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COMPANIES FORM No. 395

Particulars of a mortgage or charge

185309/13

395

A fee of £13 is payable to Companies House in respect of each register entry for a mortgage or charge.

CHFP025

Pursuant to section 395 of the Companies Act 1985

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

For official use

Company number

[] [2] []

5014179

Name of company

* Premier Foods Investments No.1 Limited (the "Chargor")

Date of creation of the charge

6 June 2005

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

Group Debenture dated 6 June, 2005 between the Chargor and Lloyds TSB Bank plc (the "Chargee") (the "Deed").

Amount secured by the mortgage or charge

All moneys, obligations and liabilities covenanted to be paid or discharged by the Chargor under or pursuant to the Finance Documents (including the Deed) (the "Secured Obligations").

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

Lloyds TSB Bank plc, Bank House, Wine Street, Bristol (the "Chargee")

Postcode BS1 2AN

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

Allen & Overy LLP

One New Change

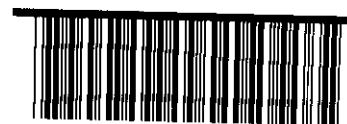
London EC4M 9QQ

BK:2794631/JULR/11398-02278

Time critical reference

For official Use (02/00)
Mortgage Section

Post room



LD3
COMPANIES HOUSE

0477
13/06/05

Short particulars of all the property mortgaged or charged

See Continuation Sheets

Please do not
write in
this margin

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

Particulars as to commission allowance or discount (note 3)

Nil

Signed *Allen & Overy*

Date 13/06/05

On behalf of ~~XXXXXX~~ [mortgagee/chargee] †

*A fee 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 A fee of £13 is payable to Companies House in respect of each register entry for a mortgage or charge. Cheques and Postal Orders must be made payable to **Companies House**.
- 6 The address of the Registrar of Companies is: Companies House, Crown Way, Cardiff CF14 3UZ

Continuation Sheet 1

SHORT PARTICULARS OF THE PROPERTY MORTGAGED OR CHARGED

1. SECURITY

1.1 Charge

- (a) The Chargor, with full title guarantee, charges to the Chargee by way of first floating charge as a continuing security for the payment and discharge of the Secured Obligations its undertaking and all its property, assets and rights whatsoever and wheresoever both present and future, including (without limitation and whether or not so effectively charged) any of its property and assets situated in Scotland.
- (b) The floating charge created by Clause 3.1 of the Deed is a qualifying floating charge for the purpose of paragraph 14 of Schedule B1 to the Insolvency Act 1986.

1.2 Restrictions on dealing with Charged Assets

The Chargor covenants that it will not without the prior written consent of the Chargee (acting on the instructions of the other Finance Parties):

- (a) create or attempt to create or permit to subsist in favour of any person other than the Chargee any Security on or affecting the Charged Assets or any part thereof except as expressly permitted pursuant to the terms of the Facilities Agreement; or
- (b) dispose of the Charged Assets or any part thereof or attempt or agree so to do except disposals expressly permitted or contemplated by clause 25.12 of the Facilities Agreement.

The Chargor may prior to the Enforcement Date sell, transfer or otherwise dispose of all or any part of the Charged Assets in the ordinary and usual course of and for the purposes of the Chargor's business.

1.3 Undertakings

The Chargor undertakes with the Chargee that during the continuance of the security the Chargor will (save to the extent that a Material Adverse Effect would not result therefrom) observe and perform all material covenants, requirements and obligations from time to time imposed on, applicable to or otherwise affecting the Charged Assets and/or the use, ownership, occupation, possession, operation, repair, maintenance or other enjoyment or exploitation of its Charged Assets whether imposed by statute, law or regulation, contract, lease, licence, grant or otherwise, carry out all registrations or renewals and generally do all other acts and things (including the taking of legal proceedings) necessary or desirable to maintain, defend or preserve its right, title and interest to and in the Charged Assets without infringement by any third party and not without the prior written consent of the Chargee (such consent not to be unreasonably withheld or delayed) enter into any onerous or restrictive obligations affecting any of the same or agree any rent review (the result of which would be higher than market rent) relating to any interest in any of its properties.

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Continuation Sheet 2

2. DEFINITIONS:

Accession Letter means a document substantially in the form set out in Schedule 6 (Form of Accession Letter) of the Facilities Agreement or such other form (if any) as may be agreed between the Facility Agent and the Obligors' Agent.

Affiliate means, in relation to any person, a Subsidiary of that person or a Holding Company of that person or any other Subsidiary of that Holding Company.

Ancillary Document means each document relating to or evidencing the terms of an Ancillary Facility.

Ancillary Facility means any ancillary facility listed in Clause 9.1 (Type of Ancillary Facility) of the Facilities Agreement made available to a Borrower by an Ancillary Lender in accordance with the terms of an Ancillary Document.

Ancillary Lender means each Lender (or Affiliate of a Lender) which makes available an Ancillary Facility and which (in the case of an Affiliate of a Lender) executes an Accession Letter to accede to the Facilities Agreement.

Arranger means BNP Paribas, J.P. Morgan plc, Lloyds TSB Bank plc, or The Royal Bank of Scotland plc.

Borrower means an Original Borrower or an additional borrower.

Charged Assets means, in relation to the Chargor, all the assets of the Chargor the subject of any security created by the Deed.

Enforcement Date means the date on which the Facility Agent first gives notice to the Obligors' Agent pursuant to clause 26.18 of the Facilities Agreement.

Facilities Agreement means the credit facilities agreement dated 6th June, 2005 and made between, among others, Premier Foods plc and certain of its related companies (which include the Chargor), BNP Paribas, J.P. Morgan plc, Lloyds TSB Bank plc and The Royal Bank of Scotland plc as the Mandated Lead Arrangers, the banks and financial institutions party thereto, and Lloyds TSB Bank plc as the facility agent and the security trustee.

Facility Agent means Lloyds TSB Bank plc.

Fee Letter means:

- (a) any letter or letters made between the Arrangers and the Parent (or the Facility Agent and the Parent) setting out any of the fees referred to in Clause 15 (Fees) of the Facilities Agreement; and
- (b) any other agreement setting out fees in accordance with Clause 9.5 (Terms of Ancillary Facilities) of the Facilities Agreement.

Finance Party means the Facility Agent, an Arranger, the Security Trustee, a Lender, the Issuing Bank or an Ancillary Lender.

Finance Document means:

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- (a) the Facilities Agreement;
- (b) any Fee Letter;
- (c) any Accession Letter;
- (d) any Resignation Letter;
- (e) any Security Document;
- (f) any Ancillary Document;
- (g) any Hedging Agreement;
- (h) any Transfer Certificate; or
- (i) any other document designated as such by the Facility Agent and the Obligors' Agent.

Group means the Parent and its Subsidiaries for the time being (other than Citadel Insurance) and **member of the Group** means any one of them.

Guarantor means an Original Guarantor or an additional guarantor, unless it has ceased to be a Guarantor in accordance with Clause 28 (Changes to the Obligors and Release of Security) of the Facilities Agreement.

Hedging Agreement means any agreement in agreed form entered into or to be entered into by a Borrower and a Hedge Counterparty for the purpose of hedging interest rate or foreign exchange liabilities in relation in relation to the Term Facility.

Hedge Counterparty means a Lender or an Affiliate of a Lender acting as a provider of interest rate or foreign exchange hedging in relation to the Term Facility and which (if an Affiliate of a Lender) executes an Accession Letter to accede to this Agreement.

Holding Company means, in relation to a person, a holding company of such person within the meaning of section 736 of the Companies Act 1985, any parent undertaking of such person within the meaning of section 258 of the Companies Act 1985 and any Affiliate of such person which controls, directly or indirectly, such person.

Issuing Bank means Lloyds TSB Bank plc as an issuing bank and any other Lender which has notified the Facility Agent that it has agreed to the Parent's request to be an Issuing Bank pursuant to the terms of this Agreement (and if more than one Lender has so agreed, such Lenders shall be referred to whether acting individually or together as the **Issuing Bank**); provided that, in respect of a Letter of Credit issued or to be issued pursuant to the terms of this Agreement, the **Issuing Bank** shall be the Issuing Bank which has issued or agreed to issue that Letter of Credit.

Legal Reservations means:

- (a) the principle that equitable remedies may be granted or refused at the discretion of a court, the limitation of enforcement by laws relating to insolvency, reorganisation and other laws generally affecting the rights of creditors;

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- (b) the time barring of claims under the Limitation Acts, the possibility that an undertaking to assume liability for or indemnify a person against non-payment of UK stamp duty may be void and defences of set-off or counterclaim; and
- (c) any general principles which are set out in the qualifications as to matters of law in the legal opinions.

Lender means:

- (a) any Original Lender; and
- (b) any bank, financial institution, trust, fund or other entity which has become a Party in accordance with Clause 27 (Changes to the Lenders) of the Facilities Agreement,

which in each case has not ceased to be a Party in accordance with the terms of this Agreement.

Letter of Credit means a letter of credit, substantially in the form set out in Schedule 10 (Form of Letter of Credit) to the Facilities Agreement or in any other form requested by a Borrower and agreed by the Facility Agent and the Issuing Bank.

Material Adverse Effect means any event or circumstance:

- (a) which is or is reasonably likely to be materially adverse to:
 - (i) the business, assets (taken as a whole) or financial condition of the Group (taken as a whole); or
 - (ii) the ability of the Obligors (taken as a whole) to perform any of their payment obligations in accordance with their terms under any of the Finance Documents; or
 - (iii) the ability of the Parent to perform its obligations under Clause 24 (Financial covenants) of the Facilities Agreement; or
- (b) which results in any of the Finance Documents not being legal, valid and binding on and, subject to the Legal Reservations, enforceable against any Obligor and/or in the case of any Security Documents not providing to the Security Trustee security over the assets expressed to be secured under the Security Documents, in each case in a manner or to an extent which is materially prejudicial to the interests of any Finance Party under the Finance Documents.

In determining whether an event or circumstance has a Material Adverse Effect, account will be taken of any warranty, indemnity or other right of recourse against any third party which may be relevant to the event or circumstance, including consideration of all relevant facts and circumstances such as the timing and likelihood of successful recovery and potential counterclaims and other related claims against any member of the Group.

New Lender has the meaning given to that term in Clause 27.1 (assignments and transfers by the Lenders) of the Facilities Agreement.

Obligor means the Parent, a Borrower or a Guarantor.

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Continuation Sheet 5

Obligors' Agent means Premier Foods Investments Limited.

Original Borrower means Premier Financing Limited and Premier Foods Investments Limited.

Original Guarantor means Chivers Hartley Limited, HL Foods Limited, Hillsdown Ambient Foods Group Limited, MBM Produce Limited, Premier Ambient Products (UK) Limited, Premier Financing Limited, Premier Foods Investments Limited, Premier Brands Foods Limited, Premier International Foods UK Limited, Premier Foods (Holdings) Limited, Premier Foods Investments No. 1 Limited, Hillsdown International Limited, Hillsdown Investments Limited.

Original Lender means BNP Paribas, JP Morgan Chase Bank, N.A., Lloyds TSB Bank plc, The Royal Bank of Scotland plc.

Parent means Premier Foods plc.

Party means a party to the Facilities Agreement.

Resignation Letter means a letter substantially in the form set out in Schedule 7 (Form of Resignation Letter) to the Facilities Agreement or such other form (if any) as may be agreed between the Facility Agent and the Obligors' Agent.

Security Document means:

- (a) the Deed;
- (b) share pledge in the agreed form pursuant to which an equitable fixed charge in favour of the Security Trustee is created over the shares in the Target Companies which are held directly by an Original Guarantor;
- (c) English law debenture in the agreed form by each Target Company pursuant to which all its assets become the subject of a floating charge (except for its shares which will become the subject of an equitable fixed charge) in favour of the Security Trustee to secure the obligations of the relevant Target Company as an Additional Guarantor under the Finance Documents; and
- (d) Share pledge in the agreed form pursuant to which an equitable fixed charge in favour of the Security Trustee is created over the shares in the Target Companies which are held directly by any other Target Company; or
- (e) any other document entered into by any Obligor creating or expressed to create any Security over all or any part of its assets in respect of the obligations of any of the Obligors under any of the Finance Documents.

Security means a mortgage, charge, pledge, lien, or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect.

Security Trustee means Lloyds TSB Bank plc.

Subsidiary means:

- (a) a subsidiary as defined in Section 736 of the Companies Act 1985; and

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(b) a subsidiary undertaking as defined in Section 21 of the Companies Act 1989.

Target Companies means Marlow Foods Limited, Marlow Foods Holdings Limited and Quorn Foods, Inc.

Term Facility means the term loan facility made available under the Facilities Agreement as described and defined in paragraph (a) of Clause 2.1 (The Facilities) of the Facilities Agreement.

Transfer Certificate means a certificate substantially in the form set out Schedule 5 (Form of Transfer Certificate) to the Facilities Agreement with all information required in respect of the New Lender properly completed, or such other form (if any) as may be agreed between the Facility Agent and the Obligors' Agent.

FILE COPY



CERTIFICATE OF THE REGISTRATION OF A MORTGAGE OR CHARGE

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

COMPANY No. 05014179

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES HEREBY CERTIFIES THAT A GROUP DEBENTURE DATED THE 6th JUNE 2005 AND CREATED BY PREMIER FOODS INVESTMENTS NO.1 LIMITED FOR SECURING ALL MONIES DUE OR TO BECOME DUE FROM THE COMPANY TO LLOYDS TSB BANK PLC 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 13th JUNE 2005.

GIVEN AT COMPANIES HOUSE, CARDIFF THE 17th JUNE 2005.

P
Jm



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES



Companies House

— for the record —