

Declaration by the directors of a holding company in relation to assistance for the acquisition of shares

155(6)b

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65	66	67	68	69	70	71	72	73	74	75	76	77	78	79	80	81	82	83	84	85	86	87	88	89	90	91	92	93	94	95	96	97	98	99	100
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* COX BROKING MANAGEMENT LIMITED

XWeo ~~ANNEXURE I~~ NEIL UTLEY OF LARKINS FARM, 199A IINE ASHED ROAD
BLACKMORE, ESSEX CM40 7TY

PAUL JOHN VINCENT OF FIELD HOUSE, HOLKERING ROAD
WORKING, GU22 7HT

NICHOLAS POTTS OF NEWARKS BARN, NEWARKS ROAD
NR. CHELMSFORD, CM1 4SA

~~[the sole director]~~ [all the directors][†] of the above company (hereinafter called 'this company') do solemnly and sincerely declare that:

The business of this company is:

[illegible]

(b) that of a person authorised under section 3 or 4 of the Insurance Companies Act 1982 to carry on

XX

(c) something other than the above§

This company is [the] ☒ holding company of* COX CLAIMS MANAGEMENT LIMITED

which is

proposing to give financial assistance in connection with the acquisition of shares

in ~~XXXXXXXXXXXX~~ COX INSURANCE HOLDINGS LIMITED

the holding company of this company.]†

Post room

A15 A3B038D0 0644
COMPANIES HOUSE 03/09/05

Page 1

DX: 33866 Finsbury Square
6360619.1

The assistance is for the purpose of ~~that acquisition~~ [reducing or discharging a liability incurred for the purpose of that acquisition].† (note 1)

Please do not write in this margin

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

The number and class of the shares acquired or to be acquired is: ANNEXURE 2

The assistance is to be given to: (note 2) FIELDSTREET (ACQUISITION) LIMITED

The assistance will take the form of:

ANNEXURE 3

The person who [has acquired] ~~will acquire~~ the shares is:

† delete as appropriate

FIELDSTREET (ACQUISITION) LIMITED

The principal terms on which the assistance will be given are:

ANNEXURE 4

The amount (if any) by which the net assets of the company which is giving the assistance will be reduced by giving it is NIL

The amount of cash to be transferred to the person assisted is £ ANNEXURE 5

The value of any asset to be transferred to the person assisted is £ NIL

Please do not
write in this
margin

The date on which the assistance is to be given is WITHIN 8 WEEKS OF THE DATE HEREOF

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

☒ We have formed the opinion, as regards this company's initial situation immediately following the date on which the assistance is proposed to be given, that there will be no ground on which it could then be found to be unable to pay its debts. (note 3)

(a) ☒ We have formed the opinion that this company will be able to pay its debts as they fall due during the year immediately following that date]* (note 3)

* delete either (a) or
(b) as appropriate

(b) ~~It is intended to commence the winding up of the company within 12 months of that date, and we have formed the opinion that this company will be able to pay its debts in full within 12 months of the commencement of the winding up]* (note 3)~~

And ☒ we make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act 1835.

Declared at

Declarants to sign below

3 Noble Street, London

on

Day	Month	Year
22	08	2005

before me DAVID JONATHAN MARKS

A Commissioner for Oaths or Notary Public or Justice of the Peace or a Solicitor having the powers conferred on a Commissioner for Oaths.

NOTES

- 1 For the meaning of "a person incurring a liability" and "reducing or discharging a liability" see section 152(3) of the Companies Act 1985.
- 2 Insert full name(s) and address(es) of the person(s) to whom assistance is to be given; if a recipient is a company the registered office address should be shown.
- 3 Contingent and prospective liabilities of the company are to be taken into account - see section 156(3) of the Companies Act 1985.
- 4 The auditors report required by section 156(4) of the Companies Act 1985 must be annexed to this form.
- 5 The address for companies registered in England and Wales or Wales is:-

The Registrar of Companies
Companies House
Crown Way
Cardiff
CF14 3UZ

or, for companies registered in Scotland:-

The Registrar of Companies
Companies House
37 Castle Terrace
Edinburgh
EH1 2EB

ANNEXURES TO FINANCIAL ASSISTANCE DECLARATION FORM 155(6)b

COX BROKING MANAGEMENT LIMITED

Company Number 00616245

("Company")

relating to

COX CLAIMS MANAGEMENT LIMITED

("Subsidiary")

Annexure 1

The names and addresses of the directors of the Subsidiary are:

Fergus Augustine Curran

79 Micawber Way
Newlands Spring
Chelmsford
Essex
CM1 4UE

Peter Frank Snell Merrett

Weald Barn
The Street
Bolney
Haywards Heath
West Sussex
RH17 5PG

Douglas Morgan

Trenthams
Chapel Road
Fingringhoe
Essex
CO5 7AU

Edward Phillips

25 Alicia Avenue
Wickford
Essex
SS11 8PH

FORM 155(6)b

COX BROKING MANAGEMENT LIMITED

Company Number 00616245

("Company")

relating to

COX CLAIMS MANAGEMENT LIMITED

("Subsidiary")

Annexure 2

In this Annexure capitalised terms defined in Annexure 6 have the meaning given to them therein.

The shares acquired are:

323,217,271 ordinary shares of £0.10 each in Target.

FORM 155(6)b relating to
COX BROKING MANAGEMENT LIMITED
Company Number 00616245
("Company")
relating to
COX CLAIMS MANAGEMENT LIMITED
("Subsidiary")
Annexure 3

In this Annexure capitalised terms defined in Annexure 6 have the meaning given to them therein.

The financial assistance takes the form of:

1. The entry by the Subsidiary into a supplemental agreement to the Senior Facilities Agreement ("**Supplemental Amendment Agreement**") under which the Subsidiary and others agree to amend certain terms including the guarantee under the Senior Facilities Agreement.
2. The entry by the Subsidiary into an accession agreement (in its capacity as guarantor) to the Mezzanine Facility Agreement (the "**Mezzanine Guarantee Accession**") under which the Subsidiary will accede to the Guarantee and Indemnity under the Mezzanine Facility Agreement as a guarantor and pursuant to which the Subsidiary will guarantee, inter alia, repayment of all obligations under the Mezzanine Finance Documents including the Mezzanine Facility Agreement.
3. The entry by the Subsidiary into an intra-group loan agreement between Fieldstreet (Acquisition) Limited (in its capacity as borrower) and the Target and certain of its subsidiaries including the Subsidiary (in their capacities as lenders) (the "**Intra-Group Funding Agreement**") which governs the provision of certain credit facilities by members of the Target Group.
4. The entry by the Subsidiary into a deed of accession to a priority agreement dated 28 April 2005 between Calyon as senior agent, mezzanine agent and security agent, the Senior Creditors, Hedging Banks, Mezzanine Creditors, Investors and the Chargors each as defined therein (the "**Deed of Accession (Priority Agreement)**") which inter alia:

- (i) subordinates certain claims which the Subsidiary has against other members of the Group to those of the Senior Lenders, Mezzanine Lenders and Investors; and
 - (ii) sets out the ranking of outstanding amounts under the Senior Facilities Agreement, the Mezzanine Facility Agreement, the Investor Documents and the Intra-Group Funding Agreement.
- 5. The entry by the Subsidiary into a supplemental deed to the target group debenture (the **"Supplemental Target Debenture"**) dated 7 July 2005 between Calyon as Security Agent and the Chargors as defined therein which removes the proviso to the definition of Secured Liabilities in the Target Group Debenture.
- 6. The entry by the Subsidiary into a debenture (the **"Investor Target Group Debenture"**) between Englefield (Custody) Limited as security agent for the Investors and the Chargors as defined therein which secures the payment and discharge of all obligations under the Investor Target Group Documents as defined in the Investor Target Group Debenture.
- 7. The entry by the Subsidiary into an accession deed to the DDB Instrument (the **"DDB Accession"**) whereby the Subsidiary would accede to the guarantee contained therein as a guarantor and guarantee, inter alia, repayment of all obligations under the Investor Documents,

together referred to as the **"Whitewash Documents"**.

FORM 155(6)b relating to
COX BROKING MANAGEMENT LIMITED
Company Number 00616245
("Company")
relating to
COX CLAIMS MANAGEMENT LIMITED
("Subsidiary")
Annexure 4

In this Annexure capitalised terms defined in Annexure 6 have the meaning given to them therein.

The principal terms on which the financial assistance will be given are as follows:

1. THE AMENDED SENIOR GUARANTEE

1.1 The guarantee and indemnity referred to in paragraph 1 of Annexure 3 is set out in clause 19 (Guarantee and indemnity) of the Senior Facilities Agreement and is amended by the Supplemental Amendment Agreement in that clause 19.10 (*Limitations*) of the guarantee has been deleted and the guarantee no longer applies only to the obligations of the Borrowers of the Refinancing Loans and the Borrowers of the Revolving Credit Facility and Ancillary Facility. It provides that the Subsidiary and each other Guarantor irrevocably and unconditionally jointly and severally:

1.1.1 guarantees to each Senior Finance Party punctual performance by each Obligor of all that Obligor's obligations under the Senior Finance Documents;

1.1.2 undertakes with each Senior Finance Party that whenever an Obligor does not pay any amount when due under or in connection with any Senior Finance Document, that Senior Guarantor shall immediately on demand pay that amount as if it were the principal obligor; and

1.1.3 indemnifies each Senior Finance Party immediately on demand against any cost, loss or liability suffered by that Senior Finance Party if any obligation guaranteed by it is or becomes unenforceable, invalid or illegal. The amount

of the cost, loss or liability shall be equal to the amount which that Senior Finance Party would otherwise have been entitled to recover.

- 1.2 The guarantee is a continuing guarantee and will extend to the ultimate balance of sums payable by any Obligor under the Senior Finance Documents, regardless of any intermediate payment or discharge in whole or in part.
- 1.3 If any payment by an Obligor or any discharge given by a Senior Finance Party (whether in respect of the obligations of any Obligor or any security for those obligations or otherwise) is avoided or reduced as a result of insolvency or any similar event:
 - 1.3.1 the liability of each Obligor shall continue as if the payment, discharge, avoidance or reduction had not occurred; and
 - 1.3.2 each Senior Finance Party shall be entitled to recover the value or amount of that security or payment from each Obligor, as if the payment, discharge, avoidance or reduction had not occurred.
- 1.4 The obligations of each Guarantor under clause 19 (Guarantee and indemnity) of the Senior Facilities Agreement will not be affected by an act, omission, matter or thing which, but for clause 19 (Guarantee and indemnity) of the Senior Facilities Agreement, would reduce, release or prejudice any of its obligations under clause 19 (Guarantee and indemnity) of the Senior Facilities Agreement (without limitation and whether or not known to it or any Senior Finance Party) including:
 - 1.4.1 any time, waiver or consent granted to, or composition with, any Obligor or other person;
 - 1.4.2 the release of any other Obligor or any other person under the terms of any composition or arrangement;
 - 1.4.3 the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, any Obligor or other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security;

- 1.4.4 any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of an Obligor or any other person;
 - 1.4.5 any amendment (however fundamental) or replacement of a Senior Finance Document or any other document or security; or
 - 1.4.6 any unenforceability, illegality, invalidity or non-provability of any obligation of any person under any Senior Finance Document or any other document or security or the failure by any member of the Group to be bound by any Senior Finance Document.
- 1.5 Each Guarantor will waive any right it may have of first requiring any Senior Finance Party (or any trustee or agent on its behalf) to proceed against or enforce any other rights or security or claim payment from any person before claiming from that Senior Guarantor under clause 19 (Guarantee and indemnity) of the Senior Facilities Agreement.
- 1.6 Until all amounts which may be or become payable by the Obligors under or in connection with the Senior Finance Documents have been irrevocably paid in full, each Senior Finance Party (or any trustee or agent on its behalf) may:
 - 1.6.1 refrain from applying or enforcing any other monies, security or rights held or received by that Senior Finance Party (or any trustee or agent on its behalf) in respect of those amounts, or apply and enforce them in such manner and order as it sees fit (whether against those amounts or otherwise); and
 - 1.6.2 hold in an interest-bearing suspense account any moneys received from any Guarantor or on account of any Senior Guarantor's liability under clause 19 (Guarantee and indemnity) of the Senior Facilities Agreement.
- 1.7 Until all amounts which may be or become payable by the Obligors under or in connection with the Senior Finance Documents have been irrevocably paid in full and unless the Facility Agent otherwise directs, no Guarantor will exercise any rights which it may have by reason of performance by it of its obligations under the Senior Finance Documents:
 - 1.7.1 to be indemnified by an Obligor;

- 1.7.2 to claim any contribution from any other guarantor of any Obligor's obligations under the Senior Finance Documents; and/or
- 1.7.3 to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Senior Finance Parties under the Senior Finance Documents or of any other guarantee or security taken under, or in connection with, the Senior Finance Documents by any Senior Finance Party.

2. THE MEZZANINE GUARANTEE ACCESSION

- 2.1 The guarantee and indemnity referred to in paragraph 2 of Annexure 3 is set out in clause 15 (Guarantee and indemnity) of the Mezzanine Facility Agreement and provides that the Subsidiary and each other Mezzanine Guarantor irrevocably and unconditionally jointly and severally:
 - 2.1.1 guarantees to each Mezzanine Finance Party punctual performance by each Obligor of all of that Obligor's obligations under the Mezzanine Finance Documents;
 - 2.1.2 undertakes with each Mezzanine Finance Party that whenever an Obligor does not pay any amount when due under or in connection with any Mezzanine Finance Document, that Mezzanine Guarantor shall immediately on demand pay that amount as if it were the principal obligor; and
 - 2.1.3 indemnifies each Mezzanine Finance Party immediately on demand against any cost, loss or liability suffered by that Mezzanine Finance Party if any obligation guaranteed by it is or becomes unenforceable, invalid or illegal. The amount of the cost, loss or liability shall be equal to the amount which that Mezzanine Finance Party would otherwise have been entitled to recover.
- 2.2 The guarantee is a continuing guarantee and will extend to the ultimate balance of sums payable by any Obligor under the Mezzanine Finance Documents, regardless of any intermediate payment or discharge in whole or in part.
- 2.3 If any payment by an Obligor or any discharge given by a Mezzanine Finance Party (whether in respect of the obligations of any Obligor or any security for those obligations or otherwise) is avoided or reduced as a result of insolvency or any similar event:

- 2.3.1 the liability of each Obligor shall continue as if the payment, discharge, avoidance or reduction had not occurred; and
- 2.3.2 each Mezzanine Finance Party shall be entitled to recover the value or amount of that security or payment from each Obligor, as if the payment, discharge, avoidance or reduction had not occurred.
- 2.4 The obligations of each Mezzanine Guarantor under clause 15 (Guarantee and indemnity) of the Mezzanine Facility Agreement will not be affected by an act, omission, matter or thing which, but for clause 15 (Guarantee and indemnity) of the Mezzanine Facility Agreement, would reduce, release or prejudice any of its obligations under clause 15 of the Mezzanine Facility Agreement (without limitation and whether or not known to it or any Mezzanine Finance Party) including:
 - 2.4.1 any time, waiver or consent granted to, or composition with, any Obligor or other person;
 - 2.4.2 the release of any other Obligor or any other person under the terms of any composition or arrangement;
 - 2.4.3 the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, any Obligor or other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security;
 - 2.4.4 any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of an Obligor or any other person;
 - 2.4.5 any amendment (however fundamental) or replacement of a Mezzanine Finance Document or any other document or security; or
 - 2.4.6 any unenforceability, illegality, invalidity or non-provability of any obligation of any person under any Mezzanine Finance Document or any other document or security.
- 2.5 Each Mezzanine Guarantor waives any right it may have of first requiring any Mezzanine Finance Party (or any trustee or agent on its behalf) to proceed against or

enforce any other rights or security or claim payment from any person before claiming from that Mezzanine Guarantor under clause 15 (Guarantee and indemnity) of the Mezzanine Facility Agreement.

2.6 Until all amounts which may be or become payable by the Obligor under or in connection with the Mezzanine Finance Documents have been irrevocably paid in full, each Mezzanine Finance Party (or any trustee or agent on its behalf) may:

2.6.1 refrain from applying or enforcing any other monies, security or rights held or received by that Mezzanine Finance Party (or any trustee or agent on its behalf) in respect of those amounts, or apply and enforce them in such manner and order as it sees fit (whether against those amounts or otherwise); and

2.6.2 hold in an interest-bearing suspense account any moneys received from any Mezzanine Guarantor or on account of any Mezzanine Guarantor's liability under clause 15 (Guarantee and indemnity) of the Mezzanine Facility Agreement.

2.7 Until all amounts which may be or become payable by the Obligor under or in connection with the Mezzanine Finance Documents have been irrevocably paid in full and unless the Mezzanine Agent otherwise directs, no Mezzanine Guarantor will exercise any rights which it may have by reason of performance by it of its obligations under the Mezzanine Finance Documents:

2.7.1 to be indemnified by an Obligor;

2.7.2 to claim any contribution from any other guarantor of any Obligor's obligations under the Mezzanine Finance Documents; and/or

2.7.3 to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Mezzanine Finance Parties under the Mezzanine Finance Documents or of any other guarantee or security taken under, or in connection with, the Mezzanine Finance Documents by any Mezzanine Finance Party.

3. THE SUPPLEMENTAL TARGET DEBENTURE

- 3.1 The security referred to in paragraph 5 of Annexure 3 is to be created by the Subsidiary entering into the Supplemental Target Debenture which removes the proviso to the definition of Secured Liabilities in the Target Group Debenture.
- 3.2 Under the terms of the Target Group Debenture the Subsidiary and each other Chargor covenants in favour of each Secured Creditor that it will pay and discharge the Secured Liabilities from time to time when they fall due.
- 3.3 Any amount which is not paid under the Target Group Debenture when due shall bear interest (both before and after judgment and payable on demand) from the due date until the date on which that amount is unconditionally and irrevocably paid and discharged in full on a daily basis at the rate and in the manner agreed in the relevant Finance Document under which that sum is payable, and, in the absence of any agreement, at the default rate from time to time.
- 3.4 Default interest will accrue from day to day and will be compounded at intervals the Security Agent considers appropriate.
- 3.5 If a Chargor purports to assign or charge by way of fixed charge its rights under an agreement or purports to charge by way of fixed charge any other Security Asset under clauses 2.2, 2.3, 2.4, 2.5, 2.6, 2.7, 2.8 or 2.9 of the Target Group Debenture, such assignment or fixed charge will not take effect to the extent that the Chargor is subject to the rules or regulations of the Financial Services Authority or Lloyd's and such assignment or fixed charge would be prohibited by such rules or regulations.
- 3.6 Each Chargor charges and agrees to charge all the present and future right, title and interest of that Chargor in and to the following assets which are at any time owned by that Chargor or in which that Chargor from time to time has an interest:
- 3.6.1 by way of first legal mortgage:
- (a) all estates or interests in any freehold or long leasehold property owned by it and all rights under any licence or other agreement or document which gives that Chargor a right to occupy or use property including that specified in part 1 of schedule 2 (Security Assets) of the Target Group Debenture; and

- (b) all estates or interests in any freehold or leasehold property owned by it and all rights under any licence or other agreement or document which gives that Chargor a right to occupy or use property (not charged by clause 2.2(ii) of the Target Group Debenture);
- 3.6.2 by way of first fixed charge all Plant and Machinery owned by it and its interest in any Plant and Machinery in its possession;
- 3.6.3 by way of first fixed charge:
 - (a) all shares in any member of the Group owned by it or held by any nominee on its behalf including any shares specified in part 2 of schedule 2 (Security Assets) of the Target Group Debenture; and
 - (b) interest in all shares, stocks, debentures, bonds, warrants, coupons or other securities and investments owned by it or held by any nominee on its behalf (not charged by clause 2.3(a) of the Target Group Debenture);
- 3.6.4 by way of first fixed charge all Intellectual Property Rights including any specified in part 5 of schedule 2 (Security Assets) of the Target Group Debenture;
- 3.6.5 by way of first fixed charge:
 - (a) any beneficial interest, claim or entitlement it has to any assets of any pension fund;
 - (b) its goodwill;
 - (c) the benefit of any authorisation (statutory or otherwise) held in connection with its business or the use of any Security Asset and the right to recover and receive compensation which may be payable to it in respect of any authorisation referred to in this paragraph (c); and
 - (d) its uncalled capital;
- 3.6.6 by way of first fixed charge all of its rights in respect of any amount standing to the credit of any account it has with any person including its Collection and Trading Accounts (if any) and the debt represented by that account;

3.6.7 by way of first fixed charge:

- (a) all of its book and other debts;
- (b) all other moneys due and owing to it; and
- (c) the benefit of all rights, securities, negotiable instruments and guarantees of any nature enjoyed or held by it in relation to any item under paragraphs (a) or (b) above.

3.7 Each Chargor assigns absolutely, subject to a proviso for re-assignment on redemption, all of its rights in respect of:

3.7.1 its Relevant Contracts, including all damages, compensation remuneration, profit, rent or income which that Chargor may derive from that right or be awarded or entitled to in respect of that right; and

3.7.2 to the extent that any such right described in paragraph 3.6.1 above is not assignable or capable of assignment, any damages, compensation, remuneration, profit, rent or income.

3.8 Each Chargor assigns and agrees to assign absolutely, subject to a proviso for reassignment on redemption all its present and future right, title and interest in and to:

3.8.1 the Insurances, all claims under the Insurances and all rights in connection with those amounts; and

3.8.2 all amounts and rights described in clause 2.7(a) of the Target Group Debenture (not otherwise assigned under clause 2.7(a) of the Target Group Debenture).

3.9 Each Chargor charges and agrees to charge by way of first floating charge all its present and future:

3.9.1 assets and undertaking (wherever located) which are not effectively mortgaged, charged or assigned under the Target Group Debenture; and

3.9.2 (whether or not effectively so charged) heritable property and all other property and assets in Scotland.

- 3.10 The Security Agent may, by written notice to the relevant Chargor, convert the floating charge created under the Target Group Debenture into a fixed charge as regards all or any of any Chargor's assets specified in the notice if:
- 3.10.1 any Declared Default is continuing; or
- 3.10.2 the Security Agent (in its reasonable opinion) considers the assets to be in danger of being seized or sold under any form of distress, attachment, execution or other legal process or to be otherwise in jeopardy.
- 3.11 The floating charge created under the Target Group Debenture shall (in addition to the circumstances in which the same will occur under general law) unless otherwise agreed in writing by the Security Agent automatically be converted into a fixed charge over all of each Chargor's assets:
- 3.11.1 if an administrator is appointed or the Security Agent receives a notice of an intention to appoint an administrator; or
- 3.11.2 on the convening of any meeting of the members of that Chargor to consider a resolution to wind that Chargor up (or not wind that Chargor up).
- 3.12 The giving by the Security Agent of a notice pursuant to clause 2.12(b) (Floating Charge) of the Target Group Debenture in relation to any asset of a Chargor will not be construed as a waiver or abandonment of the rights of the Security Agent's rights to serve similar notices in respect of any other asset of that or any other Chargor or of any of the other rights of any Secured Creditor.
- 3.13 Unless expressly permitted to do so under the Senior Facilities Agreement or the Mezzanine Facility Agreement or following the Senior Discharge Date or the Mezzanine Discharge Date, each Chargor will not do or agree to do any of the following without the prior written consent of the Security Agent:
- 3.13.1 create or permit to subsist any Security Interest on any of its assets; or
- 3.13.2 either in a single transaction or in a series of transactions and whether related or not and whether voluntarily or involuntarily dispose of all or any part of its assets.

4. THE INVESTOR TARGET GROUP DEBENTURE

- 4.1 The security referred to in paragraph 6 of Annexure 3 is to be created by the Subsidiary entering into the Investor Target Group Debenture in favour of Englefield (Custody) Limited as security agent for and on behalf of the Investors (the "**Investor Security Agent**") from time to time.
- 4.2 Under the terms of the Investor Target Group Debenture the Subsidiary and each other Chargor covenants in favour of each Investor that it will pay and discharge the Secured Liabilities from time to time when they fall due.
- 4.3 Any amount which is not paid under the Investor Target Group Debenture when due shall bear interest (both before and after judgment and payable on demand) from the due date until the date on which that amount is unconditionally and irrevocably paid and discharged in full on a daily basis at the rate and in the manner agreed in the relevant Investor Document under which that sum is payable, and, in the absence of any agreement, at the default rate from time to time.
- 4.4 Default interest will accrue from day to day and will be compounded at intervals the Investor Security Agent considers appropriate.
- 4.5 If a Chargor purports to assign or charge by way of fixed charge its rights under an agreement or purports to charge by way of fixed charge any other Security Asset under clauses 2.2, 2.3, 2.4, 2.5, 2.6, 2.7, 2.8 or 2.9 of the Investor Target Group Debenture, such assignment or fixed charge will not take effect to the extent that the Chargor is subject to the rules or regulations of the Financial Services Authority or Lloyd's and such assignment or fixed charge would be prohibited by such rules or regulations.
- 4.6 Each Chargor charges and agrees to charge all the present and future right, title and interest of that Chargor in and to the following assets which are at any time owned by that Chargor or in which that Chargor from time to time has an interest:
- 4.6.1 by way of second legal mortgage:
- (a) all estates or interests in any freehold or long leasehold property owned by it and all rights under any licence or other agreement or document which gives that Chargor a right to occupy or use property

including that specified in part 1 of schedule 2 (Security Assets) of the Investor Target Group Debenture; and

- (b) all estates or interests in any freehold or leasehold property owned by it and all rights under any licence or other agreement or document which gives that Chargor a right to occupy or use property (not charged by clause 2.2(ii) of the Investor Target Group Debenture);

4.6.2 by way of second fixed charge all Plant and Machinery owned by it and its interest in any Plant and Machinery in its possession;

4.6.3 by way of second legal mortgage:

- (a) all shares in any member of the Group owned by it or held by any nominee on its behalf including any shares specified in part 2 of schedule 2 (Security Assets) of the Investor Target Group Debenture; and
- (b) interest in all shares, stocks, debentures, bonds, warrants, coupons or other securities and investments owned by it or held by any nominee on its behalf (not charged by clause 2.3(a) of the Investor Target Group Debenture);

4.6.4 by way of second fixed charge all Intellectual Property Rights including any specified in part 5 of schedule 2 (Security Assets) of the Investor Target Group Debenture;

4.6.5 by way of second fixed charge:

- (a) any beneficial interest, claim or entitlement it has to any assets of any pension fund;
- (b) its goodwill;
- (c) the benefit of any authorisation (statutory or otherwise) held in connection with its business or the use of any Security Asset and the right to recover and receive compensation which may be payable to it in respect of any authorisation referred to in this paragraph (c); and
- (d) its uncalled capital;

- 4.6.6 by way of second fixed charge all of its rights in respect of any amount standing to the credit of any account it has with any person including its Collection and Trading Accounts (if any) and the debt represented by that account;
- 4.6.7 by way of second fixed charge:
 - (a) all of its book and other debts;
 - (b) all other moneys due and owing to it; and
 - (c) the benefit of all rights, securities, negotiable instruments and guarantees of any nature enjoyed or held by it in relation to any item under paragraphs (a) or (b) above.
- 4.7 Each Chargor assigns absolutely, subject to a proviso for re-assignment on redemption, all of its rights in respect of:
 - 4.7.1 its Relevant Contracts, including all damages, compensation remuneration, profit, rent or income which that Chargor may derive from that right or be awarded or entitled to in respect of that right; and
 - 4.7.2 to the extent that any such right described in paragraph 3.6.1 above is not assignable or capable of assignment, any damages, compensation, remuneration, profit, rent or income.
- 4.8 Each Chargor assigns and agrees to assign absolutely, subject to a proviso for reassignment on redemption all its present and future right, title and interest in and to:
 - 4.8.1 the Insurances, all claims under the Insurances and all rights in connection with those amounts; and
 - 4.8.2 all amounts and rights described in clause 2.7(a) of the Investor Target Group Debenture (not otherwise assigned under clause 2.7(a) of the Investor Target Group Debenture).

- 4.9 Each Chargor charges and agrees to charge by way of first floating charge all its present and future:
- 4.9.1 assets and undertaking (wherever located) which are not effectively mortgaged, charged or assigned under the Investor Target Group Debenture; and
 - 4.9.2 (whether or not effectively so charged) heritable property and all other property and assets in Scotland.
- 4.10 The Investor Security Agent may, by written notice to the relevant Chargor, convert the floating charge created under the Investor Target Group Debenture into a fixed charge as regards all or any of any Chargor's assets specified in the notice if:
- 4.10.1 any Declared Default is continuing; or
 - 4.10.2 the Investor Security Agent (in its reasonable opinion) considers the assets to be in danger of being seized or sold under any form of distress, attachment, execution or other legal process or to be otherwise in jeopardy.
- 4.11 The floating charge created under the Investor Target Group Debenture shall (in addition to the circumstances in which the same will occur under general law) unless otherwise agreed in writing by the Investor Security Agent automatically be converted into a fixed charge over all of each Chargor's assets:
- 4.11.1 if an administrator is appointed or the Investor Security Agent receives a notice of an intention to appoint an administrator; or
 - 4.11.2 on the convening of any meeting of the members of that Chargor to consider a resolution to wind that Chargor up (or not wind that Chargor up).
- 4.12 The giving by the Investor Security Agent of a notice pursuant to clause 2.12(b) (Floating Charge) of the Investor Target Group Debenture in relation to any asset of a Chargor will not be construed as a waiver or abandonment of the rights of the Investor Security Agent's rights to serve similar notices in respect of any other asset of that or any other Chargor or of any of the other rights of any Investor.
- 4.13 Unless expressly permitted to do so under the Senior Facilities Agreement or the Mezzanine Facility Agreement or following the Senior Discharge Date or the

Mezzanine Discharge Date, each Chargor will not do or agree to do any of the following without the prior written consent of the Investor Security Agent:

4.13.1 create or permit to subsist any Security Interest on any of its assets; or

4.13.2 either in a single transaction or in a series of transactions and whether related or not and whether voluntarily or involuntarily dispose of all or any part of its assets.

5. DEED OF ACCESSION (PRIORITY AGREEMENT)

By acceding to the Priority Agreement referred to in paragraph 5 of Annexure 3 the Subsidiary will, among other things, agree that any sums owed to it by other members of its group will be subordinated to sums owed by such members of the group to the Senior Finance Parties, the Mezzanine Finance Parties and the Investors.

6. INTRA-GROUP FUNDING AGREEMENT

Under the terms of the Intra-Group Funding Agreement referred to in paragraph 3 of Annexure 3 the Subsidiary and other members of the Group will make available loan facilities to, amongst others, Fieldstreet (Acquisition) Limited in an aggregate amount of up to £300,000,000. Advances made under the Intra-Group Funding Agreement may be used by the relevant borrower under the Intra-Group Funding Agreement among other things to repay amounts due from it to any Senior Finance Party, Mezzanine Finance Party or Investor pursuant to any Senior Finance Document, Mezzanine Finance Document or Investor Document (as appropriate).

7. THE DDB ACCESSION

Under the terms of the DDB Accession referred to in paragraph 7 of Annexure 3 the Subsidiary and other members of the Group will accede to the guarantee contained therein as guarantors and guarantee amongst other things the punctual performance by Fieldstreet (Finance) Limited of its obligations under the Investor Documents.

**FORM 155(6)b relating to
COX BROKING MANAGEMENT LIMITED**

Company Number 00616245

("Company")

relating to

COX CLAIMS MANAGEMENT LIMITED

("Subsidiary")

Annexure 5

In this Annexure capitalised terms defined in Annexure 6 have the meaning given to them therein.

Up to £331,000,000 (or such other amount as is permitted under the Intra-Group Funding Agreement).

FORM 155(6)b relating to
COX BROKING MANAGEMENT LIMITED
Company Number 00616245
("Company")
relating to
COX CLAIMS MANAGEMENT LIMITED
("Subsidiary")
Annexure 6

The following terms shall have the following meanings in these Annexures:

"Additional Borrower" means a member of the Group which becomes a Borrower after the date of the Senior Facilities Agreement under Clause 2.13 (Additional Borrowers) of the Senior Facilities Agreement;

"Administrative Party" means the Arranger, the Issuing Bank, the Facility Agent or the Security Agent (each as defined in the Senior Facilities Agreement and the Mezzanine Facility Agreement);

"Ancillary Facility" means any facility or financial accommodation, including any overdraft, foreign exchange, guarantee, bonding, documentary or standby letter of credit, credit card or automated payments facility, established by a Lender under clause 8 (*Ancillary Facilities*) of the Senior Facilities Agreement in place of all or part of its Revolving Credit Commitment;

"Borrower" means (a) Fieldstreet (Acquisition) Limited as Original Borrower and (b) the Target and any other person which has become an Additional Borrower in accordance with clause 2.13 (Additional Borrowers) of the Senior Facilities Agreement;

"Chargor" means the original chargors under the Target Group Debenture and as specified in Schedule 1 thereto;

"Collection Account" means in relation to any Chagor:

- (a) any agreement specified in Part 6 of Schedule 2 (Security Assets) of the Target Group Debenture opposite its name or in Part 6 of the schedule to any Deed of Accession by which it became party to the Target Group Debenture; and

- (b) any other account which that Chargor and the Security Agent have designated a Collection Account;

"DDB Instrument" means the deep discounted bond instrument dated 6 July 2005 constituting the £476,546,842.60 junior deep discounted bonds due 2015;

"Declared Default" means an Event of Default (as defined in the Senior Facilities Agreement) in respect of which any notice has been served by the Facility Agent in accordance with Clause 26.22 (Acceleration) of the Senior Facilities Agreement or by the Mezzanine Agent in accordance with Clause 22.22 (Acceleration) of the Mezzanine Facility Agreement;

"Facility Agent" means Calyon;

"Finance Documents" means the Senior Finance Documents and the Mezzanine Finance Documents;

"Finance Party" means a Senior Lender, an Administrative Party or a Hedging Bank;

"Group" means the Parent and its Subsidiaries from time to time, including, on and as from the date on which the Offer has become or is declared unconditional in all respects, the Target Group;

"Guarantor" means Fieldstreet (Acquisition) Limited and Fieldstreet (Finance) Limited as Original Guarantors, or a member of the Group which becomes a Guarantor after 28 April 2005 in accordance with Clause 2.12 (Additional Guarantors) or Clause 23.31 (Guarantees) of the Senior Facilities Agreement;

"Hedging Bank" means each person (if any) named in Schedule 4 (Hedging Banks and Hedging Documents) of the Priority Agreement and any person which becomes a party to the Priority Agreement as a Hedging Bank under Clause 13.1 (Accession of Hedging Banks) of the Priority Agreement in its capacity as provider of Hedging to any of the Obligors;

"Insurance" means any contract of insurance taken out by or on behalf of a member of the Group or under which it has a right to claim;

"Intellectual Property Rights" means:

- (a) any know-how, patent, trade mark, service mark, design, business name, domain name, topographical or similar right;
- (b) any copyright, database or other intellectual property right; or

(c) any interest (including by way of licence) in the above,

in each case whether registered or not, and includes any related application;

"Investors" means those persons named as "Investors" in the Priority Agreement;

"Investor Documents" means:

- (a) the memorandum and articles of association of Fieldstreet (Investments) Limited;
- (b) the Shareholders Agreement (and any related fee letter);
- (c) the DDB Instrument;
- (d) the Priority Agreement;
- (e) the Parentco Note Instrument; and
- (f) each Investor Security Document;

"Investor Security Documents" means:

- (a) the debenture dated 28 April 2005 and made between Fieldstreet (Finance) Limited and Fieldstreet (Acquisition) Limited as Chargors and Calyon as Security Agent; and
- (b) the Investor Target Group Debenture;

"Mezzanine Agent" means Calyon;

"Mezzanine Creditor" means each of:

- (a) Calyon in its capacity as Lender under and as defined in the Mezzanine Facility Agreement; and
- (b) the Arranger under and as defined in the Mezzanine Facility Agreement, the Mezzanine Agent and (after the Senior Discharge Date) the Security Agent;

"Mezzanine Discharge Date" means the date on which the Mezzanine Agent is satisfied that all of the Mezzanine Debt (as defined in the Mezzanine Facility Agreement) has been irrevocably paid and discharged and all Commitments under (and as defined in) the Mezzanine Facility Agreement cancelled;

"Mezzanine Facility Agreement" means the £60,000,000 Mezzanine Facility Agreement dated 28 April 2005 between, amongst others, the Parent, Fieldstreet (Acquisition) Limited, the Mezzanine Agent and the Security Agent as amended, supplemented, novated and restated from time to time;

"Mezzanine Finance Documents" means:

- (a) the Mezzanine Facility Agreement;
- (b) any Fee Letter (as defined in the Mezzanine Facility Agreement);
- (c) any Guarantor Accession Agreement;
- (d) a Transfer Certificate (as defined in the Mezzanine Facility Agreement);
- (e) the Hedging Letter (as defined in the Mezzanine Facility Agreement);
- (f) any Hedging Document (as defined in the Mezzanine Facility Agreement);
- (g) a Security Document (as defined in the Mezzanine Facility Agreement);
- (h) the Priority Agreement;
- (i) a Compliance Certificate (as defined in the Mezzanine Facility Agreement);
- (j) the Request (as defined in the Mezzanine Facility Agreement); or
- (k) any other document or agreement designated as such by the Mezzanine Agent, Fieldstreet (Acquisition) Limited and the Facility Agent;

"Mezzanine Finance Party" means a lender under the Mezzanine Facility Agreement and an Administrative Party;

"Mezzanine Lender" means:

- (a) Calyon; or
- (b) any person which becomes a Lender after 28 April 2005 under Clause 30.2 (Assignments and transfers by Lenders) of the Mezzanine Facility Agreement;

"Obligor" means a Borrower or a Guarantor or a Mezzanine Guarantor;

"Offer" means the offer for the Target Shares to be made by KBC Peel Hunt Limited on behalf of Fieldstreet (Acquisition) Limited on the terms and conditions referred to in the Press Release or as those terms and conditions may be amended in compliance with the Senior Facilities Agreement and Mezzanine Facility Agreement;

"Parent" means Fieldstreet (Finance) Limited;

"Parentco Note Instrument" means the note instrument to be entered into by the Parent, pursuant to which the Parentco Notes (as defined in the Senior Facilities Agreement) are issued, together with any Parentco Notes;

"Plant and Machinery" means in relation to any Chargor any plant, machinery, computers, office equipment or vehicles specified in Part 3 of Schedule 2 (Security Assets) of the Target Group Debenture opposite its name or in Part 3 of the schedule to any Deed of Accession by which it became a party to the Target Group Debenture;

"Press Release" means the agreed form press release by which the Offer is announced pursuant to rule 2.5 of the City Code on Takeovers and Mergers;

"Priority Agreement" means the priority agreement dated 28 April 2005 and made between, amongst others, the Parent, certain subsidiaries of the Parent and Calyon as Mezzanine Agent, Senior Agent and Security Agent;

"Refinancing Loans" means any Loan the proceeds of which are to be used solely for the purposes set out in Clause 3.1(b) (Term Loans) of the Senior Facilities Agreement excluding, to the extent drawn, any B2 Term Loan (as defined in the Senior Facilities Agreement);

"Relevant Contract" means in relation to any Chargor:

- (a) any agreement specified in Part 4 of Schedule 2 (Security Assets) of the Target Group Debenture opposite its name or in Part 4 of the schedule to any Deed of Accession (as defined in the Target Group Debenture) by which it became party to the Target Group Debenture; and
- (b) any other agreement to which that Chargor is a party and which that Chargor and the Security Agent have designated a Relevant Contract;

"Revolving Credit Commitment" means:

- (a) for an Original Lender, the amount set out in the Senior Facilities Agreement; and

(b) for any other Lender, the amount of any Revolving Credit Commitment it acquires,

to the extent not cancelled, transferred or reduced under the Senior Facilities Agreement;

"Revolving Credit Facility" means the revolving credit facility referred to in clause 2.6 of the Senior Facilities Agreement;

"Secured Creditor" means a Finance Party or a Mezzanine Finance Party;

"Secured Liabilities" means in relation to a Chargor all monies, obligations and liabilities (whether actual or contingent, present or future, and whether owed jointly or severally or in any other capacity whatsoever) of each Obligor to any Secured Creditor under any Finance Document PROVIDED THAT, until that Chargor complies with the provisions of Sections 155-158 of the Companies Act pursuant to Clause 23.37 (Target Group guarantees and security) of the Senior Facilities Agreement or otherwise, notwithstanding any other term of the Target Group Debenture that Chargor shall not have any liability for, and the Secured Liabilities shall not include, any such obligations and liabilities other than those of:

- (a) a Borrower of a B1 or C Term Loan (as defined in the Senior Facilities Agreement) (but only in respect of the obligations and liabilities arising in respect of that B1 or C Term Loan); and
- (b) a Borrower of the Revolving Credit Facility or the Ancillary Facility (but only in respect of the obligations and liabilities arising in respect of the Revolving Credit Facility and the Ancillary Facility),

in all cases excluding any obligation or liability which, if it were not so included, would result in the Target Group Debenture contravening any law (including Section 151 of the Companies Act 1985);

"Security Agent" means Calyon;

"Security Assets" means all assets of each Chargor the subject of any Security Interest created, evidenced or conferred by or under the Target Group Debenture or any Deed of Accession (as defined in the Target Group Debenture);

"Security Interest" means any mortgage, pledge, lieu, charge (fixed or floating), assignment, hypothecation, set-off or trust arrangement for the purpose of creating security, reservation of title or security interest or any other agreement or arrangement having a substantially similar effect;

"Senior Discharge Date" means the date on which the Senior Agent is satisfied that all of the Senior Debt and Hedging Debt has been irrevocably paid and discharged and all Commitments of the Senior

Creditors have been cancelled and all obligations of the Hedging Banks under the Hedging Documents have been terminated (all terms as more particularly defined in the Senior Facilities Agreement);

"Senior Facilities Agreement" means the £238,000,000 Senior Facilities Agreement dated 28 April 2005 between, amongst others, the Parent, Fieldstreet (Acquisition) Limited, the Facility Agent and the Security Agent as amended, supplemented, novated and restated from time to time;

"Senior Finance Documents" means the Senior Facilities Agreement, Fee Letter, Accession Agreement, Transfer Certificate, Ancillary Facility Document, Hedging Letter, Hedging Document, Security Document, Priority Agreement, Compliance Certificate, Margin Certificate, Request, Letter of Credit, the Supplemental Amendment Agreement (each as defined in the Senior Facilities Agreement), or any other document designated as such by the Facility Agent and the Subsidiary;

"Senior Finance Party" means a Senior Lender, an Administrative Party or a Hedging Bank;

"Senior Lender" means:

- (a) Calyon; or
- (b) any person which becomes a Lender after 28 April 2005 under Clause 34.2 (Assignments and transfers by Lenders) of the Senior Facilities Agreement;

"Shareholders Agreement" means the investment agreement dated 28 April 2005 between, amongst others, the Investors, Fieldstreet (Acquisition) Limited, Parent and Fieldstreet (Investments) Limited;

"Target" means Cox Insurance Holdings Limited;

"Target Group" means the Target and each of its Subsidiaries from time to time;

"Target Group Debenture" means the debenture dated 7 July 2005 entered into between Calyon as Security Agent and Fieldstreet (Acquisition) Limited and certain other members of the Group;

"Trading Account" means in relation to any Chargor:

- (a) any account of that Chargor specified in Part 7 of Schedule 2 (Security Assets) of the Target Group Debenture or in Part 7 of the schedule to any Deed of Accession by which it became party to the Target Group Debenture; and

- (b) any other account which that Chargor and the Security Agent have designated a Trading Account.



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The Directors
Cox Broking Management Limited
Library House
New Road
Brentwood
Essex
CM14 4GD

Our ref Eve/mdw/1

22 August 2005

Dear Sirs

Auditors' report to the directors of Cox Broking Management Limited pursuant to Section 156(4) of the Companies Act 1985

We have examined the attached statutory declaration of the directors dated 22 August 2005 in connection with the proposal that Cox Claims Management Limited, of which this company is a holding company, should give financial assistance for the purchase of 100% of the ordinary shares of this company's holding company, Cox Insurance Holdings Limited.

This report is made solely to the company's directors as a body in accordance with section 156(4) of the Companies Act 1985. Our work has been undertaken so that we as the company's auditors might state to the company's directors those matters we are required to state to them in a report under section 156(4) of that Act and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's directors as a body for our work under section 156(4) of that Act or for this report.

We have enquired into the state of the company's affairs in order to review the bases for the statutory declaration.

We are not aware of anything to indicate that the opinion expressed by the directors in their declaration as to any of the matters mentioned in Section 156(2) of the Companies Act 1985 is unreasonable in all the circumstances.

Yours faithfully

KPMG Audit Plc

KPMG Audit Plc
Registered Auditor

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COMPANIES HOUSE 03/09/05