

MR01

Particulars of a charge

laserform

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A fee is payable with this form.
Please see 'How to pay' on the
last page

You can use the WebFiling
Please go to www.companies

☒ **What this form is for**
You may use this form to register
a charge created or evidenced by
an instrument

☒ **What this form is NOT for**
You may not use this form to
register a charge where there is
an instrument. Use form MR08

THURSDAY



LD3 *L58ABW1L* #96
02/06/2016
COMPANIES HOUSE

This form **must be delivered to the Registrar for registration within 21 days** beginning with the day after the date of creation of the charge. If delivered outside of the 21 days it will be rejected unless it is accompanied by a court order extending the time for delivery

You **must** enclose a certified copy of the instrument with this form. This will be scanned and placed on the public record. **Do not send the original**

1 Company details

Company number 0 4 5 0 6 4 9 3
Company name in full UK General Insurance Limited

6 For official use
→ **Filling in this form**
Please complete in typescript or in
bold black capitals
All fields are mandatory unless
specified or indicated by *

2 Charge creation date

Charge creation date d2 d0 m0 m5 y2 y0 y1 y6

3 Names of persons, security agents or trustees entitled to the charge

Please show the names of each of the persons, security agents or trustees
entitled to the charge

Name Deutsche Bank AG, London Branch

Name

Name

Name

If there are more than four names, please supply any four of these names then
tick the statement below

☐ I confirm that there are more than four persons, security agents or
trustees entitled to the charge

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Particulars of a charge

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Brief description

Please give a short description of any land, ship, aircraft or intellectual property registered or required to be registered in the UK subject to a charge (which is not a floating charge) or fixed security included in the instrument

Please submit only a short description if there are a number of plots of land, aircraft and/or ships, you should simply describe some of them in the text field and add a statement along the lines of, "for more details please refer to the instrument"

Please limit the description to the available space

Brief description

5

Other charge or fixed security

Does the instrument include a charge (which is not a floating charge) or fixed security over any tangible or intangible or (in Scotland) corporeal or incorporeal property not described above? Please tick the appropriate box

☒ Yes

☐ No

6

Floating charge

Is the instrument expressed to contain a floating charge? Please tick the appropriate box

☒ Yes Continue

☐ No Go to **Section 7**

Is the floating charge expressed to cover all the property and undertaking of the company?

☒ Yes

7

Negative Pledge

Do any of the terms of the charge prohibit or restrict the company from creating further security that will rank equally with or ahead of the charge?
Please tick the appropriate box

☒ Yes

☐ No

8

Trustee statement ①

You may tick the box if the company named in Section 1 is acting as trustee of the property or undertaking which is the subject of the charge

☐

① This statement may be filed after the registration of the charge (use form MR06)

9

Signature

Please sign the form here

Signature

X *Maefarlanes LLP* X


This form must be signed by a person with an interest in the charge


Signature

MR01



Particulars of a charge

 Presenter information	
You do not have to give any contact information, but if you do, it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.	
Contact name	Sophie Walshe
Company name	Macfarlanes LLP
Address	20 Cursitor Street
Post town	
County/Region	London
Postcode	E C 4 A 1 L T
Country	UK
DX	DX No: 138 Chancery Lane
Telephone	+44 (0)20 7849 2143

 Certificate
We will send your certificate to the presenter's address if given above or to the company's Registered Office if you have left the presenter's information blank.

 Checklist
We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following
<input checked="" type="checkbox"/> The company name and number match the information held on the public Register
<input checked="" type="checkbox"/> You have included a certified copy of the instrument with this form
<input checked="" type="checkbox"/> You have entered the date on which the charge was created
<input checked="" type="checkbox"/> You have shown the names of persons entitled to the charge
<input checked="" type="checkbox"/> You have ticked any appropriate boxes in Sections 3, 5, 6, 7 & 8
<input checked="" type="checkbox"/> You have given a description in Section 4, if appropriate
<input checked="" type="checkbox"/> You have signed the form
<input checked="" type="checkbox"/> You have enclosed the correct fee
<input checked="" type="checkbox"/> Please do not send the original instrument, it must be a certified copy

 Important information
Please note that all information on this form will appear on the public record.
 How to pay
A fee of £13 is payable to Companies House in respect of each mortgage or charge filed on paper.
Make cheques or postal orders payable to 'Companies House'
 Where to send
You may return this form to any Companies House address. However, for expediency, we advise you to return it to the appropriate address below:
For companies registered in England and Wales. The Registrar of Companies, Companies House, Crown Way, Cardiff, Wales, CF14 3UZ DX 33050 Cardiff
For companies registered in Scotland. The Registrar of Companies, Companies House, Fourth floor, Edinburgh Quay 2, 139 Fountainbridge, Edinburgh, Scotland, EH3 9FF DX ED235 Edinburgh 1 or LP - 4 Edinburgh 2 (Legal Post)
For companies registered in Northern Ireland. The Registrar of Companies, Companies House, Second Floor, The Linenhall, 32-38 Linenhall Street, Belfast, Northern Ireland, BT2 8BG DX 481 N R Belfast 1

 Further information
For further information, please see the guidance notes on the website at www.companieshouse.gov.uk or email enquiries@companieshouse.gov.uk
This form is available in an alternative format. Please visit the forms page on the website at www.companieshouse.gov.uk



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 4506493

Charge code: 0450 6493 0006

The Registrar of Companies for England and Wales hereby certifies that a charge dated 20th May 2016 and created by UK GENERAL INSURANCE LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 2nd June 2016.

2x

Given at Companies House, Cardiff on 8th June 2016



Companies House



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES

EXECUTION VERSION

Date 20 May 2016

THE COMPANIES identified in schedule 1
as Original Chargers

DEUTSCHE BANK AG, LONDON BRANCH
as Security Agent

SECURITY AGREEMENT

This deed is subject to the terms of the Intercreditor Agreement

SAVE FOR MATERIAL REDACTED PURSUANT TO S 859G
COMPANIES ACT 2006, THIS COPY INSTRUMENT IS
CERTIFIED TO BE A CORRECT COPY OF THE ORIGINAL
INSTRUMENT

Macfarlanes LLP

MACFARLANES LLP
20 CURSITOR STREET
LONDON EC4A 1LT

DATE *23.05.16*

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DATE

20 May

2016

PARTIES

- 1 **THE COMPANIES** whose names, registered numbers and registered offices are set out in schedule 1 (the "Original Chargors"), and
- 2 **DEUTSCHE BANK AG, LONDON BRANCH** acting through its office at Winchester House, 1 Great Winchester Street, London EC2N 2DB as agent and trustee for the Secured Parties (the "Security Agent")

BACKGROUND

- A The Chargors are entering into this deed in connection with the Finance Documents
- B The Security Agent and the Chargors intend this document to take effect as a deed notwithstanding the fact that a party may only execute this document under hand

IT IS AGREED as follows

1 **Definitions and interpretation**

1.1 **Definitions**

Unless otherwise provided in this deed, terms defined in the Facilities Agreement shall have the same meaning where used in this deed

In addition, in this deed, unless the context otherwise requires, the following words shall have the following meanings

Accounts all accounts (including any Designated Accounts) and all moneys from time to time standing to the credit (including any interest thereon) of such accounts and all rights in relation thereto, with any bank, financial institution or other person in any jurisdiction now or at any time hereafter (and from time to time) owned, operated or held by any Chargor or in which any Chargor has an interest, but excluding any Trust Account,

Additional Chargor any person which becomes a Chargor by executing a Deed of Accession,

Administrator a person appointed in accordance with Schedule B1 Insolvency Act 1986 to manage a Chargor's affairs, business and property,

Assigned Agreements

- a) the Munich Re Contract,
- b) an intra-group loan agreement made between UK General Insurance Group Limited as lender and UK General Insurance Limited as borrower dated on or around the date of this Agreement,
- c) an intra-group loan agreement made between UK General Insurance Group Limited as lender and Primary Group UK Limited as borrower dated on or around the date of this Agreement,
- d) an intra-group loan agreement made between UK General Insurance Group Limited as lender and Surestone Insurance Holdings Limited as borrower dated on or around the date of this Agreement, and
- e) any other agreement designated in writing as an Assigned Agreement by the Parent and the Security Agent,

Charged Assets all the assets for the time being subject to the Security created by this deed (and references to the Charged Assets include references to any part of them).

Chargor an Original Chargor or an Additional Chargor.

Client Money means that term as used in Chapter 5 of the Client Assets sourcebook (CASS), part of the FCA's Handbook of rules and guidance (including any amendment or successor thereof), held from time to time by UK General Insurance Limited.

Declared Default an Event of Default which has resulted in the Agent exercising any of its rights under clause 24.24 (*Acceleration*) of the Facilities Agreement.

Debts all book and other debts, of any kind whatsoever now or at any time hereafter (and from time to time) due, owing or payable to any Chargor or in which any Chargor has an interest and the proceeds of the same including the benefit of any judgement or order to pay a sum of money and the benefit of all rights securities and guarantees of any nature enjoyed or held by it in relation to the same.

Deed of Accession a deed substantially in the form of schedule 3 (*Form of Deed of Accession*).

Designated Accounts each Mandatory Prepayment Account and each Holding Account including the accounts so detailed in part 1 of schedule 2 (*Designated Accounts*) or Part 1 of Schedule 2 (*Designated Accounts*) to any Deed of Accession.

Equipment all equipment plant machinery, tools vehicles furniture and other tangible moveable property now or at any time hereafter (and from time to time) owned by any Chargor, and any part thereof together with the benefit of all contracts and warranties relating to the same.

Excluded Securities the shares charged pursuant to the English law governed charge dated on or about the date of this deed given by UK General Insurance Group Limited over its shares in UK General Insurance Limited and any other shares legally or beneficially owned by the UK General Insurance Group Limited from time to time.

Facilities Agreement the agreement dated 26 February 2016 and made between amongst others, the Security Agent and Primary Group Limited (the "Parent") relating to certain loan and other banking facilities.

Floating Charge Assets all the assets for the time being subject to the floating charge created by this deed (and references to the Floating Charge Assets include references to any part of it).

Goodwill all goodwill now or at any time hereafter (and from time to time) of or in a Chargor.

Insolvency Event the occurrence of any of the events or circumstances set out in clauses 24.6 (*Insolvency*) - 24.8 (*Creditors' Process*) (inclusive) of the Facilities Agreement.

Insurance Policies all contracts and policies of insurance or assurance and all moneys payable under or pursuant to such policies now or at any time hereafter (and from time to time) taken out by or on behalf of any Chargor or (to the extent of its interest) in which any Chargor has an interest excluding in each case contracts and policies of insurance or assurance which relate to liabilities to third parties.

Intellectual Property all interests in respect of any patent (including supplementary protection certificates) trade mark, service mark, trade name, registered design design right, copyright, know-how, utility model, topographical or similar right, moral right, invention, confidential information trade secret, database right right in passing off and any other right in intellectual property subsisting anywhere in the world in any of the foregoing whether registered or unregistered and in each case any registrations, extensions renewals or

applications of or for the same now or at any time hereafter (and from time to time) owned or held by any Chargor or (to the extent of its interest) in which any Chargor has an interest.

LPA the Law of Property Act 1925

Properties all estates or interests in any freehold and leasehold properties (whether registered or unregistered) and all commonhold or other immoveable properties now or at any time hereafter (and from time to time) owned by any Chargor) but excluding in each case Short Leasehold Properties

Property Interests all interests in or over the Properties and all rights, licences, guarantees rents deposits contracts covenants and warranties relating to the Properties in each case, now or at any time hereafter (and from time to time) owned or held by any Chargor

Receiver a person appointed by the Security Agent to be a receiver or receiver and manager or (if permitted by law) an administrative receiver of all or any part of the Charged Assets of any Chargor,

Restrictions Notice a 'restrictions notice' as defined in paragraph 1(2) of Schedule 1B of the Companies Act 2005,

Secured Liabilities all present and future liabilities and obligations at any time due owing or incurred by each Obligor to any Secured Party under or in connection with the Finance Documents, both actual and contingent and whether incurred solely or jointly, as principal or surety and/or in any other capacity,

Securities all stocks, shares, loan capital, securities bonds and investments of any kind whatsoever (whether or not marketable) now or at any time hereafter (and from time to time) owned by any Chargor or in which any Chargor has an interest, together with all allotments offered or arising in respect thereof or incidental thereto and all stocks shares loan capital, securities bonds, investments, rights, income, money or property accruing deriving, offered or paid from time to time by way of dividend, distribution, interest, exchange capital reorganisation, conversion, redemption, bonus, rights preference option or otherwise in respect thereof excluding in each case all interests in Dormant Subsidiaries, the Excluded Securities and, for the avoidance of doubt, all allotments offered or arising in respect thereof or incidental thereto,

Securities Issuer the issuer of any Securities

Security Period the period starting on the date of this deed and ending on the date on which the Secured Liabilities have been unconditionally and irrevocably paid and discharged in full,

Short Leasehold Properties all leasehold properties for a term of less than 15 years unexpired at the date of acquisition of the lease (whether registered or unregistered) owned by any Chargor under which the relevant Chargor is obliged to pay a rack rent save where the continuing occupation of the relevant land or, as the case may be property is required in order to carry on the business and operations of that Chargor,

Trust Account in relation to a Chargor

- (a) any account so detailed in part 2 of schedule 2 (*Trust Accounts*) to this Deed or in Part 2 of Schedule 2 (*Trust Accounts*) to any Deed of Accession by which it has acceded to this deed (as applicable), in each case specified as held by it, or
- (b) any other account which the Security Agent and that Chargor have so designated,

in each case, if and to the extent that all monies held on deposit in each such account are solely (i) Trust Monies and/or (ii) Client Money and/or (iii) monies representing commission due but not yet paid to UK General Insurance Limited ("Commission Monies"), and

provided that the relevant Chargor shall ensure that any such Commission Monies are transferred into an Account subject to the Security created by this deed that is not a Trust Account on a regular basis in accordance with the customary operating practices of the Chargors in the ordinary course of trading, and that no monies other than Trust Monies and/or Client Money and/or Commission Monies are held on deposit in such accounts

Trust Monies all monies held by UK General Insurance Limited from time to time on trust for insurers and insurance intermediaries including but not limited to

- (a) Munich Re in accordance with the risk transfer arrangements under the Munich Re Contract and
- (b) Ageas in accordance with the Ageas Contract

Uncalled Capital all the uncalled capital now or at any time hereafter (and from time to time) of a Chargor and

Warning Notice a "warning notice" as defined in paragraph 1(2) of Schedule 1B of the Companies Act 2006

12 Construction

12.1 Unless otherwise provided in this deed the provisions of clause 12 (*Construction*) of the Facilities Agreement apply to this deed as though they were set in full in this deed, *mutatis mutandis*

12.2 In this deed (unless the context requires otherwise) any reference to

12.2.1 each Chargor, each Obligor, each Secured Party, any Securities Issuer, any Administrator or Receiver or any other person shall be construed so as to include their successors in title, permitted assigns, permitted transferees and (in the case of any Administrator or Receiver) lawful substitutes and/or replacements

12.2.2 a Finance Document or any other agreement or instrument is a reference to that Finance Document or other agreement or instrument as amended (however fundamentally including any amendment providing for any increase in the amount of any facility or other liability) from time to time with the agreement of the relevant parties and (where such consent is, by the terms of any Finance Document or the relevant document, required to be obtained as a condition to such amendment being permitted) the prior consent of the Security Agent,

12.2.3 "assets" includes present and future properties, revenues and rights of every description,

12.2.4 the Security constituted by this deed becoming "enforceable" shall mean that the Security created under this deed has become enforceable under clause 14.1 (*Enforcement events*)

12.2.5 "owned" includes having legal or equitable title to or a right to have legal or equitable title transferred,

12.2.6 "law" includes the common law any statute, bye-law, regulation or instrument and any kind of subordinate legislation, and any order, requirement code of practice, circular, guidance note licence, consent or permission made or given pursuant to any of the foregoing,

- 1 2 2 7 a provision of law is a reference to that provision as amended or re-enacted from time to time,
- 1 2 2 8 a time of day is a reference to London time,
- 1 2 2 9 any gender includes a reference to the other genders
- 1 2 2 10 the singular includes a reference to the plural and vice versa and
- 1 2 2 11 a clause or schedule is to a clause or schedule (as the case may be) of or to this deed

1 2 3 Clause and schedule headings are for ease of reference only

1 3 Nature of security over real property

A reference in this deed to any freehold, leasehold or commonhold property includes

- 1 3 1 all buildings and fixtures (including trade and tenant's fixtures) which are at any time situated on that property,
- 1 3 2 the proceeds of sale of any part of that property, and
- 1 3 3 the benefit of any covenants for title given or entered into by any predecessor in title of any Chargor in respect of that property or any monies paid or payable in respect of those covenants

1 4 Secured Liabilities

References in this deed to the Secured Liabilities shall be construed in relation to the Finance Documents so as to include (i) any increase or reduction in any amount made available thereunder and/or any alteration and/or addition to the purposes for which any such amount, or increased or reduced amount may be used, (ii) any ancillary facilities provided in substitution for or in addition to the facilities originally made available thereunder, (iii) any rescheduling of the indebtedness incurred thereunder whether in isolation or in connection with any of the foregoing and (iv) any combination of any of the foregoing

1 5 Client Money and Trust Monies

For the avoidance of doubt Client Money and Trust Monies are not property belonging to UK General Insurance Limited and as such are not subject to the security created under this deed by UK General Insurance Limited

2 Covenant to pay; Further advances

2 1 Covenant to pay

Each Chargor hereby covenants with the Security Agent (as trustee for the Secured Parties) that it will on demand pay and discharge all Secured Liabilities owing or incurred from or by it to the Secured Parties when the same become due in accordance with the terms of the Finance Documents whether by acceleration or otherwise

2 2 Potential invalidity

Neither the covenant to pay in clause 2 1 (Covenant to pay) nor the Security constituted by this deed shall extend to or include any liability or sum which would, but for this clause, cause such covenant or Security to be unlawful under any applicable law

2.3 Further advances

This deed secures further advances made under or pursuant to the terms of the Finance Documents and the Lenders are subject to and upon the terms and conditions of the Finance Documents under an obligation to make further advances

3 Grant of security

3.1 Fixed security

As a continuing security for the payment and discharge of the Secured Liabilities each Chargor with full title guarantee hereby

3.1.1 charges to the Security Agent (as trustee for the Secured Parties), by way of first fixed charge, all its

3.1.1.1 Properties

3.1.1.2 Property Interests,

3.1.1.3 Equipment,

3.1.1.4 Securities,

3.1.1.5 Intellectual Property

3.1.1.6 Debts,

3.1.1.7 Accounts, and

3.1.1.8 Goodwill and Uncalled Capital and

3.1.1.9 rights, title and interest to any agreement, licence, consent or authorisation relating to the assets referred to in clauses 3.1.1-3.1.3 inclusive at any time not otherwise mortgaged, charged or assigned pursuant to clauses 3.1.1-3.1.3 inclusive,

3.1.2 (subject to clause 6.2 (*Insurance Policy restrictions*)) assigns to the Security Agent (as trustee for the Secured Parties) absolutely, subject to a proviso for reassignment on redemption, all of its right, title and interest in and to the Insurance Policies and

3.1.3 assigns to the Security Agent (as trustee for the Secured Parties) absolutely, subject to a proviso for reassignment on redemption, the benefit of the Assigned Agreements to which it is a party or an addressee and any claims arising under any of the same and the benefit of any guarantee or security for the performance of the Assigned Agreements

3.2 Floating security

3.2.1 Floating charge

As a continuing security for the payment or discharge of the Secured Liabilities, each Chargor with full title guarantee hereby charges to the Security Agent (as trustee for the Secured Parties) by way of first floating charge, (a) all of its undertaking and assets at any time not effectively mortgaged, charged or assigned pursuant to clauses 3.1.1-3.1.3 inclusive above and (b) all its assets situated in Scotland

3 2 2 Qualifying floating charge

Schedule B1 para 14 Insolvency Act 1986 (as inserted by s 248 thereof, and Schedule 16 Enterprise Act 2002) applies to the floating charge created

3 2 3 Automatic conversion of floating charge

Notwithstanding anything express or implied in this deed and without prejudice to any law which may have similar effect if

3 2 3 1 a Declared Default has occurred, or

3 2 3 2 any Chargor creates or attempts to create any Security (other than as permitted under the Facilities Agreement) or any trust in favour of another person over any Floating Charge Asset, or

3 2 3 3 any Chargor disposes or attempts to dispose of any Floating Charge Asset other than as permitted under the Facilities Agreement or in the ordinary course of its trading,

the floating charge created by this deed will automatically and immediately (without notice) be converted into a fixed charge over all the Floating Charge Assets or, in the case of clauses 3 2 3 2 (*Automatic conversion of floating charge*) and 3 2 3 3 above, over the relevant Floating Charge Asset

3 2 4 Conversion of floating charge by notice

Notwithstanding anything express or implied in this deed, if

3 2 4 1 an Event of Default has occurred, or

3 2 4 2 the Security Agent considers (in its sole discretion) that any Floating Charge Assets are in jeopardy

the Security Agent may at any time thereafter, by notice to a Chargor, convert the floating charge created by this deed with immediate effect into a fixed charge over all or any of the Floating Charge Assets of the relevant Chargor specified in such notice (but without prejudice to the Security Agent's rights to serve a notice in respect of any other Floating Charge Assets and any other rights of the Security Agent whatsoever)

3 2 5 Assets acquired after any floating charge conversion

Any asset acquired by any Chargor after any conversion of the floating charge created under this deed, in accordance with clauses 3 2 3 or 3 2 4 (*Conversion of floating charge by notice*) above which but for such conversion would be subject to a floating charge shall, (unless the Security Agent confirms in writing to the contrary) be charged to the Security Agent (as trustee for the Secured Parties) by way of first fixed charge

3 2 6 Reconversion of fixed charge assets into floating charge assets

The Security Agent may at any time after any conversion of the floating charge created under this deed over any Charged Assets into a fixed charge in accordance with clauses 3 2 3 (*Automatic conversion of floating charge*) or 3 2 4 (*Conversion of floating charge by notice*) reconvert such fixed charge into a floating charge by notice to the relevant Chargor

3 3 Title documents

Each Chargor shall on the execution of this deed or, in the case of an Additional Chargor, on the date of the relevant Deed of Accession (or if later, the date of acquisition of the relevant Charged Assets) deposit with the Security Agent (and the Security Agent shall during the continuance of this security be entitled to hold)

- 3 3 1 all deeds and documents of title relating to the Charged Assets as the Security Agent may from time to time require and
- 3 3 2 all certificates relating to the Securities and such instruments of transfer in blank and other documents as the Security Agent may from time to time require

3 4 Security notices

- 3 4 1 Each Chargor shall immediately upon the execution of this deed for in the case of an Additional Chargor, immediately upon the date of the relevant Deed of Accession) or the case of any Insurance Policy taken out any Assigned Agreement (other than the Munich Re Contract) entered into (or designated as such in accordance with this deed) or any Account opened, in each case by any Chargor after its execution of or accession to this deed, immediately upon the date (as applicable) on which such Insurance Policy is taken out, such Assigned Agreement is entered into (or designated as such) or such Account is opened)
 - 3 4 1 1 give notice substantially in the form set out in part 1 of schedule 4 (*Form of notice to insurers*) to the relevant insurers of the assignment pursuant to clause 3 1 2 of its rights and interest in and under the Insurance Policies and use its reasonable endeavours to procure that each addressee of such notice will promptly provide an acknowledgement to the Security Agent in the form set out in part 2 of schedule 4 (*Form of acknowledgement from insurers*), and
 - 3 4 1 2 give notice substantially in the form set out in part 1 of schedule 5 (*Form of notice to counterparties of Assigned Agreements*) to the other parties to the Assigned Agreements to which it is a party (other than the the Munich Re Contract) of the assignment pursuant to clause 3 1 3 of its rights and interest in and under the Assigned Agreements (other than the Munich Re Contract) and use its reasonable endeavours to procure that each addressee of such notice will promptly provide an acknowledgement to the Security Agent in the form set out in part 2 of schedule 5 (*Form of acknowledgement from counterparties to Assigned Agreements*) and
 - 3 4 1 3 give notice substantially in the form set out in part 1 of schedule 6 (*Form of notice of charge to third party bank*) to any bank financial institution or other person of charging to the Security Agent pursuant to clause 3 1 7 of its rights and interests under such accounts and use its reasonable endeavours to procure that each addressee of such notice will promptly provide an acknowledgement to the Security Agent in the form set out in part 2 of schedule 6 (*Form of acknowledgement from third party bank*),
- 3 4 2 UK General Insurance Limited shall on the date of this deed deliver to the Security Agent a duly executed notice substantially in the form set out in part 1 of schedule 5 (*Form of notice to counterparties of Assigned Agreements*) (and otherwise in form and substance satisfactory to the Security Agent) addressed

to Munich Re notifying it of the assignment pursuant to clause 3.1.3 of UK General Insurance Limited's rights and interest in and under the Munich Re Contract and any claims arising under any of the same, and the benefit of any guarantee or security for the performance of the Munich Re Contract) which notice the Security Agent may only serve on Munich Re following the occurrence of a Declared Default.

3.5 Leasehold security restrictions

- 3.5.1 There shall be excluded from the Security created by this deed and from the operation of clause 4.1 (*Restrictions on dealing*), any leasehold property held by a Chargor under a lease which precludes either absolutely or conditionally (including requiring the consent of any third party) that Chargor from creating any charge over its leasehold interest in that property (each an **Excluded Property**) until the relevant condition or waiver has been satisfied or obtained.
- 3.5.2 For each Excluded Property, each relevant Chargor undertakes to
- 3.5.2.1 apply for the relevant consent or waiver of prohibition or conditions within five Business Days of the date of this deed (in relation to Excluded Property owned at the date of this deed) or within five Business Days of the relevant Chargor acquiring the Excluded Property (if otherwise) and to use its reasonable endeavours to obtain that consent or waiver of prohibition as soon as possible,
 - 3.5.2.2 upon request keep the Security Agent informed of its progress in obtaining such consent or waiver and
 - 3.5.2.3 forthwith upon receipt of such consent or waiver, provide the Security Agent with a copy
- 3.5.3 Immediately upon receipt of the relevant waiver or consent, the relevant formerly Excluded Property shall stand charged to the Security Agent (as trustee for the Secured Parties) under clause 3.1.1.1 or clause 3.1.1.2 (*Fixed Security*) as the case may be. If required by the Security Agent at any time following receipt of that waiver or consent, the relevant Chargor will execute a further valid fixed charge in such form as the Security Agent shall require.

4 Restrictions on dealing

4.1 Negative pledge and restriction on disposal

Each Chargor hereby covenants with the Security Agent that it will not at any time except in accordance with the terms of the Facilities Agreement or with the prior consent of the Security Agent

- 4.1.1 create or purport to create or permit to subsist any Security on or in relation to the Charged Assets or
- 4.1.2 enter into a single transaction or a series of transactions (whether related or not) and whether voluntary or involuntary to sell, lease, transfer, surrender or otherwise dispose of or cease to exercise control of all, or part of any interest in any Charged Assets

4.2 Land Registry restriction

- 4.2.1 In respect of any Property registered at the Land Registry each Chargor hereby consents to the entry of the following restriction on the register of its title to such Property

"No disposition of the registered estate by the proprietor of the registered estate is to be registered without a written consent signed by the proprietor for the time being of the charge dated [] in favour of Deutsche Bank AG London Branch referred to in the charges register or, if appropriate signed on such proprietor's behalf by its conveyancer

- 4 2 2 Each Chargor authorises the Security Agent to make any application which it deems appropriate for the designation of this deed or any other Finance Document an exempt information document under rule 136 Land Registration Rules 2003 and will use its best endeavours to assist with any such application made by or on behalf of the Security Agent Each Chargor will notify the Security Agent in writing as soon as it receives notice of any person's application under rule 137 Land Registration Rules 2003 for the disclosure of this deed or any other Finance Document following its designation as an exempt information document and will not make any application under rule 138 Land Registration Rules 2003 for the removal of the designation of any such document as an exempt information document

5 Debts and Accounts

5 1 Preservation of debts

Each Chargor shall not except in accordance with the terms of the Facilities Agreement sell, factor discount, release, exchange compound, set-off, grant time or indulgence in respect of, or in any other manner deal with, all or any of the Debts save as hereinafter expressly provided

5 2 Realising debts

Each Chargor shall

- 5 2 1 as agent for the Security Agent, collect in and realise all Debts in the ordinary course of its business pay the proceeds into the relevant Account forthwith upon receipt and, pending that payment, hold those proceeds in trust for the Security Agent (in each case unless otherwise agreed with the Security Agent or provided for in the Facilities Agreement) and
- 5 2 2 if called upon so to do by the Security Agent execute a legal assignment of the Debts to the Security Agent (as trustee for the Secured Parties) in such terms as the Security Agent may require and give notice thereof to the debtors from whom the Debts are due, owing or incurred,

5 3 Accounts

- 5 3 1 Prior to the security constituted by this deed has become enforceable each Chargor shall be entitled to operate any Account at its discretion, subject to the terms of the Facilities Agreement
- 5 3 2 After the security constituted by this deed has become enforceable, each Chargor shall only operate any Account with the prior written consent of the Security Agent
- 5 3 3 The Security Agent has co-signing rights on the Mandatory Prepayment Account

5 4 Withdrawals

- 5 4 1 Except in accordance with the Facilities Agreement or with the prior consent of the Security Agent, no Chargor may withdraw any amounts from time to time standing to the credit of the Designated Accounts, and

5.4.2 Prior to the security constituted by this deed has become enforceable, each Chargor shall be entitled to receive, withdraw or otherwise transfer any credit balance from time to time on any Account, other than any Designated Account subject to the terms of the Facilities Agreement

5.4.3 After the security constituted by this deed has become enforceable each Chargor shall comply with any notice served by the Security Agent on that Chargor prohibiting it from withdrawing all or any monies from time to time standing to the credit of any of its Accounts except with the prior consent of the Security Agent

6 Insurance

6.1 Each Chargor hereby covenants with the Security Agent that it will insure its assets and business in accordance with the requirements of the Facilities Agreement

6.2 Insurance Policy restrictions

6.2.1 There shall be excluded from the assignment created by this deed any Insurance Policy held by or for the benefit of, a Chargor which precludes either absolutely or conditionally (including requiring the consent of any third party) that Chargor from assigning its rights to that Insurance Policy (each an 'Excluded Insurance Policy') until the relevant condition or waiver has been satisfied or obtained

6.2.2 For each Excluded Insurance Policy, each relevant Chargor undertakes to

6.2.2.1 apply for the relevant consent or waiver of prohibition or conditions within 10 Business Days of the date of this deed (in relation to Excluded Insurance Policy in place at the date of this deed) or within five Business Days of the issue of a new or renewed Excluded Insurance Policy (if otherwise) and, to use all its reasonable endeavours to obtain that consent or waiver of prohibition as soon as possible,

6.2.2.2 upon request keep the Security Agent informed of its progress in obtaining such consent or waiver, and

6.2.2.3 forthwith upon receipt of such consent or waiver provide the Security Agent with a copy

6.2.3 Immediately upon receipt of the relevant waiver or consent

6.2.3.1 the relevant formerly Excluded Insurance Policy shall be assigned to the Security Agent (as trustee for the Secured Parties) under clause 3.1.2 (*Fixed Security*) and

6.2.3.2 the relevant Chargor in respect of such relevant formerly Excluded Insurance Policy shall immediately give notice substantially in the form set out in part 1 of schedule 4 (*Form of notice to insurers*) to the relevant insurers of the assignment of its rights and interest in and under such relevant formerly Excluded Insurance Policy and use its reasonable endeavours to procure that each addressee of such notice will promptly provide an acknowledgement to the Security Agent in the form set out in part 2 of schedule 4 (*Form of acknowledgement from insurers*)

6.2.4 If required by the Security Agent at any time following receipt of the relevant waiver or consent the relevant Chargor will execute a further assignment in such form as the Security Agent may require

7 Properties

Each Chargor hereby covenants with the Security Agent that it will

7.1 Maintenance

keep all buildings on each Property and all fixtures belonging to it thereon and therein in good and substantial repair and condition

7.2 Preservation of property and fixtures

not without the prior consent of the Security Agent

7.2.1 pull down or remove the whole or any part of any buildings forming part of any Property

7.2.2 make any alterations to any Property, or

7.2.3 sever or unfix or remove any of the fixtures thereto nor (except for the purpose of effecting necessary repairs thereto)

7.3 Information

7.3.1 within five Business Days after becoming aware thereof give full particulars to the Security Agent of any notice order direction designation resolution or proposal having specific application to any Property or to the locality in which it is situated given or made by any planning authority or other public body or authority whatsoever and

7.3.2 if required by the Security Agent, forthwith and at the cost of such Chargor take all steps to comply with any such notice order, direction, designation or resolution and make or join with the Security Agent in making such objections or representations in respect of any such proposal as the Security Agent may desire

7.4 Compliance with obligations

7.4.1 observe and perform all covenants, stipulations and conditions to which each Property or the user thereof is now or may hereafter be subjected

7.4.2 perform and observe all covenants and conditions on its part contained in any lease, agreement for lease, licence or other agreement under which any Property or part of any Property is held and

7.4.3 promptly pay all taxes, fees, duties, rates charges and other outgoings in respect of the Properties

7.5 Maintenance of interests in Properties

not without the prior consent of the Security Agent or to the extent not prohibited in the Facilities Agreement

7.5.1 grant or agree to grant any licence or tenancy affecting any Property or part of a Property

7.5.2 exercise the powers of leasing or agreeing to lease or of accepting or agreeing to accept surrenders conferred by ss 99 or 100 LPA, or

7.5.3 in any other way dispose or agree to dispose of or surrender or create any legal or equitable estate or interest in any Property or any part thereof,

7.6 Registration restrictions

procure that no person shall be registered under the Land Registration Act 2002 as proprietor of any Property or any part thereof without the prior consent of the Security Agent,

7.7 Development restrictions

not without the prior consent of the Security Agent carry out or permit or suffer to be carried out on any Property any development as defined in the Town and Country Planning Act 1990 or change or permit or suffer to be changed the user of any Property

7.8 No restrictive obligations

not without the prior consent of the Security Agent enter into any onerous or restrictive obligations affecting any Property or any part thereof or create or permit to arise any overriding interest or easement or right whatever in or over any Property or any part thereof

7.9 Proprietary rights

procure that no person shall become entitled to assert any proprietary or other like right or interest over any Property or any part thereof without the prior consent of the Security Agent,

7.10 Inspection

permit the Security Agent, any Administrator and any Receiver (as each of those terms is defined in clause 15.1 (*Appointment of Administrator or Receiver*)) and any person appointed by either of them to enter upon and inspect any Property upon reasonable prior notice, and

7.11 Property acquisitions

if it acquires any freehold or leasehold property, whether registered or unregistered (other than any Short Leasehold Property)

7.11.1 inform the Security Agent promptly of such acquisition,

7.11.2 immediately on request by the Security Agent and at the cost of that Chargor, execute and deliver to the Security Agent a legal mortgage in favour of the Security Agent of that property in such form as the Security Agent may require (or such other Security in the jurisdiction where such property is located as the Security Agent may require) and

7.11.3 comply with all registration requirements resulting from the acquisition of such property and the creation of Security over such property pursuant to this deed and the legal mortgage (or other Security) referred to above

8 Equipment

Each Chargor hereby covenants with the Security Agent as follows

8.1 Maintenance of equipment

to maintain the Equipment in good and serviceable condition (fair wear and tear excepted),

8.2 Payment of equipment taxes

promptly to pay all taxes, fees, licence duties, registration charges, insurance premiums and other outgoings in respect of the Equipment and on demand produce evidence thereof to the Security Agent,

8.3 Equipment information

to give the Security Agent such information concerning the location, condition, use and operation of the Equipment as the Security Agent may require and to permit any persons designated by the Security Agent at all reasonable times to inspect and examine the Equipment and the records maintained in connection therewith.

8.4 Notice of Charge

if so requested by the Security Agent, place and maintain on each item of Equipment in a conspicuous place a clearly legible identification plate containing the following wording

'NOTICE OF CHARGE

This [*description of item*] and ancillary equipment is subject to a fixed charge dated [] in favour of Deutsche Bank AG London Branch '

9 Intellectual Property

Each Chargor hereby covenants with the Security Agent as follows

9.1 Preservation of rights

to take all action to safeguard and maintain its present and future rights in or relating to the Intellectual Property necessary for the business of the relevant Chargor and if requested to do so by the Security Agent sign or procure the signature of, and comply with all instructions of the Security Agent in respect of any document required to make entries in any public register of Intellectual Property which either record the existence of this deed or the restrictions on disposal imposed by this deed, and

9.2 Consents

promptly obtain any consent required for the creation of a fixed charge over any of the material Intellectual Property, where failure to do so would reasonably likely to have a Material Adverse Effect

10 Securities

10.1 Registration of Securities

(Subject to service of notice on the relevant Chargor of the intention to do so for the purposes of preserving or realising the value of the relevant Securities) the Security Agent may at any time after an Event of Default has occurred cause any or all of the Securities to be registered in the name of the Security Agent or its nominee. Each Chargor agrees promptly to execute and deliver to the Security Agent all such transfers and other documents and do all such things as may be necessary or desirable to achieve such registration

10.2 Additional registration obligations

Each Chargor hereby

10.2.1 grants and agrees to procure as necessary, all consents, waivers, approvals and permissions which are necessary, under the articles of association of any Securities Issuer or otherwise, for the transfer of the Securities to the Security Agent or its nominee or to a purchaser upon enforcement of this deed, and

10.2.2 agrees to procure the amendment of the share transfer provisions of each Securities Issuer's articles of association in such manner as the Security Agent may require in order to permit such a transfer

10 3 Dividends and voting rights prior to enforcement

Until the security constituted by this deed becomes enforceable

10 3 1 all dividends and other distributions paid in respect of the Securities and received by a Chargor shall be retained by such Chargor,

10 3 2 a Chargor may exercise all voting and other rights and powers attaching to the Securities and exercisable by such Chargor provided that the exercise of such voting and other rights and powers would not prejudice the legal validity of the Security Agent's security under this deed or contravene any Finance Document

10 4 Dividends and voting rights post enforcement

After the security constituted by this deed has become enforceable

10 4 1 all dividends and other distributions paid in respect of the Securities and all dividends and other distributions paid in respect of the Securities and received by any Chargor shall be held on trust for the Security Agent and forthwith paid over to the Security Agent or if received by the Security Agent or its nominee shall be retained by the Security Agent, and

10 4 2 (subject to service of notice on the relevant Chargor of the intention to do so for the purpose of preserving or realising the value of the relevant Securities) the Security Agent may exercise or direct the exercise (or refrain from exercising or directing the exercise) of all voting and other rights and powers attaching to the Securities as the Security Agent may in its absolute discretion think fit

10 5 Warning Notice or Restrictions Notice

10 5 1 Each Chargor represents and warrants to the Security Agent that no Warning Notice or Restrictions Notice has been issued to it in respect of all or any part of the Securities and remains in effect

10 5 2 Each Chargor shall comply with any notice served on it in respect of all or any part of the Securities pursuant to part 21A of the Companies Act 2006 within the timeframe specified in that notice and shall deliver a copy of any such notice to the Security Agent promptly upon receipt

10 6 Additional undertakings

Each Chargor further undertakes to the Security Agent that it shall

10 6 1 duly and promptly pay all calls, instalments and other moneys which may be payable from time to time in respect of the Securities, it being acknowledged by the Chargors that the Security Agent shall be under no liability whatsoever in respect of any such calls, instalments or other moneys

10 6 2 not without the Security Agent's prior consent or unless not prohibited under the Facilities Agreement, amend or agree to the amendment of, the memorandum or articles of association of any Securities Issuer or the rights or liabilities attaching to any of the Securities,

10 6 3 ensure (insofar as it is able by the exercise of all voting rights, powers of control and other means available to it to do so) that no Securities Issuer will

10 6 3 1 consolidate or sub divide any of its Securities or reduce or reorganise its share capital in any way (other than as permitted under the Facilities Agreement),

- 10 6 3 2 issue any new shares or stock (other than as permitted under the Facilities Agreement), or
- 10 6 3 3 refuse to register any transfer of any of its Securities which may be lodged for registration by or on behalf of the Security Agent or a Chargor in accordance with this deed and
- 10 6 4 promptly give notice of this deed to any custodian of any Securities in any form which the Security Agent may reasonably require and use its reasonable endeavours to ensure that the custodian acknowledges that notice in any form which the Security Agent may reasonably require

11 **Uncalled Capital**

Each Chargor further covenants with the Security Agent that it will not call up or receive in advance of calls, any Uncalled Capital, save to the extent permitted in the Facilities Agreement, and it will apply all proceeds of any Uncalled Capital immediately in accordance with the terms of the Facilities Agreement

12 **Representations and warranties**

12 1 **Representations and warranties**

Each Chargor represents and warrants to the Security Agent as follows

- 12 1 1 it is (except as permitted under the terms of the Finance Documents) the legal and beneficial owner of the Charged Assets
- 12 1 2 it has not received or acknowledged notice of any adverse claim by any person in respect of the Charged Assets or any interest in them,
- 12 1 3 there are no covenants, agreements, reservations conditions, interests rights or other matters whatever which materially and adversely affect the Charged Assets
- 12 1 4 no facility necessary for the enjoyment and use of the Charged Assets is subject to terms entitling any person to terminate or curtail its use
- 12 1 5 nothing has arisen or has been created or is subsisting which would be an overriding interest in any Property
- 12 1 6 other than as disclosed to the Security Agent in writing there is no prohibition on assignment in any insurances (save in respect of any Excluded Insurance Policy) agreements or authorisations referred to in clause 3 1 2 or 3 1 3 or the relevant clauses of them as the case may be, and the Chargors entering into this deed will not constitute a breach of any such insurances, agreements or authorisations and
- 12 1 7 this deed creates the Security it purports to create and is not liable to be amended or otherwise set aside on its liquidation or otherwise.

12 2 **Repetition**

The representations and warranties set out in clause 12 1 (*Representations and warranties*) will be deemed to be repeated by each Chargor on each day the Repeating Representations are deemed to be repeated by reference to the facts and circumstances then existing

12 3 Notice of breach

Each Chargor will promptly upon becoming aware of the same give the Security Agent notice in writing of any breach of any representation or warranty set out in clause 12 1 (*Representations and warranties*)

13 Power to remedy

13 1 If a Chargor is at any time in breach of any of its obligations contained in this deed the Security Agent shall be entitled (but shall not be bound) to remedy such breach and each Chargor hereby irrevocably authorises the Security Agent and its agents to do all things necessary or desirable in connection therewith

13 2 The rights of the Security Agent contained in this clause 13 are without prejudice to any other rights of the Security Agent hereunder and the exercise by the Security Agent of its rights under this clause shall not make the Security Agent liable to account as a mortgagee in possession

14 Enforcement

14 1 Enforcement events

The security constituted by this deed shall become immediately enforceable if an Event of Default occurs

14 2 Statutory power of sale

The statutory power of sale shall arise on and be exercisable at any time after the execution of this deed (and the Secured Liabilities shall be deemed to have become due and payable for that purpose), provided that the Security Agent shall not exercise such power of sale until the security constituted by this deed has become enforceable

14 3 Extension of statutory powers

14 3 1 Any restriction imposed by law on the power of sale (including under s 103 LPA) or on the right of a mortgagee to consolidate mortgages (including under s 93 LPA) does not apply to the security constituted by this deed and the Security Agent or any Receiver shall have the right to consolidate all or any of the security constituted by this deed with any other Security in existence at any time and to make any applications to the Land Registry in support of the same

14 3 2 Any powers of leasing conferred on the Security Agent or any Receiver by law are extended so as to authorise the Security Agent or any Receiver to lease, make agreements for leases, accept surrenders of leases and grant options as the Security Agent or Receiver may think fit and without the need to comply with any restrictions conferred by law (including under ss 99 or 100 LPA)

14 4 No obligation to enquire

No person dealing with the Security Agent, any Administrator or any Receiver appointed hereunder, or its agents or brokers, shall be concerned to enquire

14 4 1 whether the security constituted by this deed has become enforceable,

14 4 2 whether any power exercised or purported to be exercised has become exercisable,

14 4 3 whether any money remains due under the Finance Documents

14 4 4 as to the necessity or expediency of the stipulations and conditions subject to which any sale of any Charged Assets shall be made, or otherwise as to the propriety or regularity of any sale of any of the Charged Assets, or

14 4 5 how any money paid to the Security Agent, Administrator or Receiver or its agents or brokers is to be applied

14 5 No liability as mortgagee in possession

None of the Security Agent, any Administrator or any Receiver shall be liable

14 5 1 to account as mortgagee in possession in respect of all or any of the Charged Assets, or

14 5 2 for any loss upon realisation of or for any neglect or default of any nature whatsoever in connection with, all or any of the Charged Assets for which a mortgagee in possession might as such be liable

except to the extent caused by its own negligence or wilful misconduct

14 6 Power to dispose of chattels

After the security constituted by this deed has become enforceable, the Security Agent any Administrator or any Receiver may dispose of any chattels or produce found on any Property as agent for the relevant Chargor and, without prejudice to any obligation to account for the proceeds of any sale of such chattels or produce the Security Agent, the Administrator or the Receiver shall be indemnified by such Chargor against any liability arising from such disposal

14 7 Redemption of prior Security

At any time after the security constituted by this deed shall have become enforceable the Security Agent may

14 7 1 redeem any prior Security

14 7 2 procure the transfer thereof to itself, and/or

14 7 3 settle and pass the accounts of the prior encumbrancer and any account so settled and passed shall be conclusive and binding on the relevant Chargor and all monies paid by the Security Agent to the prior encumbrancer in accordance with such accounts shall as from such payment be due from such Chargor to the Security Agent on current account and shall bear interest and be secured as part of the Secured Liabilities

15 Administrator and Receiver

15 1 Appointment of Administrator or Receiver

At any time after

15 1 1 the security constituted by this deed becomes enforceable,

15 1 2 any corporate action or any other steps are taken or legal proceedings started by or in respect of any Obligor with a view to the appointment of an Administrator or

15 1 3 at the request of the relevant Chargor,

the Security Agent may without further notice under seal or by writing under hand of a duly authorised officer of the Security Agent

- 15 1 3 1 appoint any person or persons to be an Administrator of any Chargor, or
- 15 1 3 2 appoint any person or persons to be a Receiver of all or any part of the Charged Assets of any Chargor and
- 15 1 3 3 (subject to s 45 Insolvency Act 1986) from time to time remove any person appointed to be Receiver and appoint another in his place

15 2 More than one appointment

Where more than one person is appointed Administrator or Receiver, they will have power to act separately (unless the appointment by the Security Agent specifies to the contrary)

15 3 Additional powers

- 15 3 1 The powers of appointing an Administrator or a Receiver conferred by this deed shall be in addition to all statutory and other powers of the Security Agent under the Insolvency Act 1986 and the LPA or otherwise and shall be exercisable without the restrictions contained in s 109 LPA or otherwise
- 15 3 2 The power to appoint an Administrator or a Receiver (whether conferred by this deed or by statute) shall be and remain exercisable by the Security Agent notwithstanding any prior appointment in respect of all or any part of the Charged Assets

15 4 Agent of the relevant Chargor

- 15 4 1 Any Administrator or Receiver shall be the agent of the relevant Chargor and the relevant Chargor shall be solely responsible for his acts and remuneration as well as for any defaults committed by him
- 15 4 2 No Secured Party will incur any liability (either to a Chargor or to any other person) by reason of the appointment of an Administrator or Receiver

15 5 Powers of Administrator and Receiver

A Receiver shall have (and shall be entitled to exercise), in relation to the Charged Assets over which he is appointed, and an Administrator shall have in addition to the powers he enjoys under Sched B1 Insolvency Act 1986, the following powers (as the same may be varied or extended by the provisions of this deed)

- 15 5 1 (in respect of a Receiver) all of the powers of an administrative receiver set out in Sched 1 Insolvency Act 1986 (whether or not the Receiver is an administrative receiver),
- 15 5 2 all of the powers conferred from time to time on receivers, mortgagors and mortgagees in possession by the LPA,
- 15 5 3 all of the powers and rights of a legal and beneficial owner and the power to do or omit to do anything which any relevant Chargor itself could do or omit to do, and
- 15 5 4 the power to do all things which, in the opinion of the Administrator or Receiver (as appropriate) are incidental to any of the powers, functions, authorities or discretions conferred or vested in the Administrator or Receiver pursuant to this deed or upon receivers by statute or law generally (including the bringing or defending of proceedings in the name of, or on behalf of, any relevant Chargor, the collection and/or realisation of Charged Assets in such manner and on such terms as the Administrator or Receiver sees fit, and the execution of

documents in the name of the relevant Chargor (whether under hand or by way of deed or by utilisation of the company seal of such Chargor))

16 Amounts received

16.1 Application of proceeds

The Receiver shall apply all monies received by him (other than insurance monies)

16.1.1 first in paying all rents taxes duties rates and outgoings affecting any Charged Assets,

16.1.2 secondly in paying all costs, charges and expenses of and incidental to his appointment and the exercise of his powers and all outgoings paid by him

16.1.3 thirdly in paying his remuneration (as agreed between him and the Security Agent),

16.1.4 fourthly in or towards discharge of the Secured Liabilities in such order and manner as provided for in the Finance Documents and

16.1.5 finally in paying any surplus to the Chargors or any other person entitled to it

16.2 Section 109(8) Law of Property Act 1925

Neither the Security Agent nor any Receiver or Administrator shall be bound (whether by virtue of s 109(8) LPA, which is hereby varied accordingly or otherwise) to pay or appropriate any receipt or payment first towards interest rather than principal or otherwise in any particular order as between any of the Secured Liabilities

16.3 Currencies of denomination

For the purpose of or pending the discharge of any of the Secured Liabilities the Security Agent may convert any monies received recovered or realised by the Security Agent under this deed from their existing denominations and/or currencies of denomination into such other denominations and/or currencies of denomination as the Security Agent may think fit and any such conversion shall be effected at the Security Agent's then prevailing spot selling rate of exchange

16.4 Suspense account

All monies received recovered or realised by the Security Agent under this deed may at the discretion of the Security Agent be credited to any interest bearing suspense or impersonal account and may be held in such account for so long as the Security Agent thinks fit pending the application from time to time (as the Security Agent shall be entitled to do as it may think fit) of such monies and accrued interest thereon (if any) in or towards the discharge of any of the Secured Liabilities

16.5 New accounts

If the Security Agent receives notice of any subsequent charge or other interest affecting all or part of the Charged Assets, the Security Agent may open a new account or accounts for the relevant Chargor in its books and (without prejudice to the Security Agent's right to combine accounts) no money paid to the credit of such Chargor in any such new account will be appropriated towards or have the effect of discharging any part of the Secured Liabilities. If the Security Agent does not open a new account or accounts immediately on receipt of such notice then unless the Security Agent gives express notice to the contrary to the relevant Chargor as from the time of receipt of such notice by the Security Agent all payments made by the relevant Chargor to the Security Agent in the absence of any express appropriation by such Chargor to the contrary shall be treated as having been

credited to a new account of such Chargor and not as having been applied in reduction of the Secured Liabilities

16.6 Security Agent set-off rights

If the Security Agent shall have more than one account for any Chargor in its books the Security Agent may at any time after the security constituted by this deed has become enforceable or the Security Agent has received notice of any subsequent charge or other interest affecting all or any part of the Charged Assets and without prior notice forthwith transfer all or any part of the balance standing to the credit of any such account to any other such account which may be in debit but the Security Agent shall notify the relevant Chargor of the transfer having been made

17 Power of attorney and delegation

17.1 Power of attorney

Each Chargor hereby by way of security irrevocably appoints the Security Agent and (jointly and severally) each and every Administrator or Receiver of this deed to be the attorney of such Chargor and in its name and on its behalf and as its act and deed or otherwise and at any time while an Event of Default is continuing to sign, execute, seal, deliver, complete any blanks in and otherwise perfect any deed, transfer, assurance, agreement, instrument or act which such Administrator or Receiver or the Security Agent may consider expedient in the exercise of any of his or its powers or in respect of such Chargor's obligations under this deed. The power of attorney hereby granted is to secure the performance of obligations owed to the donees within the meaning of the Powers of Attorney Act 1971

17.2 Ratification

Each Chargor ratifies and confirms and agrees to ratify and confirm

17.2.1 all transactions entered into by the Security Agent and/or any Administrator or Receiver in the proper exercise of its or their powers in accordance with this deed, and

17.2.2 all transactions entered into by the Security Agent and/or any Administrator or Receiver in signing, sealing, delivering and otherwise perfecting any assignment, mortgage, charge, security, document or other act

17.3 The Security Agent and any Administrator or Receiver shall have full power to delegate the powers, authorities and discretions conferred on it or him by this deed (including the power of attorney), on such terms and conditions as it or he shall see fit which shall not preclude exercise of these powers, authorities or discretions by it or him or any revocation of the delegation or subsequent delegation

18 Protection of security and further assurance

18.1 Independent security

This deed shall be in addition to and independent of every other security or guarantee that the Security Agent or any other Secured Party may at any time hold for any of the Secured Liabilities. No prior security held by the Security Agent or any other Secured Party over the whole or any part of the Charged Assets shall merge in the security created by this deed

18.2 Continuing security

This deed shall remain in full force and effect as a continuing security for the Secured Liabilities, notwithstanding any settlement of account or intermediate payment or discharge in whole or in part

18.3 No waivers, rights cumulative

No failure to exercise nor delay in exercising on the part of the Security Agent or any Secured Party any right or remedy under this deed shall operate as a waiver, nor shall any single or partial exercise of any right or remedy preclude any further or other exercise, or the exercise of any other right or remedy. The rights and remedies of the Security Agent and each Secured Party provided in this deed are cumulative and not exclusive of any rights or remedies provided by law.

18.4 No Chargor set-off

Each Chargor waives any right of set-off it may have now or at any time in the future in respect of the Secured Liabilities (including sums payable by such Chargor under this deed).

18.5 Further assurance

18.5.1 Each Chargor shall promptly upon request by the Security Agent or any Receiver or Administrator at its own expense take whatever action the Security Agent or a Receiver or Administrator may require for

18.5.1.1 creating, perfecting or protecting any security intended to be created by or pursuant to this deed,

18.5.1.2 facilitating the realisation of any Charged Asset,

18.5.1.3 exercising any right, power or discretion conferred on the Security Agent, or any Receiver or any Administrator or any of their respective delegates or sub-delegates in respect of any Charged Asset, or

18.5.1.4 creating and perfecting security in favour of the Security Agent (equivalent to the security intended to be created by this deed) over any assets of any Chargor located in any jurisdiction outside England and Wales

18.5.2 This includes

18.5.2.1 the re execution of this deed,

18.5.2.2 the execution of any legal mortgage, charge transfer conveyance, assignment or assurance of any property, whether to the Security Agent or to its nominee, and

18.5.2.3 the giving of any notice, order or direction and the making of any filing or registration,

which, in any such case, the Security Agent (or the Receiver or Administrator as appropriate) may think expedient.

19 Costs and indemnity

19.1 The provisions of clause 18 (*Costs and expenses*) of the Facilities Agreement are incorporated into this deed as if set out in full *mutatis mutandis*.

19.2 Each Chargor hereby agrees to indemnify and hold harmless the Security Agent, any Administrator and any Receiver from and against all actions, claims, expenses, demands and liabilities, whether arising out of contract or in tort or in any other way, which may at any time be incurred by him or by any manager, agent, officer, servant or workman for whose debt, default or miscarriage he may be answerable for anything done or omitted to be done in the exercise or purported exercise of his powers pursuant to this deed.

20 Miscellaneous

20.1 Benefit of Deed

20.1.1 The benefit of this deed will be held by the Security Agent on and subject to the terms of the Finance Documents on trust for the benefit of itself and the other Secured Parties without preference or priority amongst themselves as security for the Secured Liabilities except as provided under the Finance Documents

20.1.2 A certificate or determination by the Security Agent as to any amount or rate under this deed shall be conclusive evidence of that amount or rate in the absence of any manifest error

20.2 Limitations

The obligations of any Additional Chargor are subject to the limitations (if any) set out in the Deed of Accession executed by that Additional Chargor

20.3 Notice of assignment

This deed constitutes notice in writing to each Chargor of any charge or assignment of a debt owed by that Chargor to any other member of the Group and contained in any other Finance Document

20.4 Financial collateral

20.4.1 To the extent that any Charged Asset constitutes "financial collateral" and this deed and the obligations of the Chargors under this deed constitute a "security financial collateral arrangement" (in each case for the purpose of and as defined in the Financial Collateral Arrangements (No. 2) Regulations 2003 (SI 2003 No. 3226)), the Security Agent shall have the right after the Security constituted by this deed has become enforceable to appropriate all or any part of that financial collateral in or towards the satisfaction of the Secured Liabilities

20.4.2 For the purpose of clause 20.4.1 the Security Agent will value the financial collateral as follows

20.4.2.1 in the case of cash, by reference to its face value received by the Security Agent,

20.4.2.2 in the case of credit claims, by reference to the amount actually recovered by the Security Agent and

20.4.2.3 in the case of financial instruments by reference to such public indices, valuations or other matters as the Security Agent may reasonably decide

20.5 Section 2(1) Law of Property (Miscellaneous Provisions) Act 1989

The terms of the Finance Documents and of any side letters between any parties in relation to the Finance Documents are incorporated in this deed to the extent required to ensure that any purported disposition of Charged Assets contained in this deed is a valid disposition in accordance with s 2(1) Law of Property (Miscellaneous Provisions) Act 1989

20.6 Third party rights

Save as expressly provided to the contrary in a Finance Document, a third party (being any person other than the Chargors and the Secured Parties and their successors and permitted assigns) has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or to enjoy the benefit of any term of this deed. Notwithstanding any term of any Finance

Document the consent of any such third party is not required to rescind or vary this deed at any time

20 7 Joint and several liability

The covenants, agreements, obligations and liabilities of the Chargors contained in this deed or implied on their part are joint and several and shall be construed accordingly

20 8 Trustee Act 2000

The Chargors and the Security Agent agree that the Security Agent shall not be subject to the duty of care imposed on the trustees by the Trustee Act 2000

21 Demands and notices

Any demand, notice, consent or communication to be made or given by or to a Chargor or the Security Agent under or in connection with this deed shall be made and delivered as provided in clause 37 (*Notices*) of the Facilities Agreement. Any demand on a Chargor shall be validly made whether or not it contains an accurate statement of the amount of the Secured Liabilities

22 Release of Security

22 1 Release

Subject to clause 22 3 (*Discharge conditional*) upon the expiry of the Security Period (but not otherwise) the Security Agent shall at the request and cost of the Chargors, take whatever action is necessary to release the Charged Assets from the Security constituted by this deed

22 2 Avoidance of payments and reinstatement

If any payment by an Obligor or any discharge given by the Security Agent (whether in respect of the obligations of an Obligor or any security for those obligations or otherwise) is avoided or reduced in each case as a result of insolvency or any similar event, then

22 2 1 the liability of each Obligor will continue as if the payment, discharge, avoidance or reduction had not occurred

22 2 2 each Secured Party will 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, and

22 2 3 the Security Agent shall be entitled to enforce this deed subsequently as if such payment, discharge, avoidance or reduction had not occurred

22 3 Discharge conditional

Any release, discharge or settlement between any Chargor and the Security Agent or any other Secured Party shall be deemed conditional upon no payment or security received by the Security Agent or such other Secured Party in respect of the Secured Liabilities being avoided or reduced or ordered to be refunded pursuant to any provision of any enactment relating to insolvency, bankruptcy, winding-up, administration or receivership and notwithstanding any such release, discharge or settlement

22 3 1 the Security Agent or its nominee shall be at liberty to retain this deed and the Security created by or pursuant to this deed, including all certificates and documents relating to the Charged Assets or any part thereof, for such period as the Security Agent shall deem necessary to provide the Security Agent with security against any such avoidance or reduction or order for refund, and

22.3.2 the Security Agent shall be entitled to recover the value or amount of such security or payment from the Chargor concerned subsequently as if such settlement, discharge or release had not occurred and each Chargor agrees with the Security Agent accordingly and charges the Charged Assets and the proceeds of sale thereof with any liability under this clause whether actual or contingent

23 **Governing law**

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

24 **Counterparts**

This deed may be executed in counterparts all of which when taken together shall be deemed to constitute one and the same instrument

In Witness whereof this deed has been executed by the Original Chargors and is intended to be and is hereby delivered as a deed the day and year first above written and has been signed on behalf of the Security Agent

SCHEDULE 1

Original Chargors

Name	Registered Number	Registered Office
UK General Insurance Group Limited	06989180	Cast House Old Mill Business Park Gibraltar Island Road Leeds West Yorkshire, LS10 1RJ
UK General Insurance Limited	04506493	Cast House Old Mill Business Park Gibraltar Island Road Leeds West Yorkshire LS10 1RJ

SCHEDULE 2

PART 1


Designated Accounts

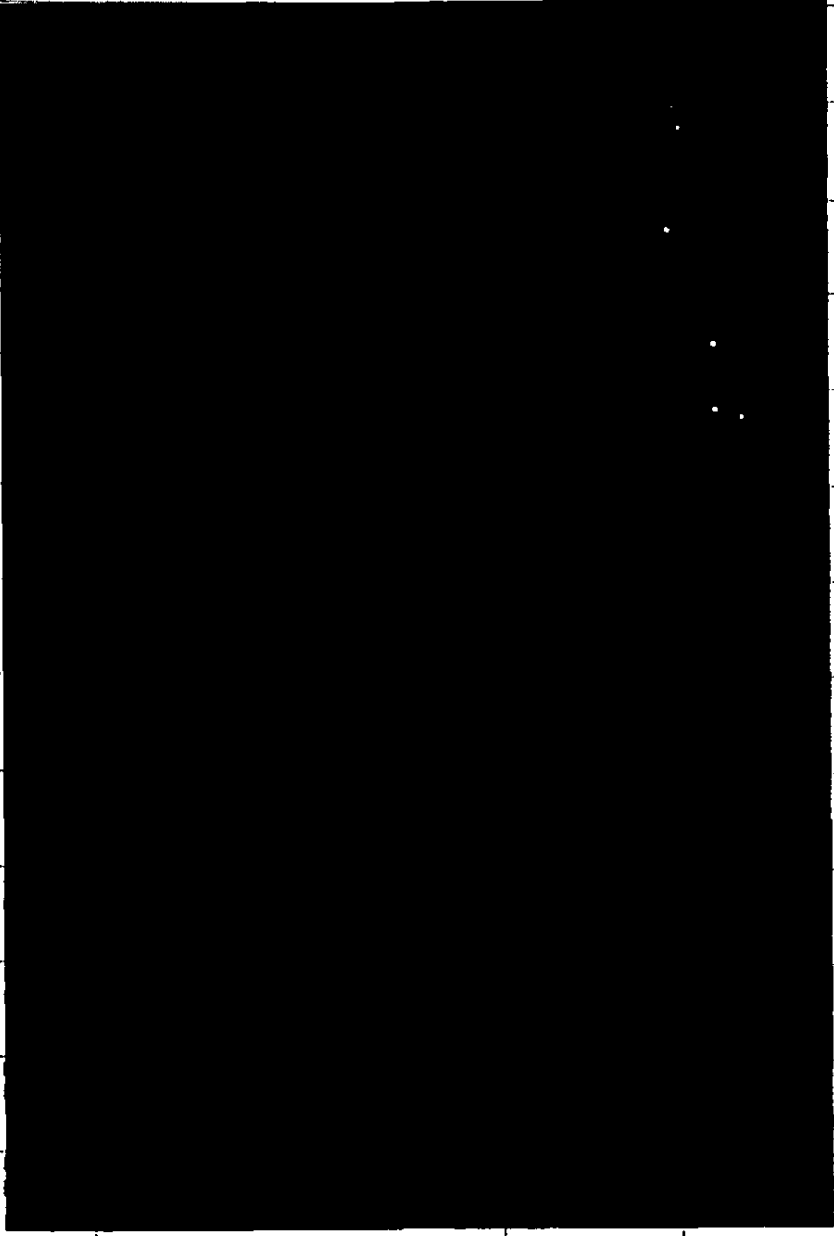
None at the date of this deed

PART 2

Trust Accounts

Chargor	Bank	Account name	Sort Code	Account Number
UK General Insurance Limited				
UK General Insurance Limited				
UK General Insurance Limited				
UK General Insurance Limited				
UK General Insurance Limited				
UK General Insurance Limited				
UK General Insurance Limited				
UK General Insurance Limited				
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UK General Insurance Limited			

SCHEDULE 3

Form of Deed of Accession

DATE

PARTIES

- 1 [] (registered number []) with its registered office at [] (the 'Additional Chargor') and
- 2 Deutsche Bank AG London Branch acting through its office at [•] as agent and trustee for the Secured Parties (the "Security Agent")

BACKGROUND

- A The Additional Chargor is a Subsidiary of []
- B [] has entered into a security agreement dated [] (the "Security Agreement") between the Chargors under and as defined in the Security Agreement and the Security Agent
- C The Additional Chargor has agreed to enter into this deed and to become an Additional Chargor under the Security Agreement
- D The Security Agent and the Additional Chargor intend this document to take effect as a deed notwithstanding the fact that a party may only execute this document under hand
- E The Security Agent holds the benefit of this deed on trust for the Secured Parties on the terms of the Finance Documents

IT IS AGREED as follows

- 1 **Definitions and Interpretation**

Terms defined in the Security Agreement have the same meaning in this deed unless given a different meaning in this deed. This deed is a Finance Document
- 2 **Accession and covenant to pay**
 - 2.1 With effect from the date of this deed the Additional Chargor
 - 2.1.1 will become a party to the Security Agreement as a Chargor and
 - 2.1.2 will be bound by all the terms of the Security Agreement which are expressed to be binding on a Chargor
 - 2.2 The Additional Chargor hereby covenants with the Security Agent (as trustee for the Secured Parties) that it will on demand pay and discharge all Secured Liabilities owing or incurred from or by it to the Secured Parties when the same become due whether by acceleration or otherwise together with interest to the date of payment at such rates and upon such terms as may from time to time be agreed, commission, fees, enforcement expenses and other charges and all legal and other costs, charges and expenses, on a full and unqualified indemnity basis, which may be incurred by the Secured Parties in relation to any such Secured Liabilities or generally in respect of the Chargors
 - 2.3 Neither the covenant to pay in clause 2.2 above nor the Security constituted by this deed shall extend to or include any liability or sum which would, but for this clause, cause such covenant or Security to be unlawful under any applicable law

3 Grant of security

3.1 Fixed security

As a continuing security for the payment or discharge of the Secured Liabilities the Additional Chargor with full title guarantee hereby

3.1.1 grants to the Security Agent (as trustee for the Secured Parties) a charge by way of legal mortgage over all its Properties which are listed in schedule 1 (*Properties currently owned*) to this deed,

3.1.2 charges to the Security Agent (as trustee for the Secured Parties) by way of first fixed charge all its

3.1.2.1 Properties acquired by it after the date of this Deed,

3.1.2.2 Property Interests,

3.1.2.3 Equipment,

3.1.2.4 Securities

3.1.2.5 Intellectual Property

3.1.2.6 Debts

3.1.2.7 Accounts and

3.1.2.8 Goodwill and Uncalled Capital, and

3.1.2.9 rights title and interest to any agreement, licence, consent or authorisation relating to the assets referred to in clauses 3.1.1 to 3.1.3 inclusive at any time not otherwise mortgaged charged or assigned pursuant to clauses 3.1.1-3.1.3 inclusive,

3.1.3 (subject to clause 6.2 (*Insurance Policy restrictions*)) assigns to the Security Agent (as trustee for the Secured Parties) absolutely, subject to a proviso for reassignment on redemption, all of its right, title and interest in and to the Insurance Policies, and

3.1.4 assigns to the Security Agent (as trustee for the Secured Parties), absolutely, subject to a proviso for reassignment on redemption, the benefit of the Assigned Agreements to which it is a party or an addressee and any claims arising under any of the same, and the benefit of any guarantee or security for the performance of the Assigned Agreements

3.2 Floating Security

As a continuing security for the payment or discharge of the Secured Liabilities, the Additional Chargor with full title guarantee hereby charges to the Security Agent (as trustee for the Secured Parties), by way of first floating charge, all of its undertaking, property, assets and rights at any time not effectively mortgaged charged or assigned pursuant to clauses 3.1.1-3.1.3 inclusive above

3.3 Leasehold Security restrictions

3.3.1 There shall be excluded from the Security created by this deed and by the Security Agreement and from the operation of clause 4.1 (*Restrictions on dealing*) of the Security Agreement, any Excluded Property until the relevant Condition or waiver has been excluded or obtained

3 3 2 For each Excluded Property the Additional Chargor undertakes to

3 3 2 1 apply for the relevant consent or waiver of prohibition or conditions within five Business Days of the date of this deed and, to use its reasonable endeavours to obtain that consent or waiver of prohibition as soon as possible,

3 3 2 2 upon request keep the Security Agent informed of its progress in obtaining such consent or waiver, and

3 3 2 3 forthwith upon receipt of such consent or waiver provide the Security Agent with a copy

3 3 3 Immediately upon receipt of the relevant waiver or consent the relevant formerly Excluded Property shall stand charged to the Security Agent (as trustee for the Secured Parties) under clause 3 1 1 clause 3 1 2 1 or clause 3 1 2 2 of the Security Agreement as the case may be If required by the Security Agent at any time following receipt of that waiver or consent the Additional Chargor will execute a valid fixed charge in such form as the Security Agent shall require

4 Land Registry restriction

In respect of any Property registered at the Land Registry, the Additional Chargor hereby consents to the entry of the following restriction on the register of its title to such Property

"No disposition of the registered estate by the proprietor of the registered estate is to be registered without a written consent signed by the proprietor for the time being of the charge dated { } in favour of Deutsche Bank AG London Branch referred to in the charges register or, if appropriate, signed on such proprietor's behalf by its conveyancer"

5 Miscellaneous

With effect from the date of this deed

5 1 the Security Agreement will be read and construed for all purposes as if the Additional Chargor had been an original party in the capacity of Chargor (but so that the security created on this accession will be created on the date of this deed)

5 2 any reference in the Security Agreement to this deed and similar phrases will include this deed and all references in the Security Agreement to schedule 2 (*Properties currently owned*) (or any part of it) will include a reference to schedule 1 (*Properties currently owned*) to this deed (or relevant part of it)

6 Governing law

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

7 ¹[Enforcement

7 1 Jurisdiction of English courts

7 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) (a "Dispute")

¹ Include if the Additional Chargor is incorporated overseas

7.1.2 The parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no party will argue to the contrary

7.1.3 This clause 7 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

7.2 Service of process

Without prejudice to any other mode of service allowed under any relevant law, the Additional Chargor

7.2.1 irrevocably appoints () as its agent for service of process in relation to any proceedings before the English courts in connection with any Finance Document and

7.2.2 agrees that failure by a process agent to notify the Additional Chargor of the process will not invalidate the proceedings concerned }

8 Counterparts

This deed may be executed in counterparts, all of which when taken together shall be deemed to constitute one and the same instrument

In Witness whereof this deed has been duly executed on the date first above written

SCHEDULE 1

Properties currently owned

Part A Registered Land

Additional Chargor	Registered Land

Part B Unregistered Land

Additional Chargor	Unregistered Land

SCHEDULE 2

Accounts

Part 1

Designated Accounts

Chargor	Account type ²	Bank	Account name	Account number	Sort code

Part 2

Client Accounts

Chargor	Bank	Account name	Account number	Sort code

² Mandatory Prepayment Account or Holding Account

SIGNATORIES (TO DEED OF ACCESSION)

The Additional Chargor

EXECUTED as a DEED and)
DELIVERED by [])
[LIMITED] acting by)

Director

in the presence of

Signature

Name

Address

Occupation

The Security Agent

SIGNED by)
for and on behalf of)
DEUTSCHE BANK AG LONDON BRANCH)
)
)
)

SCHEDULE 4

PART 1

Form of notice to insurers

From [relevant Chargee] (the 'Company')

To [insurer]

Date

Dear Sirs

We refer to the [describe policy and its number] (the 'Policy')

We hereby give notice that pursuant to a security agreement dated [] (the "Security Agreement"), we have assigned to Deutsche Bank AG London Branch as trustee for the Secured Parties (as defined therein) (the **Security Agent**) all our right title interest and benefit in and to the Policy

We irrevocably authorise and instruct you from time to time

- (a) to disclose to the Security Agent without any reference to or further authority from us (and without any enquiry by you as to the justification for each disclosure), such information relating to the Policy as the Security Agent may at any time and from time to time request
- (b) to hold all sums from time to time due and payable by you to us under the Policy to the order of the Security Agent
- (c) at any time after the Security Agent has informed you that an "Event of Default" (as defined in the Security Agreement) has occurred (and is continuing) to pay or release all or any part of the sums from time to time due and payable by you to us under the Policy only in accordance with the written instructions given to you by the Security Agent from time to time,
- (d) at any time after the Security Agent has informed you that an "Event of Default" (as defined in the Security Agreement) has occurred (and is continuing) to comply with any written notice or instructions in any way relating to, or purporting to relate to the Policy the sums payable to us from time to time under the Policy or the debts represented thereby which you receive at any time from the Security Agent without any reference to or further authority from us and without any enquiry by you as to the justification for or validity of such notice or instruction and
- (e) to send copies of all notices and other information given or received under the Policy to the Security Agent

This notice may only be revoked or amended with the prior written consent of the Security Agent

Please confirm by completing the enclosed acknowledgement and returning it to the Security Agent (with a copy to us) that

- (a) you accept the instructions and authorisations contained in this notice
- (b) you have not at the date this notice is returned to the Security Agent, received any notice that any third party has or will have any right or interest in or has made or will be making any claim or demand or taking any action in respect of the rights of the Company under or in respect of the Policy and you will notify the Security Agent promptly if you should do so in future,
- (c) at any time after the Security Agent has informed you that an "Event of Default" (as defined in the Security Agreement) has occurred (and is continuing), you will pay or release all or part of

the amounts from time to time due and payable by you under the Policy in accordance with the written instructions given to you by the Security Agent from time to time,

- (d) you will not exercise any right to terminate, cancel, vary or waive the Policies or take any action to amend or supplement the Policies without first giving 14 days' written notice to the Security Agent and
- (e) that the Security Agent's interest as mortgagee is noted on the Policy

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

Yours faithfully

for and on behalf of
[]

PART 2

Form of acknowledgement from insurers

From [insurer]

To Deutsche Bank AG, London Branch (the "Security Agent")

Date

Dear Sirs

We acknowledge receipt of a notice dated { } (the "Notice") and addressed to us by

{ } (the "Company") regarding the Policy (as defined in the Notice)

- (a) we accept the instructions and authorisations contained in this notice
- (b) we have not at the date of this acknowledgement, received any notice that any third party has or will have any right or interest in, or has made, or will be making any claim or demand or taking any action in respect of the rights of the Company under or in respect of the Policy and we will notify the Security Agent promptly if you should do so in future
- (c) we will pay or release all or part of the amounts from time to time due and payable by us under the Policy in accordance with the written instructions given to us by the Security Agent from time to time
- (d) we will not exercise any right to terminate, cancel, vary or waive the Policies or take any action to amend or supplement the Policies without first giving 14 days' written notice to the Security Agent, and
- (e) the Security Agent's interest as mortgagee is noted on the Policy

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

Yours faithfully

[insurer]

SCHEDULE 5

PART 1

Form of notice to counterparties of Assigned Agreements

From [relevant Chargor]

To [counterparty]

Date

Dear Sirs

We refer to the [describe relevant Assigned Agreement] (the "Agreement")

We hereby notify you that pursuant to a security agreement dated [] (the "Security Agreement") we have assigned to Deutsche Bank AG London Branch as trustee for the Secured Parties (as defined therein) (the "Security Agent") absolutely (subject to a proviso for reassignment on redemption) all our right title interest and benefit in and to the Agreement

We further notify you that

- (a) we may not agree to amend, modify or terminate the Agreement without the prior written consent of the Security Agent
- (b) subject to paragraph (a) above you may continue to deal with us in relation to the Agreement until you receive written notice to the contrary from the Security Agent. Thereafter we will cease to have any right to deal with you in relation to the Agreement and therefore from that time you should deal only with the Security Agent,
- (c) you are authorised to disclose information in relation to the Agreement to the Security Agent on request
- (d) at any time after the Security Agent has informed you that an "Event of Default" (as defined in the Security Agreement) has occurred (and is continuing), you must pay all monies to which we are entitled under the Agreement direct to the Security Agent (and not to us) unless the Security Agent otherwise agrees in writing and
- (e) the provisions of this notice may only be revoked with the written consent of the Security Agent

Please sign and return the enclosed copy of this notice to the Security Agent (with a copy to us) by way of confirmation that

- (i) you agree to the terms set out in this notice and to act in accordance with its provisions, and
- (ii) you have not received notice that we have assigned our rights under the Agreement to a third party or created any other interest (whether by way of security or otherwise) in the Agreement in favour of a third party

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

Yours faithfully

for and on behalf of
[]

PART 2

Form of acknowledgement from counterparties of Assigned Agreements

From [counterparty]
To Deutsche Bank AG, London Branch
Copy to [relevant Chargor]
Date

We hereby acknowledge receipt of the notice dated [] a copy of which is attached to the acknowledgment (the "Notice") and confirm the matters set out in paragraphs (i) and (ii) of the Notice

for and on behalf of
[counterparty]

SCHEDULE 6

PART 1

Form of notice of charge to third party bank

To [name and address of third party bank]

Attention []

Date

Dear Sirs

We hereby give you notice that by a security agreement dated [] 20[] (the "Security Agreement") (a copy of which is attached) we have charged to Deutsche Bank AG, London Branch as trustee for the Secured Parties (as defined therein) (the "Security Agent") all our right, title and interest in and to all sums of money which are now or may from time to time in the future be held in the following accounts in our name with you together with all interest credited thereto and the debts represented by those sums

[] (together the Accounts)

We hereby irrevocably instruct and authorise you

- 1 to credit to each Account all interest from time to time earned on the sums of money held in that Account
- 2 to disclose to the Security Agent without any reference to or further authority from us and without any liability or inquiry by you as to the justification for such disclosure such information relating to the Accounts and the sums in each Account as the Security Agent may at any time and from time to time request you to disclose to it,
- 3 to hold all sums from time to time standing to the credit of each Account in our name with you to the order of the Security Agent
- 4 at any time after the Security Agent has informed you that an "Event of Default" (as defined in the Security Agreement) has occurred (and is continuing), to pay or release all or any part of the sums from time to time standing to the credit of each Account in our name with you in accordance with the written instructions of the Security Agent at any time and from time to time, and
- 5 at any time after the Security Agent has informed you that an "Event of Default" (as defined in the Security Agreement) has occurred (and is continuing), to comply with the terms of any written notice or instructions in any way relating to the Accounts or the sums standing to the credit of any Account from time to time which you may receive at any time from the Security Agent without any reference to or further authority from us and without any liability or inquiry by you as to the justification for or validity of such notice or instructions

[Please note we are not permitted to withdraw any amount from the [Mandatory Prepayment Account] without the prior written consent of the Security Agent³]

[OR

[By counter-signing this notice, the Security Agent confirms that we may make withdrawals from the Accounts until such time as the Security Agent shall notify you in writing that their permission is

³ Use if in relation to the Mandatory Prepayment Account or other blocked Account. See clause 5

withdrawn, whereupon we will not be permitted to withdraw any amounts from any Account without the prior written consent of the Security Agent]⁴

These instructions cannot be revoked or varied without the prior written consent of the Security Agent

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

Please confirm your acceptance of the above instructions by returning the attached acknowledgement to the Security Agent with a copy to ourselves

Yours faithfully

By
for and on behalf of
[relevant Chargor]

⁴ Use if a Trading Account or a Holding Account See clause 5

PART 2

Form of acknowledgement from third party bank

To Deutsche Bank AG London Branch

[•]

Date

Dear Sirs

We confirm receipt of a notice dated [] (the "Notice") from [relevant Chargor] (the "Company") of a charge, upon the terms of a Security Agreement dated [] 20[], over all the Company's right title and interest in and to all sums of money which are now or may from time to time in the future be held in the following accounts with us in the name of the Company together with interest relating thereto

[] (together the "Accounts")

We confirm that

- 1 we accept the instructions and authorisations contained in the Notice and undertake to comply with its terms
 - 2 we have not received notice of the interest of any third party in any Account or in the sums of money held in any Account or the debts represented by those sums and we will notify you promptly should we receive notice of any third party interest.
 - 3 [[we have not claimed or exercised, nor will we claim or exercise, any Security or right of set-off or combination or counterclaim or other right in respect of any Account, the sums of money held in any Account or the debts represented by those sums⁵ []⁶]
 - 4 [[we will not permit any amount to be withdrawn from any Account except against the signature of one of your authorised signatories []⁷]
- [OR]
- 5 [[until you notify us in writing that withdrawals are prohibited the Company may make withdrawals from the Accounts upon receipt of such notice we will not permit any amount to be withdrawn from any Account except against the signature of one of your authorised signatories, and]⁸]
 - 6 we will not seek to modify vary or amend the terms upon which sums are deposited in the Accounts without your prior written consent

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

⁵ Do not include if the third party bank is an Ancillary Lender and the account is an Ancillary Facility overdraft

⁶ Do not include if on Account other than a Designated Account

⁷ Use if a Designated Account See clause 5

⁸ Use if on Account other than a Designated Account See clause 5

Yours faithfully

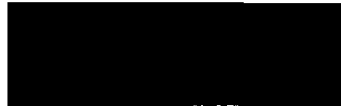
for and on behalf of
[third party bank]

SIGNATORIES (TO SECURITY AGREEMENT)

The Original Chargors

UK GENERAL INSURANCE GROUP LIMITED

EXECUTED as a DEED and)
DELIVERED by)
UK GENERAL INSURANCE)
GROUP LIMITED acting by)



Director

in the presence of

Signature



Name

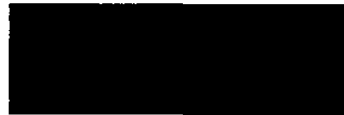
Address



Occupation

UK GENERAL INSURANCE LIMITED

EXECUTED as a DEED and)
DELIVERED by)
UK GENERAL INSURANCE LIMITED)
acting by)



Director

in the presence of

Signature



Name

Address



Occupation

The Security Agent

SIGNED by
for and on behalf of
DEUTSCHE BANK AG LONDON
BRANCH

)
)
)
)



Paul Gaines
Assistant Vice President



Vikki Adams
Assistant Vice President