

Short particulars of all the property mortgaged or charged

See Schedule 2

Please do not
write in
this margin

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

Particulars as to commission allowance or discount (note 3)

Signed

Clifford Chance

Date

7 May 2002

On behalf of [company] [mortgagee/chargee] †

A fee of £10 is
payable to
Companies House
in respect of each
register entry for a
mortgage or
charge.
(See Note 5)

† delete as
appropriate

Notes

- 1 The original instrument (if any) creating or evidencing the charge, together with these prescribed particulars correctly completed must be delivered to the Registrar of Companies within 21 days after the date of creation of the charge (section 395). If the property is situated and the charge was created outside the United Kingdom delivery to the Registrar must be effected within 21 days after the date on which the instrument could in due course of post, and if dispatched with due diligence, have been received in the United Kingdom (section 398). A copy of the instrument creating the charge will be accepted where the property charged is situated and the charge was created outside the United Kingdom (section 398) and in such cases the copy must be verified to be a correct copy either by the company or by the person who has delivered or sent the copy to the registrar. The verification must be signed by or on behalf of the person giving the verification and where this is given by a body corporate it must be signed by an officer of that body. A verified copy will also be accepted where section 398(4) applies (property situate in Scotland or Northern Ireland) and Form No. 398 is submitted.
- 2 A description of the instrument, eg "Trust Deed", "Debenture", "Mortgage" or "Legal charge", etc, as the case may be, should be given.
- 3 In this section there should be inserted the amount or rate per cent. of the commission, allowance or discount (if any) paid or made either directly or indirectly by the company to any person in consideration of his;
 - (a) subscribing or agreeing to subscribe, whether absolutely or conditionally, or
 - (b) procuring or agreeing to procure subscriptions, whether absolute or conditional,for any of the debentures included in this return. The rate of interest payable under the terms of the debentures should not be entered.
- 4 If any of the spaces in this form provide insufficient space the particulars must be entered on the prescribed continuation sheet.
- 5 Cheques and Postal Orders are to be made payable to **Companies House**.
- 6 The address of the Registrar of Companies is:-
Companies House, Crown Way, Cardiff CF4 3UZ

**Particulars of a mortgage or charge
(continued)**

Please do not
write in this
binding margin

Continuation sheet No _____
to Form No 395 and 410 (Scot)

CHFP025

Company Number

02810267

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

Name of Company

Argent Insurance Practice Limited (the "Company")

Limited*

* delete if
inappropriate

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

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

Please do not
write in this
binding margin

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

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

Please do not
write in this
binding margin

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

Schedule to Form 395 relating to the Subordination and Security Trust Deed entered into by Argent Insurance Practice Limited (Company No: 02810267) dated 25 April 2002

**SCHEDULE 1
DEFINITIONS**

In this Form 395:

"Accession Letter" means a document substantially in the form set out in Schedule 8 (*Form of Accession Letter*) of the Facility Agreement.

"Additional Guarantor" means a company which becomes a Additional Guarantor in accordance with Clause 29.2 (*Additional Guarantors*) of the Facility Agreement.

"Additional Guarantor Debenture" means, in respect of each Additional Guarantor, the debenture to be granted by such Additional Guarantor in favour of HSBC Investment Bank Plc as the Trustee in a form to be agreed between the Trustee, the Agent and the relevant Additional Guarantor.

"Advance" means a Revolving Advance or the Term Advance.

"Borrower" means Cox Insurance Holdings Plc as borrower under the Facility Agreement.

"Borrower Debenture" means the debenture granted by the Borrower in favour of the Trustee substantially in the form agreed between the Agent, the Trustee and the Obligors prior to the date of the Facility Agreement.

"Charged Property" means all the assets of the Obligors which from time to time are, or are expressed to be, the subject of the Transaction Security.

"Commitment" means, in relation to a Lender at any time, the aggregate of its Term Commitment and its Revolving Commitment at such time.

"Delegate" means any delegate, agent, attorney or co-trustee appointed by the Trustee.

"Enforcement Event" means the occurrence of an Event of Default and the Agent:

- (a) declaring the Advances to be due and payable; or
- (b) declaring all or any part of the Advances to be due and payable on demand of the Agent,

in each case, pursuant to Clause 18.22 (*Acceleration and Cancellation*) of the Facility Agreement.

"Event of Default" means any circumstances described as such in Clause 18 (*Events of Default*) of the Facility Agreement.

"Fee Letter" means any letter or letters dated on or about the date of the Facility Agreement between HSBC Investment Bank Plc as Co-ordinator and the Borrower (or the Agent and the

Borrower) setting out any of the fees referred to in Clause 25 (*Commitment Commission and Fees*) of the Facility Agreement.

"Finance Documents" means the Facility Agreement, any Fee Letter, any Accession Letter, any Resignation Letter, the Security Documents and any other document agreed as such by the Agent and the Borrower.

"Guarantor" means an Original Guarantor or an Additional Guarantor, unless it has ceased to be a Guarantor in accordance with Clause 29.4 (*Resignation of a Guarantor*) of the Facility Agreement.

"Instructing Group" means:

- (a) before any Advances have been made under the Facility Agreement, a Lender or group of Lenders whose Commitments amount in aggregate to more than $66\frac{2}{3}$ per cent. of the Total Commitments; and
- (b) thereafter, a Lender or group of Lenders to whom in aggregate more than $66\frac{2}{3}$ per cent. of the Loan is (or, immediately prior to its repayment, was then) owed.

"Lender" means:

- (a) any Original Lender; and
- (b) any bank, financial institution, trust, fund or other entity which has become a party to the Facility Agreement in accordance with Clause 28 (*Changes to the Lenders*) of the Facility Agreement,

which in each case has not ceased to be a party in accordance with the terms of the Facility Agreement.

"Loan" means, at any time, the aggregate of the Term Loan and the Revolving Loan.

"Obligors" means the Borrower and the Guarantors.

"Original Guarantor Debenture" means, in respect of each Original Guarantor, the debenture granted by such Original Guarantor in favour of the Trustee substantially in the form agreed between the Agent, the Trustee and the Original Obligors prior to the date of the Facility Agreement and the **"Original Guarantor Debentures"** shall be construed accordingly.

"Original Guarantors" means the guarantors listed in Schedule 1 (*The Original Obligors*) to the Facility Agreement.

"Original Lenders" means the lenders listed in Schedule 4 to this Form 395.

"Receiver" means a receiver or receiver and manager or administrative receiver of the whole or any part of the Charged Property.

"Resignation Letter" means a letter substantially in the form set out in Schedule 9 (*Form of Resignation Letter*) to the Facility Agreement.

"Revolving Advance" means an advance made or to be made by the Lenders under the sterling revolving loan facility granted to the Borrower under the Facility Agreement.

"Revolving Commitment" means, in relation to a Lender at any time, the amount set opposite its name under the heading "Revolving Commitment" in Schedule 2 (*The Original Lenders*) to the Facility Agreement or such other amount as may be determined thereunder.

"Revolving Loan" means, at any time, the aggregate principal amount of the outstanding Revolving Advances.

"Secured Obligations" means all obligations at any time due, owing or incurred by any Obligor to any Secured Party under the Finance Documents, whether present or future, actual or contingent (and whether incurred solely or jointly and whether as principal or surety or in some other capacity).

"Secured Parties" means the Trustee, any Receiver or Delegate and the Agent and each Lender from time to time to the Facility Agreement provided that, in the case of the Agent and the Lenders, such person is a party to the Subordination and Security Trust Deed or has delivered to the Trustee a duly executed Secured Party Accession Undertaking accepted by the Trustee and Agent.

"Secured Party Accession Undertaking" means an undertaking in substantially the form set out in Schedule 2 of the Subordination and Security Trust Deed.

"Security Documents" means the Original Guarantor Debentures, the Borrower Debenture, the Subordination and Security Trust Deed and the Additional Guarantor Debenture (if any), together with any other document entered into by any Obligor creating or expressed to create any encumbrance over all or any part of its assets in respect of the obligations of any of the Obligors under any of the Finance Documents.

"Senior Discharge Date" means the date on which all of the Secured Obligations have been fully and irrevocably discharged and all of the commitments and liabilities of the Lenders to the Borrower have expired or otherwise have been cancelled in accordance with the terms of the Finance Documents.

"Subordinated Debt" means any present and future indebtedness for borrowed money of an Obligor to another Obligor, whether as principal or surety.

"Term Advance" means the advance (as from time to time reduced by repayment) made or to be made by the Lenders under sterling term loan facility granted to the Borrower under the Facility Agreement.

"Facility Agreement" means the agreement dated 25 April 2002 between the Borrower, HSBC Investment Bank Plc as Co-ordinator, Agent and Trustee, the Lenders and the Guarantors.

"Term Commitment" means, in relation to a Lender at any time, the amount set opposite its name under the heading "Term Commitment" in Schedule 2 (*The Original Lenders*) to the Facility Agreement or such other amount as may be determined thereunder.

"Term Loan" means, at any time, the aggregate principal amount outstanding of the Term Advance.

"Total Commitments" means, at any time, the aggregate of the Lenders' Commitments.

"Transaction Security" means the Security created or expressed to be created in favour of the Trustee pursuant to the Security Documents.

SCHEDULE 2

SECURITY

1.1 Turnover

The Company has covenanted and agreed that in the event of payment or discharge (whether in cash, by way of transfer of shares or other assets, set-off or counterclaim or otherwise) being made to, or an encumbrance being held by, the Company in breach of Clause 3.2 (Prohibited Payments and Security) of the Subordination and Security Trust Deed, it will pay or transfer to the Trustee for application in accordance with the terms of Clause 7 (*Application of Proceeds*) of the Subordination and Security Trust Deed any sums or other assets which shall have been received or retained by it in consequence of such breach (whereupon the underlying Subordinated Debt equivalent to the payment made shall be deemed not to have been reduced) and, until such payment or transfer, the Company shall hold such sums or other assets or such encumbrance (as the case may be) on trust for the Trustee.

1.1 Insolvency

The Company has covenanted and agreed that if it proves in the winding-up (or other analogous event) of another Obligor for all or any part of the Subordinated Debt (either with the prior written consent of an Instructing Group or in breach of Clause 4 (*Covenants of the Obligors*) of the Subordination and Security Trust Deed), then the Company shall at all times act in accordance with the directions of the Trustee and:

- (a) shall take all reasonable steps to procure that any payment or distribution of assets of any obligor of any kind or character to which the Company would have been entitled except for the provisions of Clause 3.4 (*Insolvency*) of the Subordination and Security Trust Deed shall be paid by the liquidator of such Obligor or other person making such payment or distribution to the Trustee for application in accordance with the terms of Clause 7 (*Application of Proceeds*) of the Subordination and Security Trust Deed; or
- (b) if the Company receives any such payment or distribution, it shall pay such payment or distribution to the Trustee for application in accordance with the terms of Clause 7 (*Application of Proceeds*) of the Subordination and Security Trust Deed,

and in each case, pending such payment shall be held on trust for the Trustee for application in accordance with the Subordination and Security Trust Deed.

ADDITIONAL INFORMATION

The Company has covenanted and agreed that:

- (a) until the Senior Discharge Date, the right of the Company in respect of the Subordinated Debt shall be subordinated and subject in right of payment to the Senior

Discharge Date to the extent and in the manner set out in the Subordination and Security Trust Deed;

- (b) subject to the provisions of Clause 6 of the (Permitted Payments) of the Subordination and Security Trust Deed or save as permitted or contemplated by the Facility Agreement, it will not, until after the Senior Discharge Date without the prior written consent of an Instructing Group, make any prepayment or payment (whether in cash, by way of transfer of shares or other assets or otherwise) on account of, or grant any encumbrance in respect of, the Subordinated Debt (whether by way of cash, loan or otherwise) nor shall it be entitled to demand or receive any such payment or encumbrance or (after the occurrence of an Enforcement Event and subject to Clause 3.4 (*Insolvency*) of the Subordination and Security Trust Deed to commence any proceedings against any other obligor, or take any action, in respect of any of the Subordinated Debt or any part thereof (including, without limitation, the exercise of any right of set off, counterclaim or lien or any action, in respect of any of the Subordinated Debt or any part thereof (including, without limitation, the exercise of any right of set-off, counterclaim or lien or any action or step with a view to winding-up such other Obligor); and
- (c) notwithstanding anything to the contrary in the Subordination and Security Trust Deed, upon the occurrence in respect of any Obligor (the "**Relevant Obligor**") of any of the events specified in Clause 18.8 (*Insolvency and Rescheduling*) to Clause 18.10 (*Execution or Distress*) of the Facility Agreement the claims of any Obligor (the "**Affected Obligor**") in respect of the Subordinated Debt shall be postponed to the Senior Debt owing by the Relevant Obligor and no amount shall be payable to the Affected Obligor in respect of the Subordinated Debt nor any distribution of assets of any kind or character made to the Affected Obligor in respect thereof (whether in cash, property, securities or otherwise) until the Senior Discharge Date without the prior written consent of the Agent.

SCHEDULE 3
THE ORIGINAL OBLIGORS

1. Cox Insurance Holdings Plc;
2. Argent Financial Services Limited;
3. Anthony Kidd Agencies Limited;
4. Boncaster Limited;
5. Brokersure.co.uk Limited;
6. can do finance Limited;
7. Christopherson Heath Group Limited;
8. Christopherson Heath Properties Limited;
9. Cox Agency Holdings Limited;
10. Cox Claims Management Limited;
11. Cox Managing Agency Limited;
12. Cox Services Limited;
13. Cox Syndicate Management Limited;
14. Cox Underwriting Limited;
15. Equity Red Star Services Limited;
16. HML Marketing Limited; and
17. Hainault Securities Limited.

SCHEDULE 4
THE ORIGINAL LENDERS

1. HSBC Bank plc;
2. The Royal Bank of Scotland PLC;
3. Barclays Bank plc;
4. Credit Lyonnais; and
5. Westdeutsche Landesbank Girozentrale.

FILE COPY



CERTIFICATE OF THE REGISTRATION OF A MORTGAGE OR CHARGE

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

COMPANY No. 02810267

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES HEREBY CERTIFIES THAT A SUBORDINATION AND SECURITY TRUST DEED DATED 25 APRIL 2002 MADE BETWEEN THE COMPANY AND THE OBLIGORS LISTED IN SCHEDULE 3 TO THIS FORM 395 (THE "ORIGINAL OBLIGORS"), HSBC INVESTMENT BANK PLC (THE "TRUSTEE" AND "AGENT") AND THE LENDERS LISTED IN SCHEDULE 4 TO THIS FORM 395 (THE "ORIGINAL LENDERS"). DATED THE 25th APRIL 2002 AND CREATED BY ARGENT INSURANCE PRACTICE LIMITED FOR SECURING ALL MONIES AND LIABILITIES NOW OR AT ANY TIME IN THE FUTURE DUE, OWING OR INCURRED BY THE OBLIGORS TO SECURED PARTIES UNDER THE TERMS OF THE AFOREMENTIONED INSTRUMENT CREATING OR EVIDENCING THE CHARGE WAS REGISTERED PURSUANT TO CHAPTER 1 PART XII OF THE COMPANIES ACT 1985 ON THE 7th MAY 2002.

GIVEN AT COMPANIES HOUSE, CARDIFF THE 10th MAY 2002.

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THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES



Companies House

— for the record —