

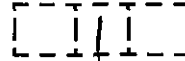
Particulars of a mortgage or charge

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

Pursuant to section 395 of the Companies Act 1985

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

For official use Company number



4341233

Name of company

* Milk Link Processing Limited (the "**Company**")

Date of creation of the charge

25th July, 2002

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

Security Agreement dated 25th July, 2002 between, amongst others, the Company and the Security Trustee (the "**Deed**").

Amount secured by the mortgage or charge

All present and future obligations and liabilities (whether actual or contingent and whether owed jointly or severally or in any other capacity whatsoever) of the Chargor to any Finance Party under each Finance Document to which the Chargor is a party, except for any obligation which, if it were so included, would result in the Deed contravening Section 151 of the Companies Act 1985. (the "**Secured Liabilities**")

The term **Finance Document** includes all amendments and supplements including supplements providing for further advances.

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

COOPERATIEVE CENTRALE RAIFFESEN-BOERENLEENBANK B.A. (RABOBANK INTERNATIONAL LONDON BRANCH) as agent and trustee for the Finance Parties (the **Security Trustee**)

Postcode

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

Allen & Overy
One New Change
London
EC4M 9QQ

SEEC/BK:981892

Time critical reference

For official Use
Mortgage Section

Post room



A50
COMPANIES HOUSE

0587
07/08/02

Short particulars of all the property mortgaged or charged

Please see continuation sheet

Please do not
write in
this margin

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

Particulars as to commission allowance or discount (note 3)

Nil

Signed

Allen & Overy

Date

5/8/02

On behalf of ~~(company)~~ ~~(mortgagee)~~ (chargee) †

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

† delete as
appropriate

Notes

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

Companies House, Crown Way, Cardiff CF14 3UZ

Company name: Milk Link Processing Limited
Registered number: 4341233
Continuation sheet: 1

The Chargor charges:

(a) charges by way of a first legal mortgage:

- (i) all estates or interests in any freehold or leasehold property now owned by it; this includes the real property (if any) specified in Schedule 2 (Security assets) of this Form 395 under its name under the heading **Real Property** Part A (English Property); and
- (ii) (to the extent that they are not the subject of a mortgage under sub-paragraph (a) above) by way of first fixed charge all estates or interests in any freehold or leasehold property.

NB A reference in this Form 395 to a mortgage or charge of any freehold or leasehold property includes:

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

(b) charges by way of a first legal mortgage:

- (i) all shares in any member of the Group (other than itself) owned by it or held by any nominee on its behalf; and
- (ii) (to the extent that they are not the subject of a mortgage under paragraph (b) above) by way of a first fixed charge its interest in all shares, stocks, debentures, bonds or other securities and investments owned by it or held by any nominee on its behalf.

NB A reference in this Form 395 to a mortgage or charge of any stock, share, debenture, bond or other security includes:

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

(c) 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.

(d) charges by way of a first fixed charge all of its rights in respect of any amount standing to the credit of any account save in respect of such amounts as may be held in trust for third parties (including any account contemplated by the Deed) it has with any person and the debt represented by it book debts etc.

(e) charges by way of a first fixed charge:

- (i) all of its book and other debts;

Company name: Milk Link Processing Limited
Registered number: 4341233
Continuation sheet: 2

- (ii) all other moneys due and owing to it; and
- (iii) the benefit of all rights, securities or guarantees of any nature enjoyed or held by it in relation to any item under paragraph (a) or (b) above.

and the Chargor:

- (f) assigns absolutely, subject to a proviso for re-assignment on redemption, all of its rights in respect of any contract or policy of insurance taken out by it or on its behalf or in which it has an interest.

NB Paragraph (f) above does not apply to death in service benefits and life assurance policies (or any proceeds of any such policies) taken out by the Chargor for the benefit of its employees.

- (g) assigns absolutely, subject to a proviso for re-assignment on redemption, all of its rights in respect of:

- (i) any agreement 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 paragraph (g); this includes the agreements (if any) specified in Schedule 2 (Security Assets) of this Form 395 under its name under the heading **Relevant Contracts**;

- (ii) any letter of credit issued in its favour; and

- (iii) any bill of exchange or other negotiable instrument held by it.

- (h) charges by way of first fixed charge:

- (i) any beneficial interest, claim or entitlement it has in any pension fund;

- (ii) its goodwill;

- (iii) the benefit of any authorization (statutory or otherwise) held in connection with its use of any Security Asset;

- (iv) the right to recover and receive compensation which may be payable to it in respect of any authorization referred to in sub-paragraph (iii) above; and

- (v) its uncalled capital.

- (i) charges by way of a first floating charge all its assets not at any time otherwise effectively mortgaged, charged or assigned by way of fixed mortgage, charge or assignment under paragraphs (a) to (h) above but extending to all assets, rights and undertaking of the Chargor situated in, or otherwise governed by the law of Scotland, all of which assets, rights and undertaking are charged by the floating charge hereby created.

NB

- 1. The Chargor may not:

- (a) create or permit to subsist any Security Interest on any Security Asset; or

- (b) sell, transfer, convey, assign, licence, lease or otherwise dispose of any Security Asset, except as expressly allowed under the Credit Agreement.

Company name: Milk Link Processing Limited
Registered number: 4341233
Continuation sheet: 3

2. Unless the context otherwise requires, a reference to a Security Asset includes the proceeds of sale of that Security Asset.
3. All the security created under the Deed is created over present and future assets of the Chargor and is made with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994 or, in relation to assets situated in, or otherwise governed by the laws of Scotland, with absolute warrandice.

In this Form 395:

Accession Agreement means a letter, substantially in the form of Schedule 8 (Form of Accession Agreement) of the Credit Agreement, with such amendments as the Facility Agent may approve or reasonably require.

Additional Borrower means a member of the Group which becomes a Borrower after the date of the Credit Agreement.

Additional Guarantor means a member of the Group which becomes a Guarantor after the date of the Credit Agreement.

Administrative Party means the Arranger or an Agent.

Agent means the Facility Agent or the Security Trustee.

Arranger means Coöperatieve Centrale Raiffeisen-Boerenleenbank B.A. (Rabobank International London Branch).

Ancillary Facility Document means any document evidencing any bi-lateral facility a Lender may make available under the Credit Agreement in place of all or part of its Tranche A Commitment.

Bill means a sterling bill of exchange substantially in the form of Schedule 10 (Form of Bill) of the Credit Agreement.

Borrower means the Company or an Additional Borrower.

Company means Milk Link Processing Limited.

Credit Agreement means the £83,500,000 credit agreement dated 30th June, 2002 between (among others) the Chargor and the Security Trustee.

Facility Agent Coöperatieve Centrale Raiffeisen-Boerenleenbank B.A. (Rabobank International London Branch).

Fee Letter means any letter entered into by reference to the Credit Agreement between one or more Administrative Parties and the Company setting out the amount of certain fees referred to in the Credit Agreement.

Finance Document means:

- (a) the Credit Agreement;
- (b) a Security Document;
- (c) a Fee Letter;

Company name: Milk Link Processing Limited
Registered number: 4341233
Continuation sheet: 4

- (d) a Transfer Certificate;
- (e) an Accession Agreement;
- (f) an Ancillary Facility Document;
- (g) a Hedging Document;
- (h) a Bill;
- (i) the Syndication Agreement; or

any other document designated as such by the Facility Agent and the Company.

Finance Party means a Lender or an Administrative Party.

Group means the Parent and its Subsidiaries.

Guarantor means the Company, an Original Guarantor or an Additional Guarantor.

Hedging Document means any ISDA master agreement or interest hedging agreements or documents which may be entered into by a member of the Group.

Lender means:

- (a) an Original Lender; or
- (b) any person which becomes a Lender after the date of the Credit Agreement.

Obligor means a Borrower or a Guarantor

Original Guarantor means the members of the group listed in Schedule 1 (Original Parties) of the Credit Agreement as additional original guarantors.

Original Lender means the financial institutions listed in Schedule 1 (Original Parties) of the Credit Agreement as original lenders.

Parent means Milk Link Limited (registered number IP29003R).

Security Agreement means a security agreement substantially in the form of Schedule 11 (Form of Security Agreement) of the Credit Agreement.

Security Assets means all assets of the Chargor the subject of any security, fixed or floating, created by or pursuant to the Deed.

Security Document means:

- (a) the Security Agreement;
- (b) the Standard Security, and
- (c) any other document evidencing or creating security over any asset of an Obligor to secure any obligation of any Obligor to a Finance Party under the Finance Documents.

Company name: Milk Link Processing Limited
Registered number: 4341233
Continuation sheet: 5

Security Interest means any mortgage, standard security, pledge, lien, charge, assignment, assignation in security, hypothecation or security interest or any other security agreement or security arrangement having a similar effect.

Standard Security means the standard security by the Company in favour of the Security Trustee over "The Creamery", Bridge Street, Kircudbright, registered in the Land Register of Scotland under title number KRK19;

Subsidiary means:

- (a) in relation to the Parent, a subsidiary as defined in Section 15 of the Friendly and Industrial and Provident Societies Act 1968; and
- (b) in relation to any other person a subsidiary within the meaning of Section 736 of the Companies Act 1985.

Syndication Agreement means an agreement substantially in the form of Schedule 14 (Form of Syndication Agreement) of the Credit Agreement.

Tranche A Commitment means:

- (a) for an Original Lender, the amount set opposite its name in Schedule 1 (Original Parties) of the Credit Agreement under the heading **Tranche A Commitment** and the amount of any other Tranche A Commitment it acquires under the terms of the Credit Agreement; and
- (b) for any other Lender, the amount of any Tranche A Commitment it acquires under the terms of the Credit Agreement,

to the extent not cancelled, reduced or transferred under the Credit Agreement.

Transfer Certificate means a certificate, substantially in the form of Schedule 5 (Form of Transfer Certificate) of the Credit Agreement, with such amendments as the Facility Agent may approve or reasonably require or any other form agreed between the Facility Agent and the Company.

Company name: Milk Link Processing Limited
Registered number: 4341233
Continuation sheet: 6

SCHEDULE 1 – CHARGORS

Name of Chargor	Registered number
Milk Link Processing Limited	4341233
Milk Link Limited	IP29003R
Milk Link Holdings Limited	4341232
Milk Link Distribution Limited	4450542
Milk Link Investments Limited	4450552
Tanner Foods Limited	4263206
Milk Link (Staplemead) Limited	4427839
Milk Link (Staplemead No. 2) Limited	4427838
Milk Link (Crediton) Limited	4427868
Milk Link (Crediton No. 2) Limited	4427870

Company name: Milk Link Processing Limited
Registered number: 4341233
Continuation sheet: 7

SCHEDULE 2 - SECURITY ASSETS

REAL PROPERTY

Part A - English Property

1. Leasehold property known as Church Lane, Crediton (title number to be allocated) pursuant to a head lease dated 30th June, 2002 between Express Dairy Property Company Limited (1) and Milk Link (Crediton) Limited and Milk Link (Crediton No. 2) Limited for a term of 999 years from 30th June, 2002.
2. Leasehold property known as Staplemead Creamery, Staplemead (title number to be allocated) pursuant to a lease dated 30th June, 2002 between Express Limited (1) and Milk Link (Staplemead) Limited and Milk Link (Staplemead No. 2) Limited for a term of 999 years from 30th June, 2002.
3. Freehold property known as Oxford Lane Dairy, Sible Hedingham, Halstead, Essex as registered at H M Land Registry under title number EX630848.
4. Freehold property known as Forge Cottage, Prayors Hill, Sible Hedingham, Halstead, Essex, in course of first registration (pending title number EX68072).
5. Leasehold property known as Plot 58, West Portway Industrial Estate, Andover as registered at H M Land Registry under title number HP553296.
6. Freehold property known as Highbridge Transport Depot, Burnham on Sea as registered at H M Land Registry under title number ST101007.

Part B - Scottish property

1. The property known as "The Creamery", Bridge Street, Kirkcudbright registered in the Land Register of Scotland under Title Number KRK19.

RELEVANT CONTRACTS

1. Each Members Financial Support Agreement.
2. The sale and purchase agreement in relation to the property described in paragraphs 1 and 2 under the heading **English Properties** above.

FILE COPY



CERTIFICATE OF THE REGISTRATION OF A MORTGAGE OR CHARGE

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

COMPANY No. 04341233

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES HEREBY CERTIFIES THAT A SECURITY AGREEMENT DATED THE 25th JULY 2002 AND CREATED BY MILK LINK PROCESSING LIMITED FOR SECURING ALL MONIES DUE OR TO BECOME DUE FROM THE COMPANY TO COOPERATIEVE CENTRALE RAIFFESEN-BOERENLEENBANK B.A. (RABOBANK INTERNATIONAL LONDON BRANCH) AS AGENT AND TRUSTEE FOR THE FINANCE PARTIES (THE SECURITY TRUSTEE) UNDER THE TERMS OF THE AFOREMENTIONED INSTRUMENT CREATING OR EVIDENCING THE CHARGE WAS REGISTERED PURSUANT TO CHAPTER 1 PART XII OF THE COMPANIES ACT 1985 ON THE 7th AUGUST 2002.

GIVEN AT COMPANIES HOUSE, CARDIFF THE 9th AUGUST 2002.



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES

P. Parn



Companies House
— for the record —