



Registration of a Charge

Company name: **BAXTERS FOOD GROUP LIMITED**

Company number: **SC023572**



X5CM0KAR

Received for Electronic Filing: **03/08/2016**

Details of Charge

Date of creation: **22/07/2016**

Charge code: **SC02 3572 0011**

Persons entitled: **HSBC CORPORATE TRUSTEE COMPANY (UK) LIMITED AS SECURITY TRUSTEE FOR THE SECURED PARTIES**

Brief description:

Contains fixed charge(s).

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: **PINSENT MASONS LLP**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 23572

Charge code: SC02 3572 0011

The Registrar of Companies for Scotland hereby certifies that a charge dated 22nd July 2016 and created by BAXTERS FOOD GROUP LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 3rd August 2016 .

Given at Companies House, Edinburgh on 4th August 2016

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**

EXECUTION VERSION

DATED 22 July 2016

(1) BAXTERS FOOD GROUP LIMITED

(2) BAXTERS CANADA INC.

(3) HSBC CORPORATE TRUSTEE COMPANY (UK) LIMITED
(AS SECURITY AGENT)

Charge over Shares



Pinsent Masons

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THIS CHARGE is made on 22 July 2016

BETWEEN:-

- (1) **BAXTERS FOOD GROUP LIMITED** incorporated in Scotland (Registered Number SC023572) whose registered office is at Highfield House, Fochabers, Moray, IV32 7LD (the "**Chargor**");
- (2) **BAXTERS CANADA INC.** a legal person incorporated pursuant to the laws of Quebec, having its registered office at 4800 Pinard Ave. Sainte-Hyacinthe, Québec, J2S 8E1; and
- (3) **HSBC CORPORATE TRUSTEE COMPANY (UK) LIMITED** incorporated in England (Registered Number 06447555) whose registered office is at 8 Canada Square, London, E14 5HQ as Security Agent under and as defined in the Intercreditor Agreement (as defined below) (the "**Security Agent**") as security trustee for the Secured Parties (as defined in the Intercreditor Agreement).

THIS DEED WITNESSES as follows:-

1. INTERPRETATION

1.1 Definitions

In this Deed unless the context requires otherwise:-

"Acceleration Event"	has the meaning given to that term in the Intercreditor Agreement;
"Charge"	means all or any of the Security created, or which may at any time be created, by or pursuant to this Deed;
"Charged Property"	means the Original Shares, any Further Shares, any Derived Assets and any Dividends;
"Debt Documents"	has the meaning given to that term in the Intercreditor Agreement;
"Debtors"	has the meaning given to that term in the Intercreditor Agreement;
"Delegate"	means a delegate or sub-delegate appointed pursuant to Clause 21.4 (<i>Delegation</i>);
"Derived Assets"	means all Shares, rights or other property of a capital nature which accrue or are offered, issued or paid at any time (by way of bonus, rights, redemption, conversion, exchange, substitution, consolidation, subdivision, preference, warrant, option, purchase or otherwise) in respect of:- <div style="margin-left: 40px;"><p>(a) the Original Shares; or</p><p>(b) any Further Shares; or</p><p>(c) any Shares, rights or other property previously accruing, offered, issued or paid as mentioned in this definition;</p></div>
"Dissolution"	of a person includes the bankruptcy, insolvency, liquidation, amalgamation, reconstruction, reorganisation, administration, administrative or other receivership, or dissolution of that person, and any equivalent or analogous proceeding by whatever name known and in whatever jurisdiction, and any step taken (including, but without limitation, the presentation of a petition or the passing of a resolution) for or with a view to any of the foregoing;

"Dividends"	means all dividends, interest and other income paid or payable in respect of the Original Shares, any Further Shares or any Derived Assets;
"Event of Default"	has the meaning given to that term in the Intercreditor Agreement;
"Facility Agreements"	has the meaning given to that term in the Intercreditor Agreement;
"Further Shares"	means all Shares in which the Company has an interest (other than the Original Shares and any Shares comprised in any Derived Assets) which the Chargor and the Security Agent may at any time agree shall be subject to the Charge;
"Intercreditor Agreement"	means the intercreditor deed dated on or about the date of this Security and made between, amongst others, the Chargor, the other Debtors, the Security Agent, the Senior Agent, the Senior Lender, the Noteholders and certain others (all as defined in the Intercreditor Agreement);
"LPA"	means the Law of Property Act 1925;
"Original Shares"	means the Shares listed in the Schedule;
"Proceedings"	means any proceeding, suit or action arising out of or in connection with this Deed;
"Receiver"	has the meaning given to such term in the Intercreditor Agreement;
"Regulations"	means the Financial Collateral Arrangements (No2) Regulations 2003 (S.I. 2003/3226) or equivalent legislation in any applicable jurisdiction bringing into effect Directive 2002/47/EC on financial collateral arrangements;
"Rights"	means rights, benefits, powers, privileges, authorities, discretions and remedies (in each case, of any nature whatsoever);
"Secured Obligations"	means all monies and liabilities now or after the date of this Deed due, owing or incurred by a Debtor or the Debtors to the Secured Parties (or any of them) under the Debt Documents (or any of them), in any manner and in any currency or currencies and whether present or future, actual or contingent, whether incurred solely or jointly with any other person and whether as principal or surety, together with all interest accruing on such monies and liabilities and all costs, charges and expenses incurred by any Secured Party under any Debt Document including any Make-Whole Amount, and all or any monies, liabilities and obligations due by the Chargor under this Deed;
"Security"	means a mortgage, charge, pledge, lien or any other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect; and
"Shares"	means stocks, shares and other securities of any kind.

1.2 Incorporation of terms

Unless the context otherwise requires or unless defined in this Deed, all words and expressions defined or whose interpretation is provided for in the Intercreditor Agreement shall have the same meanings in this Deed.

1.3 Interpretation

In this Deed, unless the context otherwise requires:-

- 1.3.1 words importing the singular shall include the plural and vice versa and reference to any gender includes the other gender;
- 1.3.2 references to a "**guarantee**" include an indemnity or any other form of surety;
- 1.3.3 all references to documents include such documents as amended, supplemented, replaced or novated from time to time;
- 1.3.4 all references to a party include references to its personal representatives, permitted assigns and transferees and its successors in title and (where applicable) to any replacement or additional trustee or agent;
- 1.3.5 references to persons include bodies corporate, unincorporated associations and partnerships;
- 1.3.6 words and phrases defined in the Companies Act 2006 have the same meanings in this Deed but the word "**company**" includes any body corporate;
- 1.3.7 if there is any conflict between the provisions of this Deed and the provisions of the Intercreditor Agreement, the provisions of the Intercreditor Agreement shall prevail;
- 1.3.8 an Event of Default is continuing if it has not been waived; and
- 1.3.9 the provisions of clause 1.2 (*construction*) of the Intercreditor Agreement shall be deemed to be incorporated into this Deed *mutatis mutandis*.

1.4 Statutes and headings

In this Deed:-

- 1.4.1 any reference to any statute or statutory instrument includes any enactment replacing or amending it or any instrument, order or regulation made under it and also includes any past statutory provisions (as from time to time modified or re-enacted) which such provision has directly or indirectly replaced; and
- 1.4.2 headings are for reference purposes only and shall not affect the construction of anything in this Deed.

1.5 Clauses and Schedules

In this Deed references to "**Clauses**" are to the clauses or sub-clauses of this Deed, references to the "**Schedule**" is to the Schedule to this Deed. The Schedule shall be treated as an integral part of this Deed and references to this Deed shall include the Schedule.

2. COVENANT TO PAY

The Chargor undertakes to the Security Agent that it will pay and discharge the Secured Obligations when the same become due for payment or discharge, whether by acceleration or otherwise.

3. CHARGE

The Chargor, as continuing security for the payment and discharge of all Secured Obligations, with full title guarantee charges all its Rights, title and interest in and to the Charged Property by way of first fixed charge in favour of the Security Agent.

4. COVENANT TO DEPOSIT AND FURTHER ASSURANCES

4.1 Original Shares and Further Shares

The Chargor shall, immediately after the execution of this Deed in the case of the Original Shares, and within two Business Days of each occasion on which the Security Agent and the Chargor agree that any Shares shall become Further Shares, deposit with the Security Agent:-

- 4.1.1 all share certificates, documents of title and other documentary evidence of ownership in relation to such Shares; and
- 4.1.2 transfers of such Shares duly executed by the Chargor or its nominee with the name of the transferee left blank and such other documents as the Security Agent may require to enable the Security Agent (or the Security Agent's nominee) or any purchaser to be registered as the owner of, or otherwise to obtain legal title to, such Shares after the occurrence of an Acceleration Event.

4.2 Derived Assets

The Chargor shall, within two Business Days of the accrual, offer, issue or payment of any Derived Assets, deliver or pay to the Security Agent or procure the delivery or payment to the Security Agent of:-

- 4.2.1 all such Derived Assets or the share certificates, renounceable certificates, letters of allotment, documents of title and other documentary evidence of ownership in relation to them; and
- 4.2.2 transfers of any Shares comprised in such Derived Assets duly executed by the Chargor or its nominee with the name of the transferee left blank and such other documents as the Security Agent may require to enable the Security Agent (or the Security Agent's nominee) or any purchaser to be registered as the owner of, or otherwise to obtain legal title to, the Shares comprised in such Derived Assets after the occurrence of an Acceleration Event.

5. REPRESENTATIONS AND UNDERTAKINGS

5.1 Representations

The Chargor represents and warrants to the Security Agent as provided in the Debt Documents.

5.2 Undertakings

The Chargor hereby undertakes to the Security Agent that it will comply with all its obligations under the Debt Documents.

6. ENFORCEMENT OF SECURITY

6.1 Chargor's rights before Event of Default

Until an Event of Default occurs, the Chargor shall be entitled to:-

- 6.1.1 receive and retain free from the Charge any Dividends paid to it as permitted under the terms of each Facility Agreement; and
- 6.1.2 exercise and control the exercise of all voting and other Rights relating to the Charged Property provided that the Chargor shall not exercise such voting or other Rights in any manner, or otherwise permit or agree to any (i) variation of the rights attaching to or conferred by any of the Charged Property or (ii) increase in the issued share capital of Baxters Canada Inc, which in the opinion of the Security Agent would prejudice the value of, or the ability of the Security Agent to realise, the security created by this Deed.

6.2 Charge shall become Enforceable

6.2.1 The Charge shall be enforceable, and the powers conferred by section 101 of the LPA as varied or extended by this Deed shall be exercisable (without notice to the Chargor or prior authorisation from any court), upon and at any time after:

- (a) the occurrence of an Acceleration Event;
- (b) the Chargor requesting the appointment of a Receiver or administrator;
- (c) an administration application being made in respect of the Chargor; or
- (d) any person giving notice of intention to appoint an administrator.

6.2.2 At any time after the Security created by this Deed has become enforceable, the Security Agent may (without prejudice to any other rights and remedies and without notice to the Chargor) do all or any of the following:-

- (a) exercise the power of sale under section 101 of the LPA together with all other powers and rights conferred on mortgagees by the LPA, as varied and extended by this Deed;
- (b) to the extent that any Charged Property constitutes "Financial Collateral" and this Deed constitutes a "security financial collateral arrangement" each as defined in the Regulations, appropriate all or any part of the Charged Property in or towards satisfaction of the Secured Obligations (including transferring the title in and to it to the Security Agent insofar as not already transferred, subject to paragraphs (1) and (2) of Regulation 18), the value of the property so appropriated being such amount as the Security Agent shall determine in a commercially reasonable manner; and
- (c) subject to Clause 6.5.1 (*Method of appointment or removal*), appoint one or more persons to be a Receiver or Receivers of all or any of the Charged Property.

6.3 Section 101 LPA

The powers conferred by section 101 of the LPA, as varied and extended by this Deed, shall be deemed to have arisen on the execution of this Deed.

6.4 Section 93 and 103 LPA

Sections 93 and 103 of the LPA shall not apply to this Deed.

6.5 Receivers

6.5.1 Method of Appointment or removal

Every appointment or removal of a Receiver, any delegate or any other person by the Security Agent under this Deed shall be in writing under the hand of any officer or manager of the Security Agent (subject to any requirement for a court order in the case of the removal of an administrative receiver).

6.5.2 Removal

The Security Agent may (subject to the application of section 45 of the Insolvency Act 1986) remove any person from office in relation to all or any part of the Charged Property of which he is the Receiver and at any time (before or after any person shall have vacated office or ceased to act as Receiver in respect of any of such Charged Property) appoint a further or other Receiver or Receivers over all or any part of such Charged Property.

6.5.3 Powers

In respect of the Charged Property over which he is appointed, every Receiver shall have and be entitled to exercise all the powers:-

- (a) of the Security Agent under this Deed;
- (b) conferred by the LPA on mortgagees in possession and on receivers appointed under the LPA (in each case as extended by this Deed);
- (c) in relation to, and to the extent applicable to, the Charged Property or any of them, of an administrative receiver set out in Schedule 1 to the Insolvency Act 1986, whether or not the Receiver is an administrative receiver;
- (d) in relation to any Charged Property, which he would have if he were its only beneficial owner; and
- (e) to do all things incidental or conducive to any functions, powers, authorities or discretions conferred or vested in the Receiver.

6.5.4 Receiver as agent

The Receiver shall be the agent of the Chargor (which shall be solely liable for his acts, defaults, remuneration, losses and liabilities) unless and until the Chargor goes into liquidation, from which time he shall act as principal and shall not be the agent of the Security Agent.

6.5.5 Joint or several

If two or more persons are appointed as Receivers of the same assets, they may act jointly and/or severally so that (unless any instrument appointing them specifies to the contrary) each of them may exercise individually all the powers and discretions conferred on Receivers by this Deed.

6.5.6 Receiver's remuneration

Every Receiver shall be entitled to remuneration for his services at a rate to be fixed by the Security Agent and the maximum rate specified in section 109(6) of the LPA shall not apply.

7. DEALINGS WITH CHARGED PROPERTY ON ENFORCEMENT

7.1 Rights of Security Agent

At any time after the Charge has become enforceable, the Security Agent or any Receiver shall have the right, without any notice to, or consent of, the Chargor:-

7.1.1 Possession

to take possession of, collect and get in the Charged Property, and in particular to take any steps necessary to vest all or any of the Charged Property in the name of the Security Agent, the Receiver or its nominee (including completing any transfers of any Shares comprised in the Charged Property) and to receive and retain any Dividends;

7.1.2 Sell

to sell, exchange, convert into money or otherwise dispose of or realise the Charged Property (whether by public offer or private contract) to any person and for such consideration (whether comprising cash, debentures or other obligations, Shares or other valuable consideration of any kind) and on such terms (whether payable or deliverable in

a lump sum or by instalments) as it may think fit, and for this purpose to complete any transfers of the Charged Property;

7.1.3 Voting Rights

to exercise or direct the exercise of all voting and other Rights relating to the Charged Property in such manner as it may think fit;

7.1.4 Claims

to settle, adjust, refer to arbitration, compromise and arrange any claims, accounts, disputes, questions and demands relating in any way to the Charged Property;

7.1.5 Legal actions

to bring, prosecute, enforce, defend and abandon actions, suits and proceedings in relation to the Charged Property; and

7.1.6 Other Rights

to do all such other acts and things it may consider necessary or expedient for the realisation of the Charged Property or incidental to the exercise of any of the Rights conferred on it under or in connection with this Deed or the LPA and to concur in the doing of anything which it has the Right to do and to do any such thing jointly with any other person.

7.2 Obligations of Chargor

After an Event of Default has occurred:-

7.2.1 all Dividends shall be paid to and retained by the Security Agent (or the Receiver if one has been appointed), and any such moneys which may be received by the Chargor shall, pending such payment, be segregated from any other property of the Chargor and held in trust for the Security Agent (or the Receiver if one has been appointed); and

7.2.2 the Chargor shall procure that all voting and other Rights relating to the Charged Property are exercised in accordance with such instructions (if any) as may from time to time be given to the Chargor by the Security Agent (or the Receiver if one has been appointed), and the Chargor shall deliver to the Security Agent (or the Receiver if one has been appointed) such forms of proxy or other appropriate forms of authorisation to enable the Security Agent (or the Receiver if one has been appointed) to exercise such voting and other Rights.

8. APPLICATION OF MONEYS

All moneys arising from the exercise of the powers of enforcement under this Deed shall, subject to applicable law, Clause 9.2 (*Suspense Account*) and Clause 13.1 (*Discharge*), be held and applied in or towards the payment or discharge of such of the Secured Obligations in accordance with Clause 12 (*Application of Proceeds*) of the Intercreditor Agreement (but without prejudice to the right of the Security Agent to recover any shortfall from the Chargor).

9. GENERAL RIGHTS OF THE SECURITY AGENT AND THE RECEIVER

9.1 Redemption of Security

The Security Agent (or the Receiver if one has been appointed) may at any time redeem any Security over the Charged Property having priority to the Charge or procure the transfer thereof to the Security Agent and may settle the accounts of encumbrancers. Any accounts so settled shall be conclusive and binding on the Chargor. The Chargor shall on demand pay to the Security Agent (or the Receiver if one has been appointed) all principal moneys, interest, costs, charges, losses, liabilities and expenses of and incidental to any such redemption or transfer.

9.2 Suspense Account

Nothing in this Deed shall limit the right of the Security Agent (and the Chargor acknowledges the Security Agent is so entitled) if and for so long as the Security Agent in its discretion shall consider it appropriate, to place all or any monies arising from the enforcement of this Deed into a suspense account or accounts (which may be an account or accounts with the Security Agent), without any obligation to apply the same or any part thereof in or toward the discharge of the Secured Obligations.

9.3 New Account

At any time following:-

9.3.1 the Security Agent receiving notice (either actual or constructive) of any subsequent Security affecting the Charged Property; or

9.3.2 the Dissolution of the Chargor,

the Security Agent may open a new account in the name of the Chargor (whether or not it permits any existing account to continue).

If the Security Agent does not open such a new account, it shall nevertheless be treated as if it had done so at the time when the notice was received or was deemed to have been received or, as the case may be, the Dissolution commenced. Thereafter, all payments made by the Chargor to the Security Agent or received by the Security Agent for the account of the Chargor shall be credited or treated as having been credited to the new account and shall not operate to reduce the amount secured by this Deed at the time when the Security Agent received or was deemed to have received such notice or, as the case may be, the Dissolution commenced.

10. LIABILITY OF SECURITY AGENT, DELEGATES AND NOMINEES

10.1 Possession

If the Security Agent or any Delegate shall take possession of the Charged Property, it may at any time relinquish such possession.

10.2 Security Agent's Liability

10.2.1 Neither Security Agent nor any Receiver shall, in any circumstances, be liable to the Chargor or any other person for any losses, damages, liabilities or expenses arising from or in connection with the application or enforcement of this Deed or any realisation, appropriation or application of the Charged Property or from any act, default or omission of the Security Agent, or its officers, employees or agents in relation to the Charged Property or otherwise in connection with this Deed, except to the extent caused by the gross negligence or wilful misconduct of the Security Agent or its officers, employees or agents.

10.2.2 Neither the Security Agent nor any Receiver shall be liable to account as a mortgagee in possession in respect of all or any part of the Charged Property or be liable for any loss upon realisation or for any neglect, default or omission in connection with the Charged Property to which a mortgagee or mortgagee in possession might otherwise be liable.

10.3 Delegate's and Nominee's Liability

The provisions of Clause 10.2 (*Security Agent's Liability*) shall apply, mutatis mutandis, in respect of the liability of any Delegate or nominee of the Security Agent or any Receiver or any officer, employee or agent of the Security Agent or any Receiver, any Delegate or any nominee of the Security Agent or any Receiver.

10.4 Indemnity

The Security Agent (or the Receiver if one has been appointed) and every Delegate, attorney, manager, agent or other person appointed by the Security Agent hereunder shall be entitled to be indemnified out of the Charged Property in respect of all liabilities and expenses incurred by any of them in the execution or purported execution of any of its Rights and against all actions, proceedings, costs, claims and demands in respect of any matter or thing done or omitted in anyway relating to the Charged Property, and the Security Agent (or the Receiver if one has been appointed) and any such Delegate, attorney, manager, agent or other person appointed by the Security Agent (or the Receiver if one has been appointed) hereunder may retain and pay all sums in respect of the same out of any moneys received.

11. PROTECTION OF THIRD PARTIES

No person dealing with the Security Agent, any Receiver or any Delegate shall be concerned to enquire whether any event has happened upon which any of the Rights conferred under or in connection with this Deed or any relevant legislation are or may be exercisable, whether any consents, regulations, restrictions or directions relating to such Rights have been obtained or complied with or otherwise as to the propriety or regularity of acts purporting or intended to be in exercise of any such Rights or as to the application of any money borrowed or raised or other proceeds of enforcement. All the protections to purchasers contained in any relevant legislation for the time being in force shall apply to any person purchasing from or dealing with the Security Agent, any Receiver or any Delegate.

12. PRESERVATION OF SECURITY

12.1 Continuing Security

The Charge shall be a continuing security for the Secured Obligations and shall not be satisfied, discharged or affected by any intermediate payment or settlement of account (whether or not any Secured Obligations remain outstanding thereafter) or any other matter or thing whatsoever.

12.2 Other Security

The Charge shall be in addition to and shall not be prejudiced by any other Security or any guarantee or indemnity or other document which the Security Agent may at any time hold for the payment of the Secured Obligations.

12.3 Waiver of Defences

Without prejudice to Clauses 12.1 (*Continuing Security*) and 12.2 (*Other Security*), neither the Charge nor the liability of the Chargor for the Secured Obligations shall be prejudiced or affected by:-

- 12.3.1 any variation or amendment of, or waiver or release granted under or in connection with, any other Security or any guarantee or indemnity or other document; or
- 12.3.2 time being given, or any other indulgence or concession being granted, by the Security Agent to the Chargor or any other person; or
- 12.3.3 the taking, holding, failure to take or hold, varying, realisation, non-enforcement, non-perfection or release by the Security Agent or any other person of any other Security, or any guarantee or indemnity or other document; or
- 12.3.4 the Dissolution of the Chargor or any other person; or
- 12.3.5 any change in the constitution of the Chargor or the Company; or
- 12.3.6 any amalgamation, merger or reconstruction that may be effected by the Security Agent with any other person or any sale or transfer of the whole or any part of the undertaking, property and assets of the Security Agent to any other person; or

- 12.3.7 the existence of any claim, set-off or other right which the Chargor may have at any time against the Security Agent or any other person; or
- 12.3.8 the making or absence of any demand for payment of any Secured Obligation on the Chargor or any other person, whether by the Security Agent or any other person; or
- 12.3.9 any arrangement or compromise entered into by the Security Agent with the Chargor or any other person; or
- 12.3.10 any other thing done or omitted or neglected to be done by the Security Agent or any other person or any other dealing, fact, matter or thing which, but for this provision, might operate to prejudice or affect the liability of the Chargor for the Secured Obligations.

13. RELEASE OF CHARGED PROPERTY

13.1 Discharge

When the Secured Obligations have been fully and unconditionally paid or discharged, the Security Agent shall at the Chargor's request, and at its expense, discharge the Security created under this Deed. Any payment or realisation in respect of the Secured Obligations which in the reasonable opinion of the Security Agent is liable to be avoided or otherwise invalidated or adjusted by law, including any enactment or rule of law relating to insolvency, shall not be regarded as having been irrevocably settled or discharged until the expiry of the period during which it may be challenged on any such ground.

13.2 Retention of Security

If any payment or realisation in respect of the Secured Obligations is, in the Security Agent's reasonable opinion, liable to be avoided or otherwise invalidated or adjusted by law, including any enactment or rule of law relating to insolvency, the Security Agent shall be entitled to retain the Security created under this Deed undischarged until the expiry of the period during which it may be challenged on any such ground.

13.3 Avoidance of payments

The Security Agent's right to recover the Secured Obligations in full shall not be affected or prejudiced by any payment or realisation which is avoided or otherwise invalidated or adjusted by law, including any enactment or rule of law relating to insolvency, or by any release or discharge given by the Security Agent on the faith of any such payment or realisation.

14. POWER OF ATTORNEY

14.1 Appointment

The Chargor hereby irrevocably appoints (i) the Security Agent (whether or not a Receiver has been appointed) and (ii) (as a separate appointment) each Receiver, as its attorney on its behalf and in its name or otherwise, at such time and in such manner as the attorney may think fit:-

- 14.1.1 to do anything which the Chargor is obliged to do (but has not done following written notice) under this Deed including, but without limitation, to complete and execute any transfer of Shares; and
- 14.1.2 generally to exercise all or any of the Rights conferred on the Security Agent in relation to the Charged Property or under or in connection with this Deed.

14.2 Ratification

The Chargor hereby ratifies and confirms and agrees to ratify and confirm whatever its attorney may do or purport to do in the exercise or purported exercise of the power of attorney in Clause 14.1 (*Appointment*).

14.3 Exercise of Power

The appointment effected under Clause 14.1 (*Appointment*) shall take effect immediately but the powers conferred under Clause 14.1.2 shall only become exercisable upon the occurrence of an Event of Default which is continuing.

15. CERTIFICATE TO BE CONCLUSIVE EVIDENCE

A certificate signed by any authorised signatory on behalf of the Security Agent shall, save in the case of manifest error, conclusively constitute the amount of the Secured Obligations at the relevant time for all purposes of this Deed.

16. STAMP DUTY

The Chargor shall pay promptly, and in any event before any penalty becomes payable, all stamp, documentary and similar taxes, if any, payable in connection with the entry into, performance, enforcement or admissibility in evidence of this Deed or any other document referred to in this Deed, and shall indemnify the Security Agent against any liability with respect to, or resulting from any delay in paying or omission to pay, any such tax.

17. COMMUNICATIONS

17.1 Notices and deemed receipt

Any demand or notice to be given under this Deed shall be in writing signed by or on behalf of the party giving it and shall be served by delivering it personally or sending it by pre-paid recorded delivery or registered post or by facsimile to the address and for the attention of the relevant party set out in Clause 17.2 (*Addresses for notices*) (or as otherwise notified by that party thereunder). Any such notice shall be deemed to have been received:

- 17.1.1 if delivered personally, at the time of delivery;
- 17.1.2 in the case of pre-paid recorded delivery or registered post, 24 hours from the date of posting; and
- 17.1.3 in the case of facsimile, at the time of transmission, where in order to prove transmission it shall be sufficient to produce confirmation of uninterrupted transmission by a transmission report,

provided that if deemed receipt occurs before 10am on a Business Day the notice shall be deemed to have been received at 10am 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 10am on the next Business Day.

17.2 Addresses for notices

The addresses and facsimile numbers of the parties for the purposes of this Clause 17 are:

The Security Agent

Address: HSBC Corporate Trustee Company (UK) Limited (as Security Agent)
8 Canada Square
London
E14 5HQ
United Kingdom

For the attention of: CTLA Trustee Services Administration

Fax number: +44 20 7991 4350

Email address: ctla.trustee.admin@hsbc.com

The Chargor

Address: Highfield House
Fochabers
Moray
Scotland
IV32 7LD

For the attention of: Company Secretary

Fax number: 01343 820 286

or such other address or facsimile number in the United Kingdom as may be notified in writing from time to time by the relevant party to the other.

18. RIGHTS AND WAIVERS

18.1 Delay

No delay or omission on the part of the Security Agent in exercising any Right provided by law or under this Deed shall impair such Right or operate as a waiver thereof or of any other Right.

18.2 Single or Partial Exercise

The single or partial exercise by the Security Agent of any Right provided by law or under this Deed shall not preclude any other or further exercise thereof or the exercise of any other Right.

18.3 Rights to be Cumulative

The Rights provided in this Deed are cumulative with, and not exclusive of, any Rights provided by law.

19. INVALIDITY

If at any time any provision of this Deed is or becomes illegal, invalid or unenforceable in any respect under the law of any jurisdiction, neither:-

19.1 the legality, validity or enforceability in that jurisdiction of any other provision of this Deed; nor

19.2 the legality, validity or enforceability under the law of any other jurisdiction of that or any other provision of this Deed,

shall be affected or impaired.

20. ASSIGNMENT BY THE SECURITY AGENT

The Security Agent may assign this Security to any successor in title to any of the Secured Obligations or to a replacement Security Agent appointed in accordance with the provisions of the Intercreditor Agreement, and each Secured Party may assign its interest in this Security in whole or in part to any successor in title to any of the Secured Obligations, and the Security Agent and any Secured Party may disclose any information in its possession relating to the Chargor, its affairs or the Secured Obligations to any actual or prospective assignee.

21. MISCELLANEOUS

21.1 Contracts (Rights of Third Parties) Act 1999

21.1.1 The Security Agent, any Receiver or Delegate and their respective officers, employees and agents may enforce any term of this Deed which purports to confer a benefit on that

person, but no other person who is not a party to this Deed has any right under the Contracts (Rights of Third Parties) Act 1999 to enforce or to enjoy the benefit of any term of this Deed.

- 21.1.2 Notwithstanding any term of any Debt Document, the parties to this Deed and any Receiver or Delegate may rescind, vary, waive, release, assign, novate or otherwise dispose of all or any of their respective rights or obligations under this Deed without the consent of any person who is not a party to this Deed.

21.2 Counterparts

This Deed may be executed in any number of counterparts, and this has the same effect as if the signatures on the counterparts were on a single copy of this Deed.

21.3 Provisions of the Intercreditor Agreement

- 21.3.1 This Deed is subject to the terms of the Intercreditor Agreement.

- 21.3.2 The provisions of the Intercreditor Agreement shall apply to the Security Agent's rights and duties and the resignation of the Security Agent as if set out in this Deed.

21.4 Delegation

Each of the Security Agent and any Receiver shall have full power to delegate (either generally or specifically) the powers, authorities and discretions conferred on it by this Deed (including the power of attorney) on such terms and conditions as it shall see fit which delegation shall not preclude either the subsequent exercise, any subsequent delegation or any revocation of such power, authority or discretion by the Security Agent or the Receiver itself.

21.5 Acknowledgement by Baxters Canada Inc.

Baxters Canada Inc acknowledges by its execution hereof that it has received a copy of this Deed and agrees to be bound by the terms hereof.

22. GOVERNING LAW

This Deed and any non-contractual obligations arising out of or in connection with it are governed by English law.

23. ENFORCEMENT

23.1 Jurisdiction of English Courts

- 23.1.1 The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed (including a dispute regarding the existence, validity or termination of this Deed or any non-contractual obligation arising out of or in connection with this Deed) (a "**Dispute**").

- 23.1.2 The parties to this Deed agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no such party will argue to the contrary.

- 23.1.3 This Clause 23.1 (*Jurisdiction of English Courts*) is for the benefit of the Security Agent only. As a result, the Security Agent shall not be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Security Agent may take concurrent proceedings in any number of jurisdictions.

EXECUTED AND DELIVERED AS A DEED by the Chargor and executed by the Security Agent on the date set out at the beginning of this Deed.

SCHEDULE

Name of Company	Shares	No. of Shares	Registered Holder
Baxters Canada Inc	32,572,100 Class A Shares	32,572,100	Baxters Food Group Limited

SIGNATORIES

EXECUTED AND DELIVERED AS A DEED

by **BAXTERS FOOD GROUP LIMITED** acting by

[REDACTED]

Director

Ronald Davis

Full Name

in the presence of

[REDACTED]

Witness

ANNA CROSBY

Full Name

EXECUTED for and on behalf of

HSBC CORPORATE TRUSTEE COMPANY (UK) LIMITED by

.....

Authorised Signatory

.....

Full Name

EXECUTED for and on behalf of

BAXTERS CANADA INC. by

[REDACTED]

~~Director~~ *Officer*

Dustin McDulin

Full Name

in the presence of

[REDACTED]

Witness

ANNA CROSBY

Full Name

SIGNATORIES

EXECUTED AND DELIVERED AS A DEED

by **BAXTERS FOOD GROUP LIMITED** acting by

..... Director
..... Full Name

in the presence of

..... Witness
..... Full Name

EXECUTED for and on behalf of

HSBC CORPORATE TRUSTEE COMPANY (UK) LIMITED by



..... Authorised Signatory
..... Full Name
Jason Blondell
Authorised Signatory

EXECUTED for and on behalf of

BAXTERS CANADA INC. by

..... Director
..... Full Name

in the presence of

..... Witness
..... Full Name