



Registration of a Charge

Company Name: **SAXON QUALITY FOODS LIMITED**

Company Number: **07374852**



Received for filing in Electronic Format on the: **09/11/2021**

XAGVOHB7

Details of Charge

Date of creation: **05/11/2021**

Charge code: **0737 4852 0009**

Persons entitled: **ABBEYDALE FOOD GROUP LIMITED**

Brief description: **LEASEHOLD PROPERTY KNOWN AS 5 ATKINSONS WAY, FOXHILLS INDUSTRIAL ESTATE, SCUNTHORPE DN15 8QJ WITH TITLE NUMBER HS257801**

Contains fixed charge(s).

Contains negative pledge.

Authentication of Form

This form was authorised by: **a person with an interest in the registration of the charge.**

Authentication of Instrument

Certification statement: **I CERTIFY THAT SAVE FOR MATERIAL REDACTED PURSUANT TO S.859G OF THE COMPANIES ACT 2006 THE ELECTRONIC COPY INSTRUMENT DELIVERED AS PART OF THIS APPLICATION FOR REGISTRATION IS A CORRECT COPY OF THE ORIGINAL INSTRUMENT.**

Certified by: **WALKER MORRIS LLP**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 7374852

Charge code: 0737 4852 0009

The Registrar of Companies for England and Wales hereby certifies that a charge dated 5th November 2021 and created by SAXON QUALITY FOODS LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 9th November 2021 .

Given at Companies House, Cardiff on 10th November 2021

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



Companies House



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

DATED 5 November 2021

SAXON QUALITY FOODS LIMITED (1)

and

ABBEYDALE FOOD GROUP LIMITED (2)

LEGAL CHARGE

WALKER MORRIS LLP

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LEEDS

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Ref: ABB00333.4

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BETWEEN:

- (1) **SAXON QUALITY FOODS LIMITED** (company number: 07374852) whose registered office is at 5 Atkinsons Way, Foxhills Industrial Estate, Scunthorpe, South Humberside, DN15 8QJ (the **Chargor**); and
- (2) **ABBEYDALE FOOD GROUP LIMITED** (company number: 07360769) whose registered office is at 5 Atkinsons Way, Foxhills Industrial Estate, Scunthorpe, South Humberside, DN15 8QJ (the **Chargee**).

IT IS AGREED as follows:

1 DEFINITIONS AND INTERPRETATIONS

1.1 In this deed:

Act means the Law of Property Act 1925;

Business Day means a day (excluding Saturday and Sunday and statutory holidays) on which sterling deposits are dealt in on the London Inter-Bank Market between commercial banks and, if on that day a payment is to be made under this deed, such commercial banks are generally open for business in London;

Charge means the Security granted by the Chargor in favour of the Chargee under this deed;

Charged Assets means all property, assets and rights of the Chargor charged by this deed;

Companies Act means the Companies Act 2006 from time to time in force and as it is supplemented and amended;

Disposal includes any charge, sale (whether subject to this deed or otherwise), lease, sub-lease, assignment or transfer, or any agreement to enter into any of the foregoing, the grant of an option or similar right, the creation of a trust or other equitable interest in favour of a third party and a sharing or parting with possession or occupation whether by way of licence or otherwise and **Dispose** and **Disposition** shall be construed accordingly;

Environmental Law means any law (which includes an order or decree) any form of delegated legislation, treaty and any directive or regulation made by virtue of powers conferred by a treaty of any Governmental Authority regulating, relating to or imposing liability or standards of conduct concerning, environmental protection matters including without limitation, in relation to the manufacture, process, distribution, use, treatment, storage, disposal, transport or handling of Materials of Environmental Concern as now are or may at any time after this deed be in effect;

Fixtures means all assets of whatever nature apart from land and buildings forming part of the Property;

Governmental Authority means any nation or government, any state or political subdivision thereof or any entity exercising executive, legislative, judicial, regulatory or administrative functions or any of the foregoing;

Licences means all licences, consents, certificates, registrations, permits, other similar matters required in connection with the Property and the Business;

Materials of Environmental Concern means chemicals, pollutants, contaminants, wastes, toxic substances, petroleum products and distillates and all hazardous substances defined or regulated as such in or under any Environmental Law or any matter capable of causing pollution of the environment or harm to human health;

Planning Acts means any legislation, directions, notices and bye-laws from time to time in force relating to town and country planning, building and construction;

Property means the property described in the Part I of the Schedule together with all buildings thereon and all Fixtures subject to and with the benefit of all rights, easements, covenants, restrictions, stipulations, agreements, declarations and other matters affecting and/or benefiting the same;

Receiver includes a receiver (whether or not an administrative receiver), a receiver and manager and a manager;

Secured Liabilities means all monies, obligations and liabilities, whether actual or contingent, now or hereafter due, owing or incurred by the Chargor, in whatever currency denominated, under clause 2 of this deed or under any other provision of this deed and references to the Secured Liabilities include references to any of them;

Security means any mortgage, charge, pledge, lien, rights of set off, guarantee, or any other security whatsoever;

Security Period means the period beginning on the date of this deed and ending on the date on which the Chargee is satisfied that the Secured Liabilities have been irrevocably and unconditionally satisfied in full and the security hereby created has been unconditionally and irrevocably released and discharged and that no further Secured Liabilities are capable of arising;

SPA means the share purchase agreement entered into by the Chargee and Tuber Group Limited on or around the date of this deed in relation to the sale of the entire issued share capital of the Chargor;

Surety means any person or entity guaranteeing the Secured Liabilities;

Taxes means any present or future taxes, levies, duties, imposts, charges, fees, deductions or withholdings of any nature now or hereafter imposed, levied, collected, withheld or assessed by any taxing authority whatsoever and wheresoever including, without limitation, any penalty or interest payable in connection with any failure to pay or delay in paying the same; and

VAT means value added tax.

1.2 Construction and interpretation

1.2.1 Words and phrases which are not defined in this deed but which are defined in the Companies Act or the Insolvency Act 1986 shall be construed as having those meanings.

1.2.2 In construing this deed general words introduced by the word 'other' shall not be given a restrictive meaning by reason of the fact they are preceded by words indicating a particular class of acts matters or things and general words shall not be given a restrictive meaning by reason of the fact that they are followed by particular examples intended to be embraced by the general words.

1.2.3 The headings in this deed are inserted for convenience only and shall not affect its construction or interpretation and references to a clause, Schedule or paragraph are (unless otherwise stated) to a clause in or a Schedule to this deed and to a paragraph of the relevant Schedule.

- 1.2.4 All references in this deed to this deed shall unless the context otherwise requires be read and construed as references to this deed as the same may from time to time be amended, varied, extended, supplemented, novated or replaced and shall include any document which is supplemental to, is expressed to be collateral with or is entered into pursuant to or in accordance with the terms of this deed.
- 1.2.5 All the provisions of this **deed** are severable and distinct from one another and the illegality, invalidity or unenforceability of any provision of this deed under the law of any jurisdiction shall not affect its validity or enforceability under the law of any other jurisdiction nor the legality, validity or enforceability of any other provision.
- 1.2.6 Words importing one gender shall where appropriate include the other genders and words importing the singular shall where appropriate include the plural and vice versa.
- 1.2.7 Any reference in this deed to (i) any statute or statutory provision shall unless the context otherwise requires be construed as a reference to such statute or statutory provision as in force at the date of this deed and as subsequently amended, re-enacted or consolidated and shall also include all instruments, orders and regulations for the time being made thereunder or deriving validity therefrom and (ii) another agreement shall be construed as a reference to such other agreement as the same may have been or may from time to time be amended, varied, extended, supplemented, novated or replaced.
- 1.2.8 In this deed the expressions the **Chargor** and the **Chargee** shall unless the context otherwise requires include their respective successors or assigns whether immediate or derivative in relation to their respective interests, rights, entitlements and obligations in and under this deed.
- 1.2.9 References to the **Property** and the **Charged Assets** include any part of it or them and the **Property** includes all covenants and rights affecting or concerning the same. The **Property** also includes any share from time to time held by the Chargor in any landlord or management company of the Property.

2 COVENANT TO PAY

2.1 The Chargor covenants with the Chargee to pay and discharge on the due date or dates for payment and discharge or in the absence of any such date forthwith upon any demand made by the Chargee:

2.1.1 the Deferred Payment as defined by and in accordance with the SPA along with all interest in respect thereof;

2.1.2 all costs, charges, expenses and other sums whatsoever (including without prejudice to the generality of the foregoing any legal and other professional costs, charges and expenses including VAT) on a full and unqualified indemnity basis howsoever incurred or to be incurred by the Chargee or by or through any receiver, attorney, delegate, sub-delegate, substitute or agent of the Chargee or the Chargor (including without limitation the remuneration of any of them) for any of the purposes referred to in this deed in relation to the Charged Assets and all other costs, charges and expenses (whether in respect of litigation or not) incurred or to be incurred in the protection, realisation, enforcement of, or the collection or recovery of any monies from time to time owing under such security (or any security collateral or supplemental thereto) or in insuring, inspecting, repairing, maintaining, completing, managing, letting, realising or exercising any other power, authority or discretion in relation to the Charged Assets; and

2.1.3 interest on each of the foregoing calculated day by day from demand until full discharge (as well as before judgment) at 10 (ten) per cent above the base rate from time to time in force of The Royal Bank of Scotland Plc and, in respect of the sums specified in clause 2.1.1, interest shall accrue and be payable as from the dates on which the same are incurred or become due without the necessity for any demand being made for payment thereof.

2.2 All payments by the Chargor shall be made in full, without any set-off or counterclaim whatsoever and free from any deductions and withholdings, in sterling and in immediately available funds on the due date.

2.3 If a payment is due on a day which is not a Business Day, the due date for payment shall instead be the next Business Day in the same calendar month (if there is one) or the preceding Business Day (if there is not).

3 SECURITY

3.1 The Chargor, as a continuing security for the payment and discharge of the Secured Liabilities and in the manner specified in clause 3.2, charges to the Chargee:

3.1.1 by way of legal mortgage the Property.

3.1.2 by way of assignment the proceeds of any Disposal in respect of the Charged Assets, the proceeds of any claim made under any insurance policy relating to the Charged Assets and all deeds and documents from time to time relating to the same and all the proceeds of any insurance from time to time affecting the Charged Assets;

3.1.3 by way of fixed charge any plant and machinery which may from time to time be erected on or affixed to the Property;

3.2 Every Disposition effected by this deed is made with full title guarantee. The other terms of this deed do not limit or extend any of the covenants implied by virtue of Part 1 of the Law of Property (Miscellaneous Provisions) Act 1994 but create separate and independent obligations having effect cumulatively with those implied covenants.

4 RESTRICTIONS

4.1 The Chargor shall not during the Security Period without the prior consent in writing of the Chargee:

4.1.1 create or permit to arise any Security on the Charged Assets whether ranking before, *pari passu* with or after this Charge;

4.1.2 grant or agree to grant any lease, agreement for lease or licence in respect of the Charged Assets, or part with or share possession of the Charged Assets or grant any legal or equitable interest in or right over the Charged Assets;

4.1.3 accept any surrender of any lease, agreement for lease or licence of the Charged Assets;

4.1.4 vary the terms of any lease, agreement for lease or licence of the Charged Assets;

4.1.5 make any Disposition of the Charged Assets or any estate or interest in the Charged Assets; or

- 4.2 The Chargor shall on the date hereof apply to the Land Registrar on form RX1 (or such other equivalent form as the Land Registry may require) for a restriction to be entered onto the Proprietorship Register of the Property in the form of the restriction set out below

"No disposition of the registered estate by the proprietor of the registered estate is to be registered without a written consent signed by the proprietor for the time being of a charge dated 2021 in favour of Abbeydale Food Group Limited referred to in the charges register"

and shall do whatever acts or things as may be required in order to procure the entry of such restriction onto the Proprietorship Register of the Property and shall provide evidence of the registration of the same to the Chargee by way of official entries within five working days of the issue by the Land Registry of the same.

5 COVENANTS

- 5.1 The Chargor covenants with the Chargee during the Security Period:

- 5.1.1 to keep the Property and all Fixtures now or for the time being on the Property in good and substantial repair and condition and all plant and machinery now or for the time being on the Property in good working order (but for the avoidance of doubt the Chargor shall not be required to keep such Property, Fixtures or plant and machinery in a state of repair, condition or working order that is greater than on the date of the SPA);
- 5.1.2 not to make any structural or material alterations to the Property without the prior written consent of the Chargee or in any manner or by any means prejudice the value or marketability of the Property (as determined by the Chargee or in the case of a dispute a professional surveyor appointed by the Chargee), including, without limitation, by entering into any agreement or arrangement with any third party in respect of the Property, or sever any Fixtures from the Property unless the Chargor promptly replaces them with others of equal or greater value;
- 5.1.3 to comply with any covenants, stipulations and conditions relating to the Property or its use or enjoyment;

- 5.1.4 in the case of construction of any building to carry out the construction in a proper and workmanlike manner and to the full satisfaction of the Chargee acting reasonably;
- 5.1.5 to keep such of the Charged Assets as are insurable insured, with the interest of the Chargee endorsed or noted on the policies in such manner as the Chargee may require against loss or damage by fire and such other risks as the Chargee shall from time to time reasonably require to the full reinstatement value thereof (together with additional amounts estimated as sufficient to cover architects' and surveyors' fees and the costs of demolition site clearance and shoring up (including VAT)) or as the Chargee may decide with such insurance office or underwriters as may from time to time be approved by the Chargee in writing and the Chargor shall maintain such other insurances as are normally maintained by a prudent company carrying on a similar business;
- 5.1.6 to punctually pay all premiums and other monies necessary for keeping the insurances mentioned in clause 5.1.5 in force and, on demand, lodge the policies and receipts for such payments with the Chargee. Upon default of the same the Chargee may (but shall not be obliged to) take out or renew such insurances in such sums as the Chargee may think expedient and all monies expended by the Chargee under this clause 5.1.6 shall be deemed to be properly paid by the Chargee;
- 5.1.7 to apply all monies which may at any time be received or receivable under any insurances (whether effected by the Chargor or the Chargee and whether or not effected in pursuance to the covenants in this clause) in replacing, restoring or reinstating the Charged Assets in respect of which the monies were received or, if so required by the Chargee, towards the discharge of the Secured Liabilities;
- 5.1.8 to comply with the terms and conditions of any policy of insurance and not to do or omit to do anything whereby any such insurance may become void or voidable in whole or in part;
- 5.1.9 to punctually pay and indemnify the Chargee and any Receiver against all present and future rent, rates, taxes, duties, charges, assessments, and other outgoings now or at any time payable during the Security Period in respect of the Charged Assets or any part of it or by the owner or occupier of it;

- 5.1.10 to manage the Property in accordance with the principles of good estate management;
- 5.1.11 to furnish to the Chargee, its agents, representatives and employees from time to time such financial statements, information, valuations and certificates regarding the assets and liabilities, financial condition, business and affairs of the Chargor and any Surety as the Chargee may from time to time require;
- 5.1.12 not to create or permit to arise or subsist any overriding interest under the Land Registration Act 2002 in relation to the Property nor permit any person to become entitled to any proprietary right or interest which may affect the value of the Property;
- 5.1.13 to promptly inform the Chargee of any event or of the receipt of any notice which may affect the title of the Chargor to the Charged Assets or which may affect its ability to carry on the Business or the security created by this Charge;
- 5.1.14 to allow the Chargee or its agents with or without surveyors, workmen and others at all reasonable times to enter or inspect the Property, to view the state of repair of the Property or carry out an environmental survey on all or any of the Property and to carry out at the Chargor's expense any repairs to the Property which the Chargee considers necessary (without becoming liable as a mortgagee in possession) and all monies expended by the Chargee under this clause 5.1.14 shall be deemed to be properly paid by the Chargee;
- 5.1.15 where the Property comprises or is or becomes subject to any lease, underlease, tenancy or agreement for lease (the **Lease**):
- (a) to observe and comply with all its obligations under and enforce the due observance and performance of the obligations of all other persons connected with the Lease, and promptly implement all rent reviews due under the Lease and not to waive, release or vary any of the terms of the Lease or accept a surrender of the same or exercise any power to determine or extend the same or grant any consent or licence or conclude any rent review under the same; and
 - (b) to promptly deliver to the Chargee a duly completed and stamped counterpart of any new lease; and

- (c) not to serve any notice under section 17 of the Landlord and Tenant (Covenants) Act 1995.
- 5.1.16 to send to the Chargee, within seven days of receipt, copies of any notice, order or proposal under the Planning Acts sent to the Chargor and affecting the Property or the Business by any competent authority; and
 - (a) without delay comply with such notice or order (unless requested by the Chargee to act otherwise); and
 - (b) at the request of the Chargee, and at its own cost, make or join with Chargee in making such objections or representations in respect of such proposal as the Chargee shall require and any compensation received by the Chargor as a result shall be paid to the Chargee and be applied in reduction of the Secured Liabilities;
- 5.1.17 where the Property at any time is or includes premises in respect of which any Licence or other authorisation of any kind is in force or ought to be in force, under any legislation, to take all necessary steps to take out, renew or maintain the Licence or other authorisation and not to do or allow to happen anything which might affect this;
- 5.1.18 not to exercise any of the powers of leasing or agreeing to lease vested in or conferred on mortgagors by common law or by statute or create or suffer to be created a tenancy of any description of the Property or confer upon any person any contractual licence, right or interest to occupy the whole or any part of the said property or accept or agree to accept a surrender of any lease, underlease, tenancy, licence or agreement;
- 5.1.19 at the request of the Chargee to call up (and not call up without the prior consent in writing of the Chargee) any uncalled capital both present and future and any monies received from the calling up of capital shall if required by the Chargee be applied in or towards the discharge of the Secured Liabilities;

- 5.1.20 not without the prior written consent of the Chargee to exercise any option, election or discretion to charge VAT or transfer the right to recover any VAT or levy VAT or to treat supplies made by it as taxable supplies for the purposes of VAT provided that if the Chargee so requires the Chargor shall exercise any option, election or discretion which may now or hereafter be available to it to charge VAT or to treat supplies made by it as taxable supplies for the purposes of VAT;
- 5.1.21 to comply in all respects with all requirements of Environmental Law applicable to the Chargor in accordance with good practice;
- 5.1.22 promptly to notify the Chargee in writing of any claim or demand made on, or warning or other notice connected with Environmental Law given to the Chargor or to any occupier of any property owned or leased by the Chargor under any Environmental Law and any circumstances which arise whereby any remedial action is likely to be required to be taken by, or at the expense of, the Chargor in connection with any Environmental Law applicable to the Business or the Charged Assets and to take such remedial action as the Chargee shall require; and
- 5.1.23 as soon as reasonably practicable after demand by the Chargee, to provide such specialist reports on Matters of Environmental Concern affecting the Business, or the Charged Assets as the Chargee shall reasonably require.
- 5.2 If the Chargor at any time defaults in complying with any obligations contained in this deed the Chargee shall without prejudice to any other rights it may have as a consequence of such default be entitled to make good such default and the Chargor irrevocably authorises the Chargee and its representatives by way of security to do all such things (including without limitation entering the Property) necessary or desirable in connection with such action. Any monies so expended by the Chargee shall be deemed to form a part of the Secured Liabilities and Secured Liabilities shall be construed accordingly.

6 DEPOSIT OF TITLE DOCUMENTS AND FURTHER ASSURANCE

- 6.1 The Chargor will deliver to the Chargee (or its nominee) all deeds, documents of title, all insurance policies and such other documents relating to the Charged Assets as the Chargee may from time to time require. The Chargee shall be entitled to retain all such documents.

6.2 The Chargor may request the Chargee to produce to the Chargor or its solicitor any deeds to the Property held by the Chargee, subject to receipt by the Chargee of an acceptable safe custody undertaking, or to supply extracts from or copies of such deeds and the Chargor will be required to pay the Chargee's costs and expenses in connection with this.

6.3 The Chargor shall, at its own expense, take whatever action (including, without limitation, payment of all stamp duties and other registration fees) the Chargee may require for:

6.3.1 perfecting or protecting this Charge; and

6.3.2 facilitating the realisation of the Charged Assets or the exercise of any right, power or discretion exercisable by the Chargee or any of its delegates or sub-delegates in respect of the Charged Assets, including the execution and delivery of all deeds, instruments, transfers, renunciations, proxies, notices, documents, acts and things in such form as the Chargee may from time to time require and the giving of any notice, order or direction and the making of any registration, which in any such case, the Chargee may think expedient.

7 POWERS OF THE CHARGE

7.1 The statutory powers of sale and of appointing a Receiver (as extended by this deed) shall arise at any time after the execution of this deed.

7.2 At any time after the Chargee has demanded payment from the Chargor of any of the Secured Liabilities, or if requested by the Chargor, the Chargee may exercise without further notice and without the restrictions contained in section 103 of the Act all the powers conferred on mortgagees by the Act as varied by this deed and all the powers and discretions conferred by this Charge either itself or by a Receiver appointed by it, without first appointing a Receiver or notwithstanding any such appointment.

7.3 The Chargee shall have the power to lease, make agreements for and accept surrenders of leases and to grant options on such terms as it may consider expedient and without the need to observe any of the provisions of sections 99 and 100 of the Act.

7.4 The Chargee may in its absolute discretion release from this Charge any part of the Charged Assets.

7.5 The Chargee may at any time obtain, at the Chargor's expense, an up to date professional valuation of the Property and/or the Business and the Chargor and any Surety shall give the valuer all reasonable assistance to enable it to carry out the valuation and permit it such access to any of the Charged Assets, the assets used in the Business and the records and accounts of the Chargor or any Surety as it reasonably requires to conduct the valuation.

7.6 If any building operations on the Property are not carried out in a proper and workmanlike manner and with diligent progress to the reasonable satisfaction of the Chargee (or its surveyor) the Chargee may (but shall not be under any obligation so to do) serve a written notice on the Chargor advising it of such failure and the Chargor shall have such period as the Chargee may specify to remedy the same failing which:

7.6.1 the Chargor shall if required by written notice from the Chargee within seven days assign to the Chargee or as it may direct all the benefit and interest of the Chargor in any building contract, sub-contract, appointment of professional advisers and such other contracts as the Chargor may have relating to such building operations and will take or procure such action as is necessary or desirable to provide the Chargee or its nominee with privity of contract and take all such other steps as the Chargee may require to enable the Chargee to procure completion of the said building operations;

7.6.2 the Chargor shall permit the Chargee at the Chargor's cost to complete or procure the completion of the said building operations in both cases with power for the Chargee and any persons authorised by the Chargee to enter upon the Property for any of the above purposes without thereby becoming a mortgagee in possession.

8 RECEIVER

8.1 Appointment of Receiver

At any time after the Chargee has demanded repayment of all or any of the Secured Liabilities or if the Chargor requests that a Receiver be appointed then the Chargee may by writing under the hand of any director or manager or other authorised signatory for the time being of the Chargee appoint any person or persons to be a Receiver of the whole or any part or parts of the Charged Assets and of all the rights of the Chargee contained in or conferred by this deed.

8.2 Joint Receivers

Where two or more persons are appointed to be a Receiver the Chargee may in the appointment declare whether any act required or authorised to be done by a Receiver is to be done by all or any one or more of them for the time being holding office and subject thereto any such persons may act jointly and/or severally.

8.3 Powers of Receiver

Any Receiver shall (subject to any limitations or restrictions expressed in the deed or other instrument appointing him but notwithstanding the winding-up or dissolution or bankruptcy at any time of the Chargor) have:

8.3.1 all the powers conferred from time to time on receivers by law and/or statute (including the Act); and

8.3.2 power (without limitation) to:

- (a) take possession of, collect, get in and give receipts binding on the Chargor for all or any of the Charged Assets and all rents and other income in connection with the Charged Assets whether accrued before or after the date of his appointment in such manner as he thinks fit;
- (b) bring, defend or discontinue any proceedings (including arbitration proceedings) in the name of the Chargor or otherwise as may seem expedient to him;
- (c) carry on, manage and develop the whole or any part of the Business and/or the Charged Assets, and for this purpose to make use of any of the Chargor's assets which may be on the Property without being liable to compensate the Chargor for such use;
- (d) redeem any security, raise or borrow any money from or incur any liability to the Chargee or others on such terms and secure the payment of any money as he may think fit and so that any such security may be or include a charge on all or any of the Charged Assets;

- (e) without the restrictions imposed by section 103 of the Act or the need to observe any of the provisions of sections 99 and 100 of the Act sell by public auction or private contract, let, surrender or accept surrenders, grant licences or otherwise Dispose of or deal with all or any of the Charged Assets on such terms and conditions as he may think fit in the name and on behalf of the Chargor or otherwise. Any such sale, lease or Disposition may be for any form of valuable consideration and be payable immediately or by instalments spread over such period as he shall think fit and so that any consideration received becomes charged with the payment of all moneys, obligations and liabilities hereby secured. Plant, machinery, fixtures, fittings and equipment may be severed and sold separately from the premises containing them and the Receiver may apportion any rent relating to the premises sold without the consent of the Chargor;
- (f) carry out on the Property any new works or complete any unfinished works of building reconstruction maintenance furnishing or equipment;
- (g) on behalf of the Chargor remove, store, sell or otherwise deal with any chattels not subject to this Charge without being responsible to the Chargor for any loss;
- (h) promote the formation and trading of companies and arrange for such companies to acquire all or any of the Charged Assets on such terms and conditions as he may think fit;
- (i) make any arrangement or compromise, allow time for payment or enter into, abandon, cancel or disregard any contracts in relation to the Charged Assets as he shall think fit;
- (j) purchase or acquire any land or other property and purchase acquire grant or release any interest in or right over land or the benefit of any covenants (positive or restrictive) affecting land;
- (k) make and effect such repairs and improvements to the Charged Assets as he may think fit and maintain or vary insurance cover;

- (l) make any arrangements or compromise which he thinks fit in relation to any lease of all or part of the Property or to any covenants or restrictions relating to the Property;
- (m) insure the Charged Assets and any works and effect indemnity insurance or other similar insurance and obtain bonds and give indemnities and security to any bondsmen;
- (n) appoint managers, agents, officers and employees;
- (o) without any further consent by or notice to the Chargor exercise on behalf of the Chargor all the power and provisions conferred on a landlord or a tenant by any legislation from time to time in force in respect of the Property but without any liability in respect of powers so exercised or omitted to be exercised;
- (p) acquire, renew, extend, grant, vary or otherwise deal with such easements, rights, privileges and licences over or for the benefit of the Charged Assets as he considers expedient;
- (q) do all such other acts and things as may be considered by the Receiver to be incidental or conducive to any of the above matters or powers or to the preservation or realisation of the Charged Assets.

8.4 Receiver as Agent

Any Receiver shall so far as the law allows be deemed to be the agent of the Chargor for all purposes and the Chargor shall be solely responsible for his acts, defaults, contracts, engagements, omissions, losses, liabilities, misconduct and remuneration and the Chargee shall not be under any liability whatsoever in such regard.

8.5 Remuneration

The remuneration of the Receiver shall be such sum or rate payable in such manner as may be agreed between him and the Chargee at or at any time after his appointment without being limited to the maximum rate specified in section 109(6) of the Act.

8.6 Removal

The Chargee may from time to time under the hand of any director or manager or other authorised signatory for the time being of the Chargee remove any Receiver appointed

by it and may whenever it may deem it expedient appoint or as the case may be apply to the court for the appointment of another qualified person as a new Receiver in place of any Receiver whose appointment may for any reason have terminated.

8.7 Application of Proceeds

Any Receiver shall (so far as the law allows) apply all monies received by him after the discharge of all prior ranking claims and all costs, charges and expenses of and incidental to his appointment and the payment of his remuneration in or towards the satisfaction of the Secured Liabilities in such order as the Chargee may in its absolute and unfettered discretion from time to time conclusively determine.

8.8 Liability

Neither the Chargee nor any Receiver shall be liable to account:

- 8.8.1 as mortgagee in possession in respect of all or any of the Charged Assets nor be liable for any loss upon realisation whatsoever for which a mortgagee in possession may be liable as such; or
- 8.8.2 for any money or assets not actually received by it or him whether or not a better price might have been obtained by deferring or advancing any Disposal of the Charged Assets.

9 EFFECTIVENESS OF SECURITY

9.1 This Charge:

- 9.1.1 shall remain in full force and effect as a continuing security unless and until the Chargee discharges it and shall extend to cover the ultimate balance due from the Chargor to the Chargee notwithstanding there may have been at any time a balance to the credit of the Chargor on any account between the Chargor and the Chargee or any other matter or thing whatsoever;
- 9.1.2 shall be in addition to and shall be independent of every other security which the Chargee may at any time hold for any of the Secured Liabilities and may be enforced without the Chargee first having recourse to any such security and without taking steps or proceedings against any person;
- 9.1.3 shall not merge with any prior security held by the Chargee over the whole or any part of the Charged Assets; and

- 9.2 Nothing contained in this deed is intended to, or shall operate so as to, prejudice or affect any bill, note, guarantee, mortgage, debenture, pledge, charge or other security of any kind whatsoever which the Chargee may have for the Secured Liabilities or any of them or any right, remedy or privilege of the Chargee thereunder.
- 9.3 Neither the Security nor any remedy of the Chargee in respect of the Security shall be prejudiced by any unenforceability or invalidity of any other agreement or document.

10 WAIVER OF DEFENCES

- 10.1 The liability of the Chargor under this deed will not be affected by any act, omission, circumstance, matter or thing which but for this provision would release or prejudice any of its obligations under this deed or prejudice or diminish such obligations in whole or in part including without limitation and whether or not known to the Chargor or the Chargee or by:
- 10.1.1 any time or waiver granted to or composition with the Chargor or any other person; or
 - 10.1.2 the taking, variation, compromise, exchange, renewal or release or refusal or neglect to perfect, take up or enforce any rights against or security over assets of the Chargor or any other person or any non-presentment or non-observance of any formality or other requirement in respect of any instruments or any failure to realise the full value of any other security; or
 - 10.1.3 any incapacity or lack of powers, authority or legal personality of or dissolution or change in the members or status of the Chargor or any other person; or
 - 10.1.4 any unenforceability, illegality or invalidity of any obligations of any person under this deed to the intent that the Chargor's obligations under this deed shall remain in full force and this deed be construed accordingly as if there were no unenforceability, illegality or invalidity.
- 10.2 The Chargee shall not be concerned to see or investigate the powers or authorities of any of the Chargor or its officers or agents and moneys obtained or Secured Liabilities incurred in purported exercise of such powers or authorities or by any person purporting to be the Chargor shall be deemed to form a part of the Secured Liabilities and Secured Liabilities shall be construed accordingly.

11 PROTECTION FOR THIRD PARTIES

No third party dealing with the Chargee or any Receiver or its or his agents shall whether before, on or after any contract, Disposition or assurance in relation to any Charged Assets in such third party's favour be concerned to enquire whether the Secured Liabilities have become payable or whether the Receiver is validly appointed or whether any power which the Chargee or any Receiver purports to exercise has become exercisable or whether any of the Secured Liabilities remain undischarged or to see to the application of any money paid to the Chargee or any Receiver nor shall any such third party lending any money to a Receiver be concerned to enquire as to the propriety or purpose of the exercise of such power or as to the application of any money so borrowed.

12 DELEGATION

The Chargee or any Receiver may at any time delegate by power of attorney or in any other manner to any properly qualified person or persons all or any of the powers, (including the powers of attorney contained in clause 16), authorities, and discretions which are for the time being exercisable by the Chargee or any Receiver under this deed in relation to the Charged Assets or any part of the Charged Assets. Any such delegation may be made upon such terms (including power to sub-delegate) and subject to such regulations as the Chargee or Receiver may think fit. Neither the Chargee nor any Receiver shall save for their wilful default or gross negligence be in any way liable or responsible to the Chargor for any loss or damage arising from any act, default, omission or misconduct on the part of any such delegate or sub-delegate except to the extent attributable to its wilful misconduct or gross negligence.

13 APPROPRIATION

Subject to clause 14 the Chargee may appropriate all payments received for the account of the Chargor in reduction of any part of the Secured Liabilities as the Chargee decides.

14 SUSPENSE ACCOUNTS

The Chargee and any Receiver may place and keep (for such time as it shall consider prudent) any money received recovered or realised pursuant to this deed in a separate suspense account securing interest at a reasonable commercial rate (to the credit of either the Chargor or the Chargee as the Chargee or Receiver shall think fit) without any obligation to apply the same or any part thereof in or towards the discharge of the Secured Liabilities.

15 SUBSEQUENT CHARGES

If the Chargee receives notice of any subsequent charge or other interest affecting any part of the Charged Assets or of any other matter which may cause the Security created by this deed to cease to be a continuing security the Chargee may open a new account or accounts for the Chargor. If the Chargee does not open a new account in such circumstances then unless the Chargee shall notify the Chargor to the contrary it shall nevertheless be treated as if it had done so at the time when it received such notice and as from that time all payments made by or on behalf of the Chargor to the Chargee shall be credited or deemed to have been credited to the new account and shall not operate to reduce the amount secured by this deed at the time when it received such notice.

16 POWER OF ATTORNEY

16.1 Appointment

The Chargor by way of security and in order more fully to secure the performance of the Chargor's obligations under this deed irrevocably appoints the Chargee and the persons deriving title under it and separately any Receiver jointly and severally to be its attorney for and in its name and on its behalf and as the act and deed or otherwise of the Chargor, at any time after the Chargee has demanded payment or discharge by the Chargor of the Secured Liabilities, to execute as a deed or under hand (as applicable) and deliver and do all such assurances acts and things which the Chargor is required to execute and do under the covenants and provisions contained in this deed and to make any demand upon or to give any notice receipt or discharge to any person owing monies to the Chargor comprised in the Charged Assets and to execute as a deed or under hand (as applicable) and deliver any charges, legal mortgages, assignments or other security and any transfers of securities required to be executed hereunder and generally in its name and on its behalf to exercise all or any of the powers authorities and discretions conferred by or pursuant to this deed or by statute on the Chargee or any such Receiver or which may be required or which the Chargee or any Receiver shall deem fit for carrying any sale, lease, charge, disposal or other dealing by the Chargee or any Receiver into effect or for giving the Chargee or any Receiver the full benefit of this deed and generally to use the name of the Chargor and to do anything (without prejudice to the generality of the foregoing) which it or he may reasonably deem proper in or for the purpose of exercising any of such powers authorities and discretion.

16.2 Ratification

The Chargor covenants with the Chargee and separately with any Receiver that on request it will ratify and confirm all security, agreements, documents, acts and things and all transactions entered into by the Chargee or any Receiver (or by the Chargor at the instance of the Chargee or any Receiver) in the exercise or purported exercise of its or his powers and the Chargor irrevocably acknowledges and agrees that the power of attorney contained in clause 16.1 is given inter alia to secure the performance of the obligations from time to time owed to the respective donees within the meaning of the Powers of Attorney Act 1971.

17 SET-OFF AND COMBINATION OF ACCOUNTS

It shall be lawful for the Chargee at any time and without any prior notice to the Chargor (and in addition to and without prejudice to any other rights conferred on the Chargee by law or otherwise) to combine or consolidate all or any of the Chargor's accounts and/or transfer all or any part of any balance standing to the credit of any such accounts and/or apply any moneys received or otherwise held by the Chargee to the credit or order of the Chargor in or towards satisfaction of the whole or any part of the Secured Liabilities or to any other such accounts which may be in debit and any currency conversion shall be calculated at the then prevailing spot rate of exchange of the Chargee for purchasing the currency for which the Chargor is liable with the currency being converted but the Chargee shall notify the Chargor of the transfer having been made.

18 REPRESENTATIONS AND WARRANTIES

18.1 The Chargor represents and warrants to the Chargee that:

18.1.1 except pursuant to this deed, the Chargor is the sole, lawful and beneficial owner of all the Charged Assets free from encumbrances;

18.1.2 the Chargor has and will at all times have the necessary power to enable it to enter into and perform the obligations expressed to be assumed by it under this deed;

18.1.3 this deed constitutes the Chargor's legal, valid, binding and enforceable obligations and is an effective and enforceable security over the Charged Assets and every part of the Charged Assets;

18.1.4 all necessary authorisations to enable and entitle the Chargor to enter into this deed have been obtained and are in full force and effect and will remain in such force and effect at all times during the subsistence of the Security Period;

- 18.1.5 nothing in this deed or in any other document for the time being in force between the Chargor and the Chargee will contravene any provision of or constitute a default under any document to which the Chargor may be a party or the Chargor's articles of association or by which the Chargor or any of the Chargor's assets may at any time be bound or affected or constitute an event which with the giving of notice and/or the lapse of time and/or a relevant determination would constitute such a contravention or default; and
- 18.1.6 the Chargor has not entered into any agreement to sell, dispose of or grant any other charge over the Charged Assets; and
- 18.1.7 from the date of this Deed there is, no waste or noxious, offensive or dangerous substance that has been used, disposed of, produced, stored or deposited under, on or in or emitted from the Property.
- 18.2 The representations and warranties so set out are made on the date of this deed and are deemed to be repeated by the Chargor daily throughout the Security Period with references to the facts and circumstances then existing.

19 CONSOLIDATION

Section 93 of the Law of Property Act 1925 shall not apply to the security created by this Charge or to any security given to the Chargee pursuant to this Charge. Accordingly the Chargor is not entitled to redeem the same without at the same time redeeming all other security which the Chargee may then hold over any property or assets of the Chargor.

20 BENEFIT OF CHARGE

This deed and the Charge shall remain enforceable valid and binding for all purposes notwithstanding any change in the name of the Chargee or its absorption of or by or its amalgamation or consolidation with any other company or other body or any change in the constitution of the Chargee its successors or assigns or the company by which the business of the Chargee may from time to time be carried on and shall be available to such successors assigns or company carrying on that business for the time being.

21 INDEMNITIES

21.1 General

The Chargor agrees to indemnify the Chargee and any Receiver on demand against all losses, actions, claims, expenses, demands or liabilities whether in contract, tort or otherwise now or hereafter incurred by it or him or by any manager, agent, officer or employee for whose liability, act or omission it or he may be answerable for anything done or omitted in the exercise or purported exercise of the powers contained in this deed or occasioned by any breach by the Chargor of any of its covenants or other obligations under this deed, save for any losses, actions, claims, expenses, demands or liabilities which results from such party's gross negligence or wilful misconduct.

21.2 Taxes

The Chargor agrees to indemnify the Chargee and any Receiver on demand against all present or future stamp or other taxes or duties and any penalties or interest with respect thereto which may be imposed by any competent jurisdiction in connection with the execution or enforcement of this deed or in consequence of any payment made pursuant hereto being impeached or declared void for any reason whatsoever.

22 PAYMENT AND DISCHARGE

22.1 Reinstatement

Any settlement or discharge under this deed between the Chargee and the Chargor shall be conditional upon no security or payment to the Chargee by the Chargor or any other person being avoided or set aside or ordered to be refunded or reduced by virtue of any provision or enactment relating to bankruptcy, insolvency, administration or liquidation for the time being in force and if such condition is not satisfied the Chargee shall be entitled to recover from the Chargor on demand the value of such security or the amount of any such payment as if such settlement or discharge had not occurred.

22.2 Releases

The Chargee shall at the request of the Chargor following the irrevocable payment and discharge of the Secured Liabilities and the Chargee being satisfied that such payment is not subject to avoidance or liable to be set aside refunded or reduced as referred to in clause 22.1 duly execute and do all such deeds acts and things as may be necessary to release the relevant Charged Assets.

23 REMEDIES, TIME OR INDULGENCE

- 23.1 The rights, powers and remedies provided by this deed are cumulative and are not, nor are they to be construed as, exclusive of any powers and remedies provided by law.
- 23.2 No failure on the part of the Chargee to exercise, or delay on the part of the Chargee in exercising any of the rights, powers and remedies provided by this deed or by law shall operate as a waiver or such rights, powers and remedies, nor shall any single or partial waiver preclude any further or other exercise of any such rights, powers and remedies.

24 CERTIFICATE

The certificate of the Chargee as to any amount claimed under this deed shall be conclusive evidence of the amount due in the absence of manifest error.

25 NOTICES

- 25.1 All notices, requests, demands or other communications between the Chargee and the Chargor shall be given in writing by letter addressed:
 - 25.1.1 in the case of the Chargor, to its registered office or at such other place as the Chargor may notify to the Chargee in writing or by facsimile transmission to the facsimile number last notified to the Chargee giving such notice or by such other form of electronic communication as may be available, and
 - 25.1.2 in the case of the Chargee, to its office at 5 Atkinsons Way, Foxhills Industrial Estate, Scunthorpe, South Humberside, DN15 8QJ or such other address as the Chargee shall notify to the Chargor for this purpose from time to time.
- 25.2 Any demand or notice shall be deemed to be duly served:
 - 25.2.1 if delivered by hand at the time of delivery to such address referred to above, or
 - 25.2.2 at the expiration of 48 hours after it has been posted and shall be effected notwithstanding that it may be misdelivered or returned undelivered, or
 - 25.2.3 at the time of transmission if given or made by facsimile or other form of electronic communication.

26 COUNTERPARTS

This deed may be executed in any number of counterparts, all of which, taken together, shall constitute one and the same document and either party may enter into this deed by executing a counterpart.

27 ASSIGNMENT

The Chargee shall have a full and unfettered right to assign or transfer all or any of its rights under this deed.

28 THIRD PARTY RIGHTS

A person who is not a party to this deed has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this deed but this does not affect any right or remedy of a third party which exists or is available apart from that Act (including, without limitation, any right or remedy arising by virtue of an assignment of the benefit of this deed or any part of this deed which is permitted in accordance with its terms).

29 GOVERNING LAW

This deed, and any non-contractual obligations arising out of or in connection with it, shall be governed by and construed in accordance with English Law and the parties to it submit to the non-exclusive jurisdiction of the English courts but without prejudice to the right of the Chargee to pursue its remedies in any other jurisdiction it thinks fit.

IN WITNESS OF WHICH the parties to this deed have executed it as a deed and delivered it on the date first above written.

SCHEDULE - PART 1 - THE PROPERTY

Leasehold property known as 5 Atkinsons Way, Foxhills Industrial Estate, Scunthorpe DN15 8QJ with
title number HS257801

EXECUTED AS A DEED)

by **SAXON QUALITY FOODS LIMITED**)

acting by:)

Director

Director/Secretary

Or

EXECUTED AS A DEED)

by **SAXON QUALITY FOODS LIMITED**)

acting by , a director,)

in the presence of:)

Name:

Address:

Signature:

Occupation:

SIGNED BY)

duly authorised for and on)

behalf of **ABBEYDALE FOOD GROUP LIMITED**)

in the presence of:)

Name: *NIGEL COOPER*

Address:

Signature:

Occupation:

Golf Club Manager