



COMPANIES FORM No. 395

395

Particulars of a mortgage or charge

Pursuant to section 395 of the Companies Act 1985

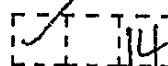
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Please complete
legibly, preferably
in black type or
bold block
lettering

*Insert full name
of company

To the Registrar of Companies

For official use Company number



M24

2670609

Name of company

* EXPRESS FOODS LIMITED (the "Borrower")

Date of creation of the charge

28th July 1993

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

LEGAL CHARGE (the "Legal Charge")

Amount secured by the mortgage or charge

All money and liabilities due, owing or incurred by the Borrower (at any time) to the Finance Parties under the Senior Loan Agreement, any documentation for the time being governing the Overdraft Facility, the Hedging Agreements, the Debenture, the Legal Charge and the other Financing Documents (as the case may be) in whatsoever manner whether actual or contingent, solely or jointly with any other person and whether as principal or surety together with all interest accruing thereon and all costs, charges and expenses payable in connection therewith (the "Indebtedness")

Words not defined above are defined in Annexure A.

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

The Bank of Tokyo, Ltd of 12-15 Finsbury Circus, London

as agent and trustee for itself and the other Finance Parties

Postcode

EC2M 7BT

Presenter's name, address and
reference (if any):

ASHURST MORRIS CRISP
Broadwalk House
5 Appold Street
London EC2A 2HA
(071 638 1111)

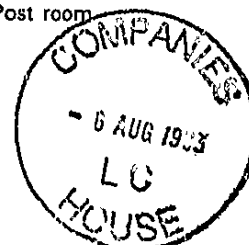
Ref. NEB/T59300050/9873W

Time critical reference

For official use
Mortgage section

- 6 AUG 1993

Post room



6/8.
6 AUG 1993

Short particulars of all the property mortgaged or charged

By Clause 3.1 of the Legal Charge, as security for the payment to the Security Agent of the Indebtedness the Borrower charged:

- (a) by way of first legal mortgage all the property specified in the Schedule attached hereto (the "Property"); and
- (b) by way of first fixed charge the benefit of all licences, consents, agreements and authorisations from time to time held or utilised by the Borrower in connection with its business or the use of any of the Property.

Please do not write in this margin

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

NIL

Particulars as to commission allowance or discount (note 3)

NIL

Signed *Arthur Morris Crisp*

Date *5 August 1993*

On behalf of ~~[company]~~ [mortgagee/chargee]*

*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.

**Particulars of a mortgage or charge
(continued)**Please do not
write in this
marginContinuation sheet No. 1
to Forms Nos 395 and 410 (Scot)

Company number

2670609

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

Name of company

*Delete if
inappropriate

EXPRESS FOODS

Limited*

Description of the instrument creating or evidencing the mortgage or charge (continued) (note 2)

Continuing Security

The security created by the Legal Charge is to be a continuing security, notwithstanding any intermediate payment or settlement of account or other matter or thing whatsoever and in particular the intermediate satisfaction by the Borrower of the whole or any part of the Indebtedness and is to be in addition, and without prejudice, to any other security or securities which the Security Agent or any Finance Party may at any time hold for the Indebtedness or any part thereof and the security created by the Legal Charge may be enforced against the Borrower without first having recourse to any other rights of the Security Agent or any Finance Party.

Negative Pledge

By Clause 6 of the Legal Charge the Borrower undertakes that, during the continuance of the security created by the Legal Charge, it will not, and will ensure that no other Group Company will, save as permitted in Clause 13.1.2 of the Senior Loan Agreement:

- (a) create or have outstanding any Encumbrance on or over all or any part of the Property or agree to do so, except for Permitted Encumbrances; and
- (b) dispose of the equity of redemption in respect of any of the Property.

Exclusion of Powers of Leasing

By Clause 19 of the Legal Charge, save with the consent of the Security Agent or if and to the extent that it is permitted under the Senior Loan Agreement during the continuance of the security created by the Legal Charge the statutory and other powers of leasing, letting, entering into agreements for leases or lettings and accepting or agreeing to accept surrenders of leases or tenancies shall not be exercisable by the Borrower.

Priorities

The terms of the Legal Charge are subject to the terms of an Intercreditor Agreement dated 2nd November 1992 and entered into between, inter alia, the Borrower, the Agent, the Security Agent, The Bank of Tokyo, Ltd, Union Bank of Switzerland and Bank of Scotland.

Amount due or owing on the mortgage or charge (continued)

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Names, addresses and descriptions of the mortgagees or persons entitled to the charge (continued)

Short particulars of all the property mortgaged or charged (continued)

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SCHEDULERegistered Land

<u>County and District</u> <u>(or London Borough)</u>	<u>Address or</u> <u>Description</u>	<u>Title No.</u>
Staffordshire, Tamworth	The leasehold premises known as Unit 16C Silica Road Amington Industrial Estate Tamworth	SF163217

Unregistered Land

The leasehold premises known as Unit 16B, Silica Road Amington Industrial Estate, Tamworth, Staffordshire as the same are more particularly described in and demised by a lease dated 19th August 1977 and made between (1) St. Modwen Securities Limited and (2) Express Dairy Foods Limited.

ANNEXURE ADEFINITIONS

"Agent" means The Bank of Tokyo, Ltd acting in its capacity as agent for the Banks or such other agent for the Banks as shall be appointed pursuant to Clause 15.8 of the Senior Loan Agreement;

"Banks" means The Bank of Tokyo, Ltd, Union Bank of Switzerland and The Governor and Company of the Bank of Scotland (as original banks) and or as the case may be any of assignee or transferee to whom rights and/or obligations are assigned or transferred in accordance with Clause 19 of the Senior Loan Agreement and includes a successor of any such person;

"BOS Collateral Account" means the account opened by the Borrower with the Overdraft Bank and charged to the Overdraft Bank as security for the obligations of the Borrower to the Overdraft Bank arising out of or in connection with guarantees granted by the Overdraft Bank (at the request of the Borrower) to the Intervention Board for Agricultural Produce and the Commissioners of H M Customs and Excise;

"Debenture" means a Debenture dated 2nd November 1992 between the Borrower and the Security Agent;

"Encumbrance" means:-

- (a) mortgage, pledge, lien, charge, hypothecation, right of set-off, security interest or other encumbrance, security agreement or any arrangement of any kind;
- (b) deferred purchase, title retention, leasing, sale-and-repurchase or sale-and-leaseback arrangements;
- (c) subordination of any right or asset;
- (d) other arrangements having substantially the same legal or economic effect as any of the foregoing;
- (e) agreements to create or effect any of the foregoing;

"Finance Parties" means the Security Agent; the Agent; the Overdraft Bank, the Senior Lenders and those of the Senior Lenders who for the time being have outstanding Hedging Agreements with the Borrower or any other Group Company;

"Financing Documents" means the Senior Loan Agreement, the fee letters referred to in Clause 8 of the Senior Loan Agreement, the overdraft letter, each Security Document, each Transfer Certificate and any other document expressed to be made supplemental to and/or modifying any of the foregoing or entered into pursuant thereto;

"Group Company" means any of the Borrower and its subsidiaries from time to time;

"Hedging Agreements" means any interest rate management agreements referred to in Clause 13.1.25 of the Senior Loan Agreement and any other agreements entered into by the Borrower with any Original Bank (as set out in Schedule 1 to the Senior Loan Agreement), at any time for the purpose of managing or hedging the currency and/or interest rate risk under the Senior Loan Agreement, whether by way of forward exchange, cap, collar, swap, forward rate agreement, or otherwise, in each case on terms no less favourable overall to the Borrower than those which would be generally available to the Borrower in the open market;

"Overdraft Bank" means The Governor and Company of the Bank of Scotland as provider of the Overdraft Facility;

"Overdraft Facility" means the overdraft facility in a maximum aggregate amount of £5,000,000 made available to the Borrower and/or such of its Nominated Subsidiaries (as such term is defined in Clause 2.8 of the Senior Loan Agreement) as may be agreed by the Overdraft Bank pursuant to Clause 2.8 of the Senior Loan Agreement (as the same may be reduced in accordance with the terms of the Senior Loan Agreement);

"Permitted Encumbrances" means:-

- (a) the security constituted by the Debenture or any other Financing Document;
- (b) liens arising solely by operation of law and in the ordinary course of its operations which are discharged within 28 days after each such lien arises unless (i) such lien is being contested in good faith and by appropriate proceedings or (ii) such lien secures an amount not exceeding £50,000;

"Security Agent" means the Bank of Tokyo, Ltd as agent and trustee for and on behalf of itself and the other Finance Parties;

"Security Document" means (as from the date each such document is entered into) the Debenture, the Assignment of Key-Man Policies, the Scottish Security, the BOS Netting Charge, the BOS Collateral Account security, the Inter-Creditor Deed (as such terms are defined), any guarantee and any substituted or additional security entered into by the Borrower and any other Group Company in favour of the Security Agent to secure some or all of the liabilities secured by the Debenture;

"Senior Lenders" means the banks and other financial institutions from time to time participating in the term loan and revolving credit facility made available pursuant to the Senior Loan Agreement;

"Senior Loan Agreement" means the facilities agreement dated 2nd November 1992 pursuant to which the Senior Lenders made available to the Borrower a term loan of £37,500,000 and a revolving credit facility of up to £27,500,000 and the Overdraft Bank made available to the Borrower an overdraft facility of up to £5,000,000 as the same may be varied, amended, modified, supplemented or replaced;

"Transfer Certificate" means a certificate substantially in the form set out in Schedule 7 to the Senior Loan Agreement signed by a Bank or the Overdraft Bank (each a "transferor") and a transferee whereby:-

- (i) such transferor seeks to transfer to such transferee all or part of such transferor's rights and obligations under the Senior Loan Agreement subject to and upon the terms and conditions set out in Clause 19 to the Senior Loan Agreement; and
- (ii) such transferee undertakes to perform those obligations it will assume as a result of delivery of such certificate to the Agent as contemplated in Clause 19 to the Senior Loan Agreement.



CERTIFICATE OF THE REGISTRATION OF A MORTGAGE OR CHARGE

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

I hereby certify that a mortgage or charge dated the 28TH JULY 1993 and created by EXPRESS FOODS LIMITED (THE "BORROWER") for securing all moneys due or to become due from the Company to THE BANK OF TOKYO, LTD as agent and trustee for itself and the other finance parties (as therein defined) under the terms of the Senior Loan Agreement, any documentation for the time being governing the Overdraft facility, the Hedging Agreements, the Debenture, the Legal Charge and the other Financing Documents (as the case may be) on any account whatsoever.

was registered pursuant to Chapter I Part XII of the Companies Act 1985, on the 6TH AUGUST 1993

Given under my hand at the Companies Registration Office,
Cardiff the 10TH AUGUST 1993

No. 2670609

W. Grandon
W. GRANDON

an authorised officer

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Post
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HL.