



**Registration of a Charge**

Company name: **OPTIO GROUP SERVICES LIMITED**

Company number: **11902208**



XA1JAUP0

Received for Electronic Filing: **01/04/2021**

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**Details of Charge**

Date of creation: **31/03/2021**

Charge code: **1190 2208 0003**

Persons entitled: **ARES MANAGEMENT LIMITED**

Brief description:

**Contains fixed charge(s).**

**Contains floating charge(s) .**

**Contains negative pledge.**

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**Authentication of Form**

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

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**Authentication of Instrument**

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

Certified by:

**OLIVIA UNDERWOOD**



## **CERTIFICATE OF THE REGISTRATION OF A CHARGE**

Company number: 11902208

Charge code: 1190 2208 0003

The Registrar of Companies for England and Wales hereby certifies that a charge dated 31st March 2021 and created by OPTIO GROUP SERVICES LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 1st April 2021 .

Given at Companies House, Cardiff on 7th April 2021

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



**Companies House**



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

**Date** 31 March **2021**

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**LEO INTERMEDIATECO LIMITED**  
as Parent

**THE PARENT AND THE COMPANIES** identified in schedule 1  
as Original Chargors

**ARES MANAGEMENT LIMITED**  
as Security Agent

**SUPPLEMENTAL DEBENTURE**

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**DATE**

31 March 2021

**PARTIES**

- 1 **LEO INTERMEDIATECO LIMITED**, a limited liability company incorporated in England and Wales with registered number 11768386 and whose registered office is at 10th Floor, 1 Minster Court, Mincing Lane, London, England, EC3R 7AA (the "**Parent**");
- 2 **THE COMPANIES** whose names, registered numbers and registered offices are set out in schedule 1 (together with the Parent, the "**Original Chargors**"); and
- 3 **ARES MANAGEMENT LIMITED** acting through its office at 10 New Burlington Street, London W15 3BE as agent and trustee for the Secured Parties (the "**Security Agent**").

**BACKGROUND**

- A The Original Chargors entered into the Existing Security Documents and (in addition, and without prejudice, to the Existing Security Documents) are entering into this deed in connection with the Finance Documents, which, in the case of the Facilities Agreement and Intercreditor Agreement, will be amended by the Amendment and Restatement Deed (as defined below).
- B The Security Agent and the Original 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 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 (to the extent of that interest) but excluding in each case any Excluded Assets;

**Additional Chargor:** any person which becomes a Chargor by executing a Deed of Accession;

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

**Amendment and Restatement Deed:** the amendment and restatement deed dated on or around the date of this deed and made between, amongst others, the Parent, Optio Group Limited (previously known as Leo Bidco Limited) and the Security Agent;

**Assigned Agreements:**

- (a) the Acquisition Documents; and
- (b) 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 Accounts:** all accounts opened with any bank, financial institution or other person in any jurisdiction now or at any time hereafter and held in a fiduciary capacity by the relevant Chargor in trust for the relevant beneficiary and into which only premia, claims and other monies are received or receivable in a fiduciary capacity by the relevant Chargor and to be held on receipt by that Chargor in trust for the relevant beneficiary as required by, in each case, the laws, rules and regulations applicable to that Chargor from time to time (including those promulgated by the Financial Conduct Authority or applicable government body (or replacement thereof) and all rights in relation thereto);

**Client Account Moneys:** all moneys from time to time standing to the credit (including any interest thereon) of Client Accounts and the debts represented thereby and all rights in relation thereto;

**Debts:** all book and other debts, of any kind whatsoever, other than any Excluded Assets, 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 (to the extent of that interest) and the proceeds of the same, including the benefit of any judgment 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 but excluding in each case those relating to the proceeds of claims under contracts and policies of insurance or assurance which are Excluded Insurance Proceeds under paragraph (i) of the definition of "Excluded Insurance Proceeds" in clause 9.2 (*Disposal, Insurance and Proceeds*) of the Facilities Agreement;

**Declared Default:** the giving of notice following an Event of Default by the Agent under paragraphs (a), (b) or (d) of clause 24.18 (*Acceleration*) of the Facilities Agreement and where such notice has not been withdrawn;

**Deed of Accession:** a deed substantially in the form of schedule 3 (*Form of 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 Assets:**

- (a) any assets which a Chargor holds as trustee for and on behalf of a third party under a duly constituted English law or Scots law trust in the ordinary course of its business as a professional adviser;
- (b) any Client Accounts and Client Account Moneys; and
- (c) any Regulatory Capital;

**Existing Security Agreement:**

- (a) the security agreement dated 14 March 2019 between the Parent, Optio Group Limited (previously known as Leo Bidco Limited) and Ascent Underwriting LLP as Chargors in favour of the Security Agent; and
- (a) the security agreement dated 22 September 2020 between the Parent, Optio Group Limited (previously known as Leo Bidco Limited), Ascent Underwriting LLP, Optio Group Services Limited (previously known as Leo Serviceco Limited), Cove Program Managers Limited, Bay Risk Services Ltd and Optio Underwriting Ltd (previously

known as Cove Program Underwriting Ltd ) as Chargors in favour of the Security Agent; and

**Existing Security Deed of Accession:** the deed of accession dated 15 May 2019 between among others, Optio Group Services Limited (previously known as Leo Serviceco Limited), Cove Program Managers Limited, Bay Risk Services Ltd and Optio Underwriting Ltd (previously known as Cove Program Underwriting Ltd) as Additional Chargors in favour of the Security Agent;

**Existing Security Documents:** each Existing Security Agreement, the Existing Security Deed of Accession and any other security created pursuant to the Existing Security Agreement;

**Facilities Agreement:** the agreement originally dated 14 March 2019 as amended and restated pursuant to an amendment and restatement agreement dated 22 September 2020 and as further amended and restated pursuant to the Amendment and Restatement Deed on or about the date of this deed and made between, among others, the Security Agent, the Parent, Optio Group Limited (previously known as Leo Bidco Limited) as the Company, the Agent and the other parties listed therein;

**Finance Document** has the meaning given to it in the Facilities Agreement.

**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;

**Insurance Policies:** all contracts and policies of insurance or assurance that are material in the context of a Chargor or the Group as a whole 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 (to the extent of that interest) excluding, in each case, contracts and policies of insurance or assurance the proceeds of claims which are Excluded Insurance Proceeds under paragraph (i) of the definition of "Excluded Insurance Proceeds" in clause 9.2 (*Disposal, Insurance and Proceeds*) of the Facilities Agreement;

**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 (to the extent of that interest);

**Intercreditor Agreement:** the Intercreditor agreement originally dated 14 March 2019 as amended and restated pursuant to an amendment and restatement agreement dated 22 September 2020 and as further amended and restated pursuant to the Amendment and Restatement Deed on or about the date of this deed and made between, amongst others, the Security Agent, the Parent, Optio Group Limited (previously known as Leo Bidco Limited) as the Company, the Agent and the other parties listed therein;

**LPA:** the Law of Property Act 1925;

**Material Equipment:** any Equipment that is required to carry on the business or operations of a Chargor or the business or operations of the Group as a whole;



**Material Intellectual Property:** any Intellectual Property Rights that are required to carry on the business or operations of a Chargor or the business or operations of the Group as a whole;

**Material Properties:** means those Properties which have a market value in excess of £1,000,000;

**Obligor:** each Obligor as defined in the Facilities Agreement;

**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, in each case in England and Wales but in each case excluding Short Leasehold Properties;

**Property Interests:** all interests in or over the Material Properties and all rights, licences, guarantees, rents, deposits, contracts, covenants and warranties relating to such Material 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 2006;

**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) (and including, for the avoidance of doubt, all of the rights, title and interest of the relevant Chargor as a member of any limited liability partnership (including Ascent Underwriting LLP)) now or at any time hereafter (and from time to time) owned by any Chargor, or in which any Chargor has an interest (to the extent of that interest (other than (a) any Excluded Assets and (b) any stocks, shares, loan capital, securities, bonds and investments of any kind or interest in any Joint Venture, or any Subsidiary which is not a wholly-owned Subsidiary of a Chargor, in each case owned by any Chargor and in relation to which such Chargor is subject to any restriction or prohibition on granting or purporting to grant Security over for so long as that restriction or prohibition is in force and effect), 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;

**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 with a term of less than 15 years unexpired at the date of this deed or the relevant Deed of Accession or the date of the relevant acquisition (whichever is later, as applicable) (whether registered or unregistered) owned by any Chargor under which that 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;

**Uncalled Capital:** in relation to a Chargor, all the uncalled capital now or at any time hereafter (and from time to time) of that Chargor; and

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

## 1.2

### **Construction**

1.2.1 Unless otherwise provided in this deed, the provisions of clause 1.2 (*Construction*) of the Facilities Agreement apply to this deed as though they were set in full in this deed, *mutatis mutandis*.

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

1.2.2.1 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;

1.2.2.2 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;

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

1.2.2.4 the Security constituted by this deed becoming "enforceable" shall mean that the Security created under this deed has become enforceable under clause 11.1 (*Enforcement events*);

1.2.2.5 "owned" includes having legal or equitable title to or a right to have legal or equitable title transferred;

1.2.2.6 "law" includes the common law, any statute, by-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 **Existing Security Documents**

- 1.5.1 This deed is in addition, and without prejudice, to the Existing Security Documents. The parties agree that:
  - 1.5.1.1 each Existing Security Document continues in full force and effect and continues to secure the Secured Liabilities; and
  - 1.5.1.2 they are entering into this deed:
    - (i) in case, notwithstanding their agreement set out in clause 1.5.1.1, any Existing Security Document is or becomes ineffective in any way; and
    - (ii) in order for the Chargors to assume their additional obligations contained in this deed.
- 1.5.2 In the event of any inconsistency between an Existing Security Document and this deed (other than in respect of this clause 1.5 or any additional obligation assumed by the Chargors in this deed), the Existing Security Document shall prevail.
- 1.5.3 The satisfaction of any obligation of a Chargor under an Existing Security Document shall, where it is also contained in this deed, be deemed to satisfy the same obligation of that Chargor under this deed.
- 1.5.4 Without prejudice to the generality of clauses 1.5.1 to 1.5.3:
  - 1.5.4.1 any reference to a "first" fixed charge (in clauses 3.1.2 (*Fixed security*) and 3.2.5 (*Assets acquired after any floating charge conversion*)), a "first" floating charge (in clause 3.2.1 (*Floating charge*)) or an assignment (in clauses 3.1.3 and 3.1.4 (*Fixed security*)) is qualified by and subject to the Security created by the Existing Security Documents in respect of the relevant Charged Assets;

- 1.5.4.2 any reference to Security being created by this deed "with full title guarantee" is qualified by and subject to the Security created by the Existing Security Documents in respect of the relevant Charged Assets;
- 1.5.4.3 the deposit with the Security Agent under an Existing Security Document of any document required to be deposited with the Security Agent under clause 3.4 (*Title documents*) shall be deemed to satisfy the relevant Chargor's obligation under clause 3.4 (*Title documents*);
- 1.5.4.4 the satisfaction of a relevant Chargor's obligations under clause 3.7 (*Leasehold security restrictions*) of the Existing Security Agreement, or clause 3.7 (*Leasehold security restrictions*) of any relevant Existing Security Deed of Accession, in respect of an Excluded Property shall be deemed to satisfy that Chargor's obligations under clause 3.7 (*Leasehold security restrictions*) in respect of that Excluded Property; and
- 1.5.4.5 the covenants of each Chargor contained in clause 4.1 (*Negative pledge and restriction on disposal*) are qualified by and subject to the Security created by the Existing Security Documents in respect of the Charged Assets,

unless and to the extent that, notwithstanding the agreement set out in clause 1.5.1.1, the relevant Security created by, or a relevant provision of, an Existing Security Document is or becomes ineffective.

## 1.6 **Intercreditor Agreement**

This deed is subject to the Intercreditor Agreement, in the event of any inconsistency between this deed and the Intercreditor Agreement, the Intercreditor Agreement shall prevail.

## 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 pay and discharge all Secured Liabilities owing or incurred from or by any Obligor to the Secured Parties when the same become due in accordance with the terms of the Finance Documents.

### 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 grants to the Security Agent (as trustee for the Secured Parties) a charge by way of legal mortgage over all its Material Properties which are listed in schedule 2 (*Material Properties currently owned*) opposite its name;
- 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 Material Properties acquired by it after the date of this deed;
  - 3.1.2.2 Property Interests;
  - 3.1.2.3 Material Equipment;
  - 3.1.2.4 Securities;
  - 3.1.2.5 Material Intellectual Property;
  - 3.1.2.6 Debts;
  - 3.1.2.7 Goodwill and Uncalled Capital; and
  - 3.1.2.8 rights title and interest in and to any agreement, licence, consent or authorisation relating to its business at any time not otherwise mortgaged, charged or assigned pursuant to clauses 3.1.1-3.1.4 inclusive;
- 3.1.3 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

### 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:

3.2.1.1 all of its undertaking and assets at any time not effectively mortgaged, charged or assigned pursuant to clauses 3.1.1-3.1.4 (Fixed security) inclusive; and

3.2.1.2 all its assets situated in Scotland,

in each case other than any Excluded Assets.

### 3.2.2 Qualifying floating charge

Sched B1 para 14 Insolvency Act 1986 (as inserted by section 248 of, and Schedule 16 of Enterprise Act 2002) applies to the floating charge created by this deed.

### 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 and is continuing; or
- 3.2.3.2 any Chargor creates or attempts to create any Security (other than as permitted under the Facilities Agreement and subject to any applicable grace period contained therein) or any trust in favour of another person over any Floating Charge Asset;
- 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; or
- 3.2.3.4 an Insolvency Event has occurred,

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 and 3.2.3.3, over the relevant Floating Charge Asset.

### 3.2.4 **Conversion of floating charge by notice**

Notwithstanding anything express or implied in this deed, if the Security Agent considers (acting reasonably) that any Floating Charge Assets that are material in the context of the business of a Chargor or the Group as a whole are in danger of being seized or sold under any form of distress, attachment, execution or other legal process or to be otherwise in jeopardy to a similar extent, 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 (*Automatic conversion of floating charge*) or 3.2.4 (*Conversion of floating charge by notice*) 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 **Excluded Assets**

For the avoidance of doubt and notwithstanding anything in this deed to the contrary, nothing in this Deed shall require any Chargor to create any legal mortgage or fixed charge over, or to grant any security assignment in respect of, any Excluded Assets and the parties irrevocably and unconditionally agree that any Excluded Assets shall not constitute Charged Assets for the purposes of this Deed.

### 3.4 Title documents

Each Chargor shall within five Business Days of the date of this deed or, in the case of an Additional Chargor within five Business Days of the date of the relevant Deed of Accession (or, if later, the date of acquisition of the relevant Charged Assets or the relevant request from the Security Agent):

- 3.4.1 deposit with the Security Agent (and the Security Agent shall during the continuance of this security be entitled to hold) 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 reasonably require; and
- 3.4.2 upon the written request of the Security Agent, deposit with the Security Agent (and the Security Agent shall during the continuance of this security be entitled to hold) all deeds and documents of title relating to the Material Properties as the Security Agent may from time to time reasonably require; and
- 3.4.3 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.

### 3.5 Security notices

Each Chargor shall within five Business Days of the date of this deed (or, in the case of an Additional Chargor, within five Business Days of the date of the relevant Deed of Accession) or, in the case of any Insurance Policy taken out, any Assigned Agreement 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, within five Business Days of 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):

- 3.5.1 give notice substantially in the form set out in part 1 of schedule 4 (*Form of notice to insurers*) to the relevant insurers under any Insurance Policies of the assignment pursuant to clause 3.1.3 (*Fixed security*) 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 substantially the form set out in part 2 of schedule 4 (*Form of acknowledgement from insurers*); and
- 3.5.2 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 of the assignment pursuant to clause 3.1.4 (*Fixed security*) of its rights and interest in and under the Assigned Agreements and use its reasonable endeavours to procure that each addressee of such notice will promptly provide an acknowledgement to the Security Agent in substantially the form set out in part 2 of schedule 5 (*Form of acknowledgement from counterparties to Assigned Agreements*),

provided that, in each case, if the Chargor has used its reasonable endeavours but has not been able to obtain the relevant acknowledgement(s) referred to in clauses 3.5.1 and 3.5.2 its obligation to obtain such acknowledgement(s) shall cease on the expiry of 45 days from delivery of the relevant notice.

### 3.6 Contract security restrictions

- 3.6.1 There shall be excluded from the Security created by this deed, and from the operation of clause 4.1 (*Restrictions on dealing*), any assets held by a Chargor or in which a Chargor has an interest under any contract or other arrangement, in each case with a third party (other than any leasehold Property or Intellectual Property held pursuant to a licence) (in each case which are permitted in accordance with the terms of the Facilities Agreement) which

precludes either absolutely or conditionally (including requiring the consent of any third party) that Chargor from creating any charge over its interest in such asset (each an "**Excluded Contractual Asset**") until the relevant condition or waiver has been satisfied or obtained.

3.6.2 For each Excluded Contractual Asset that is material to the relevant Chargor (each a "**Material Excluded Contractual Asset**") that Chargor undertakes to:

3.6.2.1 apply for the relevant consent or waiver of prohibition or conditions within five Business Days of the date of this deed (in relation to any Material Excluded Contractual Asset owned at the date of this deed) or within five Business Days of the relevant Chargor acquiring the Material Excluded Contractual Asset or the date of the relevant Deed of Accession (as applicable, if otherwise) (each an "**Application Date**") and to use its reasonable endeavours to obtain that consent or waiver of prohibition or conditions;

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

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

provided that, in each case, if the Chargor has used its reasonable endeavours but has not been able to obtain the relevant consent or waiver in relation to such Material Excluded Contractual Asset referred to in this clause 3.6.2 its obligation to obtain such consent or waiver shall cease on the expiry of 45 days from delivery of the relevant Application Date.

3.6.3 Immediately upon receipt of the relevant waiver or consent in relation to a Material Excluded Contractual Asset, the relevant formerly Material Excluded Contractual Asset shall stand charged to the Security Agent (as trustee for the Secured Parties) under clause 3.1 (*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.

3.6.4 Clause 3.6.2 shall not apply where such endeavours, in the opinion of the relevant Chargor (acting reasonably), would reasonably be expected to involve placing commercial relationships with the relevant third party in jeopardy in any material respect.

### 3.7 **Leasehold security restrictions**

3.7.1 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.

3.7.2 For each Excluded Property that is a Material Property (each "**Material Excluded Property**"), each relevant Chargor undertakes to:

3.7.2.1 apply for the relevant consent or waiver of prohibition or conditions within five Business Days of the date of this deed (in relation to Material Excluded Property owned at the date of this deed) or within five Business Days of the relevant Chargor acquiring the Material Excluded Property or the date of the relevant Deed of Accession (as applicable, if otherwise) (each



an "**Leasehold Application Date**") and to use its reasonable endeavours to obtain that consent or waiver of prohibition or conditions;

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

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

provided that, in each case, if the Chargor has used its reasonable endeavours but has not been able to obtain the relevant consent or waiver referred to in clause 3.7.2 its obligation to obtain such consent or waiver shall cease on the expiry of 45 days from delivery of the relevant Leasehold Application Date.

3.7.3 Immediately upon receipt of the relevant waiver or consent in relation to a Material Excluded Property, the relevant formerly Material 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 (*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.

3.7.4 Clause 3.7.2 shall not apply where such endeavours, in the opinion of the relevant Chargor (acting reasonably), would reasonably be expected to involve placing commercial relationships with the relevant third party in jeopardy in any material respect.

### 3.8 IP security restrictions

(a) There shall be excluded from the Security created by this deed, and from the operation of clause 4.1 (*Restrictions on dealing*), any Intellectual Property in which a Chargor has an interest under any licence or other agreement which precludes either absolutely or conditionally (including requiring the consent of any third party) that Chargor from creating any charge over interest in such Intellectual Property (in each case "**Excluded IP**") until the relevant condition or waiver has been satisfied or obtained.

(b) For each asset constituting Excluded IP that is Material Intellectual Property (each "**Material Excluded IP**"), each relevant Chargor undertakes to:

3.8.b.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 Material Excluded IP owned at the date of this deed) or within five Business Days of the relevant Chargor acquiring the Material Excluded IP or the date of the relevant Deed of Accession (as applicable, if otherwise) (each an "**IP Application Date**") and to use its reasonable endeavours to obtain that consent or waiver of prohibition or conditions;

3.8.b.2 upon request, keep the Security Agent informed of its progress in obtaining such consent or waiver; and

3.8.b.3 forthwith upon receipt of such consent or waiver, provide the Security Agent with a copy,

provided that, in each case, if the Chargor has used its reasonable endeavours but has not been able to obtain the relevant consent or waiver referred to in clause 3.8(b) its obligation to obtain such consent or waiver shall cease on the expiry of 45 days from delivery of the relevant IP Application Date.

- (c) Immediately upon receipt of the relevant waiver or consent in relation to a Material Excluded IP, the relevant formerly Material Excluded IP shall stand charged to the Security Agent (as trustee for the Secured Parties) under clause 3.1 (*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.
- (d) Clause 3.8(b) shall not apply where such endeavours, in the opinion of the relevant Chargor (acting reasonably), would reasonably be expected to involve placing commercial relationships with the relevant third party in jeopardy in any material respect.

## **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 as permitted by 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 Material Property registered at the Land Registry and charged by way of legal mortgage under this deed and/or any Deed of Accession and/or pursuant to clause 6.2.2 (*Property acquisitions*), each Chargor hereby consents to the entry of the following restriction on the register of its title to such Material 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 Ares Management Limited 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 as 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.

### **4.3 Ordinary course of business**

- 4.3.1 For the avoidance of doubt and notwithstanding anything to the contrary in this Deed, each Chargor may, until the occurrence of a Declared Default which is continuing, deal with any of its assets assigned pursuant to clause 3.2 in the ordinary course of its business.

- 4.3.2 Notwithstanding any terms of this deed to the contrary, this deed and any Security created or purported to be created pursuant to this deed shall operate as to prevent any transactions permitted under the terms of the Facilities Agreement.

## **5 Debts and Accounts**

### **5.1 Preservation of debts**

Each Chargor shall not, except as permitted by 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**

Following a Declared Default which is continuing, 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 Accounts 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 permitted in accordance with the terms of 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 reasonably require and give notice thereof to the debtors from whom the Debts are due, owing or incurred in such terms as the Security Agent may require.

### **5.3 Withdrawals**

- 5.3.1 Notwithstanding any term of this deed to the contrary, until the occurrence of a Declared Default which is continuing, each Chargor shall be free to deal with and operate each of its Accounts and transfer, pay-out and dispose of cash in the ordinary course of its business.
- 5.3.2 After the occurrence of a Declared Default which is continuing, 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 Material Properties**

Each Chargor hereby covenants with the Security Agent that it will:

### **6.1 Inspection**

after the occurrence of a Declared Default which is continuing, permit the Security Agent, any Administrator and any Receiver (as each of those terms is defined in clause 13.1 (*Appointment of Administrator or Receiver*)) and any person appointed by any of them to enter upon and inspect any Material Property upon reasonable prior notice; and

### **6.2 Property acquisitions**

if it acquires any Material Property:

- 6.2.1 inform the Security Agent promptly and in any event within 10 days of such acquisition;

- 6.2.2 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 (as trustee for the Secured Parties) over that Material Property in such form as the Security Agent may require (or such other Security in the jurisdiction where such Material Property is located as the Security Agent may require); and
- 6.2.3 comply with all registration requirements resulting from the acquisition of such Material Property and the creation of Security over such Material Property pursuant to this deed and the legal mortgage (or other Security) referred to above.

## 7 **Equipment**

Each Chargor hereby covenants with the Security Agent if following the occurrence of a Declared Default which is continuing and if so requested by the Security Agent, place and maintain on each item of Material 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 Ares Management Limited.”

## 8 **Intellectual Property**

- 8.1.1 Until the occurrence of a Declared Default which is continuing, each Chargor shall be free to deal with any Intellectual Property (including any Material Property) in the course of its business (including, without limitation, allowing its Intellectual Property or Material Intellectual Property to lapse if no longer material to its business) in each case in accordance with the terms of the Finance Documents.
- 8.1.2 Each Chargor hereby covenants with the Security Agent, following the occurrence of a Declared Default which is continuing, to 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 any Material Intellectual Property which either record the existence of this deed or the restrictions on disposal imposed by this deed.

## 9 **Securities**

### 9.1 **Registration of Securities**

- 9.1.1 Subject to clause 12 (*Regulatory Restrictions*) below, the Security Agent may, following the occurrence of a Declared Default which is continuing, cause any or all of the Securities to be registered in the name of the Security Agent or its nominee.
- 9.1.2 Subject to clause 12 (*Regulatory Restrictions*) below, 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.

### 9.2 **Additional registration obligations**

Subject to clause 12 (*Regulatory Restrictions*) below, each Chargor hereby:

- 9.2.1 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

- 9.2.2 agrees to procure (insofar as it is able by the exercise of all voting rights, powers of control and other means available to it to do so) the amendment of the share transfer provisions of each Securities Issuer's articles of association in such manner as the Security Agent may reasonably require in order to permit such a transfer.

### 9.3 **Dividends and voting rights prior to enforcement**

Until the occurrence of a Declared Default which is continuing:

- 9.3.1 all cash dividends or other cash distributions paid or payable in respect of the Securities may be paid directly to the relevant Chargor which shall be permitted to apply such dividends or distributions as it deems fit to the extent permitted by the Facilities Agreement and the Intercreditor Agreement;
- 9.3.2 any cash dividends or other cash distributions paid in respect of any of the Securities and received by the Security Agent or its nominee shall, promptly (i) upon the Security Agent becoming aware of such receipt, or (ii) on request by the relevant Chargor, promptly be released and paid to such Chargor;
- 9.3.3 the relevant Chargor may retain and exercise all voting and other rights and powers attaching to the Securities and exercisable by the relevant Chargor provided that the exercise of such voting and other rights and powers would not adversely affect the validity or enforceability of the Security granted pursuant to this deed or cause an Event of Default to occur; and
- 9.3.4 the Security Agent will (to the extent that it has or will acquire any such rights or powers) exercise all voting and other rights and powers attaching to the Securities and exercisable by the Security Agent or its nominee as the relevant Chargor may from time to time direct provided that acting in accordance with such directions would not adversely affect the validity or enforceability of the Security granted pursuant to this deed or cause an Event of Default to occur.

### 9.4 **Dividends and voting rights post enforcement**

Subject to clause 12.1 (*Regulatory Restrictions*) below, after the occurrence of a Declared Default which is continuing:

- 9.4.1 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 (as trustee for the Secured Parties) and forthwith paid into an account designated by the Security Agent or, if received by the Security Agent or its nominee, shall be retained by the Security Agent for application in or towards satisfaction of the Secured Liabilities or otherwise in accordance with the Finance Documents; and
- 9.4.2 (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 and each Chargor shall, and shall procure that its nominees shall, comply with any such directions from the Security Agent concerning the exercise of such rights and powers.

### 9.5 **Warning Notice or Restrictions Notice**

Each Chargor represents and warrants on the date of this Deed or the date of the relevant Deed of Accession (as applicable) 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.

## **9.6 Additional undertakings**

Each Chargor further undertakes to the Security Agent that it shall:

9.6.1 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 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

9.6.2 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.

## **10 Power to remedy**

10.1 If a Chargor is at any time in breach of any of its obligations contained in this deed, the Security Agent shall, if the relevant Chargor has failed to comply with its obligations within 15 Business Days or being requested to comply, 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.

10.2 The rights of the Security Agent contained in this clause 10 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.

## **11 Enforcement**

### **11.1 Enforcement events**

The security constituted by this deed shall become immediately enforceable if a Declared Default occurs and is continuing.

### **11.2 Statutory power of sale**

The statutory power of sale shall arise on 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 occurrence of a Declared Default which is continuing.

### **11.3 Extension of statutory powers**

11.3.1 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.

11.3.2 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).

#### 11.4 **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:

- 11.4.1 whether the security constituted by this deed has become enforceable;
- 11.4.2 whether any power exercised or purported to be exercised has become exercisable;
- 11.4.3 whether any money remains due under the Finance Documents;
- 11.4.4 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
- 11.4.5 how any money paid to the Security Agent, Administrator or Receiver, or its agents or brokers is to be applied.

#### 11.5 **No liability as mortgagee in possession**

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

- 11.5.1 to account as mortgagee in possession in respect of all or any of the Charged Assets; or
- 11.5.2 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.

#### 11.6 **Redemption of prior Security**

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

- 11.6.1 redeem any prior Security;
- 11.6.2 procure the transfer thereof to itself; and/or
- 11.6.3 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.

#### 12 **Regulatory Restrictions**

- 12.1 Notwithstanding any provision of this deed or any other Finance Document to the contrary, the exercise of any rights and powers pursuant to this deed, including, but not limited to, any enforcement of any Security under this deed (including, without limitation, Security over Securities and the exercise by the Security Agent, any Administrator, any Receiver or any nominee, of voting rights in respect of such Securities), by or on behalf of the Security Agent, any Administrator or any Receiver or any nominee in accordance with the terms of this deed, shall only be completed if any consents or approvals necessary to be obtained prior to completion of the exercise of such power or right in relation to any Regulatory Restrictions have been obtained.
- 12.2 To the extent that any Chargor granting (or purporting to grant) Transaction Security over the Excluded Assets solely by way of the floating charge in accordance with clause 3.2 (*Floating security*) has a material adverse impact on the ability of the relevant Chargor to

comply with its Regulatory Capital requirements or has or is reasonably likely to result in a material additional cost to that Chargor or the Group as a whole (of the type contemplated by paragraph 15(d) of Schedule 10 (*Agreed Security Principles*) of the Facilities Agreement), the Security Agent shall promptly release the relevant Excluded Assets of such Chargor from such floating charge to the extent reasonably necessary to prevent such material adverse impact or material additional cost, following notification and details of the same to the Security Agent from the Parent.

### 13 **Administrator and Receiver**

#### 13.1 **Appointment of Administrator or Receiver**

At:

- (a) any time after the occurrence of a Declared Default which is continuing; or
- (b) 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:

- 13.1.1 appoint any person or persons to be an Administrator of any Chargor; or
- 13.1.2 appoint any person or persons to be a Receiver of all or any part of the Charged Assets of any Chargor; and
- 13.1.3 (subject to s.45 Insolvency Act 1986) from time to time remove any person appointed to be a Receiver and appoint another in his place.

#### 13.2 **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).

#### 13.3 **Additional powers**

- 13.3.1 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.
- 13.3.2 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.

#### 13.4 **Agent of the relevant Chargor**

- 13.4.1 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 unless such defaults are directly caused by the gross negligence or wilful default of such Administrator or Receiver.
- 13.4.2 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.

#### 13.5 **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 Schedule B1 of the Insolvency Act 1986, the following powers (as the same may be varied or extended by the provisions of this deed):

- 13.5.1 (in respect of a Receiver) all of the powers of an administrative receiver set out in Schedule 1 of the Insolvency Act 1986 (whether or not the Receiver is an administrative receiver);
- 13.5.2 all of the powers conferred from time to time on receivers, mortgagors and mortgagees in possession by the LPA;
- 13.5.3 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
- 13.5.4 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)).

## **14 Amounts received**

### **14.1 Application of proceeds**

The Receiver shall apply all monies received by him (other than insurance monies) in accordance with the terms of the Intercreditor Agreement.

### **14.2 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.

### **14.3 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.

### **14.4 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.

### **14.5 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.

## **15 Power of attorney and delegation**

### **15.1 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 following the occurrence of a Declared Default which is continuing or if the relevant Chargor has failed to comply with its obligations within 15 Business Days of being requested to comply to sign, execute, seal, deliver, complete any blanks in and otherwise perfect any deed, transfer, assurance, agreement, instrument, notice 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.

### **15.2 Ratification**

Each Chargor ratifies and confirms and agrees to ratify and confirm:

15.2.1 all lawful 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

15.2.2 all lawful 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.

15.3 Subject to the terms of the Facilities Agreement and the Intercreditor Agreement, 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.

## **16 Protection of security and further assurance**

### **16.1 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.

### **16.2 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.

**16.3 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.

**16.4 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).

**16.5 Further assurance**

16.5.1 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 reasonably require for:

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

16.5.1.2 facilitating the realisation of any Charged Asset;

16.5.1.3 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

16.5.1.4 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.

16.5.2 This includes:

16.5.2.1 the re-execution of this deed;

16.5.2.2 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

16.5.2.3 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.

**17 Costs and indemnity**

17.1 The provisions of clause 19 (*Costs and expenses*) of the Facilities Agreement are incorporated into this deed as if set out in full *mutatis mutandis*.

17.2 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 so long as such

actions, claims, expenses, demands and liabilities did not arise as a consequence of the gross negligence or wilful default of the Security Agent, any Administrator and/or any Receiver.

## **18 Miscellaneous**

### **18.1 Benefit of Deed**

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.

### **18.2 Certificates conclusive**

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.

### **18.3 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.

### **18.4 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.

### **18.5 Financial collateral**

18.5.1 To the extent that the Charged Assets constitute "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.

18.5.2 For the purpose of clause 18.5.1, the value of the financial collateral appropriated shall be:

18.5.2.1 in the case of cash, its face value at the time of appropriation;

18.5.2.2 in the case of financial instruments or other financial collateral, other than shares in a Subsidiary of the Parent, their market value at the time of appropriation as determined by the Security Agent by reference to any recognised market index or other applicable generally recognised source or such other process or method as the Security Agent may reasonably select (including a valuation carried out by an independent firm of accountants or valuers appointed by the Security Agent); and

18.5.2.3 in the case of shares in a Subsidiary of the Parent, as the Security Agent reasonably determines, having taken into account advice obtained by it from an independent investment or accountancy firm of national standing selected by it.

- 18.5.3 Each Chargor agrees that the methods of valuation provided for in this clause are commercially reasonable.
- 18.6 **Severability**
- If any provision of this deed is or becomes invalid or unenforceable, the validity and enforceability of the remaining provisions shall not be affected or impaired thereby.
- 18.7 **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.
- 18.8 **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.
- 18.9 **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.
- 18.10 **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.
- 19 **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 34 (*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 Secured Liabilities.
- 20 **Assignment and transfer**
- 20.1 **Assignment by Security Agent**
- The Security Agent may at any time without the consent of any Chargor, assign or transfer the whole or any part of its rights under this deed to any person to which it can transfer its rights in accordance with the terms of the Finance Documents.
- 20.2 **Assignment by Chargor**
- No Chargor may assign any of its rights or transfer any of its obligations under this deed or enter into any transaction which would result in any of these rights or obligations passing to another person.
- 21 **Release of Security**
- 21.1 **Release**
- Upon the expiry of the Security Period or where the release of the Charged Asset is

undertaken in accordance with clause 12.2 (*Regulatory restrictions*) and/or the terms of the Facilities Agreement (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 and re-assign the Charged Assets to the relevant Chargor(s).

## 21.2 **Avoidance of payments and reinstatement**

If any payment by an Obligor or any discharge given by a Secured Party (whether in respect of the obligations of any 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:

- 21.2.1 the liability of each Obligor will continue as if the payment, discharge, avoidance or reduction had not occurred;
- 21.2.2 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
- 21.2.3 the Security Agent shall be entitled to enforce this deed subsequently as if such payment, discharge, avoidance or reduction had not occurred.

## 22 **Security Period**

Each obligation of a Chargor (other than a payment obligation) contained in this deed must be complied with at all times during the Security Period and is given for the benefit of the Security Agent and each other Secured Party.

## 23 **Governing law**

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

## 24 **Enforcement**

### 24.1 **Jurisdiction of English courts**

- 24.1.1 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**").
- 24.1.2 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.

This clause 24.1 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.

## 25 **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
Leo Intermediateco Limited	11768386	10th Floor, 1 Minster Court, Mincing Lane, London, England, EC3R 7AA
Optio Group Limited	11032254	10th Floor, 1 Minster Court, Mincing Lane, London, England, EC3R 7AA
Ascent Underwriting LLP	OC380469	10th Floor, 1 Minster Court, Mincing Lane, London, England, EC3R 7AA
Optio Group Services Limited	11902208	10th Floor, 1 Minster Court, Mincing Lane, London, England, EC3R 7AA
Cove Program Managers Limited	07748598	10th Floor, 1 Minster Court, Mincing Lane, London, England, EC3R 7AA
Bay Risk Services Ltd	09440415	10th Floor, 1 Minster Court, Mincing Lane, London, England, EC3R 7AA
Optio Underwriting Ltd	09524616	10th Floor, 1 Minster Court, Mincing Lane, London, England, EC3R 7AA

## **SCHEDULE 2**

### **Material Properties currently owned**

#### **Part A: Registered Land**

None as at the date of this deed.

#### **Part B: Unregistered Land**

None as at the date of this deed.



## SCHEDULE 3

### Form of Deed of Accession

#### DATE

#### PARTIES

- 1 [ ] (registered number [ ]) with its registered office at [ ] (the "**Additional Chargor**"); and
- 2 **ARES MANAGEMENT LIMITED** acting through its office at 5th Floor 6 St. Andrew Street, London, EC4A 3AE 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 pay and discharge all Secured Liabilities owing or incurred from or by any Obligor to the Secured Parties when the same become due in accordance with the terms of the Finance Documents.

###### 2.3 Neither the covenant to pay in clause 2.2 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 Material Properties which are listed in schedule 1 (Material 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 now owned by it to the extent that they are not subject to a charge by way of legal mortgage pursuant to clause 3.1.1;
  - 3.1.2.2 Material Properties acquired by it after the date of this deed;
  - 3.1.2.3 Property Interests;
  - 3.1.2.4 Equipment;
  - 3.1.2.5 Securities;
  - 3.1.2.6 Material Intellectual Property;
  - 3.1.2.7 Debts;
  - 3.1.2.8 Goodwill and Uncalled Capital; and
  - 3.1.2.9 right, title and interest in and to any agreement, licence, consent or authorisation relating to its business at any time not otherwise mortgaged, charged or assigned pursuant to clauses 3.1.1-3.1.4 inclusive;
- 3.1.3 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:

- 3.2.1 all of its undertaking, property, assets and rights at any time not effectively mortgaged, charged or assigned pursuant to clauses 3.1.1-3.1.4 (*Fixed security*) inclusive; and
  - 3.2.2 all its assets situated in Scotland,
- in each case other than any Excluded Assets.

### 3.3 **Excluded Assets**

For the avoidance of doubt and notwithstanding in this deed to the contrary, nothing in this Deed shall:

- 3.3.1 require any Chargor to create any legal mortgage or fixed charge over, or to grant any security assignment in respect of, any Excluded Assets and the parties irrevocably and unconditionally agreed that any Excluded Assets shall not constitute Charged Assets for the purposes of this Deed; or
- 3.3.2 create any Security over assets held by any member of the Group which are held on behalf of third parties and/or which it has received as agent for an insurance undertaking or Lloyd's syndicate

### 3.4 **Contract security restrictions**

There shall be excluded from the Security created by this deed, and from the operation of clause 4.1 (*Restrictions on dealing*), any assets held by or which a Chargor has an interest in under any contract or other third party arrangement (other than any leasehold Property or Intellectual Property held pursuant to a licence) (in each case which are permitted in accordance with the terms of the Facilities Agreement) which precludes either absolutely or conditionally (including requiring the consent of any third party) that Chargor from creating any Security or other charge over its interest in such asset (each an "Excluded Contractual Asset") until the relevant condition or waiver has been satisfied or obtained.

For each Excluded Contractual Asset that is material (each a "Material Excluded Contractual Asset"), each relevant Chargor undertakes to:

- 3.4.1 apply for the relevant consent or waiver of prohibition or conditions within five Business Days of the date of this deed (in relation to any Material Excluded Contractual Asset entered into at the date of this deed) or within five Business Days of the relevant Chargor acquiring the Material Excluded Contractual Asset or the date of the relevant Deed of Accession (as applicable, if otherwise) (each an "Application Date") and to use its reasonable endeavours to obtain that consent or waiver of prohibition or conditions;
- 3.4.2 upon request, keep the Security Agent informed of its progress in obtaining such consent or waiver; and
- 3.4.3 forthwith upon receipt of such consent or waiver, provide the Security Agent with a copy,
- 3.4.4 provided that, in each case, if the Chargor has used its reasonable endeavours but has not been able to obtain the relevant consent or waiver in relation to such Material Excluded Contractual Asset referred to in this clause 4.2 its obligation to obtain such consent or waiver shall cease on the expiry of 45 days from delivery of the relevant Application Date.

Immediately upon receipt of the relevant waiver or consent in relation to a Material Excluded Contractual Asset, the relevant formerly Material Excluded Contractual Asset shall stand charged to the Security Agent (as trustee for the Secured Parties) under clause 3.1 (*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.

Clause 4.2 shall not apply where such endeavours, in the opinion of the relevant Chargor (acting reasonably), would reasonably be expected to involve placing commercial relationships with the relevant third party in jeopardy in any material respect.

#### 4 **Leasehold security restrictions**

- 4.1 There shall be excluded from the Security created by this deed, and from the operation of clause 4.1 (*Restrictions on dealing*) of the Security Agreement, 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.
- 4.2 For each Excluded Property that is a Material Property (each a "**Material Excluded Property**"), each relevant Chargor undertakes to:
- 4.2.1 apply for the relevant consent or waiver of prohibition or conditions within five Business Days of the date of this deed (in relation to Material Excluded Property owned at the date of this deed) or within five Business Days of the relevant Chargor acquiring the Material Excluded Property (if otherwise) (each a "**Leasehold Application Date**") and to use its commercially reasonable endeavours to obtain that consent or waiver of prohibition or conditions;
  - 4.2.2 upon request, keep the Security Agent informed of its progress in obtaining such consent or waiver; and
  - 4.2.3 forthwith upon receipt of such consent or waiver, provide the Security Agent with a copy,

provided that, in each case, if the Chargor has used its reasonable endeavours but has not been able to obtain the relevant consent or waiver referred to in clause 4.2 its obligation to obtain such consent or waiver shall cease on the expiry of 45 days from delivery of the relevant Leasehold Application Date.

- 4.3 Immediately upon receipt of the relevant waiver or consent in relation to a Material Excluded Property, the relevant formerly Material Excluded Property shall stand charged to the Security Agent (as trustee for the Secured Parties) under clause 3.1 (*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.
- 4.4 Clause 5.2 shall not apply where such endeavours, in the opinion of the relevant Chargor (acting reasonably) would reasonably be expected to involve placing commercial relationships with the relevant third party in jeopardy in any material respect.

#### 5 **IP security restrictions**

- 5.1 There shall be excluded from the Security created by this deed, and from the operation of clause 4.1 (*Restrictions on dealing*) of the Security Agreement, any Intellectual Property in which a Chargor has an interest under any licence or other agreement which precludes either absolutely or conditionally (including requiring the consent of any third party) that Chargor from creating any charge over interest in such Intellectual Property (in each case "**Excluded IP**") until the relevant condition or waiver has been satisfied or obtained.
- 5.2 For each asset constituting Excluded IP that is Material Intellectual Property (each "**Material Excluded IP**"), each relevant Chargor undertakes to:
- 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 Material Excluded IP owned at the date of this deed) or within five Business Days of the relevant Chargor acquiring the Material Excluded IP (if otherwise) (each an "**IP Application Date**") and to use its reasonable endeavours to obtain that consent or waiver of prohibition or conditions;

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

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

provided that, in each case, if the Chargor has used its reasonable endeavours but has not been able to obtain the relevant consent or waiver referred to in clause 5.2 its obligation to obtain such consent or waiver shall cease on the expiry of 20 days from delivery of the relevant IP Application Date.

5.3 Immediately upon receipt of the relevant waiver or consent in relation to a Material Excluded IP, the relevant formerly Material Excluded IP shall stand charged to the Security Agent (as trustee for the Secured Parties) under clause 3.1 (*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.

5.4 Clause 5.2 shall not apply where such endeavours, in the opinion of the Additional Chargor (acting reasonably), would reasonably be expected to involve placing commercial relationships with the relevant third party in jeopardy in any material respects.

## 6 **Land Registry restriction**

In respect of any Material Property registered at the Land Registry and charged by way of legal mortgage under this deed and/or the Security Agreement and/or pursuant to clause 6.2.2 (*Property acquisitions*) of the Security Agreement, the Additional Chargor hereby consents to the entry of the following restriction on the register of its title to such Material 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 Ares Management Limited referred to in the charges register or, if appropriate, signed on such proprietor's behalf by its conveyancer”.

## 7 **Miscellaneous**

With effect from the date of this deed:

7.1 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);

7.2 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 (*Material Properties currently owned*) (or any part of it) will include a reference to schedule 2 (*Material Properties currently owned*) to this deed (or relevant part of it).

## 8 **Governing law**

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

9 **<sup>1</sup>[Enforcement**

9.1 **Jurisdiction of English courts**

- 9.1.1 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**").
- 9.1.2 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.
- 9.1.3 This clause 9 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.

10 **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.

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<sup>1</sup> Include if the Additional Chargor is incorporated overseas.

**SCHEDULE 1**

**Material Properties currently owned**

**Part A: Registered Land**

<b>Additional Chargor</b>	<b>Address</b>	<b>Administrative area</b>	<b>Title number</b>

**Part B: Unregistered Land**

<b>Additional Chargor</b>	<b>Document describing property</b>

## **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 )  
ARES MANAGEMENT LIMITED: )



## SCHEDULE 4

### PART 1

#### Form of notice to insurers

From: [relevant Chargor] (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 Ares Management Limited 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 hereby notify you that you may continue to deal with us in relation to the Policy until you receive written notice from the Security Agent that a Declared Default (as defined in the Security Agreement) has occurred and is continuing. Thereafter, we will cease to have any right to deal with you in relation to the Policy and therefore from that time you should deal only with the Security Agent.

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 reasonably request;
- (b) after receipt of written notice from the Security Agent referred to above, 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 unless the Security Agent otherwise agrees in writing;
- (c) after receipt of written notice from the Security Agent referred to above, 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 unless the Security Agent otherwise agrees in writing;
- (d) after receipt of written notice from the Security Agent referred to above, 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) after receipt of written notice from the Security Agent referred to above, 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 unless the Security Agent otherwise agrees in writing; and
- (d) after receipt of written notice from the Security Agent referred to above, 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 30 days' written notice to the Security Agent.

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: Ares Management Limited (the "**Security Agent**")

10 New Burlington Street, London W15 3BE

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 we do so in future;
- (c) after receipt of written notice from the Security Agent referred to in the Notice, 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 unless the Security Agent otherwise agrees in writing; and
- (d) after receipt of written notice from the Security Agent referred to above, 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 30 days' written notice to the Security Agent.

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 Ares Management Limited 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 in a way which does or is reasonably likely to materially and adversely affect the interest of the Lenders under the Finance Documents (as each such term is defined under the Security 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 from the Security Agent that a Declared Default (as defined in the Security Agreement) has occurred and is continuing. 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 reasonable request;
- (d) after receipt of written notice referred to above from the Security Agent, 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 other than the Security Agent.

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: Ares Management Limited

10 New Burlington Street, London W15 3BE

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]



SIGNATORIES (TO SECURITY AGREEMENT)

The Original Chargors

Leo Intermediateco Limited

EXECUTED as a DEED and )  
DELIVERED by )  
LEO INTERMEDIATECO LIMITED )  
acting by Jatender Aujla )  
\_\_\_\_\_ )

(a director)

in the presence of:  
Tanguy Belanger

\_\_\_\_\_  
(name of witness)

Address of witness:  
\_\_\_\_\_

Occupation of witness:  
Associate at PCP

Optio Group Limited

EXECUTED as a DEED and )  
DELIVERED by OPTIO GROUP LIMITED )  
acting by John Mawson )  
\_\_\_\_\_ )

(a director) and  
Udai Anand

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Director

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Ascent Underwriting LLP

EXECUTED as a DEED and )  
DELIVERED by )  
ASCENT UNDERWRITING LLP )  
acting by John Mawson )  
\_\_\_\_\_)  
(a director) and )  
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Optio Group Services Limited

EXECUTED as a DEED and )  
DELIVERED by OPTIO GROUP SERVICES )  
LIMITED )  
acting by John Mawson )  
\_\_\_\_\_)  
(a director) and )  
Udai Anand )  
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Director )  
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Cove Program Managers Limited

EXECUTED as a DEED and )  
DELIVERED by COVE PROGRAM )  
MANAGERS LIMITED )  
acting by John Mawson )  
\_\_\_\_\_)  
(a director) and )  
Paul Jansen )  
\_\_\_\_\_)  
(a director) )  
  
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Director )  
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Director )  
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Director )

Bay Risk Services Ltd

EXECUTED as a DEED and )  
DELIVERED by BAY RISK SERVICES LTD )  
acting by John Mawson )  
\_\_\_\_\_)  
(a director) and )  
Udai Anand )  
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(a director) )  
  
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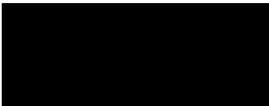

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Director )  
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Director )  
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Director )

**Optio Underwriting Ltd**

EXECUTED as a DEED and  
DELIVERED by **OPTIO UNDERWRITING LTD**  
acting by John Mawson

(a director) and  
Udai Anand

(a director)

  
423F14BA7763422...  
Director  
  
998BDA0870DE45C...  
Director

**The Security Agent**

SIGNED by John Atherton

for and on behalf of

**ARES MANAGEMENT LIMITED:**

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