofar as any such shares have been pledged or assigned to the Collateral Agent by way of security).

### **4.3 PSC**

- (a) Each Chargor has complied with any notice it has received from any member of the Group pursuant to Part 21A of the Companies Act 2006 (including any timeframe specified in such notice) in respect of which it holds shares charged pursuant to this Debenture or, as the case may be, the Security Accession Deed.

- (b) No Chargor whose shares constitute Charged Property has issued any warning notice or restrictions notice under Schedule 1B of the Companies Act 2006.

## **5 Protection of Security**

### **5.1 Intra-Group Debt Documents**

- (a) If requested by the Collateral Agent at any time following the occurrence of an Acceleration Event which is continuing, each relevant Chargor shall promptly upon prior written request by the Collateral Agent:
  - (i) deliver to the Collateral Agent, and the Collateral Agent shall be entitled to hold, executed copies of each Intra-Group Debt Document to which it is a party at the date of such request and such other documents relating to the Intra-Group Debt Documents as the Collateral Agent requires; and/or
  - (ii) give notice to the other parties to the Intra-Group Debt Documents that it has assigned or charged its right under the relevant agreement to the Collateral Agent under this Debenture or Security Accession Deed (as applicable).

### **5.2 Voting and Distribution Rights**

- (a) Prior to the occurrence of an Acceleration Event which is continuing:
  - (i) each relevant Chargor shall be entitled to receive and retain all dividends, distributions and other monies paid or payable on or derived from the Shares; and
  - (ii) each relevant Chargor shall be entitled to take all steps and exercise (or refrain from exercising) all rights, powers and discretion (including voting rights) attaching to the Shares and Related Rights and to deal with, receive, own and retain all assets and proceeds in relation thereto without restriction or condition provided that it shall not exercise any such voting rights or powers in a manner which would materially adversely affect the validity or enforceability of the Security over the Shares or cause an Event of Default to occur.
- (b) The Collateral Agent may, at its discretion, following the occurrence of an Acceleration Event which is continuing, (in the name of the relevant Chargor or otherwise and without any further consent or authority from that Chargor):
  - (i) exercise (or refrain from exercising) any voting rights in respect of any Shares (unless the Collateral Agent has notified the relevant Chargor in writing that it wishes to give up this right) by giving three Business Days' prior written notice;
  - (ii) apply all dividends, interest and other monies arising from any Shares or Related Rights in accordance with Clause 10 (*Application of Proceeds*);

- (iii) transfer any Shares and Related Rights into the name of such nominee(s) of the Collateral Agent as it shall require; and
- (iv) exercise (or refrain from exercising) the powers and rights conferred on or exercisable by the legal or beneficial owner of any Shares (unless the Collateral Agent has notified that Chargor in writing that it wishes to give up this right),

in such manner and on such terms as is consistent with the Loan Documents, and the proceeds of any such action shall form part of the Charged Property.

- (c) Each relevant Chargor will as soon as reasonably practicable after the date of this Debenture (or as the case may be, the date of its execution of a Security Accession Deed), and where Shares are acquired by it after the date of this Debenture or the date of such Security Accession Deed (as applicable), as soon as reasonably practicable after such acquisition, deposit with the Collateral Agent (or as it shall direct) all share certificates relating to the applicable Shares together with stock transfer forms executed in blank and left undated on the basis that the Collateral Agent shall be able to hold such certificates and stock transfer forms until the Secured Obligations have been paid in full and shall be entitled, at any time following the occurrence of an Acceleration Event which is continuing, to complete, under its power of attorney given in this Debenture, the stock transfer forms on behalf of the relevant Chargor in favour of itself or such other person as it shall select.

### 5.3 Acknowledgement of Intra-Group Debt Documents

By virtue of them being a party of this Debenture (whether as an Initial Chargor or by way of executing a Security Accession Deed), each Chargor shall be deemed to have notice of, and to have acknowledged, any assignment or other Security created under this Debenture (or any Security Accession Deed) over any Intra-Group Debt Documents pursuant to which any amounts or other obligations are owed to them by another Chargor.

### 5.4 PSC Register

- (a) Each Chargor whose shares constitute Charged Property shall promptly upon one (1) Business Day's prior written request by the Collateral Agent following an Event of Default which is continuing but prior to an Acceleration Event:
  - (i) notify the Collateral Agent if it has issued any warning notice or restrictions notice under Schedule 1B of the Companies Act 2006 in respect of its shares which constitute Charged Property which has not been withdrawn; and
  - (ii) (if applicable) provide to the Collateral Agent a copy of any such warning notice or restrictions notice.
- (b) Each Chargor whose shares constitute Charged Property shall promptly following an Acceleration Event which is continuing:

- (i) notify the Collateral Agent of its intention to issue any warning notice or restrictions notice under Schedule 1B of the Companies Act 2006 in respect of its shares which constitute Charged Property; and
  - (ii) provide to the Collateral Agent a copy of any such warning notice or restrictions notice.
- (c) For the purpose of withdrawing any restrictions notice or for any application (or similar) to the court under Schedule 1B of the Companies Act 2006, in each case in connection with an enforcement of security under and in accordance with this Debenture, each Chargor shall provide such assistance as the Collateral Agent may request in respect of any shares which constitute Charged Property and provide the Collateral Agent with all information, documents and evidence that it may request in connection with the same.
- (d) Each Chargor shall comply with any notice served on it from any member of the Group pursuant to Part 21A of the Companies Act 2006 (including any timeframe specified in such notice) in respect of which it holds shares charged pursuant to this Debenture.

## **6 Rights of Chargors**

Notwithstanding anything to the contrary set out in this Debenture, until the occurrence of an Acceleration Event which is continuing (or such later date as provided by this Debenture), each Chargor shall continue to:

- (a) have the sole right (i) to deal with any Charged Property (including making any disposal of or in relation thereto) and all contractual counterparties in respect thereof, and (ii) to amend, waive, terminate or allow to lapse (including agreeing to surrender or terminate any lease) any rights, benefits and/or obligations in respect of such Charged Property, in each case without reference to any Secured Party, other than to the extent agreed to be restricted pursuant to the Loan Documents (save where Required Creditor Consent has been obtained); and
- (b) have the sole right to operate and transact business in relation to any Charged Property, in each case other than to the extent agreed to be restricted pursuant to the Loan Documents (save where Required Creditor Consent has been obtained).

## **7 Continuing Security**

### **7.1 Continuing Security**

This Security constituted by this Debenture shall remain in full force and effect as a continuing security for the Secured Obligations notwithstanding any intermediate payment, discharge, satisfaction or settlement of all or any part of the Secured Obligations or any other act, matter or thing.

## 7.2 Other Security

This Security constituted by this Debenture is to be cumulative, in addition to and independent of, and shall neither be merged into nor in any way exclude or prejudice or be affected by, any other Security or other right which the Collateral Agent and/or any other Secured Party may now or after the date of this Debenture or the date of a Security Accession Deed hold for any of the Secured Obligations and this Security may be enforced against each Chargor without first having recourse to any other rights of the Collateral Agent or any other Secured Party.

## 7.3 Negative Pledge

Each Chargor undertakes that it will not create or agree to create or permit to subsist any Security on its Charged Property except for the creation of Security or other transactions not prohibited under the Loan Documents or in respect of which Required Creditor Consent has been obtained.

# 8 Enforcement of Security

## 8.1 Enforcement Powers

For the purpose of all rights and powers implied or granted by statute, the Secured Obligations are deemed to have fallen due, in respect of the Initial Chargors, on the date of this Debenture, and, in respect of other Chargors, on the date of execution of the Security Accession Deed (the “**Relevant Date**”). The power of sale and other powers conferred by section 101 of the Law of Property Act 1925 and all other enforcement powers conferred by this Debenture shall arise on the Relevant Date and shall be immediately exercisable at any time after an Acceleration Event has occurred and is continuing when the Collateral Agent may, without notice to the relevant Chargor or prior authorisation from any court, in its absolute discretion, but at all times in accordance with the terms of the Loan Documents, enforce all or any part of that Security (at the times, in the manner and on the terms it thinks fit) and take possession of and hold or dispose of all or any part of the Charged Property.

## 8.2 Statutory Powers

The powers conferred on mortgagees, receivers or administrative receivers by the Law of Property Act 1925 and the Insolvency Act 1986 (as the case may be) shall apply to the Security created under this Debenture, unless they are expressly or impliedly excluded. If there is ambiguity or conflict between the powers contained in those Acts and those contained in this Debenture, those contained in this Debenture shall prevail.

## 8.3 Powers of Leasing

Following the occurrence of an Acceleration Event which is continuing, the Collateral Agent may lease, make agreements for leases at a premium or otherwise, accept surrenders of leases and grant options or vary or reduce any sum payable under any leases or tenancy agreements as it thinks fit, without the need to comply with any of the provisions of sections 99 and 100 of the Law of Property Act 1925.

## 8.4 Exercise of Powers

All or any of the powers conferred upon mortgagees by the Law of Property Act 1925 as varied or extended by this Debenture, and all or any of the rights and powers conferred by this Debenture on a Receiver (whether expressly or impliedly), may be exercised by the Collateral Agent without further notice to any Chargor at any time after an Acceleration Event has occurred and is continuing, irrespective of whether the Collateral Agent has taken possession or appointed a Receiver of the Charged Property.

#### 8.5 Disapplication of Statutory Restrictions

The restriction on the consolidation of mortgages and on power of sale imposed by sections 93 and 103 respectively of the Law of Property Act 1925 shall not apply to the Security constituted by this Debenture.

#### 8.6 Right of Appropriation

- (a) To the extent that any of the Charged Property constitutes “financial collateral” and this Debenture and the obligations of the Chargors hereunder constitute a “security financial collateral arrangement” (in each case as defined in, and for the purposes of, the Financial Collateral Arrangements (No. 2) Regulations 2003 (SI 2003 No. 3226) (the “Regulations”)), the Collateral Agent shall upon giving prior written notice to the relevant Chargor at any time following the occurrence of an Acceleration Event which is continuing have the right to appropriate all or any part of such financial collateral in or towards discharge of the Secured Obligations. For this purpose, the parties agree that the value of such financial collateral so appropriated shall be (a) in the case of Shares, the market price of such Shares determined by the Collateral Agent (acting reasonably) by reference to a public index or by a fair valuation opinion provided by an independent reputable, internationally recognised third party firm of professional advisors, and (b) in the case of any other asset, the market value of such financial collateral as determined by the Collateral Agent (acting reasonably), including by way of an independent valuation. In each case, the parties agree that the method of valuation provided for in this Debenture shall constitute a commercially reasonable method of valuation for the purposes of the Regulations.
- (b) Where the Collateral Agent exercises its rights of appropriation and the value of the financial collateral appropriated in accordance with this Clause 8.6 differs from the amount of the Secured Obligations, either (i) the Collateral Agent must account to the relevant Chargor promptly upon the determination of such value for the amount by which the value of the appropriated financial collateral exceeds the Secured Obligations, or (ii) the relevant Chargor will remain liable to the Secured Parties for any amount by which the value of the appropriate financial collateral is less than the Secured Obligations.

### 9 Receivers

#### 9.1 Appointment of Receiver or Administrator

- (a) Subject to paragraph (c) below, at any time after an Acceleration Event has occurred and is continuing, or if so requested by the relevant Chargor, the

Collateral Agent may by writing under hand signed by any officer or manager of the Collateral Agent, appoint:

- (i) any person (or persons) to be a Receiver of all or any part of the Charged Property;
  - (ii) appoint two or more Receivers of separate parts of the Charged Property;
  - (iii) remove (so far as it is lawfully able) any Receiver so appointed;
  - (iv) appoint another person(s) as an additional or replacement Receiver(s);  
or
  - (v) appoint one or more persons to be an administrator of the relevant Chargor.
- (b) Section 109(1) of the Law of Property Act 1925 shall not apply to this Debenture.
- (c) Paragraph 14 of Schedule B1 to the Insolvency Act 1986 shall apply to the floating charge created by this Debenture.
- (d) At any time after an Acceleration Event has occurred and is continuing, the Collateral Agent shall be entitled to appoint a Receiver save to the extent prohibited by section 72A of the Insolvency Act 1986.

## 9.2 Powers of Receiver

Every Receiver shall (subject to any restrictions in the instrument appointing him but notwithstanding any winding-up or dissolution of any Chargor) have and be entitled to exercise, in relation to the Charged Property (and any assets of any Chargor which, when got in, would be Charged Property) in respect of which he was appointed, and as varied and extended by the provisions of this Debenture (in the name of or on behalf of the relevant Chargor or in his own name and, in each case, at the cost of that Chargor):

- (a) all the powers conferred by the Law of Property Act 1925 on mortgagors and on mortgagees in possession and on receivers appointed under that Act;
- (b) all the powers of an administrative receiver set out in Schedule 1 to the Insolvency Act 1986 (whether or not the Receiver is an administrative receiver);
- (c) all the powers and rights of an absolute owner and power to do or omit to do anything which the relevant Chargor itself could do or omit to do; and
- (d) the power to do all things (including bringing or defending proceedings in the name or on behalf of the relevant Chargor) which seem to the Receiver to be incidental or conducive to (i) any of the functions, powers, authorities or discretions conferred on or vested in him or (ii) the exercise of all rights, powers and remedies of the Collateral Agent under this Debenture (including

realisation of all or any part of the Charged Property) or (iii) bringing to his hands any assets of the relevant Chargor forming part of, or which when obtained would be, Charged Property.

### 9.3 Receiver as Agent

Each Receiver appointed under this Debenture shall be the agent of the relevant Chargor, which shall be solely responsible for his acts or defaults, and for his remuneration and expenses, and be liable on any agreements or engagements made or entered into by him. The Collateral Agent will not be responsible for any misconduct, negligence or default of a Receiver.

### 9.4 Removal of Receiver

The Collateral Agent may by prior written notice remove from time to time any Receiver appointed by it (subject to the provisions of section 45 of the Insolvency Act 1986 in the case of an administrative receivership) and, whenever it may deem appropriate, appoint a new Receiver in the place of any Receiver whose appointment has terminated, for whatever reason.

### 9.5 Remuneration of Receiver

The Collateral Agent may from time to time fix the remuneration of any Receiver appointed by it.

### 9.6 Several Receivers

If at any time there is more than one Receiver, each Receiver may separately exercise all of the powers conferred by this Debenture (unless the document appointing such Receiver states otherwise).

## **10 Application of Proceeds**

### 10.1 Order of Application

All moneys received or recovered by the Collateral Agent or any Receiver pursuant to this Debenture shall (subject to the claims of any person having prior rights thereto) be applied in the order and manner specified by the Credit Agreement notwithstanding any purported appropriation by any Chargor.

### 10.2 Section 109 Law of Property Act 1925

Sections 109(6) and (8) of the Law of Property Act 1925 shall not apply to a Receiver appointed under this Debenture.

### 10.3 Suspense Account

- (a) Following the occurrence of an Acceleration Event which is continuing, each Secured Party may place and keep any recoveries or other proceeds of enforcement (whether cash or noncash) received or recovered pursuant to this Debenture or otherwise on account of the Chargor's liability in respect of the Secured Obligations in one or more suspense accounts (bearing interest at a

market rate usual for accounts of that type) (in the name of either the Chargor or the Secured Party) with such financial institution (including itself) and for so long as the Secured Party shall think fit (the interest being credited to the relevant account), without having any obligation to apply all or any part of the same in or towards discharge of the Secured Obligations.

- (b) If the Security under this Debenture is enforced at a time when no amount is due under the Loan Documents, but a Secured Party reasonably considers that such amounts may or will become due in the future, that Secured Party may pay any recoveries or other proceeds of enforcement (whether cash or noncash) into a suspense account as provided in sub-clause (a) above.

#### 10.4 Application against Secured Obligations

Subject to Clause 10.1 (*Order of Application*) above, any moneys or other value received or realised by the Collateral Agent from a Chargor or a Receiver under this Debenture may be applied by the Collateral Agent to any item of account or liability or transaction forming part of the Secured Obligations to which they may be applicable in any order or manner which the Collateral Agent may determine.

### 11 Protection of Collateral Agent and Receiver

#### 11.1 No Liability

Neither the Collateral Agent nor any Receiver shall be liable in respect of any of the Charged Property or for any loss or damage which arises out of the exercise or the attempted or purported exercise of, or the failure to exercise any of, their respective powers, unless caused by its or his fraud, gross negligence or wilful misconduct.

#### 11.2 Possession of Charged Property

Without prejudice to Clause 11.1 (*No Liability*) above, if the Collateral Agent or the Receiver enters into possession of the Charged Property, it will not be liable to account as mortgagee in possession in respect of all or any part of the Charged Property or be liable for any loss upon realisation or for any neglect, default or omission in connection with the Charged Property to which a mortgagee or mortgagee in possession might otherwise be liable and may at any time at its discretion go out of such possession.

#### 11.3 Delegation

Without prejudice to the rights to and limitations or delegation by the Collateral Agent permitted under the Loan Documents, following an Acceleration Event which is continuing and subject to the terms of the Loan Documents, the Collateral Agent may delegate by power of attorney or in any other manner all or any of the powers, authorities and discretions which are for the time being exercisable by it under this Debenture to any person or persons upon such terms and conditions (including the power to sub delegate) as it may reasonably and in good faith think fit and the Collateral Agent may, subject to the terms of the Loan Documents, pass confidential information to any such delegate. The Collateral Agent will not be liable or

responsible to any Chargor or any other person for any losses arising from any act, default, omission or misconduct on the part of any delegate.

#### 11.4 Cumulative Powers

The powers which this Debenture confers on the Collateral Agent, the other Secured Parties and any Receiver appointed under this Debenture are cumulative, without prejudice to their respective powers under the general law, and may be exercised as often as the relevant person thinks appropriate. The Collateral Agent, the other Secured Parties or the Receiver may, in connection with the exercise of their powers, join or concur with any person in any transaction, scheme or arrangement whatsoever. The respective powers of the Collateral Agent, the other Secured Parties and the Receiver will in no circumstances be suspended, waived or otherwise prejudiced by anything other than an express consent or amendment.

### 12 Power of Attorney

Each Chargor, by way of security, on the date of this Debenture (or, as the case may be, the date of its execution of a Security Accession Deed), irrevocably and severally appoints the Collateral Agent, each Receiver and any person nominated for the purpose by the Collateral Agent or any Receiver as its attorney (with full power of substitution and delegation) in its name and on its behalf and as its act and deed at any time after the occurrence of an Acceleration Event which is continuing to execute, seal and deliver (using the company seal where appropriate) and otherwise perfect and do any deed, assurance, agreement, instrument, act or thing which is expressly required to execute and do under the terms of this Debenture, and which it has not done within a reasonable period of time or which may be required to enable the exercise of any rights or powers conferred on the Collateral Agent or any Receiver under this Debenture or by law or otherwise for any of the purposes of this Debenture, and each Chargor covenants with the Collateral Agent and each Receiver to ratify and confirm all such acts or things made, done or executed (or purported to be made, done or executed) by that attorney.

### 13 Protection for Third Parties

#### 13.1 No Obligation to Enquire

No purchaser from, or other person dealing with, the Collateral Agent or any Receiver (or their agents) shall be obliged or concerned to enquire whether:

- (a) the right of the Collateral Agent or any Receiver to exercise any of the powers conferred by this Debenture has arisen or become exercisable or as to the propriety or validity of the exercise or purported exercise of any such powers; or
- (b) any of the Secured Obligations remain outstanding and/or are due and payable or be concerned with notice to the contrary and the title and position of such a purchaser or other person shall not be impeachable by reference to any of those matters.

#### 13.2 Receipt Conclusive

The receipt of the Collateral Agent or any Receiver shall be an absolute and a conclusive discharge to a purchaser, and shall relieve him of any obligation to see to the application of any moneys paid to or by the direction of the Collateral Agent or any Receiver.

#### **14 Deferral of Chargor rights**

Until such time as the Secured Obligations have been discharged in full, no Chargor will exercise any rights which it may have by reason of performance by it of its obligations under this Debenture:

- (a) to be indemnified by any Loan Party;
- (b) to claim any contribution from any guarantor of any Loan Party's obligations under this Debenture; and/or
- (c) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Secured Parties under the Credit Agreement or of any other guarantee or Security taken pursuant to, or in connection with, this Debenture by any Secured Parties.

#### **15 Discharge Conditional**

If any settlement, discharge or release is made by a Secured Party in whole or in part on the basis of any payment, security or other disposition which is avoided or must be restored in insolvency, liquidation, administration or otherwise, without limitation, then the liability of each Chargor under this Debenture will continue or be reinstated as if the settlement, discharge or release had not occurred and any Security the subject of the discharge will continue or be reinstated as if that settlement, discharge or release had not occurred.

#### **16 Covenant to Release**

(i) Once all the Secured Obligations (other than contingent indemnification obligations not yet due and payable, Cash Management Obligations and Secured Hedge Agreements or any Letter of Credit remaining outstanding) have irrevocably been paid in full and none of the Collateral Agent nor any other Secured Party has any actual or contingent liability to advance further monies to or incur any liability on behalf of any Chargor or any other Loan Party under the Loan Documents, (ii) automatically as contemplated or required by Section 9.11 (*Collateral and Guaranty Matters*) of the Credit Agreement or (iii) as otherwise permitted or not prohibited under the Credit Agreement, the Collateral Agent shall in each case, at the request and cost of any Chargor, promptly take any action including preparing and delivering all documents and instruments (including any termination or release letter or deed), revoking any powers of attorney and performing all acts or deeds (including returning title documents, share certificates, related stock transfer forms and any other document belonging to the Chargors) which are, in each case, necessary or otherwise requested by the Chargors (acting reasonably) to release or re-assign the Charged Property from the Security constituted by this Debenture and take all other actions and steps contemplated by the Credit Agreement in relation to the release of any Security contemplated by this Debenture.

## **17 Set-off**

The Collateral Agent may, to the extent permitted under the Loan Documents at any time while a Acceleration Event is continuing, upon prior written notice to the relevant Chargor, set off any matured obligation due from that Chargor under the Loan Documents (to the extent beneficially owned by the Collateral Agent) against any matured obligation owed by the Collateral Agent to that Chargor, regardless of the place of payment, booking branch or currency of either obligation. If the obligations are in different currencies, the Collateral Agent may convert either obligation at a market rate of exchange in its usual course of business for the purpose of the set off.

## **18 Ruling Off**

If the Collateral Agent or any other Secured Party receives notice or is deemed to have received notice of any subsequent Security or other interest affecting all or any part of the Charged Property or any assignment or transfer of the Charged Property (in each case, except as permitted by the Loan Documents or where Required Creditor Consent has been obtained) it may open a new account for the relevant Chargor in its books. If it does not do so then (unless it gives express notice in writing to the contrary to the relevant Chargor), as from the time it receives that notice, all payments made by or on behalf of the relevant Chargor to it (in the absence of any express appropriation to the contrary) shall be treated as having been credited to a new account of the relevant Chargor and not as having been applied in reduction of the Secured Obligations as at the time the relevant notice was received or deemed to have been received.

## **19 Redemption of Prior Charges**

The Collateral Agent may, at any time after an Acceleration Event has occurred and is continuing, redeem any prior Security on or relating to any of the Charged Property or procure the transfer of that Security to itself, and may settle and pass the accounts of any person entitled to that prior Security. Any account so settled and passed shall (subject to any manifest error) be conclusive and binding on the relevant Chargor. The relevant Chargor will, upon a demand made in writing to it, pay to the Collateral Agent all principal monies and interest and all losses incidental to any such redemption or transfer.

## **20 Changes to Parties**

### **20.1 Assignment by the Collateral Agent**

The Collateral Agent may at any time assign or otherwise transfer all or any part of its rights and obligations under this Debenture in accordance with the Loan Documents. Subject to the terms of the Loan Documents, the Collateral Agent shall be entitled to disclose such information concerning each Chargor and this Debenture as the Collateral Agent considers appropriate to any actual or proposed direct or indirect successor or to any person to whom information may be required to be disclosed by any applicable law. None of the rights and obligations of any Chargor under this Debenture shall be capable of being assigned or transferred.

## 20.2 Changes to Parties

Each Chargor authorises and agrees to changes to parties under Section 10.07 (*Successors and Assigns*) of the Credit Agreement and authorises the Collateral Agent to execute on its behalf any document required to effect the necessary transfer of rights or obligations contemplated by those provisions.

## 20.3 Consent of Chargors

Each Chargor consents to other members of the Group becoming Chargors by way of execution of a Security Accession Deed and each Chargor (other than PQ Holdings) irrevocably appoints the PQ Holdings as its agent for the purpose of executing any Security Accession Deed on its behalf.

## 21 Miscellaneous

### 21.1 Certificates Conclusive

A certificate or determination of the Collateral Agent as to any amount payable under this Debenture will be conclusive and binding on each Chargor, except in the case of manifest error.

### 21.2 Counterparts

This Debenture may be executed in any number of counterparts, and this has the same effect as if the signatures on the counterparts were on a single copy of this Debenture.

### 21.3 Invalidity of any Provision

If any provision of this Debenture is or becomes invalid, illegal or unenforceable in any respect under any law, the validity, legality and enforceability of the remaining provisions shall not be affected or impaired in any way.

### 21.4 Failure to Execute

Failure by one or more parties ("**Non Signatories**") to execute this Debenture on the date hereof or the date of the Security Accession Deed will not invalidate the provisions of this Debenture as between the other parties who do execute this Debenture. Such Non Signatories may execute this Debenture on a subsequent date and will thereupon become bound by its provisions.

## 22 Governing Law and Jurisdiction

### 22.1 Governing Law

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

### 22.2 Jurisdiction

The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Debenture (including a dispute relating to the existence,

validity or termination of this Debenture or the consequences of its nullity or any non-contractual obligation arising out of or in connection with this Debenture (a “**Dispute**”).

### 22.3 Convenient Forum

The parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes between them and, accordingly, that they will not argue to the contrary.

### 22.4 Exclusive Jurisdiction

This Clause 22 (*Governing Law and Jurisdiction*) is for the benefit of the Collateral Agent only. As a result and notwithstanding Clause 22.2 (*Jurisdiction*) and Clause 22.3 (*Convenient Forum*), it does not prevent the Collateral Agent from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Collateral Agent may take concurrent proceedings in any number of jurisdictions.

In witness whereof this Debenture has been duly executed as a deed and is delivered on the date first above written.

**SCHEDULE 1**  
**The Initial Chargors**

<b>Name of Initial Chargor</b>	<b>Registered Number</b>	<b>Registered Address</b>
PQ Holdings I Limited	07570350	4 Liverpool Road, Bank Quay, Warrington, Cheshire, WA5 1AQ
PQ Silicas UK Limited	06458647	4 Liverpool Road, Bank Quay, Warrington, Cheshire, WA5 1AQ
PQ Intermediate Limited	07570352	4 Liverpool Road, Bank Quay, Warrington, Cheshire, WA5 1AQ

**SCHEDULE 2**  
**Shares**

<b>Name of Chargor which holds the shares</b>	<b>Name of company issuing shares</b>	<b>Number and class</b>
PQ Holdings 1 Limited	PQ Intermediate Limited	10,000 ordinary shares of £1.00 each

**SCHEDULE 3**  
**Form of Security Accession Deed**

This Security Accession Deed is made on [●]

**Between:**

- (1) [●], a company incorporated in [England and Wales], with registered office at [●] and with registered number [●] (the “**New Chargor**”);
- (2) [●] for itself and as agent for and on behalf of each of the existing Chargors (“the **Company**”); and
- (3) [●] as collateral agent for itself and the other Secured Parties (the “**Collateral Agent**”).

**Recital:**

This deed is supplemental to a Debenture dated [●] between, amongst others, the Chargors named therein and the Collateral Agent, as previously supplemented and amended by earlier Security Accession Deeds (if any) (the “**Debenture**”).

Now this deed witnesses as follows:

**1. Interpretation**

1.1 Definitions

Terms defined in the Debenture shall have the same meanings when used in this deed.

1.2 Construction

Clauses 1.2 (*Construction*) and 1.3 (*Other References and Interpretation*) of the Debenture will be deemed to be set out in full in this deed, but as if references in those clauses to the Debenture were references to this deed.

**2. Accession of New Chargor**

2.1 Accession

The New Chargor agrees to be a Chargor for the purposes of the Debenture with immediate effect and agrees to be bound by all of the terms of the Debenture as if it had originally been a party to it as a Chargor, in each case in respect of those of its assets specified herein.

2.2 Covenant to pay

Subject to any limits on its liability specified in the Loan Documents, the New Chargor covenants, as primary obligor and not only as surety, with the Collateral Agent (for the benefit of itself and the other Secured Parties) that it will pay and discharge each of the Secured Obligations on their due date in accordance with their

respective terms (or if they do not specify a time for payment, promptly on prior written demand of the Collateral Agent).

### 2.3 Fixed Security

Subject to Clause 3.5 (*Excluded Assets*) of the Debenture, the New Chargor, as continuing security for the payment of the Secured Obligations, charges in favour of the Collateral Agent with full title guarantee the following assets, both present and future, from time to time owned by it or in which it has an interest by way of first fixed charge:

- (i) the Shares and all corresponding Related Rights; and
- (ii) if not effectively assigned by Clause 2.4 (*Assignment*), all of its rights, title and interest in (and claims under) the Intra-Group Debt Documents and all Related Rights.

### 2.4 Assignment

Subject to Clause 3.5 (*Excluded Assets*) of the Debenture and as continuing security for the full payment of the Secured Obligations, the New Chargor assigns absolutely with full title guarantee to the Collateral Agent all its rights, title and interest from time to time in and to (and claims under) the Intra-Group Debt Documents and all Related Rights, provided that on payment and discharge in full of the Secured Obligations the Collateral Agent will, at the request of the New Chargor, promptly re-assign the relevant Intra-Group Debt Documents to the New Chargor (or as it shall direct).

### 2.4 Floating Charge

Subject to Clause 3.5 (*Excluded Assets*) of the Debenture, as further continuing security for the full payment of the Secured Obligations, each New Chargor charges with full title guarantee in favour of the Collateral Agent (for the benefit of itself and the other Secured Parties) by way of first floating charge all its present and future assets, and undertakings, including if not effectively charged by way of fixed charge under Clause 2.3 (*Fixed Security*) or assigned under Clause 2.4 (*Security Assignment*).

## 3. Negative Pledge

The New Chargor undertakes that it will not create or agree to create or permit to subsist any Security on its Charged Property except for the creation of Security or other transactions not prohibited under the Loan Documents or in respect of which Required Creditor Consent has been obtained.

## 4. Consent of Existing Chargors

The existing Chargors agree to the terms of this deed and agree that its execution will in no way prejudice or affect the security granted by each of them under (and covenants given by each of them in) the Debenture.

**5. Construction of Debenture**

The Debenture and this deed shall be read together as one instrument on the basis that references in the Debenture to “this deed” or “this Debenture” will be deemed to include this deed.

**5. Governing Law and Jurisdiction**

This deed and any non-contractual obligations arising out of or in connection with it are governed English law and the parties agree that the courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this deed (including a dispute regarding the existence, validity or termination of this deed or the consequences of its nullity or any non-contractual obligations arising out of or in connection with it).

In witness whereof this deed has been duly executed and delivered on the date first above written.

**Schedule to Security Accession Deed: Shares**

<b>Name of Chargor which holds the shares</b>	<b>Name of company issuing shares</b>	<b>Number and class</b>
[•]	[•]	[•]

**Signatories to Security Accession Deed**

**The New Chargor**

**EXECUTED** as a **DEED** by )  
[*Name of New Chargor*] )  
acting by )

\_\_\_\_\_  
[[•] as Director]

\_\_\_\_\_  
[Witness]  
Name:  
Address:  
Occupation:

Notice Details

\_\_\_\_\_  
Address:

Facsimile:  
Address:  
Occupation:

**EXECUTED** as a **DEED** by )  
[*Name of the Company*] )  
acting by )

\_\_\_\_\_  
[[•] as Director]

\_\_\_\_\_  
Witness  
Name:  
Address:  
Occupation:

Notice Details

---

Address:

Facsimile:  
Address:  
Occupation:

**The Collateral Agent**

SIGNED by )  
[Name of Collateral Agent] )  
acting by: )

---

[●] as Authorised Signatory

Notice Details

---

Address:

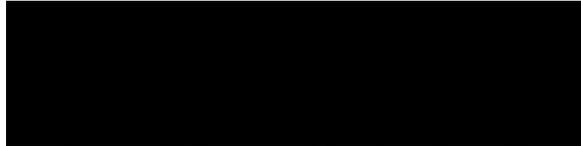
Facsimile:  
Address:  
Occupation:

**Signatories to Debenture**

The Initial Chargors

**EXECUTED as a DEED by  
PQ HOLDINGS I LIMITED  
acting by**

)  
)  
)



Name: *Albert F. Borinich Jr*

Title: *President and CEO*

in the presence of:



Witness

Name: *Eileen Cabny*

Address

Occupation *HR*

**EXECUTED** as a **DEED** by  
**PQ SILICAS UK LIMITED**  
acting by

)  
)  
)

[Redacted signature area]

Name: *Albert F. Besinchi Jr*

Title: *President and CEO*

in the presence of:

[Redacted witness name]

Witness

Name: *Eileen Cabry*

Address: [Redacted]

Occupation *HR*

**EXECUTED** as a **DEED** by  
**PQ INTERMEDIATE LIMITED**  
acting by

)  
)  
)

Name: Albert F. Bennett Jr

Title: President and CEO

in the presence of:

[Redacted]

Witness

Name: Eileen Cabry

Address: [Redacted]

Occupation: HR

**The Collateral Agent**

Signed for and on behalf of

**GOLDMAN SACHS BANK USA**

By: Robert Ehudin [REDACTED]

Title: Authorized Signatory