



Registration of a Charge

Company Name: **BRAEHEAD FOODS LIMITED**

Company Number: **SC193995**



Received for filing in Electronic Format on the: **05/10/2023**

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Details of Charge

Date of creation: **26/09/2023**

Charge code: **SC19 3995 0011**

Persons entitled: **REYNOLDS CATERING SUPPLIES LIMITED**

Brief description: **THE WHOLE PROPERTY (INCLUDING UNCALLED CAPITAL) WHICH IS OR MAY BE FROM TIME TO TIME COMPRISED IN THE PROPERTY AND UNDERTAKING OF BRAEHEAD FOODS LIMITED**

Contains floating charge(s) (floating charge covers all the property or undertaking of the company).

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: **ANDERSON STRATHERN LLP**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 193995

Charge code: SC19 3995 0011

The Registrar of Companies for Scotland hereby certifies that a charge dated 26th September 2023 and created by BRAEHEAD FOODS LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 5th October 2023 .

Given at Companies House, Edinburgh on 9th October 2023

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



Companies House



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

BOND AND FLOATING CHARGE
between
BRAEHEAD FOODS LIMITED
and
REYNOLDS CATERING SUPPLIES LIMITED

 **Anderson
Strathern**

**1 Rutland Court
Edinburgh
EH3 8EY**

For the purposes of the Legal Writings (Counterparts and Delivery) (Scotland) Act 2015, this Bond and Floating Charge is delivered on 26 SEPTEMBER 2023

THIS BOND AND FLOATING CHARGE is granted by:

- (1) **BRAEHEAD FOODS LIMITED**, incorporated and registered in Scotland with company number SC193995, whose registered office is at Unit 7, Moorfield North Industrial Park, Kilmarnock, Ayrshire, KA2 0FE (the “Borrower”)

in favour of

- (2) **REYNOLDS CATERING SUPPLIES LIMITED**, a company incorporated and registered in England and Wales with company number 02955734, whose registered office is at National Distribution Centre, Britannia Road, Waltham Cross, Hertfordshire, EN8 7RQ (the “Lender”).

WHEREAS:

- (A) The Lender has agreed to make available loan facilities to the Borrower.
- (B) It is a condition of the loan facilities that the Borrower enter into and grants this Bond and Floating Charge (“Charge”) for the purpose of providing security in favour of the Lender in respect of the Secured Obligations (as defined below).

NOW IT IS AGREED as follows:

1. Definitions and Interpretation

1.1. **Definitions**

The following definitions apply in this Charge.

Business Day	means a day other than a Saturday, Sunday or public holiday when banks in both London and Edinburgh are open for business.
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Event of Default	has the meaning given to such term in the Facility Agreement.
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Facility Agreement	means the loan facility agreement entered into on or about the date of this Charge between the Borrower and the Lender, as amended and/or restated from time to time.
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Financial Collateral	has the meaning given in the Financial Collateral Regulations.
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Financial Collateral Regulations	means the Financial Collateral Arrangements (No 2) Regulations 2003 (SI 2003/3226).
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Party	means a party to this Charge.
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Permitted Security

means:

- (a) the Security constituted by or arising under this Charge;
- (b) any lien arising in the ordinary course of trading and by operation of law;
- (c) any Security arising under retention of title, hire purchase or similar arrangements entered into in the ordinary course of business and on the supplier's usual terms and not because the Borrower has breached those terms; and

the floating charge created on 17 February 2012 granted by the Borrower in favour of RBS Invoice Finance Limited (Company Number 00662221), whose registered office is at 250 Bishopsgate, London EC2M 4AA.

Property

means:

- (a) any present or future heritable, freehold and/or leasehold properties in which the Borrower has an interest; and
- (b) any buildings, fixtures, fittings, fixed plant or machinery from time to time situated on or forming part of any of such properties.

Receiver

means any receiver appointed under this Charge or pursuant to any applicable law, whether alone or jointly, and includes a receiver and/or manager and an administrative receiver (if the Lender is permitted to appoint such administrative receiver).

Secured Assets

means the whole of the property (including uncalled capital) which is or may be from time to time comprised in the property and undertaking of the Borrower.

Secured Obligations

means all present and future obligations and liabilities (whether such obligations have already arisen or may arise after the date of this Charge, whether incurred alone, jointly or severally alongside any other person, whether in its own name or on behalf of any other person and/or in any other capacity whatsoever and regardless of how they

arise) owed by the Borrower to the Lender, including but not limited to all obligations and liabilities arising under or in connection with the Facility Agreement together with all losses, costs, charges, expenses and liabilities including interest incurred by the Lender in connection with the protection, preservation or enforcement of its rights under the Facility Agreement or any other document evidencing or securing any such liabilities.

Security

means any charge (whether fixed or floating, legal or equitable), pledge, mortgage, standard security, lien, assignment by way of security, assignation in security or other security interest securing any obligations of any person or any other arrangement of any type whatsoever having the effect of conferring security or a similar effect.

**Security Financial
Collateral Arrangement**

has the meaning given in the Financial Collateral Regulations

Security Period

means the period beginning on the date of this Charge and ending on the date on which the Lender is satisfied that the Secured Obligations have been unconditionally and irrevocably discharged in full and that no further Secured Obligations are capable of being outstanding.

Sterling

and £ mean the lawful currency of the United Kingdom.

1.2. Interpretation

In this Charge:

- 1.2.1 clause and paragraph headings shall not affect the interpretation of this Charge;
- 1.2.2 a person includes an individual, firm, company, corporation, partnership, unincorporated body of persons, government, state or agency of a state or any association, trust, joint venture or consortium (whether or not having separate legal personality);
- 1.2.3 unless the context otherwise requires, words in the singular shall include the plural and in the plural shall include the singular;
- 1.2.4 unless the context otherwise requires, a reference to one gender shall include a reference to the other genders;
- 1.2.5 references to a party shall include that party's successors, permitted assignees and permitted transferees and this Charge shall be binding on, and enure to the benefit of, the parties to this Charge and their respective personal representatives, successors and permitted assignees;

- 1.2.6 a reference to a statute or statutory provision is a reference to it as amended, extended or re-enacted from time to time;
- 1.2.7 a reference to a statute or statutory provision shall include all subordinate legislation made from time to time under that statute or statutory provision;
- 1.2.8 a reference to a time of day is to London time;
- 1.2.9 a reference to **writing** or **written** includes email but not fax;
- 1.2.10 an obligation on a party not to do something includes an obligation not to allow that thing to be done;
- 1.2.11 reference to **this Charge** (or any provision of it) or to any other agreement or document referred to in this Charge is a reference to this Charge, that provision or such other agreement or document as amended (in each case, other than in breach of the provisions of this Charge) from time to time;
- 1.2.12 unless the context otherwise requires, a reference to a clause is to a clause of this Charge;
- 1.2.13 any words following the terms **including**, **include**, **in particular**, **for example** or any similar expression shall be construed as illustrative and shall not limit the sense of the words, description, definition, phrase or term preceding those terms;
- 1.2.14 a reference to a document **in agreed form** is to that document in the form agreed by the Lender and the Borrower and initialled by or on their behalf for identification;
- 1.2.15 a reference to an **amendment** includes a novation, re-enactment, supplement or variation (and **amended** shall be construed accordingly);
- 1.2.16 a reference to **assets** includes present and future properties, undertakings, revenues, rights and benefits of every description;
- 1.2.17 a reference to an **authorisation** includes an approval, authorisation, consent, exemption, filing, licence, notarisation, registration and resolution;
- 1.2.18 a reference to a **certified copy** of a document means a copy certified to be a true, complete and up-to-date copy of the original document, in writing and signed by a director or the secretary of the party delivering the document; and
- 1.2.19 a reference to **continuing** in relation to an Event of Default means an Event of Default that has not been waived.

2. Undertaking to pay

The Borrower undertakes to the Lender that it shall, on demand by the Lender, pay and discharge all the Secured Obligations when due (together with all interest, fees, costs and expenses charged by or incurred by the Lender in connection with the Borrower's obligations to pay and discharge the Secured Obligations).

3. Floating Charge

- 3.1. The Borrower grants a floating charge over the Secured Assets to the Lender as a continuing security for the payment, performance and discharge of all the Secured Obligations.
- 3.2. The provisions of paragraph 14 of schedule B1 to the Insolvency Act 1986 shall apply to the floating charge constituted pursuant to Clause 3.1.

4. Negative Pledge and Ranking

- 4.1. The Borrower agrees that it shall be prohibited from granting or creating subsequent to the date of this Charge any fixed security or any other floating charge over the Secured Assets or any part or parts of them, other than in favour of the Lender or in favour of another person and with the prior written consent of the Lender.
- 4.2. Any fixed security granted by the Borrower in favour of the Lender (whether before or after this Charge) shall rank in priority to the floating charge created by this Charge.
- 4.3. In the event that the Borrower grants or creates any fixed security or floating charge in breach of the prohibition in clause 4.1 or with the consent of the Lender under clause 4.1 but with no written agreement of the Lender as to the ranking of them, this Charge shall rank in priority to that fixed security or floating charge.

5. Representations and warranties

- 5.1. The Borrower makes the representations and warranties set out in clause 5.2 for the benefit of the Lender on the date of this Charge and acknowledges that the Lender has entered into the Facility Agreement and this Charge in reliance on the statements made by the Borrower to the Lender in this Charge.
- 5.2. The Borrower hereby represent and warrants to the Lender that:
 - 5.2.1 this Charge creates the Security that it purports to create and each such Security constitutes a legal, valid and effective Security;
 - 5.2.2 no Security exists in respect of any of the Secured Assets except for the Security created by or pursuant to any Permitted Security and no person holds an interest in any of the Secured Assets other than under a Permitted Security;
 - 5.2.3 the Borrower is the sole legal and beneficial owner of all of the Secured Assets and all rights associated with the Secured Assets and on it acquiring any property forming part of the Secured Assets, it will be the sole owner of that property; and
 - 5.2.4 all third party consents required to ensure the effective creation of the security envisaged by this Charge have been obtained.

6. Undertakings

The undertakings in this clause 6 (*Undertakings*) remain in effect throughout the Security Period.

6.1. The Borrower must:

6.1.1. maintain, preserve, protect and keep good and marketable title to all of the Secured Assets; and

6.1.2. maintain and preserve the Security created by or pursuant to this Charge.

6.2. The Borrower must not:

6.2.1. cause or permit to be done anything which may in any way depreciate, jeopardise or otherwise prejudice the value or marketability of any of the Secured Assets; or

6.2.2. create or permit to subsist any Security over any of the Secured Assets other than any Security created by or pursuant to any Permitted Security.

7. Protection of security

7.1. The Borrower must take all such other action as is available to it as may be necessary or as may reasonably be requested by the Lender to create, perfect, protect or maintain any of the Security created, or purported to be created, by or pursuant to this Charge or to vest title to any Secured Asset in the Lender or any person nominated by the Lender, or to facilitate the realisation of any Secured Asset under this Charge or pursuant to this Charge or by law, including making all filings and registrations with and paying all taxes and duties to the appropriate authorities (including, but not limited to, Companies House).

7.2. The obligations of the Borrower under this Charge will not be affected by any act, omission, circumstance, matter or thing which but for this provision might operate to release or otherwise exonerate it from any of its obligations hereunder in whole or in part, including (without limitation):-

7.2.1. any variation, extension, discharge, compromise, dealing with, exchange or renewal of any right or remedy which the Lender may have now or in the future from or against the Borrower or any other person in respect of the Secured Obligations;

7.2.2. any act or omission by the Lender or any other person in taking up, perfecting or enforcing any security or guarantee from or against the Borrower or any other person or the invalidity or unenforceability of any such security or guarantee;

7.2.3. any amendment, variation, restatement or supplement of or to, or novation, transfer or termination (in whole or in part) of, any document relating to the Secured Obligations or any exercise by the Lender (in its absolute discretion) of its rights to refuse, grant, continue, vary, review, determine or increase any credit or facilities to the Borrower or any other person;

7.2.4. any grant of time, indulgence, waiver or concession to the Borrower or any other person;

7.2.5. any arrangement or compromise entered into between the Lender and the Borrower or any other person;

- 7.2.6. the administration, insolvency, bankruptcy, sequestration, liquidation, winding-up, receivership, dissolution, incapacity, limitation, disability, discharge by operation of law or any change in the constitution, name and style of, the Borrower or any other person;
 - 7.2.7. the invalidity, illegality, unenforceability, irregularity or frustration of the Secured Obligations or any of the obligations of the Borrower or any other person; and
 - 7.2.8. any postponement, discharge, reduction, non-provability, inability to claim, or other similar circumstance affecting any obligation of any other person resulting from any administration, insolvency, liquidation, receivership or dissolution proceedings or from any law, regulation or order.
- 7.3. The Lender shall not be obliged, before exercising any of the rights, powers or remedies conferred upon it by or pursuant to this Charge or by law to:-
- 7.3.1. take any action or obtain judgment or decree in any court against the Borrower;
 - 7.3.2. make or file any claim to rank in a winding-up or a liquidation of or other proceedings relating to the Borrower; or
 - 7.3.3. enforce or seek to enforce any other security taken, or exercise any right or plea available to the Lender, in respect of the Secured Obligations.
- 7.4. If the Borrower is liable under this Charge for the debts of another person or persons then the following provisions apply:
- 7.4.1. the Borrower will not make any claim against, or in the insolvency of that other person or persons;
 - 7.4.2. the Borrower is not entitled to claim or share any security held by the Lender, or any payment received by the Lender for the debts of that other person or persons;
 - 7.4.3. the Borrower will not take any security from, or enforce any security against that other person or persons;
 - 7.4.4. the liability of the Borrower under this Charge shall not be affected by the existence of any other security or guarantee nor by any other security or guarantee being or becoming void or unenforceable;
 - 7.4.5. the Lender may place to the credit of a suspense account for so long as it considers desirable any monies received in respect of such debts without any obligation to apply them towards payment of such debts and, in applying monies towards payments of such debts, the Lender may appropriate them towards such part or parts of the debts as it thinks fit; and
 - 7.4.6. the Borrower will hold on trust for the Lender any payment or security received by the Borrower in breach of these provisions.

8. Enforcement

This Charge shall become immediately enforceable upon and at any time after the occurrence of an Event of Default.

9. Financial Collateral

9.1 To the extent that:

9.1.1 any of the Secured Assets constitute Financial Collateral; and

9.1.2 this Charge and the obligations of the Borrower under this Charge constitute a Security Financial Collateral Arrangement,

the Lender has the right, at any time after this Charge becomes enforceable under clause 9, to appropriate all or any of those Secured Assets in or towards the payment or discharge of the Secured Liabilities in any order the Lender, in its absolute discretion, determines.

9.2 The value of any Secured Asset appropriated under clause 9.1 above is:

9.2.1 If it is listed on a recognised exchange, the value at which it could have been sold on the exchange at the date of appropriation;

9.2.2 In the case of cash, the amount of cash appropriated; or

9.2.3 in any other case, such value as determined by any method the Lender reasonably selects (including independent valuation).

9.3 The Borrower agrees that any of its Secured Assets that are Financial Collateral may, at the Lender's option, be held or designated so they are under the control of the Lender for all purposes of the Financial Collateral Regulations.

9.4 The Borrower agrees that the methods of valuation provided for in clause 9.2 above are commercially reasonable for the purposes of the Financial Collateral Regulations.

10 Appointment of Receiver or Administrator

10.1 Appointment of a Receiver

At any time after this Charge has become enforceable the Lender may appoint by writing any person to be a Receiver of all or any part of the Secured Assets and/or to be an administrator of the Borrower, in each case in accordance with and to the extent permitted by applicable laws. The Lender may not appoint a Receiver solely as a result of the obtaining of a moratorium or anything done with a view to obtaining a moratorium under Schedule A1 of the Insolvency Act 2000 except with the leave of the court.

10.2 Replacement of Receiver

Without prejudice to the foregoing provisions, if any person appointed to be a Receiver shall be removed by a court or shall otherwise cease to act as such, then the Lender

shall be entitled to appoint another person or persons as Receiver or Receivers in his place.

10.3 Powers of Receivers joint and several

Where more than one Receiver is appointed, they shall have power to act separately unless the Lender in the appointment specifies to the contrary.

10.4 Remuneration of Receiver

Subject to section 58 of the Insolvency Act 1986, the Lender may from time to time determine the fees and expenses paid to the Receiver.

10.5 Power of the Lender to remove Receiver

The Lender may, subject to the provisions of the Insolvency Act 1986, remove the Receiver from the assets of which it is Receiver.

10.6 Further appointment

The appointment of a Receiver shall not prevent:

10.6.1 the Lender from making any subsequent appointment of a Receiver over all or any of the Secured Assets over which a Receiver has not previously been appointed or has ceased to act; or

10.6.2 a Receiver, while continuing to act, consenting to the appointment of an additional Receiver to act with it.

10.7 Status of Receiver as agent

A Receiver shall be the agent of the Borrower and the Borrower shall be solely liable for the Receiver's acts, defaults and remuneration, costs, charges and expenses and the Lender shall not have any liability or responsibility in respect of any act or default of such Receiver or of any such remuneration, costs, charges and expenses.

10.8 Powers of Receiver

A Receiver shall have and be entitled to exercise in relation to the Borrower all the powers set out in Schedule 2 to the Insolvency Act 1986, and, in addition to such powers, the Receiver will have power:-

10.8.1 to promote the formation of a subsidiary or subsidiaries of the Borrower, including, without limitation, any such subsidiary formed for the purpose of purchasing, leasing, licensing or otherwise acquiring interest in all or any of the assets of the Borrower;

10.8.2 to make any arrangement or compromise which the Lender or the Receiver may think fit;

10.8.3 to sever any fixtures (including trade and tenants fixtures) from the property of which they form part;

- 10.8.4 to exercise all powers, rights and/or obligations under any contract or agreement forming part of the Secured Assets including, without limitation, all voting and other rights attaching to stocks, shares and other securities owned by the Borrower;
 - 10.8.5 to convene an extraordinary general meeting of the Borrower;
 - 10.8.6 to exercise all powers conferred by the Insolvency Act 1986 on receivers appointed in England and Wales in respect of any of the Assets located in England and Wales; and
 - 10.8.7 to do all other acts and things as may be considered by the Receiver to be incidental or conducive to the above or otherwise incidental or conducive to the preservation, improvement or realisation of the Secured Assets.
- 10.9 Limitation on Lender's liability

Neither the Lender nor any Receiver shall be liable:

- 10.9.1 for any loss, however caused, arising out of any sale or other disposal of any of the Secured Assets and whether or not a better price could or might have been obtained by deferring or advancing the date of such sale or other disposal; or
- 10.9.2 the exercise of or failure to exercise any of the Lender's powers under this Charge; or
- 10.9.3 to account as heritable creditor in possession for any of the Secured Assets.

11 Power of attorney

11.1 Power of attorney

The Borrower irrevocably appoints the Lender (whether or not a Receiver or administrator has been appointed) and any Receiver separately, to be the attorney of the Borrower with full power to appoint substitutes and to delegate, for the Borrower in its name and on its behalf, and as its act and deed or otherwise, to execute, deliver and otherwise perfect any document, or perform any act:

- 11.1.1 that may be required of the Borrower under this Charge; or
- 11.1.2 that may be deemed by the attorney necessary or desirable for any purpose of this Charge (including, after this Charge have become enforceable, to transfer legal ownership of any of the Secured Assets).

11.2 Ratification

Without prejudice to the generality of clause 11.1 (*Power of attorney*), the Borrower undertakes to the Lender and separately with any Receiver to ratify:

- 11.2.1 all transactions entered into by any attorney in the proper exercise of its powers in accordance with this Charge; and

- 11.2.2 all transactions entered into by any attorney in signing, sealing or delivering any Charge, assurance or document, perfecting any Security or performing any act, in each case in the proper exercise of its powers in accordance with this Charge.

12 Other powers exercisable by the Lender

12.1 Lender may exercise Receiver's powers

All powers of a Receiver conferred by this Charge may be exercised by the Lender after the Security created by or pursuant to this Charge have become enforceable, whether as attorney of the Borrower or otherwise, and whether or not a Receiver has been appointed.

12.2 Lender empowered to receive receivables

The Lender or any manager or officer of the Lender is irrevocably empowered to receive all receivables and claims that may be secured to the Lender under this Charge, on payment to give an effectual discharge for them, on non-payment to take and institute if the Lender in its sole discretion so decides all steps and proceedings either in the name of the Borrower or in the name of the Lender for their recovery, and to agree accounts and to make allowances and to give time to any surety. The Borrower undertakes to ratify and confirm whatever the Lender or any manager or officer of the Lender shall do or purport to do under this clause 12 (*Other powers exercisable by the Lender*).

12.3 Lender not obliged to take action relating to receivables

The Lender shall not be obliged to:

- 12.3.1 make any enquiry as to the nature or sufficiency of any sums received by it in respect of any receivables or claims secured under this Charge or pursuant to any of the Secured Assets;
- 12.3.2 make any claim or take any other action under this Charge; or
- 12.3.3 collect any money or enforce any of its other rights under this Charge.

13 Protection of third parties

No person (including a purchaser) dealing with the Lender or any Receiver or any of their respective nominees or agents, shall be concerned to enquire:

- 13.1 whether the security created by or pursuant to this Charge has become enforceable;
- 13.2 whether any Receiver is validly appointed or acting within its powers;
- 13.3 whether any power exercised or purported to be exercised has become exercisable;
- 13.4 whether any of the Secured Obligations remain due;
- 13.5 as to the necessity or expediency of any stipulations or conditions subject to which the sale of any Secured Asset is made, or otherwise as to the propriety or regularity of the sale of any Secured Asset; or

- 13.6 how any money paid to the Lender or a Receiver, or their respective nominees or agents, is applied.

14 Application of Security Proceeds

14.1 Application of recoveries

Any money received under this Charge shall, subject to the discharge of any prior-ranking claims, be paid or applied in the following order of priority:

- 14.1.1 in payment of the remuneration of the Receiver and the costs of realisation incurred by the Lender and/or the Receiver including all costs, charges and expenses of connected with any exercise of any power conferred by this Charge;
- 14.1.2 in or towards the payment of any debts or other amounts which are by statute made payable in preference to the Secured Obligations, to the extent that such debts or other amounts are made so payable;
- 14.1.3 in or towards satisfaction of the Secured Obligations in such order as the Lender determines, in its absolute discretion; and
- 14.1.4 as to the surplus, if any, to the Borrower or to any other person or persons entitled to it.

14.2 Credit to a suspense account

The Lender may, in its absolute discretion on or at any time or times after demand and pending the payment to the Lender of the whole of the Secured Obligations, place and keep to the credit of an interest-bearing separate or suspense account any money received, recovered or realised by the Lender under or in connection with this Charge for so long and in such manner as the Lender may determine without any intermediate obligation on its part to apply the same or any part of such money in or towards the discharge of any of the Secured Obligations.

15 Costs, expenses and indemnity

- 15.1 The Borrower shall, within 5 (five) Business Days of demand by the Lender, pay to the Lender all costs, charges, expenses, taxes and liabilities of any kind (including, without limitation, legal, professional and out-of-pocket expenses) together with VAT on such amounts incurred by the Lender arising at any time in connection with taking, holding, protecting, preserving or perfecting the Security created by this Charge together with interest, which shall accrue and be payable (without the need for any demand for payment being made) from the date which the relevant cost, charge, expense, tax or liability arose until discharge in full of that cost, charge, expense, tax or liability (whether before or after decree, judgment, liquidation, winding up, administration or insolvency of the Borrower) at the rate and in the manner specified in the Facility Agreement.
- 15.2 The Borrower shall, within 5 (five) Business Days of demand by the Lender, pay to the Lender on a full indemnity basis all costs, losses and liabilities (including, without limitation, legal, professional and out-of-pocket expenses) together with VAT on such amounts incurred by the Lender arising at any time as a result of or in connection with:

15.2.1 the occurrence of any Event of Default; or

15.2.2 the preservation and/or enforcement of the rights of the Lender under the Facility Agreement and/or this Charge,

together with interest, which shall accrue and be payable (without the need for any demand for payment being made) from the date which the relevant cost, charge, expense, tax or liability arose until discharge in full of that cost, charge, expense, tax or liability (whether before or after decree, judgment, liquidation, winding up, administration or insolvency of the Borrower) at the rate and in the manner specified in the Facility Agreement.

15.3 The Borrower shall indemnify the Lender and each Receiver, and their respective employees and agents against all liabilities, costs, expenses, damages and losses (including but not limited to any direct, indirect or consequential losses, loss of profit, loss of reputation and all interest, penalties and legal costs (calculated on a full indemnity basis) and all other professional costs and expenses) suffered or incurred by any of them arising out of or in connection with:

15.3.1 the exercise or purported exercise of any of the rights, powers, authorities or discretions vested in them under this Charge or by law in respect of the Secured Assets;

15.3.2 taking, holding, protecting, perfecting, preserving or enforcing (or attempting to do so) the security created by this Charge or

15.3.3 any default or delay by the Borrower in performing any of its obligations under this Charge,

and the Lender may retain and pay all sums in respect of the same out of any monies received under the powers conferred by this Charge.

15.4 Any past or present employee or agent of the Lender or any Receiver may enforce the terms of clause 18.3 subject to and in accordance with the provisions of the Contracts (Third Party Rights) (Scotland) Act 2017.

16 Payments

16.1 All sums payable by the Borrower under this Charge must be paid in full without any set-off or counterclaim and in cleared funds no later than 11 am on the day in question to such account as the Lender may have specified for this purpose.

16.2 Where the day on or by which any payment is to be made is not a Business Day, that payment must be made on or by the preceding Business Day.

17 Transfers

17.1 Right of Lender to transfer

At any time, without the consent of the Borrower, the Lender may assign, transfer or otherwise dispose of in any manner it sees fit, all or any part of the benefit of this Charge (or all or any of its rights under this Charge) and/or any of its obligations under this Charge (a "Transfer") to any person (the "Transferee"). Following such Transfer the

Borrower shall have recourse only to the Transferee in respect of that portion of the Lender's obligations transferred to the Transferee.

17.2 No right of Borrower to transfer

The Borrower is not entitled to assign its rights or otherwise transfer all or any part of its rights or obligations under this Charge.

17.3 Disclosure

The Lender may disclose to its auditors, advisors or applicable regulatory authority or any other person that enters or proposes to enter into any assignment, transfer, securitisation or other disposition of any part of any right or obligation in relation to the Secured Obligations any information including any confidential information that relates to or concerning the Borrower, the Secured Obligations, this Charge or any arrangement made or to be made in connection with this Charge that the Lender considers appropriate.

18 Notices

18.1 Any notice or other communication to be given under, or in connection with the matters contemplated by, this Agreement shall be in writing and signed by or on behalf of the party giving it (except for notices sent by email) and shall be served on the relevant party at the address or email address(es) set out in clause **Error! Reference source not found..** Any such notice shall be deemed to have been received:

18.1.1 if delivered personally, at the time of delivery;

18.1.2 in the case of pre-paid recorded delivery or registered post, 48 (forty-eight) hours from the date of posting; and

18.1.3 if sent by email, at the time of transmission if sent to the correct email address and no notice of delivery failure is received,

provided that if deemed receipt occurs before 9am on a Business Day the notice shall be deemed to have been received at 9am on that day and if deemed receipt occurs after 5pm on a Business Day, or on a day which is not a Business Day, the notice shall be deemed to have been received at 9am on the next Business Day.

18.2 Any notice or other communication given to a party under or in connection with, this Agreement shall be sent to:

18.2.1 the Borrower at:

Unit 7, Moorfield North Industrial Park, Kilmarnock, Ayrshire, KA2 0FE

Attention: Gillian Rae

email address: grae@braeheadfoods.co.uk

18.2.3 the Lender at:

National Distribution Centre, Britannia Road, Waltham Cross, Hertfordshire, EN8 7RQ

Attention: Andy Austin

email address: andy.austin@reynolds-cs.com,

or to any other address as is notified in writing by one party to the other from time to time.

18.3 This clause 18 (*Notices*) does not apply to any notice given in legal proceedings, arbitration or other dispute resolution proceedings.

19 Consents, Amendments and Waivers

No amendment of this Charge shall be effective unless it is in writing and signed by, or on behalf of, each Party (or its authorised representative).

19.1 Waivers and consents

19.1.1 A waiver of any right or remedy under this Charge or by law, or any consent given under this Charge, is only effective if given in writing by the waiving or consenting Party and shall not be deemed a waiver of any other breach or default. It only applies in the circumstances for which it is given and shall not prevent the Party giving it from subsequently relying on the relevant provision.

19.1.2 A failure or delay by a Party to exercise any right or remedy provided under this Charge or by law shall not constitute a waiver of that or any other right or remedy, prevent or restrict any further exercise of that or any other right or remedy or constitute an election to affirm this Charge. No single or partial exercise of any right or remedy provided under this Charge or by law shall prevent or restrict the further exercise of that or any other right or remedy. No election to affirm this Charge by the Lender shall be effective unless it is in writing.

19.2 Rights and remedies

The rights and remedies provided under this Charge are cumulative and are in addition to, and not exclusive of, any rights and remedies provided by law.

20 Severance

If any provision (or part of a provision) of this Charge is or becomes invalid, illegal or unenforceable, it shall be deemed modified to the minimum extent necessary to make it valid, legal and enforceable. If such modification is not possible, the relevant provision (or part of a provision) shall be deemed deleted. Any modification to or deletion of a provision (or part of a provision) under this clause shall not affect the legality, validity and enforceability of the rest of this Charge.

21 Continuing and additional security

21.1 This Charge is a continuing security for the Secured Obligations in favour of the Lender and shall extend to cover the ultimate balance due at any time from the Borrower to the Lender under the Facility Agreement, notwithstanding any intermediate payment or settlement of account (whether in whole or in part) or any other matter whatever.

21.2 The Security constituted by this Charge is in addition to and does not prejudice, nor is it in any way prejudiced by, any other Security (other than any Security arising under or pursuant to any Permitted Security), guarantee or right of set-off, combination or other rights exercisable by the Lender against the Borrower or any Security, guarantee, indemnity or either document conferring rights on the Lender and which is now or in the future held by the Lender.

22 No prejudice

22.1 The Security created, or intended to be created, by or pursuant to this Charge shall not be prejudiced by any unenforceability or invalidity of any other agreement or document.

22.2 The Lender may in its discretion grant time or other indulgence or make any other arrangement, variation or release with any person who is not a Party without prejudicing, affecting or impairing the Security created by or pursuant to it, or any of the powers, rights or remedies of the Lender under this Charge or the exercise of any one of them or other obligation or liability of the Borrower to the Lender.

23 No merger

Nothing contained in this Charge shall operate so as to merge or otherwise prejudice, affect or exclude any other Security which the Lender may for the time being hold for the Secured Obligations or would have but for this Charge.

24 Evidence of debt

24.1 A copy of any entry in the Lender's accounts shall in any legal proceedings arising out of or in connection with this Charge be evidence of the matters, transactions and accounts to which it relates unless evidence to the contrary is produced.

24.2 A certificate by the Lender as to any sum payable to it under this Charge shall, in the absence of manifest error, be conclusive evidence of the matters, transactions and accounts to which it relates, and shall be binding on the Borrower.

25 Consent to Registration

The Borrower consents to the registration of this Charge and of the certificate referred to in Clause 24.2 above for preservation and execution.

26 Redemption of security and releases

Subject to and without prejudice to clause 27 (*Conditional discharge*), on the irrevocable and unconditional payment and discharge in full of the Secured Obligations, the Lender shall, at the request and cost of the Borrower:

26.1 take whatever action is necessary to release, discharge and cancel the security created by or pursuant to this Charge;

26.2 procure the reassignment or retrocession to the Borrower of any property and assets assigned to the Lender pursuant to this Charge; and

26.3 return all deeds, account mandates, signing authorities and other documents of title delivered to the Lender under this Charge,

but not, in any case, on terms that the Lender or any of its nominees makes any representation or warranty in favour of the Borrower.

27 Conditional discharge

27.1 Any release, settlement or discharge between the Lender and the Borrower will be conditional upon no security, disposition or payment to the Lender by the Borrower or any other person in respect of the Secured Obligations being avoided, set aside, reduced or ordered to be refunded by virtue of any statutory provision relating to insolvency or liquidation or for any reason whatsoever.

27.2 If any such release, settlement or discharge is so avoided, set aside, reduced or ordered to be refunded, the liability of the Borrower under this Charge shall continue or be reinstated and the Lender shall be entitled to recover the value or amount of any such security, disposition or payment from the Borrower as if the release, settlement or discharge had not occurred.

27.3 Subject to clauses 27.1 and 27.2, the Lender shall be entitled to retain this Charge after as well as before payment of all the Secured Obligations for such period as the Lender may determine.

28 Partial invalidity

28.1 If any provision of this Charge (or part of any provision of this Charge) is or becomes illegal, invalid or unenforceable, the legality, validity and enforceability of any other provision of this Charge (or other part of that provision of this Charge) shall not be affected.

28.2 If any provision of this Charge (or part of any provision of this Charge) is or becomes illegal, invalid or unenforceable but would be legal, valid or enforceable if some part of it was deleted or modified, the provision or part-provision in question shall apply with such deletions or modifications as may be necessary to make the provision legal, valid and enforceable. In the event of such deletion, the Parties shall negotiate in good faith in order to agree the terms of a mutually acceptable alternative provision in place of the provision or part-provision so deleted.

29 Third party rights

29.1 Except as expressly provided for elsewhere in this Charge, a person who is not a party to this Charge has no rights under the Contracts (Third Party Rights) (Scotland) Act 2017 to enforce or enjoy the benefit of any term of this Charge. This does not affect any right or remedy of a third party which exists, or is available, apart from that Act.

29.2 The rights of the Parties to rescind or agree any amendment or waiver under this Agreement are not subject to the consent of any other person.

30 Counterparts

30.1 This Charge may be executed in any number of counterparts and by the Parties on separate counterparts.

30.2 Where executed in counterparts

30.2.1 this Charge will not take effect until each of the counterparts has been delivered;

30.2.2 each counterpart will be held as undelivered until the parties agree a date on which the counterparts are to be treated as delivered; and

30.2.3 the date of delivery may be inserted on page 1 in the blank provided for the delivery date of this Charge.

30.3 Where this Charge is executed in counterparts and the Parties have nominated a person to take delivery of one or more of the counterparts, the Parties hereby agree that the terms of s.2(3) of the Legal Writings (Counterparts and Delivery) (Scotland) Act 2015 shall not apply.

31 Governing law and jurisdiction

31.1 This Charge and any dispute or claim (including non-contractual disputes or claims) arising out of, or in connection with, it or its subject matter or formation shall be governed by and construed in accordance with the law of Scotland.

Each Party irrevocably agrees that, subject as provided below, the courts of Scotland shall have exclusive jurisdiction over any dispute or claim (including non-contractual disputes or claims) arising out of, or in connection with, this Charge or its subject matter or formation. Nothing in this clause shall limit the right of the Lender to take proceedings against a Borrower in any other court of competent jurisdiction, nor shall the taking of proceedings in any one or more jurisdictions preclude the taking of proceedings in any other jurisdictions, whether concurrently or not, to the extent permitted by the law of such other jurisdiction

IN WITNESS WHEREOF: this Charge consisting of this page and the previous 18 pages are executed as follows:

SUBSCRIBED for and on behalf of the said
BRAEHEAD FOODS LIMITED by

.....ANDREW.....AUSTIN.....
Director/Authorised Signatory
(Print Full Name)

.....
Director/Authorised Signatory
(Signature)

Before this witness

.....MARK BOWLING.....
Witness
(Print Full Name)

.....
Witness
(Signature)

.....

(address of witness)

at WALTHAM CROSS.....
(place of signature)

on 26/07/23.....
(date of signature)

SUBSCRIBED for and on behalf of the said
REYNOLDS CATERING SUPPLIES LIMITED by

.....ANDREW AUSTIN.....
Director/Authorised Signatory
(Print Full Name)

Director/Authorised Signatory
(Signature)

Before this witness

.....MARK BOWERING.....
Witness
(Print Full Name)

Witness
(Signature)

(address of witness)

at WALTHAM CROSS.....
(place of signature)

on 26/09/22.....
(date of signature)