

**TRADEMARK ASSIGNMENT**

Electronic Version v1.1  
 Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT
NATURE OF CONVEYANCE:	SECURITY INTEREST

**CONVEYING PARTY DATA**

Name	Formerly	Execution Date	Entity Type
The Geo Group, Inc.	FORMERLY Wackenhut Corrections Corporation	09/14/2005	CORPORATION: FLORIDA

**RECEIVING PARTY DATA**

Name:	BNP Paribas, as Administrative Agent and Syndicate Agent
Street Address:	787 Seventh Avenue, 31st floor
Internal Address:	Attention Duane Helkowski
City:	New York
State/Country:	NEW YORK
Postal Code:	10019
Entity Type:	public limited company: FRANCE

**PROPERTY NUMBERS Total: 6**

Property Type	Number	Word Mark
Serial Number:	78307754	THE GEO GROUP
Registration Number:	2664912	ATLANTIC SHORES HEALTHCARE, INC.
Registration Number:	2664913	ATLANTIC SHORES HEALTHCARE, INC.
Registration Number:	2257679	WCC DEVELOPMENT, INC.
Registration Number:	2214552	WDI
Registration Number:	2214553	WDI

**CORRESPONDENCE DATA**

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CH \$165.00 78307754

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NAME OF SUBMITTER:	Janis Nici
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Signature:	/janis nici/
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Date:	09/19/2005
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**Total Attachments: 69**

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SECOND AMENDED AND RESTATED COLLATERAL AGREEMENT

dated as of September 14, 2005

by and among

THE GEO GROUP, INC. (formerly known as Wackenhut Corrections Corporation),  
and certain of its Subsidiaries,  
as Grantors,

in favor of

BNP PARIBAS,  
as Administrative Agent

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**EXHIBITS:**

- Exhibit A-1 Form of Assignment of Government Contract
- Exhibit A-2 Form of Notice of Assignment

**SCHEDULES:**

- Schedule 3.6 Jurisdiction of Organization; Taxpayer Identification Number; Registered Organization Number; Mailing Address; Chief Executive Office and other Locations
- Schedule 3.7 Material Government Contracts
- Schedule 3.9 Deposit Accounts
- Schedule 3.10 Intellectual Property
- Schedule 3.12 Investment Property and Partnership/LLC Interests

SECOND AMENDED AND RESTATED COLLATERAL AGREEMENT (this "Agreement"), dated as of September 14, 2005, by and between THE GEO GROUP, INC, a Florida corporation (the "Borrower"), certain of its Subsidiaries as identified on the signature pages hereto as grantors hereunder and any Additional Grantor (as defined below) who may become party to this Agreement (such Subsidiaries and Additional Grantors, collectively, with the Borrower, the "Grantors") and certain of its Subsidiaries as identified on the signature pages hereto as Issuers (as defined below) and any additional Issuers who may become party to this Agreement, in favor of BNP PARIBAS, as administrative agent (in such capacity, the "Administrative Agent"), for the ratable benefit of the banks and other financial institutions (the "Lenders") from time to time parties to the Second Amended and Restated Credit Agreement, of even date herewith (as amended, restated, supplemented or otherwise modified from time to time, the "Credit Agreement"), by and among the Borrower, the Lenders and the Administrative Agent.

#### STATEMENT OF PURPOSE

Pursuant to the Credit Agreement, the Lenders have made and have agreed to make Extensions of Credit to the Borrower upon the terms and subject to the conditions set forth therein.

Pursuant to the terms of a Guaranty Agreement of even date, certain Subsidiaries of the Borrower who are party hereto have guaranteed payment and performance of the Obligations of the Borrower.

It is a condition precedent to the obligation of the Lenders to make their respective Extensions of Credit to the Borrower under the Credit Agreement that the Grantors shall have executed and delivered this Agreement to the Administrative Agent, for the ratable benefit of itself and the Lenders.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the parties hereto, and to induce the Administrative Agent and the Lenders to enter into the Credit Agreement and to induce the Lenders to make their respective Extensions of Credit to the Borrower thereunder, each Grantor hereby agrees with the Administrative Agent, for the ratable benefit of itself and the Lenders, that the Amended and Restated Collateral Agreement dated as of July 9, 2003 by and among certain of the Grantors in favor of the Administrative Agent is hereby amended and restated as follows:

#### ARTICLE I

##### DEFINED TERMS

###### Section 1.1. Terms Defined in the Uniform Commercial Code.

(a) The following terms when used in this Agreement shall have the meanings assigned to them in the UCC (as defined in Section 1.2 below) as in effect from time to time: "Account", "Account Debtor", "Authenticate", "Certificated Security", "Chattel Paper"; "Commercial Tort Claim", "Deposit Account", "Documents", "Electronic Chattel Paper", "Entitlement Holder", "Equipment", "Financial Asset", "Fixture", "General Intangible", "Instrument", "Inventory", "Investment Property", "Issuer", "Letter-of-Credit Right", "Proceeds", "Record", "Securities Entitlement", "Securities Intermediary", "Securities Account", "Supporting Obligation", "Tangible Chattel Paper", and "Uncertificated Security".

(b) Terms defined in the UCC and not otherwise defined herein or in the Credit Agreement shall have the meaning assigned in the UCC as in effect from time to time.



Section 1.2. Definitions. The following terms when used in this Agreement shall have the meanings assigned to them below:

“Additional Grantor” means each Subsidiary of the Borrower which hereafter becomes a Grantor pursuant to Section 7.15 hereof and Section 9.11 of the Credit Agreement.

“Agreement” means this Second Amended and Restated Collateral Agreement, as amended, restated, supplemented or otherwise modified from time to time.

“Applicable Insolvency Laws” means all Applicable Laws governing bankruptcy, reorganization, arrangement, adjustment of debts, relief of debtors, dissolution, insolvency, fraudulent transfers or conveyances or other similar laws (including, without limitation, 11 U.S.C. Sections 547, 548 and 550 and other “avoidance” provisions of Title 11 of the United States Code).

“Assignment Agreement” means each Assignment Agreement executed by any Grantor with respect to any Material Government Contract to which such Grantor is a party, substantially in the form of Exhibit A-1 attached hereto.

“Assignment of Claims Act” means the Assignment of Claims Act of 1940 (41 U.S.C. Section 15, 31 U.S.C. Section 3737, and 31 U.S.C. Section 3727), including all amendments thereto and regulations promulgated thereunder.

“Collateral” shall have the meaning assigned thereto in Section 2.1.

“Collateral Account” shall have the meaning assigned thereto in Section 4.6.

“Collection Account” means the account of the Borrower to which the payments and proceeds of all Material Government Contracts are credited. As of the date hereof, the Collection Account is account number 3751223010 maintained at Bank of America, N.A.

“Control” means the manner in which “control” is achieved under the UCC with respect to any Collateral for which the UCC specifies a method of achieving “control”.

“Controlled Depository” shall have the meaning assigned thereto in Section 4.6.

“Controlled Intermediary” has the meaning assigned thereto in Section 4.6.

“Copyrights” means collectively, all of the following of any Grantor: (a) all copyrights, rights and interests in copyrights, works protectable by copyright, copyright registrations and copyright applications anywhere in the world, including, without limitation, those listed on Schedule 3.10 hereto, (b) all reissues, extensions, continuations (in whole or in part) and renewals of any of the foregoing, (c) all income, royalties, damages and payments now or hereafter due and/or payable under any of the foregoing or with respect to any of the foregoing, including, without limitation, damages or payments for past or future infringements of any of the foregoing, (d) the right to sue for past, present and future infringements of any of the foregoing and (e) all rights corresponding to any of the foregoing throughout the world.

“Copyright Licenses” means any written agreement naming any Grantor as licensor or licensee, including, without limitation, those listed in Schedule 3.10, granting any right under any Copyright, including, without limitation, the grant of rights to manufacture, distribute, exploit and sell materials derived from any Copyright.

“Effective Endorsement and Assignment” means, with respect to any specific type of Collateral, all such endorsements, assignments and other instruments of transfer reasonably requested by the Administrative Agent with respect to the Security Interest granted in such Collateral, and in each case, in form and substance satisfactory to the Administrative Agent.

“Excess Collateral” has the meaning assigned thereto in Section 4.6.

“Excluded Government Contract” means a Government Contract securing Non-Recourse Project Financing Indebtedness permitted by the Credit Agreement if, at the time of determination, any agreement or instrument governing or evidencing such Non-Recourse Project Financing Indebtedness prohibits the granting of a security interest therein pursuant to Article II.

“GIH” means GEO International Holdings, Inc., a Delaware corporation, and its successors.

“Government Contract” means a contract between any Grantor and an agency, department or instrumentality of the United States or any state, municipal or local Governmental Authority located in the United States or all obligations of any such Governmental Authority arising under any Account now or hereafter owing by any Governmental Authority, as account debtor, to any Grantor.

“Grantors” has the meaning set forth in the Preamble of this Agreement.

“Guarantors” means the collective reference to each Person executing a Guaranty Agreement.

“Guaranty Agreement” shall have the meaning assigned thereto in the Credit Agreement.

“Intellectual Property” means collectively, all of the following of any Grantor: (a) all systems software, applications software and internet rights, including, without limitation, screen displays and formats, internet domain names, web sites (including web links), program structures, sequence and organization, all documentation for such software, including, without limitation, user manuals, flowcharts, programmer’s notes, functional specifications, and operations manuals, all formulas, processes, ideas and know-how embodied in any of the foregoing, and all program materials, flowcharts, notes and outlines created in connection with any of the foregoing, whether or not patentable or copyrightable, (b) concepts, discoveries, improvements and ideas, (c) any useful information relating to the items described in clause (a) or (b), including know-how, technology, engineering drawings, reports, design information, trade secrets, practices, laboratory notebooks, specifications, test procedures, maintenance manuals, research, development, manufacturing, marketing, merchandising, selling, purchasing and accounting, (d) Patents and Patent Licenses, Copyrights and Copyright Licenses, Trademarks and Trademark Licenses, and (e) other licenses to use any of the items described in the foregoing clauses (a), (b), (c) and (d) or any other similar items of such Grantor necessary for the conduct of its business.

“Material Contracts” shall have the meaning assigned thereto in the Credit Agreement.

“Material Government Contract” shall have the meaning assigned thereto in the Credit Agreement.

“Notice of Assignment” means each Notice of Assignment executed by any Grantor with respect to any Material Government Contract to which such Grantor is a party, substantially in the form of Exhibit A-2.

“Obligations” means with respect to the Borrower, the meaning assigned thereto in the Credit Agreement and with respect to each Guarantor, the obligations of such Guarantor under the Guaranty Agreement executed by such Guarantor.

“Partnership/LLC Interests” means, with respect to any Grantor, the entire partnership, membership interest or limited liability company interest, as applicable, of such Grantor in each partnership, limited partnership or limited liability company owned thereby, including, without limitation, such Grantor’s capital account, its interest as a partner or member, as applicable, in the net cash flow, net profit and net loss, and items of income, gain, loss, deduction and credit of any such partnership, limited partnership or limited liability company, as applicable, such Grantor’s interest in all distributions made or to be made by any such partnership, limited partnership or limited liability company, as applicable, to such Grantor and all of the other economic rights, titles and interests of such Grantor as a partner or member, as applicable, of any such partnership, limited partnership or limited liability company, as applicable, whether set forth in the partnership agreement or membership agreement, as applicable, of such partnership, limited partnership or limited liability company, as applicable, by separate agreement or otherwise.

“Patents” means collectively, all of the following of any Grantor: (a) all patents, rights and interests in patents, patentable inventions and patent applications anywhere in the world, including, without limitation, those listed on Schedule 3.10 hereto, (b) all reissues, extensions, continuations (in whole or in part) and renewals of any of the foregoing, (c) all income, royalties, damages or payments now or hereafter due and/or payable under any of the foregoing or with respect to any of the foregoing, including, without limitation, damages or payments for past or future infringements of any of the foregoing, (d) the right to sue for past, present and future infringements of any of the foregoing and (e) all rights corresponding to any of the foregoing throughout the world.

“Patent License” means all agreements now or hereafter in existence, whether written or oral, providing for the grant by or to any Grantor of any right to manufacture, use or sell any invention covered in whole or in part by a Patent, including, without limitation, any of the foregoing referred to in Schedule 3.10 hereto.

“Restricted Securities Collateral” has the meaning assigned thereto in Section 5.3.

“Securities Act” means the Securities Act of 1933, including all amendments thereto and regulations promulgated thereunder.

“Security Interests” means the security interests granted pursuant to Article II, as well as all other security interests created or assigned as additional security for the Obligations pursuant to the provisions of the Credit Agreement.

“Subsidiary Issuer” means any Issuer of Investment Property or any Partnership/LLC Interests, which such Issuer is a direct or indirect Subsidiary of the Borrower.

“Trademarks” means collectively, all of the following of any Grantor: (a) all trademarks, rights and interests in trademarks, trade names, corporate names, company names, business names, fictitious business names, trade styles, service marks, logos, other business identifiers, prints and labels on which any of the foregoing have appeared or appear, all registrations and recordings thereof, and all applications in connection therewith anywhere in the world, including, without limitation, those listed on Schedule 3.10 hereto, (b) all reissues, extensions, continuations (in whole or in part) and renewals of any of the foregoing, (c) all income, royalties, damages and payments now or hereafter due and/or payable under any of the foregoing or with respect to any of the foregoing, including, without limitation, damages or

payments for past or future infringements of any of the foregoing, (d) the right to sue for past, present and future infringements of any of the foregoing and (e) all rights corresponding to any of the foregoing throughout the world.

“Trademark License” means any agreement now or hereafter in existence, whether written or oral, providing for the grant by or to any Grantor of any right to use any Trademark, including, without limitation, any of the foregoing referred to in Schedule 3.10.

“UCC” means the Uniform Commercial Code as in effect in the State of New York, as amended or modified from time to time.

“Vehicles” means all cars, trucks, trailers, construction and earth moving equipment and other vehicles covered by a certificate of title under the laws of any state and all tires and all other appurtenances to any of the foregoing.

“WPR” means Wackenhut Corrections Puerto Rico, Inc., a Puerto Rican corporation, and its successors.

Section 1.3. Other Definitional Provisions. Terms defined in the Credit Agreement and not otherwise defined herein shall have the meaning assigned thereto in the Credit Agreement. The words “hereof”, “herein”, “hereto” and “hereunder” and words of similar import when used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement, and Article, Section and Schedule references are to this Agreement unless otherwise specified. The meanings given to terms defined herein shall be equally applicable to both the singular and plural forms of such terms. Where the context requires, terms relating to the Collateral or any part thereof, when used in relation to a Grantor, shall refer to such Grantor’s Collateral or the relevant part thereof.

## ARTICLE II

### SECURITY INTEREST

Section 2.1. Grant of Security Interest. Each Grantor hereby grants, pledges and collaterally assigns to the Administrative Agent, for the ratable benefit of itself and the Lenders, a security interest in, all of such Grantor’s right, title and interest in the following property now owned or at any time hereafter acquired by such Grantor or in which such Grantor now has or at any time in the future may acquire any right, title or interest, and wherever located or deemed located (collectively, the “Collateral”), as collateral security for the prompt and complete payment and performance when due (whether at the stated maturity, by acceleration or otherwise) of the Obligations of the Borrower and each Guarantor:

- (a) all Accounts;
- (b) all Chattel Paper;
- (c) all Deposit Accounts (including, without limitation, the Escrow Account)
- (d) all Documents;
- (e) all Equipment;
- (f) all Fixtures;

- (g) all General Intangibles;
- (h) all Instruments;
- (i) all Intellectual Property;
- (j) all Inventory;
- (k) all Investment Property;
- (l) all Letter-of-Credit Rights;
- (m) all Vehicles;
- (n) all other personal property not otherwise described above;
- (o) all books and records pertaining to the Collateral; and
- (p) to the extent not otherwise included, all Proceeds and products of any and all of the foregoing and all collateral security and Supporting Obligations given by any Person with respect to any of the foregoing;

provided that (a) any Security Interest on any capital stock or other ownership interests issued by any first-tier Foreign Subsidiary (other than Canadian Correctional Management, Inc., Miramichi Youth Center Management, Inc., Wackenhut Corrections N.V. and GEO NZ Limited, which shall not be pledged hereunder unless requested by the Administrative Agent pursuant to Section 4.13) of any Grantor shall be limited to 65% of all issued and outstanding shares of all classes of capital stock or other ownership interests of such Foreign Subsidiary, (b) the Security Interest on any common stock of WPR and GIH shall be limited to 65% of all issued and outstanding shares of common stock of WPR and GIH, respectively (but shall include all preferred stock of WPR and GIH, respectively) and provided, further, that the Security Interests are subject to the provisions of Applicable Law (e.g., UCC Section 9-408(c)) and (c) the Security Interest shall not cover any Excluded Government Contract.

Section 2.2. Grantors Remain Liable. Anything herein to the contrary notwithstanding: (a) each Grantor shall remain liable under the contracts and agreements included in the Collateral to the extent set forth therein to perform all of its duties and obligations thereunder to the same extent as if this Agreement had not been executed, (b) the exercise by the Administrative Agent of any of the rights hereunder shall not release any Grantor from any of its duties or obligations under the contracts and agreements included in the Collateral, (c) neither the Administrative Agent nor any Lender shall have any obligation or liability under the contracts and agreements included in the Collateral by reason of this Agreement, nor shall the Administrative Agent or any Lender be obligated to perform any of the obligations or duties of any Grantor thereunder or to take any action to collect or enforce any claim for payment assigned hereunder, and (d) neither the Administrative Agent nor any Lender shall have any liability in contract or tort for any Grantor's acts or omissions.

### ARTICLE III

#### REPRESENTATIONS AND WARRANTIES

To induce the Administrative Agent and the Lenders to enter into the Credit Agreement and to induce the Lenders to make their respective Extensions of Credit to the Borrower thereunder, each Grantor hereby represents and warrants to the Administrative Agent and each Lender that:

Section 3.1. Existence. Each Grantor is duly organized, validly existing and in good standing (or its equivalent) under the laws of the jurisdiction of its incorporation or formation, has the requisite power and authority to own, lease and operate its properties and to carry on its business as now being and hereafter proposed to be conducted and is duly qualified and authorized to do business in each jurisdiction in which the character of its properties or the nature of its business requires such qualification and authorization other than in such jurisdiction where failure to so qualify could not reasonably be expected to have a Material Adverse Effect.

Section 3.2. Authorization of Agreement; No Conflict. Each Grantor has the right, power and authority and has taken all necessary corporate and other action to authorize the execution, delivery and performance of this Agreement. This Agreement has been duly executed and delivered by the duly authorized officers of each Grantor and this Agreement constitutes the legal, valid and binding obligation of the Grantors enforceable in accordance with its terms, except as such enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or similar state or federal debtor relief laws from time to time in effect which affect the enforcement of creditors' rights in general and the availability of equitable remedies. The execution, delivery and performance by the Grantors of this Agreement will not, by the passage of time, the giving of notice or otherwise, violate any material provision of any Applicable Law or Material Contract and will not result in the creation or imposition of any Lien, other than the Security Interests, upon or with respect to any property or revenues of any Grantor.

Section 3.3. Consents.

(a) No approval, consent, exemption, authorization, or other action by, or notice to, or filing with, any Governmental Authority or any other Person is necessary or required in connection with the execution, delivery or performance by, or enforcement against, any Grantor of this Agreement except (i) as may be required by Applicable Laws affecting the offering and sale of securities generally, (ii) filings with the United States Copyright Office and/or the United States Patent and Trademark Office, (iii) filings under the UCC and (iv) those notices, consents and authorizations which have been obtained prior to the Closing Date.

(b) Each of the Grantors (i) has all Governmental Approvals required by any Applicable Law for it to conduct its business, each of which is in full force and effect, is final and not subject to review on appeal and is not the subject of any pending or, to the best of its knowledge, threatened attack by direct or collateral proceeding, (ii) is in compliance in all material respects with each Governmental Approval applicable to it and is in compliance in all material respects with all other Applicable Laws relating to it or any of its respective properties and (iii) has timely filed all material reports, documents and other materials required to be filed by it under all Applicable Laws with any Governmental Authority and has retained all material records and documents required to be retained by it under Applicable Law.

Section 3.4. Perfected First Priority Liens. Each financing statement naming any Grantor as a debtor is in appropriate form for filing in the appropriate filing offices of the states specified on Schedule 3.6. The Security Interests granted pursuant to this Agreement (a) constitute valid perfected security interests in all of the Collateral in favor of the Administrative Agent, for the ratable benefit of itself and the Lenders, as collateral security for the Obligations, enforceable in accordance with the terms hereof against all creditors of such Grantor and any Persons purporting to purchase any Collateral from such Grantor and (b) are prior to all other Liens on the Collateral in existence on the date hereof except for Liens permitted pursuant to Section 11.2 of the Credit Agreement. Notwithstanding the immediately

preceding sentence, the Security Interests in shares of stock issued by Excluded Subsidiaries (as defined in Section 6.2(c)(iii) of the Credit Agreement) are not required to be perfected until the 30<sup>th</sup> day following the Closing Date.

Section 3.5. Title, No Other Liens. Except for the Security Interests, each Grantor owns each item of the Collateral free and clear of any and all Liens or claims other than Liens permitted pursuant to Section 11.2 of the Credit Agreement. No financing statement under the UCC of any state which names a Grantor as debtor or other public notice with respect to all or any part of the Collateral is on file or of record in any public office, except such as have been filed in favor of the Administrative Agent, for the ratable benefit of itself and the Lenders, pursuant to this Agreement or in connection with Liens permitted pursuant to Section 11.2 of the Credit Agreement. No Collateral is in the possession or Control of any Person asserting any claim thereto or security interest therein, except that (a) the Administrative Agent or its designee may have possession or Control of Collateral as contemplated hereby, (b) a depository bank may have Control of a Deposit Account owned by a Grantor at such depository bank and a Securities Intermediary may have Control over a Securities Account owned by a Grantor at such Securities Intermediary, in each case subject to the terms of any deposit account control agreement or securities control agreement, as applicable and to the extent required by Section 4, in favor of the Administrative Agent, and (c) a bailee, consignee or other Person may have possession of the Collateral as contemplated by, and so long as, the applicable Grantors have complied to the satisfaction of the Administrative Agent with the applicable provisions of Section 4.

Section 3.6. State of Organization; Location of Inventory, Equipment and Fixtures; other Information.

(a) Each Grantor was organized and remains organized under the laws of the state identified on Schedule 3.6 under such Grantor's name. The taxpayer identification number and registered organization number of each Grantor is set forth on Schedule 3.6 under such Grantor's name.

(b) All Collateral consisting of Inventory, Equipment and Fixtures (whether now owned of hereafter acquired) is (or will be) located at the locations specified on Schedule 3.6, except as otherwise permitted hereunder.

(c) The mailing address, chief place of business, chief executive office and office where each Grantor keeps its books and records relating to the Accounts, Documents, General Intangibles, Instruments and Investment Property in which it has any interest is located at the locations specified on Schedule 3.6 under such Grantor's name. No Grantor has any other places of business except those separately set forth on Schedule 3.6 under such Grantor's name. No Grantor does business nor has done business during the past five years under any trade name or fictitious business name except as disclosed on Schedule 3.6 under such Grantor's name. Except as disclosed on Schedule 3.6 under such Grantors name, no Grantor has acquired assets from any Person, other than assets acquired in the ordinary course of such Grantor's business, during the past five years.

Section 3.7. Accounts.

(a) Each existing Account constitutes, and each hereafter arising Account will constitute, the legally valid and binding obligation of the applicable Account Debtor. The amount represented by each Grantor to the Administrative Agent as owing by each Account Debtor is, or will be, the correct amount actually and unconditionally owing, except for normal cash discounts and allowances where applicable. No Account Debtor has any defense, set-off, claim or counterclaim against any Grantor that can be asserted against the Administrative Agent, whether in any proceeding to enforce Administrative Agent's rights in the Collateral or otherwise except defenses, setoffs, claims or counterclaims that are not, in the

aggregate, material to the value of the Accounts. None of the Accounts is, nor will any hereafter arising Account be, evidenced by a promissory note or other Instrument that has not been pledged to the Administrative Agent in accordance with the terms hereof.

(b) Schedule 3.7 sets forth a complete and accurate list of all Material Government Contracts of the Grantors in effect as of the Closing Date. As of the Closing Date, except as set forth in Schedule 3.7, each such Material Government Contract is, and after giving effect to the consummation of the transactions contemplated by the Loan Documents will be, in full force and effect in accordance with the terms thereof. Neither the Borrower nor any other Grantor (nor, to the knowledge of any Grantor, any other party thereto) is in breach of or in default under any Material Government Contract in any material respect. No notice of any material dispute, holdback, claim of set-off or other claim, suspension, debarment, cure notice, show cause notice or notice of termination for default has been issued by any Governmental Authority to any Grantor, and neither the Borrower nor any other Grantor is a party to any pending, or to the Borrower's or any Grantor's knowledge, threatened material dispute, holdback, claim of set-off or other claim, suspension, debarment, or termination for default issued by any Governmental Authority. As of the date hereof, all payments made to any Grantor with respect to any Material Government Contract are paid directly (through the use of a lock box or otherwise) by such Governmental Authority to the Collection Account.

Section 3.8. Chattel Paper. As of the date hereof, no Grantor holds any Chattel Paper in the ordinary course of its business.

Section 3.9. Deposit Accounts. As of the date hereof, all Deposit Accounts (including, without limitation, cash management accounts that are Deposit Accounts) owned by any Grantor are listed on Schedule 3.9.

Section 3.10. Intellectual Property.

(a) All United States Copyright registrations, Copyright applications, issued Patents, Trademark registrations and Trademark applications owned by any Grantor in its own name on the date hereof is listed on Schedule 3.10.

(b) Except as set forth in Schedule 3.10 on the date hereof, none of the Intellectual Property owned by any Grantor is the subject of any written licensing or franchise agreement pursuant to which such Grantor is the licensor or franchisor, other than any such agreement that by itself or in the aggregate with other such agreements could not reasonably be expected to have a Material Adverse Effect.

Section 3.11. Inventory. Collateral consisting of Inventory is of good and merchantable quality, normal wear and tear excepted, free from any defects. To the knowledge of each Grantor, none of such Inventory is subject to any licensing, Patent, Trademark, trade name or Copyright with any Person that restricts any Grantor's ability to manufacture and/or sell such Inventory. The completion of the manufacturing process of such Inventory by a Person other than the applicable Grantor would be permitted under any contract to which such Grantor is a party or to which the Inventory is subject.

Section 3.12. Investment Property; Partnership/LLC Interests.

(a) As of the date hereof, all Investment Property (including, without limitation, Securities Accounts and cash management accounts that are Investment Property) and all Partnership/LLC Interests owned by any Grantor is listed on Schedule 3.12.



(b) All Investment Property and all Partnership/LLC Interests issued by any Subsidiary Issuer to any Grantor (i) have been duly and validly issued and, if applicable, are fully paid and nonassessable, (ii) are beneficially owned of record by such Grantor and (iii) constitute all the issued and outstanding shares of all classes of the capital stock of such Subsidiary Issuer issued to such Grantor except as set forth on Schedule 3.12.

#### ARTICLE IV

#### COVENANTS

Until the Obligations shall have been paid in full and the Commitments terminated, unless consent has been obtained in the manner provided for in Section 7.1, each Grantor covenants and agrees that:

Section 4.1. Maintenance of Perfected Security Interest; Further Information.

(a) Each Grantor shall maintain the Security Interest created by this Agreement as a perfected Security Interest having at least the priority described in Section 3.4 and shall defend such Security Interest against the claims and demands of all Persons whomsoever.

(b) Each Grantor will furnish to the Administrative Agent and the Lenders from time to time statements and schedules further identifying and describing the assets and property of such Grantor and such other reports in connection therewith as the Administrative Agent may reasonably request, all in reasonable detail.

Section 4.2. Maintenance of Insurance.

(a) Each Grantor will maintain, with financially sound and reputable companies, insurance policies (i) insuring the Collateral against loss by fire, explosion, theft, fraud and such other casualties, including business interruption, as may be reasonably satisfactory to the Administrative Agent in amounts and with deductibles at least as favorable as those generally maintained by businesses of similar size engaged in similar activities and (ii) insuring such Grantor and the Administrative Agent, for the ratable benefit of the Lenders, against liability for hazards, risks and liability to persons and property relating to the Collateral, in amounts and with deductibles at least as favorable as those generally maintained by businesses of similar size engaged in similar activities, such policies to be in such form and having such coverage as may be reasonably satisfactory to the Administrative Agent and the Required Lenders.

(b) All such insurance shall (i) name the Administrative Agent for the ratable benefit of itself and the Lenders as loss payee (to the extent covering risk of loss or damage to tangible property) and as an additional insured as its interests may appear (to the extent covering any other risk), (ii) provide that no cancellation, material reduction in amount or material change in coverage thereof shall be effective until at least thirty (30) days after receipt by the Administrative Agent of written notice thereof and (iii) be reasonably satisfactory in all other respects to the Administrative Agent.

(c) Upon the request of the Administrative Agent, each Grantor shall deliver to the Administrative Agent and the Lenders periodic information from a reputable insurance broker with respect to the insurance referred to in this Section 4.2.

Section 4.3. Changes in Locations; Changes in Name or Structure. No Grantor will, except upon thirty (30) days' prior written notice to the Administrative Agent and delivery to the Administrative Agent of (a) all additional financing statements (executed if necessary for any particular filing

jurisdiction) and other instruments and documents reasonably requested by the Administrative Agent to maintain the validity, perfection and priority of the Security Interests and (b) if applicable, a written supplement to the Schedules of this Agreement:

(i) permit any Deposit Account to be held by a depositary bank other than the depositary bank that held such Deposit Account as of the date hereof as set forth on Schedule 3.9;

(ii) permit any of the Inventory, Equipment or Fixtures to be kept at a location other than those listed on Schedule 3.6, except as otherwise permitted hereunder;

(iii) permit any Investment Property (other than Certificated Securities delivered to the Administrative Agent pursuant to Section 4.5) to be held by a Securities Intermediary other than the Securities Intermediary that held such Investment Property as of the date hereof as set forth on Schedule 3.12;

(iv) change its jurisdiction of organization or the location of its chief executive office from that identified on Schedule 3.6; or

(v) change its name, identity or corporate or organizational structure to such an extent that any financing statement filed by the Administrative Agent in connection with this Agreement would become misleading.

Section 4.4. Required Notifications. Each Grantor shall promptly notify the Administrative Agent, in writing, of: (a) any Lien (other than the Security Interests or Liens permitted pursuant to Section 11.2 of the Credit Agreement) on any of the Collateral which would adversely affect the ability of the Administrative Agent to exercise any of its remedies hereunder, (b) the occurrence of any other event which could reasonably be expected to have a Material Adverse Effect on the aggregate value of the Collateral or on the Security Interests, (c) any Collateral acquired after the date hereof which, to the knowledge of such Grantor, constitutes a Government Contract, (d) the acquisition by such Grantor of any (i) Commercial Tort Claim, (ii) Deposit Account, (iii) Investment Property, in each case, after the date hereof and (e) the occurrence of any material dispute, holdback, claim of set-off or other claim by the applicable Governmental Authority under any Material Government Contract or receipt by any Grantor of any notice of material suspension, debarment, cure notice, show cause notice or notice of termination for default issued by any Governmental Authority to any Grantor.

Section 4.5. Delivery Covenants. Each Grantor will deliver and pledge to the Administrative Agent, for the ratable benefit of itself and the Lenders, all Certificated Securities, Partnership/LLC Interests evidenced by a certificate, negotiable Documents, Instruments, and Tangible Chattel Paper from time to time owned or held by such Grantor, in each case, together with an Effective Endorsement and Assignment and all Supporting Obligations, as applicable.

Section 4.6. Control Covenants.

(a) Each Grantor shall instruct (and otherwise use its reasonable efforts) to cause (i) each depositary bank (other than the Administrative Agent) holding a Deposit Account owned by such Grantor and (ii) each Securities Intermediary holding any Investment Property or a Securities Account owned by such Grantor, to execute and deliver a control agreement, sufficient to provide the Administrative Agent with Control of such Deposit Account, Investment Property or Securities Account, as the case may be, and otherwise in form and substance satisfactory to the Administrative Agent (any such depositary bank executing and delivering any such control agreement, a "Controlled Depositary", and any such Securities Intermediary executing and delivering any such control agreement, a "Controlled Intermediary") within

twenty (20) Business Days of such request; provided that, notwithstanding the foregoing, no Grantor shall be required to obtain a control agreement with respect to: (x) Deposit Accounts established solely as prisoner trust accounts, (y) Deposit Accounts established solely for the purpose of funding payroll and other compensation and benefits to employees and (z) so long as no Default or Event of Default has occurred and is continuing, Deposit Accounts (other than the Collection Account) with amounts on deposit that, when aggregated with the amounts on deposit in all other Deposit Accounts for which a control agreement has not been obtained (other than those specified in clauses (x) and (y) of this Section 4.6(a)), do not exceed \$500,000 at any time. In the event any such depositary bank or Securities Intermediary refuses to execute and deliver such control agreement, the Administrative Agent, in its sole discretion, may require the applicable Deposit Account and Investment Property to be transferred to the Administrative Agent or a Controlled Depositary or Controlled Intermediary, as applicable. Following any such request and except as set forth above, all Deposit Accounts and all Investment Property will be maintained with the Administrative Agent or a Controlled Depositary or a Controlled Intermediary, as applicable. Notwithstanding any provision in the foregoing to the contrary, as of the date hereof the applicable Grantors shall have delivered to the Administrative Agent a control agreement, executed by such Grantor and the applicable depositary bank and in form and substance satisfactory to the Administrative Agent, granting the Administrative Agent Control of the Collection Account.

(b) Each Grantor will take such actions and deliver all such agreements as are requested by the Administrative Agent to provide the Administrative Agent with Control of all Letter-of-Credit Rights and Electronic Chattel Paper owned or held by such Grantor, including, without limitation, with respect to any such Electronic Chattel Paper, by having the Administrative Agent identified as the assignee of the Record(s) pertaining to the single authoritative copy thereof.

(c) No Grantor will change the depositary bank or account number of the Collection Account or permit any payments or proceeds of any Material Government Contracts to be directed by such Governmental Authority to an account other than the Collection Account, except upon twenty (20) Business Days' prior written notice to the Administrative Agent and delivery to the Administrative Agent of (i) all additional financing statements (executed if necessary for any particular filing jurisdiction) and other instruments and documents reasonably requested by the Administrative Agent to maintain the validity, perfection and priority of the Security Interests, (ii) if applicable, a written supplement to Schedule 3.9 if any Grantor acquires ownership of a Deposit Account after the date hereof, and (iii) a control agreement, executed by such Grantor and such depositary bank and in form and substance satisfactory to the Administrative Agent, granting the Administrative Agent Control of the Collection Account.

(d) If any Collateral (other than Collateral specifically subject to the provisions of Section 4.6(a) and Section 4.6(b)) exceeding in value \$50,000 in the aggregate (such Collateral exceeding such amount, the "Excess Collateral") is at any time in the possession or control of any consignee, warehouseman, bailee (other than a carrier transporting Inventory to a purchaser in the ordinary course of business), processor, or any other third party, such Grantor shall notify in writing such Person of the Security Interests created hereby, shall use its reasonable efforts to obtain such Person's written agreement in writing to hold all such Collateral for the Administrative Agent's account subject to the Administrative Agent's instructions, and shall cause such Person to issue and deliver to the Administrative Agent warehouse receipts, bills of lading or any similar documents relating to such Collateral to the Administrative Agent together with an Effective Endorsement and Assignment; provided that if such Grantor is not able to obtain such agreement and cause the delivery of such items, the Administrative Agent, in its sole discretion, may require such Excess Collateral to be moved to another location specified thereby. Further, each Grantor shall perfect and protect such Grantor's ownership interests in all Inventory stored with a consignee against creditors of the consignee by filing and maintaining financing statements against the consignee reflecting the consignment arrangement filed in

all appropriate filing offices, providing any written notices required to notify any prior creditors of the consignee of the consignment arrangement, and taking such other actions as may be appropriate to perfect and protect such Grantor's interests in such inventory under Section 2-326, Section 9-103, Section 9-324 and Section 9-505 of the UCC or otherwise. All such financing statements filed pursuant to this Section 4.6(d) shall be assigned, on the face thereof, to the Administrative Agent, for the ratable benefit of itself and the other Lenders.

(e) The Administrative Agent will cause to be established at a banking institution to be selected by the Administrative Agent a cash collateral account (the "Collateral Account"), that

(i) to the extent of all Investment Property or Financial Assets (other than cash) credited thereto shall be a Securities Account in respect of which the Administrative Agent shall be the Entitlement Holder, and

(ii) to the extent of any cash credited thereto shall be a Deposit Account in respect of which the Collateral Agent shall be the depository bank's customer, and

(iii) into which each Grantor agrees to deposit from time to time the cash proceeds of any of the Collateral (including proceeds of insurance thereon) required to be delivered to the Administrative Agent pursuant to any of the Loan Documents, or pursuant hereto, and into which any Grantor may from time to time deposit any additional amounts that it wishes to provide as additional collateral security hereunder. The Collateral Account, and any money or other property from time to time therein, shall constitute part of the Collateral hereunder and shall not constitute payment of the Obligations until applied as hereinafter provided.

Section 4.7. Filing Covenants. Pursuant to Section 9-509 of the UCC and any other Applicable Law, each Grantor authorizes the Administrative Agent to file or record financing statements and other filing or recording documents or instruments with respect to the Collateral without the signature of such Grantor in such form and in such offices as the Administrative Agent reasonably determines appropriate to perfect the Security Interests of the Administrative Agent under this Agreement. Such financing statements may describe the Collateral in the same manner as described herein or may contain an indication or description of Collateral that describes such property in any other manner as the Administrative Agent may determine, in its reasonable discretion, is necessary, advisable or prudent to ensure the perfection of the Security Interest in the Collateral granted herein, including, without limitation, describing such property as "all assets" or "all personal property". Further, a photographic or other reproduction of this Agreement shall be sufficient as a financing statement or other filing or recording document or instrument for filing or recording in any jurisdiction. Each Grantor hereby authorizes, ratifies and confirms all financing statements and other filing or recording documents or instruments, if any, filed by Administrative Agent prior to the date of this Agreement.

Section 4.8. Accounts.

(a) Other than in the ordinary course of business consistent with its past practice, no Grantor will (i) grant any extension of the time of payment of any Account, (ii) compromise or settle any Account for less than the full amount thereof, (iii) release, wholly or partially, any Account Debtor, (iv) allow any credit or discount whatsoever on any Account or (v) amend, supplement or modify any Account in any manner that could adversely affect the value thereof.

(b) Each Grantor will deliver to the Administrative Agent a copy of each material demand, notice or document received by it that questions or calls into doubt the validity or enforceability of any material Account.

(c) The Administrative Agent shall have the right to make test verifications of the Accounts in any manner and through any medium that it reasonably considers advisable, and each Grantor shall furnish all such assistance and information as the Administrative Agent may require in connection with such test verifications. At any time and from time to time, upon the Administrative Agent's request and at the expense of the relevant Grantor, such Grantor shall cause independent public accountants or others satisfactory to the Administrative Agent to furnish to the Administrative Agent reports showing reconciliations, aging and test verifications of, and trial balances for, the Accounts.

(d) With respect to each Material Government Contract (other than Excluded Government Contracts) presently existing, the applicable Grantor shall deliver an Assignment Agreement duly executed by such Grantor party to such Material Government Contract in compliance with the Assignment of Claims Act (or analogous state Applicable Law, if applicable) within 30 days after request therefor by the Administrative Agent.

(e) With respect to each Material Government Contract entered into by any Grantor after the date hereof (other than Excluded Government Contracts), such Grantor shall promptly deliver, following the date of required notice to the Administrative Agent of such new Material Government Contract under this Agreement, the Credit Agreement or any other Loan Document, an Assignment Agreement duly executed by such Grantor party to such Material Government Contract in compliance with the Assignment of Claims Act (or analogous state Applicable Law, if applicable).

(f) Upon the occurrence of a Default or an Event of Default, the Administrative Agent may deliver (i) all Assignment Agreements and (ii) all Notices of Assignment to the applicable Governmental Authority for each Material Government Contract, and the Grantors agree to exert their best good faith efforts in having such Notices of Assignment acknowledged in writing by the appropriate Governmental Authority promptly after delivery thereof.

#### Section 4.9. Intellectual Property.

(a) Except as could not reasonably be expected to have a Material Adverse Effect, each Grantor (either itself or through licensees) (i) will continue to use each registered Trademark (owned by such Grantor) and Trademark for which an application (owned by such Grantor) is pending, to the extent reasonably necessary to maintain such Trademark in full force free from any claim of abandonment for non-use, (ii) will maintain products and services offered under such Trademark at a level substantially consistent with the quality of such products and services as of the date hereof, (iii) will not (and not permit any licensee or sublicensee thereof to) do any act or knowingly omit to do any act whereby such Trademark could reasonably be expected to become invalidated or impaired in any way, (iv) will not do any act, or knowingly omit to do any act, whereby any issued Patent owned by such Grantor would reasonably be expected to become forfeited, abandoned or dedicated to the public, (v) will not (and will not permit any licensee or sublicensee thereof to) do any act or knowingly omit to do any act whereby any registered Copyright owned by such Grantor or Copyright for which an application is pending (owned by such Grantor) could reasonably be expected to become invalidated or otherwise impaired and (vi) will not (and will not permit any licensee or sublicensee thereof to) do any act whereby any material portion of the Copyrights may fall into the public domain.

(b) Each Grantor will notify the Administrative Agent and the Lenders promptly if it knows, or has reason to know, that any application or registration relating to any material Intellectual Property owned by such Grantor may become forfeited, abandoned or dedicated to the public, or of any adverse determination or development (including, without limitation, the institution of, or any such determination or development in, any proceeding in the United States Patent and Trademark Office, the United States Copyright Office or any court or tribunal in any country) regarding such Grantor's ownership of, or the

validity of, any material Intellectual Property owned by such Grantor or such Grantor's right to register the same or to own and maintain the same.

(c) Whenever such Grantor, either by itself or through any agent, employee, licensee or designee, shall file an application for the registration of any Intellectual Property with the United States Patent and Trademark Office, the United States Copyright Office or any similar office or agency in any other country or any political subdivision thereof, such Grantor shall report such filing to the Administrative Agent within five (5) Business Days after the last day of the fiscal quarter in which such filing occurs. Upon request of the Administrative Agent, such Grantor shall execute and deliver, and have recorded, any and all agreements, instruments, documents, and papers as the Administrative Agent may reasonably request to evidence the Administrative Agent's and the Lenders' security interest in any material Copyright, Patent or Trademark and the goodwill and General Intangibles of such Grantor relating thereto or represented thereby.

(d) Each Grantor will take all reasonable and necessary steps, at such Grantor's sole cost and expense, including, without limitation, in any proceeding before the United States Patent and Trademark Office, the United States Copyright Office or any similar office or agency in any other country or any political subdivision thereof, to maintain and pursue each application (and to obtain the relevant registration) and to maintain each registration of the material Intellectual Property, including, without limitation, filing of applications for renewal, affidavits of use and affidavits of incontestability.

(e) In the event that any material Intellectual Property owned by a Grantor is infringed, misappropriated or diluted by a third party, the applicable Grantor shall (i) at such Grantor's sole cost and expense, take such actions as such Grantor shall reasonably deem appropriate under the circumstances to protect such Intellectual Property and (ii) if such Intellectual Property is of material economic value, promptly notify the Administrative Agent after it learns of such infringement, misappropriation or dilution.

#### Section 4.10. Investment Property; Partnership/LLC Interests.

(a) Without the prior written consent of the Administrative Agent, no Grantor will (i) vote to enable, or take any other action to permit, any Issuer to issue any Investment Property or Partnership/LLC Interests, except for such additional Investment Property or Partnership/LLC Interests that will be subject to the Security Interest granted herein in favor of the Administrative Agent, or (ii) enter into any agreement or undertaking restricting the right or ability of such Grantor or the Administrative Agent to sell, assign or transfer any Investment Property or Partnership/LLC Interests or Proceeds thereof. The Grantors will defend the right, title and interest of the Administrative Agent in and to any Investment Property and Partnership/LLC Interests against the claims and demands of all Persons whomsoever.

(b) If any Grantor shall become entitled to receive or shall receive (i) any Certificated Securities (including, without limitation, any certificate representing a stock dividend or a distribution in connection with any reclassification, increase or reduction of capital or any certificate issued in connection with any reorganization), option or rights in respect of the ownership interests of any Issuer, whether in addition to, in substitution of, as a conversion of, or in exchange for, any Investment Property, or otherwise in respect thereof, or (ii) any sums paid upon or in respect of any Investment Property upon the liquidation or dissolution of any Issuer, such Grantor shall accept the same as the agent of the Administrative Agent and the Lenders, hold the same in trust for the Administrative Agent and the Lenders, segregated from other funds of such Grantor, and promptly deliver the same to the Administrative Agent in accordance with the terms hereof.

Section 4.11. Equipment. Each Grantor will maintain each item of Equipment in good working order and condition (reasonable wear and tear and obsolescence excepted), and in accordance with any manufacturer's manual, and will as quickly as practicable provide all maintenance, service and repairs necessary for such purpose and will promptly furnish to the Administrative Agent a statement respecting any material loss or damage to any of the Equipment.

Section 4.12. Vehicles. Upon the request of the Administrative Agent upon the occurrence and during the continuance of an Event of Default, all applications for certificates of title or ownership indicating the Administrative Agent's first priority Lien on the Vehicle covered by such certificate, and any other necessary documentation, shall be filed in each office in each jurisdiction which the Administrative Agent shall deem reasonably advisable to perfect its Liens on the Vehicles. Prior thereto, each certificate of title or ownership relating to each Vehicle shall be maintained by the applicable Grantor in accordance with Applicable Law to reflect the ownership interest of such Grantor.

Section 4.13. Additional Pledge. Upon the request of the Administrative Agent and at the sole expense of the Borrower, the Borrower will promptly and duly execute and deliver, and have recorded, such further instruments and documents and take such further actions as the Administrative Agent may reasonably request for the purpose of granting a Security Interest to the Administrative Agent and the Lenders on up to 65% of all issued and outstanding shares of all classes of capital stock or other ownership interests issued by Canadian Correctional Management, Inc., Miramichi Youth Center Management, Inc., Wackenhut Corrections N.V. and GEO NZ Limited.

Section 4.14. Further Assurances. Upon the request of the Administrative Agent and at the sole expense of the Grantors, each Grantor will promptly and duly execute and deliver, and have recorded, such further instruments and documents and take such further actions as the Administrative Agent may reasonably request for the purpose of obtaining or preserving the full benefits of this Agreement and of the rights and powers herein granted, including, without limitation, (i) the assignment of any Material Contract, (ii) with respect to Government Contracts, assignment agreements and notices of assignment, in form and substance satisfactory to the Administrative Agent, duly executed by any Grantor party to such Government Contract in compliance with the Assignment of Claims Act (or analogous state Applicable Law), (iii) with respect to Material Government Contracts, Assignment Agreements and Notices of Assignment, in form and substance the same as that set forth on Exhibit A-1 and Exhibit A-2, respectively, duly executed by any Grantors party to such Material Government Contract in compliance with the Assignment of Claims Act (or analogous state Applicable Law) and acknowledged in writing by the appropriate Governmental Authority, and (iv) all applications, certificates, instruments, registration statements, and all other documents and papers the Administrative Agent may reasonably request and as may be required by law in connection with the obtaining of any consent, approval, registration, qualification, or authorization of any Person deemed necessary or appropriate for the effective exercise of any rights under this Agreement.

## ARTICLE V

### REMEDIAL PROVISIONS

Section 5.1. General Remedies. If an Event of Default shall occur and be continuing, the Administrative Agent, on behalf of the Lenders, may exercise, in addition to all other rights and remedies granted to them in this Agreement and in any other instrument or agreement securing, evidencing or relating to the Obligations, all rights and remedies of a secured party under the UCC or any other Applicable Law. Without limiting the generality of the foregoing, the Administrative Agent, without demand for performance or other demand, presentment, protest, advertisement or notice of any kind (except any notice required by law referred to below) to or upon any Grantor or any other Person (all and

each of which demands, defenses, advertisements and notices are hereby waived), may in such circumstances forthwith collect, receive, appropriate and realize upon the Collateral, or any part thereof, and/or may forthwith sell, lease, assign, give an option or options to purchase, or otherwise dispose of and deliver the Collateral or any part thereof (or contract to do any of the foregoing), in one or more parcels at public or private sale or sales, at any exchange, broker's board or office of the Administrative Agent or any Lender or elsewhere upon such terms and conditions as it may deem advisable and at such prices as it may deem best, for cash or on credit or for future delivery without assumption of any credit risk. The Administrative Agent may disclaim any warranties of title, possession and quiet enjoyment. The Administrative Agent or any Lender shall have the right upon any such public sale or sales, and, to the extent permitted by law, upon any such private sale or sales, to purchase the whole or any part of the Collateral so sold, free of any right or equity of redemption held by any Grantor, which right or equity is hereby waived and released. Each Grantor further agrees, at the Administrative Agent's request, to assemble the Collateral and make it available to the Administrative Agent at places which the Administrative Agent shall reasonably select, whether at such Grantor's premises or elsewhere. To the extent permitted by Applicable Law, each Grantor waives all claims, damages and demands it may acquire against the Administrative Agent or any Lender arising out of the exercise by them of any rights hereunder except to the extent any such claims, damages, or demands result solely from the gross negligence or willful misconduct of the Administrative Agent or any Lender, in each case against whom such claim is asserted. If any notice of a proposed sale or other disposition of Collateral shall be required by law, such notice shall be deemed reasonable and proper if given at least ten (10) days before such sale or other disposition.

Section 5.2. Specific Remedies.

(a) The Administrative Agent hereby authorizes each Grantor to collect such Grantor's Accounts, under the Administrative Agent's direction and control; provided that, the Administrative Agent may curtail or terminate such authority at any time after the occurrence and during the continuance of an Event of Default.

(b) Upon the occurrence and during the continuance of an Event of Default:

(i) the Administrative Agent may communicate with Account Debtors of any Account subject to a Security Interest and upon the request of the Administrative Agent, each Grantor shall notify (such notice to be in form and substance reasonably satisfactory to the Administrative Agent) its Account Debtors and parties to the Material Contracts subject to a Security Interest that such Accounts and the Material Contracts have been assigned to the Administrative Agent, for the ratable benefit of itself and the Lenders;

(ii) each Grantor shall forward to the Administrative Agent, on the last Business Day of each week, deposit slips related to all cash, money, checks or any other similar items of payment received by the Grantor during such week, and, if requested by the Administrative Agent, copies of such checks or any other similar items of payment, together with a statement showing the application of all payments on the Collateral during such week and a collection report with regard thereto, in form and substance reasonably satisfactory to the Administrative Agent;

(iii) whenever any Grantor shall receive any cash, money, checks or any other similar items of payment relating to any Collateral (including any Proceeds of any Collateral), such Grantor agrees that it will, within one (1) Business Day of such receipt, deposit all such items of payment into the Collateral Account or in a Deposit Account at Controlled Depository, and until such Grantor shall deposit such cash, money, checks or any other similar items of payment in the



Collateral Account or in a Deposit Account at a Controlled Depository, such Grantor shall hold such cash, money, checks or any other similar items of payment in trust for the Administrative Agent and the Lenders and as property of the Administrative Agent and the Lenders, separate from the other funds of such Grantor, and the Administrative Agent shall have the right to transfer or direct the transfer of the balance of each Deposit Account to the Collateral Account. All such Collateral and Proceeds of Collateral received by the Administrative Agent hereunder shall be held by the Administrative Agent in the Collateral Account as collateral security for all the Obligations and shall not constitute payment thereof until applied as provided in Section 5.4;

(iv) the Administrative Agent shall have the right to receive any and all cash dividends, payments or distributions made in respect of any Investment Property or Partnership/LLC Interests or other Proceeds paid in respect of any Investment Property or Partnership/LLC Interests, and any or all of any Investment Property or Partnership/LLC Interests shall be registered in the name of the Administrative Agent or its nominee, and the Administrative Agent or its nominee may thereafter exercise (A) all voting, corporate and other rights pertaining to such Investment Property or Partnership/LLC Interests at any meeting of shareholders, partners or members of the relevant Issuers and (B) any and all rights of conversion, exchange and subscription and any other rights, privileges or options pertaining to such Investment Property or Partnership/LLC Interests as if it were the absolute owner thereof (including, without limitation, the right to exchange at its discretion any and all of the Investment Property or Partnership/LLC Interests upon the merger, consolidation, reorganization, recapitalization or other fundamental change in the corporate, partnership or company structure of any Issuer or upon the exercise by any Grantor or the Administrative Agent of any right, privilege or option pertaining to such Investment Property or Partnership/LLC Interests, and in connection therewith, the right to deposit and deliver any and all of the Investment Property or Partnership/LLC Interests with any committee, depository, transfer agent, registrar or other designated agency upon such terms and conditions as the Administrative Agent may determine), all without liability except to account for property actually received by it; but the Administrative Agent shall have no duty to any Grantor to exercise any such right, privilege or option and the Administrative Agent and the Lenders shall not be responsible for any failure to do so or delay in so doing. In furtherance thereof, each Grantor hereby authorizes and instructs each Issuer with respect to any Collateral consisting of Investment Property and Partnership/LLC Interests to (i) comply with any instruction received by it from the Administrative Agent in writing that (A) states that an Event of Default has occurred and is continuing and (B) is otherwise in accordance with the terms of this Agreement, without any other or further instructions from such Grantor, and each Grantor agrees that each Issuer shall be fully protected in so complying, and (ii) except as otherwise expressly permitted hereby, pay any dividends, distributions or other payments with respect to any Investment Property or Partnership/LLC Interests directly to the Administrative Agent; and

(v) the Administrative Agent shall be entitled to (but shall not be required to): (A) proceed to perform any and all obligations of the applicable Grantor under any Material Contract and exercise all rights of such Grantor thereunder as fully as such Grantor itself could, (B) do all other acts which the Administrative Agent may deem necessary or proper to protect its Security Interest granted hereunder, provided that such acts are not inconsistent with or in violation of the terms of any of the Credit Agreement or of the other Loan Documents or Applicable Law, and (C) sell, assign or otherwise transfer any Material Contract in accordance with the Credit Agreement, the other Loan Documents and Applicable Law, subject, however, to the prior approval of each other party to such Material Contract, to the extent required under the Material Contract; and

(c) Unless an Event of Default shall have occurred and be continuing and the Administrative Agent shall have given notice to the relevant Grantor of the Administrative Agent's intent to exercise its corresponding rights pursuant to Section 5.2(b), each Grantor shall be permitted to receive all cash dividends, payments or other distributions made in respect of any Investment Property and Partnership/LLC Interests, in each case paid in the normal course of business of the relevant Issuer and consistent with past practice, to the extent permitted in the Credit Agreement, and to exercise all voting and other corporate, company and partnership rights with respect to any Investment Property and Partnership/LLC Interests; provided that, no vote shall be cast or other corporate, company and partnership right exercised or other action taken which, in the Administrative Agent's reasonable judgment, would impair the Collateral or which would result in a Default or Event of Default under any provision of the Credit Agreement, this Agreement or any other Loan Document.

Section 5.3. Registration Rights.

(a) If, after the occurrence and during the continuance of an Event of Default, the Administrative Agent shall determine that in order to exercise its right to sell any or all of the Collateral it is necessary or advisable to have such Collateral registered under the provisions of the Securities Act (any such Collateral, the "Restricted Securities Collateral"), the relevant Grantor will cause each applicable Subsidiary Issuer (and the officers and directors thereof), and will use its best efforts to cause each other applicable Issuer, to (i) execute and deliver all such instruments and documents, and do or cause to be done all such other acts as may be, in the reasonable opinion of the Administrative Agent, necessary or advisable to register such Restricted Securities Collateral, or that portion thereof to be sold, under the provisions of the Securities Act, (ii) use its best efforts to cause the registration statement relating thereto to become effective and to remain effective for a period of one year from the date of the first public offering of such Restricted Securities Collateral, or that portion thereof to be sold, and (iii) make all amendments thereto and/or to the related prospectus which, in the opinion of the Administrative Agent, are necessary or advisable, all in conformity with the requirements of the Securities Act and the rules and regulations of the Securities and Exchange Commission applicable thereto. Each Grantor agrees to cause each applicable Subsidiary Issuer (and the officers and directors thereof), and will use its best efforts to cause each other applicable Issuer, to comply with the provisions of the securities or "Blue Sky" laws of any and all jurisdictions which the Administrative Agent shall designate and to make available to its security holders, as soon as practicable, an earnings statement (which need not be audited) which will satisfy the provisions of Section II (a) of the Securities Act.

(b) Each Grantor recognizes that the Administrative Agent may be unable to effect a public sale of any or all the Restricted Securities Collateral, by reason of certain prohibitions contained in the Securities Act and applicable state securities laws or otherwise, and may be compelled to resort to one or more private sales thereof to a restricted group of purchasers which will be obliged to agree, among other things, to acquire such securities for their own account for investment and not with a view to the distribution or resale thereof. Each Grantor acknowledges and agrees that any such private sale may result in prices and other terms less favorable than if such sale were a public sale and, notwithstanding such circumstances, agrees that any such private sale shall be deemed to have been made in a commercially reasonable manner. The Administrative Agent shall be under no obligation to delay a sale of any of the Restricted Securities Collateral for the period of time necessary to permit the Issuer thereof to register such securities for public sale under the Securities Act, or under applicable state securities laws, even if such Issuer would agree to do so.

(c) Each Grantor agrees to use its best efforts to do or cause to be done all such other acts as may be necessary to make such sale or sales of all or any portion of the Restricted Securities Collateral valid and binding and in compliance with any and all other Applicable Laws. Each Grantor further agrees that a breach of any of the covenants contained in this Section 5.3 will cause irreparable injury to the

Administrative Agent and the Lenders, that the Administrative Agent and the Lenders have no adequate remedy at law in respect of such breach and, as a consequence, that each and every covenant contained in this Section 5.3 shall be specifically enforceable against such Grantor, and such Grantor hereby waives and agrees not to assert any defenses against an action for specific performance of such covenants except for a defense that no Event of Default exists under the Credit Agreement.

Section 5.4. Application of Proceeds. At such intervals as may be agreed upon by the Borrower and the Administrative Agent, or, if an Event of Default shall have occurred and be continuing, at any time at the Administrative Agent's election, the Administrative Agent may apply all or any part of the Collateral or any Proceeds of the Collateral in payment in whole or in part of the Obligations (after deducting all reasonable costs and expenses of every kind incurred in connection therewith or incidental to the care or safekeeping of any of the Collateral or in any way relating to the Collateral or the rights of the Administrative Agent and the Lenders hereunder, including, without limitation, reasonable attorneys' fees and disbursements) in accordance with Section 5.5 of the Credit Agreement. Any balance of such Proceeds remaining after shall be paid over to the Borrower, on behalf of the Grantors, or to whomsoever (if such Person is not a Grantor) may be lawfully entitled to receive the same. Only after (i) the payment by the Administrative Agent of any other amount required by any provision of law, including, without limitation, Section 9-615 of the UCC and (ii) the payment in full of the Obligations and the termination of the Commitments, shall the Administrative Agent account for the surplus, if any, to any Grantor, or to whomever may be lawfully entitled to receive the same (if such Person is not a Grantor).

Section 5.5. Waiver, Deficiency. Except to the extent prohibited under Applicable Law (including Section 9-602 of the UCC), each Grantor waives and agrees not to assert any rights or privileges which it may acquire under Sections 9-210, 9-607, 9-608, 9-610, 9-615, 9-620, 9-621, 9-623, 9-624, 9-625 or 9-627 of the UCC. Each Grantor shall remain liable for any deficiency if the proceeds of any sale or other disposition of the Collateral are insufficient to pay the Obligations and the reasonable fees and disbursements of any attorneys retained by the Administrative Agent or any Lender to collect such deficiency.

## ARTICLE VI

### THE ADMINISTRATIVE AGENT

#### Section 6.1. Administrative Agent's Appointment as Attorney-In-Fact.

(a) Each Grantor hereby irrevocably constitutes and appoints the Administrative Agent and any officer or agent thereof, with full power of substitution, as its true and lawful attorney-in-fact with full irrevocable power and authority in the place and stead of such Grantor and in the name of such Grantor or in its own name, for the purpose of carrying out the terms of this Agreement, to take any and all appropriate action and to execute any and all documents and instruments which may be necessary or desirable to accomplish the purposes of this Agreement, and, without limiting the generality of the foregoing, each Grantor hereby gives the Administrative Agent the power and right, on behalf of such Grantor, without notice to or assent by such Grantor, to do any or all of the following upon the occurrence and continuation of an Event of Default:

(i) in the name of such Grantor or its own name, or otherwise, take possession of and endorse and collect any checks, drafts, notes, acceptances or other instruments for the payment of moneys due under any Account or Material Contract subject to a Security Interest or with respect to any other Collateral and file any claim or take any other action or proceeding in any court of law or equity or otherwise deemed appropriate by the Administrative Agent for the

purpose of collecting any and all such moneys due under any Account or Material Contract subject to a Security Interest or with respect to any other Collateral whenever payable;

(ii) in the case of any Intellectual Property, execute and deliver, and have recorded, any and all agreements, instruments, documents and papers as the Administrative Agent may request to evidence the Administrative Agent's and the Lenders' security interest in such Intellectual Property and the goodwill and General Intangibles of such Grantor relating thereto or represented thereby;

(iii) pay or discharge taxes and Liens levied or placed on or threatened against the Collateral, effect any repairs or any insurance called for by the terms of this Agreement and pay all or any part of the premiums therefor and the costs thereof;

(iv) execute, in connection with any sale provided for in this Agreement, any endorsements, assignments or other instruments of conveyance or transfer with respect to the Collateral; and

(v) (A) direct any party liable for any payment under any of the Collateral to make payment of any and all moneys due or to become due thereunder directly to the Administrative Agent or as the Administrative Agent shall direct; (B) ask or demand for, collect, and receive payment of and receipt for, any and all moneys, claims and other amounts due or to become due at any time in respect of or arising out of any Collateral; (C) sign and endorse any invoices, freight or express bills, bills of lading, storage or warehouse receipts, drafts against debtors, assignments, verifications, notices and other documents in connection with any of the Collateral; (D) commence and prosecute any suits, actions or proceedings at law or in equity in any court of competent jurisdiction to collect the Collateral or any portion thereof and to enforce any other right in respect of any Collateral; (E) defend any suit, action or proceeding brought against such Grantor with respect to any Collateral; (F) settle, compromise or adjust any such suit, action or proceeding and, in connection therewith, give such discharges or releases as the Administrative Agent may deem appropriate; (G) assign any Copyright, Patent or Trademark (along with the goodwill of the business to which any such Copyright, Patent or Trademark pertains), for such term or terms, on such conditions, and in such manner, as the Administrative Agent shall in its sole discretion determine; and (H) generally, sell, transfer, pledge and make any agreement with respect to or otherwise deal with any of the Collateral as fully and completely as though the Administrative Agent were the absolute owner thereof for all purposes, and do, at the Administrative Agent's option and such Grantor's expense, at any time, or from time to time, all acts and things which the Administrative Agent deems necessary or desirable to protect, preserve or realize upon the Collateral and the Administrative Agent's and the Lenders' Security Interests therein and to effect the intent of this Agreement, all as fully and effectively as such Grantor might do.

(b) If any Grantor fails to perform or comply with any of its agreements contained herein, the Administrative Agent, at its option, but without any obligation so to do, may perform or comply, or otherwise cause performance or compliance, with such agreement in accordance with the provisions of Section 6.1(a).

(c) The expenses of the Administrative Agent incurred in connection with actions taken pursuant to the terms of this Agreement, together with interest thereon at a rate per annum equal to the highest rate per annum at which interest would then be payable on any category of past due Base Rate Loans under the Credit Agreement, from the date of payment by the Administrative Agent to the date

reimbursed by the relevant Grantor, shall be payable by such Grantor to the Administrative Agent on demand.

(d) Each Grantor hereby ratifies all that said attorneys shall lawfully do or cause to be done by virtue hereof in accordance with Section 6.1(a). All powers, authorizations and agencies contained in this Agreement are coupled with an interest and are irrevocable until this Agreement is terminated and the Security Interests created hereby are released.

Section 6.2. Duty of Administrative Agent. The Administrative Agent's sole duty with respect to the custody, safekeeping and physical preservation of the Collateral in its possession, under Section 9-207 of the UCC or otherwise, shall be to deal with it in the same manner as the Administrative Agent deals with similar property for its own account. Neither the Administrative Agent nor any Lender or any of their respective officers, directors, employees or agents shall be liable for failure to demand, collect or realize upon any of the Collateral or for any delay in doing so or shall be under any obligation to sell or otherwise dispose of any Collateral upon the request of any Grantor or any other Person or to take any other action whatsoever with regard to the Collateral or any part thereof. The powers conferred on the Administrative Agent and the Lenders hereunder are solely to protect the Administrative Agent's and the Lenders' interests in the Collateral and shall not impose any duty upon the Administrative Agent or any Lender to exercise any such powers. The Administrative Agent and the Lenders shall be accountable only for amounts that they actually receive as a result of the exercise of such powers, and neither they nor any of their officers, directors, employees or agents shall be responsible to any Grantor for any act or failure to act hereunder, except for their own gross negligence or willful misconduct.

Section 6.3. Authority of Administrative Agent. Each Grantor acknowledges that the rights and responsibilities of the Administrative Agent under this Agreement with respect to any action taken by the Administrative Agent or the exercise or non-exercise by the Administrative Agent of any option, voting right, request, judgment or other right or remedy provided for herein or resulting or arising out of this Agreement shall, as between the Administrative Agent and the Lenders, be governed by the Credit Agreement and by such other agreements with respect thereto as may exist from time to time among them, but, as between the Administrative Agent and the Grantors, the Administrative Agent shall be conclusively presumed to be acting as agent for the Lenders with full and valid authority so to act or refrain from acting, and no Grantor shall be under any obligation, or entitlement to make any inquiry respecting such authority.

## ARTICLE VII

### MISCELLANEOUS

Section 7.1. Amendments in Writing. None of the terms or provisions of this Agreement may be waived, amended, supplemented or otherwise modified except in accordance with Section 14.11 of the Credit Agreement.

Section 7.2. Notices. All notices, requests and demands to or upon the Administrative Agent or any Grantor hereunder shall be effected in the manner provided for in Section 14.1 of the Credit Agreement.

Section 7.3. No Waiver by Course of Conduct, Cumulative Remedies. Neither the Administrative Agent nor any Lender shall by any act (except by a written instrument pursuant to Section 7.1), delay, indulgence, omission or otherwise be deemed to have waived any right or remedy hereunder or to have acquiesced in any Default or Event of Default. No failure to exercise, nor any delay in exercising on the part of the Administrative Agent or any Lender, any right, power or privilege

hereunder shall operate as a waiver thereof. No single or partial exercise of any right, power or privilege hereunder shall preclude any other or further exercise thereof or the exercise of any other right, power or privilege. A waiver by the Administrative Agent or any Lender of any right or remedy hereunder on any one occasion shall not be construed as a bar to any right or remedy which the Administrative Agent or such Lender would otherwise have on any future occasion. The rights and remedies herein provided are cumulative, may be exercised singly or concurrently and are not exclusive of any other rights or remedies provided by law.

Section 7.4. Enforcement Expenses, Indemnification.

(a) Each Grantor agrees to pay or reimburse each Lender and the Administrative Agent for all its reasonable costs and expenses incurred in connection with enforcing or preserving any rights under this Agreement and the other Loan Documents to which such Grantor is a party, (including, without limitation, in connection with any workout, restructuring, bankruptcy or other similar proceeding) including, without limitation, the reasonable fees and disbursements of counsel to each Lender and of counsel to the Administrative Agent.

(b) Each Grantor agrees to pay, and to save the Administrative Agent and the Lenders harmless from, any and all liabilities with respect to, or resulting from any delay in paying, any and all stamp, excise, sales or other taxes (in each case, subject to Section 5.11 of the Credit Agreement) which may be payable or determined to be payable with respect to any of the Collateral or in connection with any of the transactions contemplated by this Agreement.

(c) Each Grantor agrees to pay, and to save the Administrative Agent and the Lenders harmless from any and all liabilities, obligations, losses, damages, penalties, costs and expenses in connection with actions, judgments, suits, costs, expenses or disbursements of any kind or nature whatsoever with respect to the execution, delivery, enforcement, performance and administration of this Agreement to the extent any Grantor would be required to do so pursuant to Section 14.2 of the Credit Agreement.

(d) The agreements in this Section 7.4 shall survive termination of the Commitments and repayment of the Obligations and all other amounts payable under the Credit Agreement and the other Loan Documents.

Section 7.5. Waiver of Jury Trial. EACH GRANTOR HEREBY ACKNOWLEDGES THAT IT HAS IRREVOCABLY WAIVED ITS RESPECTIVE RIGHTS TO A JURY TRIAL WITH RESPECT TO ANY ACTION, CLAIM OR OTHER PROCEEDING ARISING OUT OF ANY DISPUTE IN CONNECTION WITH THIS AGREEMENT, ANY RIGHTS OR OBLIGATIONS HEREUNDER, OR THE PERFORMANCE OF SUCH RIGHTS AND OBLIGATIONS.

Section 7.6. Successors and Assigns. This Agreement shall be binding upon the successors and assigns of each Grantor and shall inure to the benefit of each Grantor (and shall bind all Persons who become bound as a Grantor to this Collateral Agreement), the Administrative Agent and the Lenders and their successors and assigns; provided that no Grantor may assign, transfer or delegate any of its rights or obligations under this Agreement without the prior written consent of the Administrative Agent (given in accordance with Section 7.1).

Section 7.7. Set-Off. Each Grantor hereby irrevocably authorizes the Administrative Agent and each Lender at any time and from time to time pursuant to Section 14.3 of the Credit Agreement, without notice to such Grantor or any other Grantor, any such notice being expressly waived by each Grantor, to set-off and appropriate and apply any and all deposits (general or special, time or demand,

provisional or final), in any currency, and any other credits, indebtedness or claims, in any currency, in each case whether direct or indirect, absolute or contingent, matured or unmatured, at any time held or owing by the Administrative Agent or such Lender to or for the credit or the account of such Grantor, or any part thereof in such amounts as the Administrative Agent or such Lender may elect, against and on account of the obligations and liabilities of such Grantor to the Administrative Agent or such Lender hereunder and claims of every nature and description of the Administrative Agent or such Lender against such Grantor, in any currency, whether arising hereunder, under the Credit Agreement, any other Loan Document or otherwise, as the Administrative Agent or such Lender may elect, whether or not the Administrative Agent or any Lender has made any demand for payment and although such obligations, liabilities and claims may be contingent or unmatured. The Administrative Agent and each Lender shall notify such Grantor promptly of any such set-off and the application made by the Administrative Agent or such Lender of the proceeds thereof; provided that the failure to give such notice shall not affect the validity of such set-off and application. The rights of the Administrative Agent and each Lender under this Section 7.7 are in addition to other rights and remedies (including, without limitation, other rights of set-off) which the Administrative Agent or such Lender may have.

Section 7.8. Counterparts. This Agreement may be executed by one or more of the parties to this Agreement on any number of separate counterparts (including by telecopy or by electronic transmission), and all of said counterparts taken together shall be deemed to constitute one and the same instrument.

Section 7.9. Severability. Any provision of this Agreement or any other Loan Agreement which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective only to the extent of such prohibition or unenforceability without invalidating the remainder of such provision or the remaining provisions hereof or thereof or affecting the validity or enforceability of such provision in any other jurisdiction.

Section 7.10. Section Heading. The Section headings used in this Agreement are for convenience of reference only and are not to affect the construction hereof or be taken into consideration in the interpretation hereof.

Section 7.11. Integration. This Agreement and the other Loan Documents represent the agreement of the Grantors, the Administrative Agent and the Lenders with respect to the subject matter hereof and thereof, and there are no promises, undertakings, representations or warranties by the Administrative Agent or any Lender relative to subject matter hereof and thereof not expressly set forth or referred to herein or in the other Loan Documents.

Section 7.12. Governing Law. This Agreement shall be governed by, construed and enforced in accordance with the laws of the State of New York (including Section 5-1401 and Section 5-1402 of the General Obligations Law of the State of New York), without regard to the conflicts of law provisions of such state.

Section 7.13. Consent to Jurisdiction. Each Grantor hereby irrevocably consents to the personal jurisdiction of the state and federal courts located in New York, New York, in any action, claim or other proceeding arising out of any dispute in connection with this Agreement, the Notes and the other Loan Documents, any rights or obligations hereunder or thereunder, or the performance of such rights and obligations. Each Grantor hereby irrevocably consents to the service of a summons and complaint and other process in any action, claim or proceeding brought by the Administrative Agent or any Lender in connection with this Agreement, the Notes or the other Loan Documents, any rights or obligations hereunder or thereunder, or the performance of such rights and obligations, on behalf of itself or its property, in the manner specified in Section 14.1 of the Credit Agreement. Nothing in this Section 7.13

shall affect the right of the Administrative Agent or any Lender to serve legal process in any other manner permitted by Applicable Law or affect the right of the Administrative Agent or any Lender to bring any action or proceeding against any Grantor or its properties in the courts of any other jurisdictions.

Section 7.14. Acknowledgements.

(a) Each Grantor hereby acknowledges that: (i) it has been advised by counsel in the negotiation, execution and delivery of this Agreement and the other Loan Documents to which it is a party, (ii) neither the Administrative Agent nor any Lender has any fiduciary relationship with or duty to any Grantor arising out of or in connection with this Agreement or any of the other Loan Documents, and the relationship among the Grantors, on the one hand, and the Administrative Agent and Lenders, on the other hand, in connection herewith or therewith is solely that of debtor and creditor, and (iii) no joint venture is created hereby or by the other Loan Documents or otherwise exists by virtue of the transactions contemplated hereby or thereby among the Lenders or among the Grantors and the Lenders.

(b) Each Issuer party to this Agreement acknowledges receipt of a copy of this Agreement and agrees to be bound thereby and to comply with the terms thereof insofar as such terms are applicable to it. Each Issuer agrees to provide such notices to the Administrative Agent as may be necessary to give full effect to the provisions of this Agreement.

Section 7.15. Additional Grantors. Each Subsidiary of the Borrower that is required to become a party to this Agreement pursuant to Section 9.11 of the Credit Agreement shall become a Grantor for all purposes of this Agreement upon execution and delivery by such Subsidiary of a Joinder Agreement.

Section 7.16. Releases.

(a) At such time as the Obligations shall have been paid in full and the Commitments have been terminated, the Collateral shall be released from the Liens created hereby, and this Agreement and all obligations (other than those expressly stated to survive such termination) of the Administrative Agent and each Grantor hereunder shall terminate, all without delivery of any instrument or performance of any act by any party, and all rights to the Collateral shall revert to the Grantors. At the request and sole expense of any Grantor following any such termination, the Administrative Agent shall deliver to such Grantor any Collateral held by the Administrative Agent hereunder, and execute and deliver to such Grantor such documents as such Grantor shall reasonably request to evidence such termination.

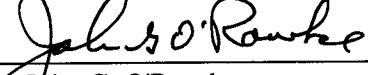
(b) If any of the Collateral shall be sold, transferred or otherwise disposed of by any Grantor in a transaction permitted by the Credit Agreement, then the Administrative Agent, at the request and sole expense of such Grantor, shall execute and deliver to such Grantor all releases or other documents reasonably necessary or desirable for the release of the Liens created hereby on such Collateral. In the event that all the capital stock of any Grantor shall be sold, transferred or otherwise disposed of in its entirety in a transaction permitted by the Credit Agreement, then, at the request of the Borrower and at the expense of the Grantors, such Grantor shall be released from its obligations hereunder; provided that the Borrower shall have delivered to the Administrative Agent, at least ten (10) Business Days prior to the date of the proposed release, a written request for release identifying the relevant Grantor and the terms of the sale or other disposition in reasonable detail, including the price thereof and any expenses in connection therewith, together with a certification by the Borrower stating that such transaction is in compliance with the Credit Agreement and the other Loan Documents.

[Signature Pages to Follow]

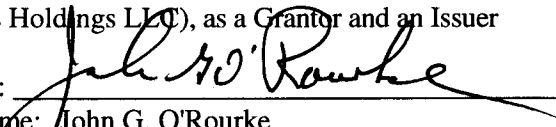


IN WITNESS WHEREOF, the parties hereto have caused this Collateral Agreement to be executed under seal by their duly authorized officers, all as of the day and year first written above.

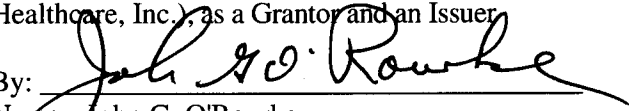
THE GEO GROUP, INC. (formerly known as Wackenhut Corrections Corporation), as a Grantor

By:   
Name: John G. O'Rourke  
Title: Senior Vice President and  
Chief Financial Officer

GEO RE HOLDINGS LLC (formerly known as WCC  
RE Holdings LLC), as a Grantor and an Issuer

By:   
Name: John G. O'Rourke  
Title: Treasurer

GEO CARE, INC. (formerly known as Atlantic Shores  
Healthcare, Inc.), as a Grantor and an Issuer

By:   
Name: John G. O'Rourke  
Title: Treasurer

GEO ACQUISITION, INC., as a Grantor and as an  
Issuer

By: 


Name: John J. Bulfin

Title: Secretary

TRADEMARK

REEL: 003161 FRAME: 0385

GEO INTERNATIONAL HOLDINGS, INC. (formerly known as WCC International Holdings, Inc.), as an Issuer

By:   
Name: John G. O'Rourke  
Title: Treasurer

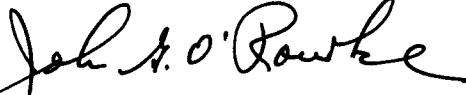
WCC FINANCIAL, INC., as an Issuer

By: 

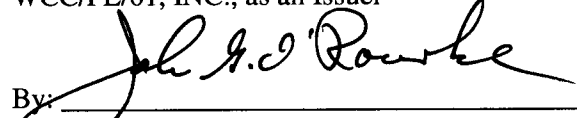
Name: John G. O'Rourke

Title: Vice President and Treasurer

WCC DEVELOPMENT, INC., as an Issuer

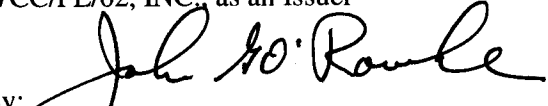
By:   
Name: John G. O'Rourke  
Title: Vice President

WCC/FL/01, INC., as an Issuer


By:   
Name: John G. O'Rourke  
Title: Vice President



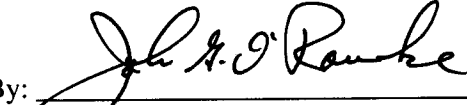
WCC/FL/02, INC., as an Issuer

By:   
Name: John G. O'Rourke  
Title: Vice President

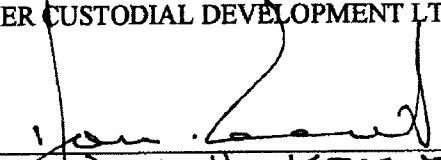
WACKENHUT CORRECTIONS PUERTO RICO,  
INC., as an Issuer

By:   
Name: John G. O'Rourke  
Title: Treasurer


GEO DESIGN SERVICES, INC., as an Issuer

By:   
Name: John G. O'Rourke  
Title: Treasurer

PREMIER CUSTODIAL DEVELOPMENT LTD., as an  
Issuer

By:   
Name: DON H. KEEUS.  
Title: DIRECTOR.

BNP PARIBAS,  
as Administrative Agent,

By:   
Name: ANGELA B. ARNOLD  
Title: Vice President

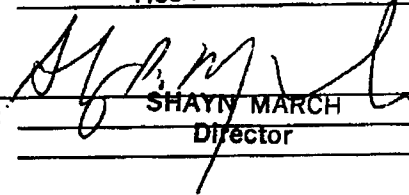
By:   
Name: SHAYN MARCH  
Title: Director

EXHIBIT A-1  
to  
Collateral Agreement

FORM OF ASSIGNMENT OF GOVERNMENT CONTRACT

## ASSIGNMENT

(Government Contract)

ASSIGNMENT (this "Agreement"), dated as of \_\_\_\_\_, \_\_\_\_\_ by and among [Contracting Party], a \_\_\_\_\_, with its chief executive offices at \_\_\_\_\_ (the "Assignor"), in favor of BNP Paribas, as Administrative Agent (the "Assignee") for the ratable benefit of the banks and other financial institutions (the "Lenders") from time to time parties to the Second Amended and Restated Credit Agreement, dated as of September 14, 2005 (as amended, restated, supplemented or otherwise modified from time to time, the "Credit Agreement"), by and among The GEO Group, Inc. (formerly known as Wackenhut Corrections Corporation) (the "Borrower"), the Lenders and the Administrative Agent.

### STATEMENT OF PURPOSE

Pursuant to the Credit Agreement, the Lenders have agreed to make certain Extensions of Credit to the Borrower upon the terms and subject to the conditions set forth therein.

It is a condition precedent to the obligation of the Lenders to make their respective Extensions of Credit to the Borrower under the Credit Agreement that the Assignor shall have executed and delivered this Agreement to the Assignee, for the ratable benefit of itself and the Lenders.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the parties hereto, and to induce the Assignee and the Lenders to enter into the Credit Agreement and to induce the Lenders to make their respective Extensions of Credit thereunder, the Assignor hereby agrees with the Assignee, for the ratable benefit of itself and the Lenders, as follows:

**SECTION 1. Assignment.** The Assignor hereby sells, assigns and transfers to the Assignee, for the ratable benefit of itself and the Lenders, all of the Assignor's rights, title and interest in and to all moneys due and to become due from the United States of America, or from any Agency or Department thereof, together with all rights to receive the same, under a certain [Insert the Specific Name of the Contract Being Assigned], dated as of \_\_\_\_\_ (as amended, restated, supplemented or otherwise modified from time to time, the "Contract"), under the Contract No. [Insert Appropriate Contract Number] between the United States of America acting through [Insert name of the applicable Agency, Department, Instrumentality] and the Assignor, including any letter of intent, letter of award, letter of acceptance of bid or proposal, informal or incomplete contract or agreement, order, authorization to commence performance or similar instrument or communication made or received by the Assignor in anticipation of or in connection with the Contract.

**SECTION 2. Direction of Payment.** The Assignor hereby authorizes and directs the United States of America to make all payments due under the Contract directly to the Assignee, in accordance with any payment instructions received therefrom, by checks or other orders, payable to the order of the Assignee, and constitutes and appoints the Assignee its true and lawful attorney, irrevocably with full power of substitution for it, in its name or in the name of the Assignor or otherwise, to ask, require, demand and receive and give acquittance for any and all said monies due or to become due, and to endorse the name of the Assignor on any checks, drafts or other orders for the payment of money payable to the Assignor in payment thereof.

**SECTION 3. Representations and Warranties.** The Assignor represents and warrants that: (a) it is the lawful owner of all rights under the Contract; (b) it has good right to assign same; (c) its rights

under such Contract are free from all liens and encumbrances; and (d) it will warrant and defend such Contract against the lawful claims and demands of all persons.

SECTION 4. Covenants. The Assignor hereby agrees (a) that, if any payments under the Contract shall be made to the Assignor, it will receive and hold the same in trust for the Assignee and will forthwith upon receipt deliver the same to the Assignee in the identical form of payment received by the Assignor; and (b) that it will execute and deliver all such further instruments and do all such further acts and things as the Assignee may reasonably request or as shall be necessary or desirable to further and more perfectly assure to the Assignee its rights under the Contract.

[Signature Pages Follow]



IN WITNESS WHEREOF, the parties hereto have caused this Assignment to be executed under seal by their duly authorized officers, all as of the day and year first written above.

[CORPORATE SEAL]

[NAME OF ASSIGNOR]

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

ATTEST:

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

STATE OF \_\_\_\_\_

COUNTY OF \_\_\_\_\_

On the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_ before me personally appeared \_\_\_\_\_ to me known, who, being by me duly sworn, did say that s/he is the \_\_\_\_\_ of \_\_\_\_\_; and that s/he signed her/his name thereto by her/his free act and deed and acknowledged the said Assignment to be the free act and deed of said corporation.

[Notarial Seal]

\_\_\_\_\_  
Notary Public

My Commission Expires:

\_\_\_\_\_

EXHIBIT A-2  
to  
Collateral Agreement

FORM OF NOTICE OF ASSIGNMENT OF GOVERNMENT CONTRACT

NOTICE OF ASSIGNMENT

Dated as of: \_\_\_\_\_

TO: [Insert Complete Name and  
Address of Appropriate  
Contracting Entity]

Attention: [Insert Name of Contracting Officer]

Reference is made to the [Insert the Specific Name of the Contract Being Assigned], dated as of \_\_\_\_\_, \_\_\_\_\_ (as amended, restated, supplemented or otherwise modified from time to time, the "Contract"), under the Contract No. [Insert Appropriate Contract Number] between the United States of America acting through [Insert name of the applicable Agency, Department, Instrumentality] and [Insert Name of Assignor], a \_\_\_\_\_ corporation, with its chief executive offices at \_\_\_\_\_ (the "Assignor").

Moneys due or to become due under the Contract have been assigned to the undersigned under the provisions of the Assignment of Claims Act of 1940, as amended, 31 U.S.C. 3727, 41 U.S.C. 15.

A true copy of the Assignment Agreement, dated as of \_\_\_\_\_, \_\_\_\_\_ executed by the Assignor in favor of BNP Paribas, as Administrative Agent (the "Assignee") for the ratable benefit of the banks and other financial institutions (the "Lenders") from time to time parties to the Second Amended and Restated Credit Agreement, dated as of September 14, 2005 (as amended, restated, supplemented or otherwise modified from time to time, the "Credit Agreement"), by and among the Lenders, The GEO Group, Inc. (formerly known as Wackenhut Corrections Corporation) and the Assignee is attached hereto.

Payments due or to become due under the Contract should be made to the Assignee.

Please return to the undersigned the three enclosed copies of this Notice of Assignment with appropriate notations showing the date and hour of receipt, and signed by the person acknowledging receipt on behalf of the addressee. Please mail the three copies of this Notice of Assignment and all inquiries and correspondence regarding this matter to the address specified on the signature page hereto.

[Signature Page Follows]

Very truly yours,

BNP PARIBAS,  
as Administrative Agent,

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Address of Administrative Agent:  
BNP Paribas  
787 Seventh Avenue  
New York, NY 10019  
Attention: \_\_\_\_\_

[Acknowledgement Follows]

ACKNOWLEDGEMENT

Receipt of the foregoing Notice of Assignment and Assignment dated as of \_\_\_\_\_, \_\_\_\_\_, from BNP Paribas to the undersigned, attached thereto (collectively, the "Assignment Documents"), is hereby acknowledged. The Assignment Documents were received at \_\_\_\_\_ (a.m.) (p.m.) on \_\_\_\_\_, \_\_\_\_\_.

[Insert name of U.S. Government Contracting Entity]

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

On behalf of:

\_\_\_\_\_

Schedule 3.6

to

Collateral Agreement

Dated as of September 14, 2005

Jurisdiction of Organization; Taxpayer Identification Number; Registered Organization Number; Mailing Address; Chief Executive Office and Other Locations

<u>Grantor Name</u>	<u>Jurisdiction of Organization</u>	<u>Taxpayer Identification Number</u>	<u>Registered Organization Number</u>
The GEO Group, Inc.	Florida	650043078	M75246
Geo Care, Inc.	Florida	650749307	P97000036976
GEO RE Holdings, LLC	Delaware	650682878	2918414
GEO Acquisition, Inc.	Delaware	Applied for	3803230

The GEO Group, Inc.

Corporate Headquarters  
621 NW 53<sup>rd</sup> Street, Suite 700  
Boca Raton, FL 33487

ALLEN CORRECTIONAL CENTER  
3751 Lauderdale Woodyard Road  
Kinder, LA 70648

AURORA / INS PROCESSING CENTER  
11901 East 30<sup>th</sup> Avenue  
Aurora, CO 80010

BRIDGEPORT CORRECTIONAL CENTER  
4000 North 10<sup>th</sup> Street  
Bridgeport, TX 76426

BROWARD COUNTY WORK RELEASE CENTER  
3900 North Powerline Road  
Pompano Beach, FL 33073

CENTRAL TEXAS PAROLE VIOLATOR FACILITY  
218 South Laredo Street  
San Antonio, TX 78207

CENTRAL VALLEY MODIFIED COMMUNITY CORRECTIONAL FACILITY  
254 Taylor Avenue  
McFarland, CA 93250

CLEVELAND CORRECTIONAL CENTER  
901 East 5<sup>th</sup> Street  
Cleveland, TX 77327

COKE COUNTY JUVENILE JUSTICE CENTER  
Mailing: P.O. Box 700  
Bronte, TX 76933-0700  
Site: 4 E. Highway 277 South  
Bronte, TX 76933-0700

DESERT VIEW MODIFIED COMMUNITY CORRECTIONAL FACILITY  
P.O. Box 3000  
10450 Rancho Road  
Adelanto, CA 92301

EAST MISSISSIPPI CORRECTIONAL FACILITY  
10641 Highway 80 West  
Meridian, MS 39307

GEORGE W. HILL CORRECTIONAL FACILITY  
P.O. Box 23A  
Cheyney Road  
Thornton, PA 19373

GOLDEN STATE MODIFIED COMMUNITY CORRECTIONAL FACILITY  
611 Frontage Road  
McFarland, CA 93250

GUADALUPE COUNTY CORRECTIONAL FACILITY  
P.O. Box 520  
South Highway 54  
Santa Rosa, NM 88435 Erasmo Bravo (W)

GUANTANAMO BAY NAVAL BASE, CUBA  
GEO Migrant Operations Center  
PSC 1005, Box 88  
FPO AE 09593-2700

KARNES COUNTY CORRECTIONAL CENTER  
810 Commerce Street  
Karnes City, TX 78118

LAWRENCEVILLE CORRECTIONAL FACILITY  
1607 Planters Road  
Lawrenceville, VA 23868

LAWTON CORRECTIONAL FACILITY  
8607 South East Flower Mound Road  
Lawton, OK 73501

LEA COUNTY CORRECTIONAL FACILITY  
6900 West Millen Drive                      Fed Exp Zip Code  
Hobbs, NM 88244                              88242

LOCKHART SECURE WORK PROGRAM FACILITIES  
Mailing:    Site:  
P.O. Box 1170                                      1400 Industrial Blvd  
Lockhart, TX 78644-1170                      Lockhart, TX 78644

MARSHALL COUNTY CORRECTIONAL FACILITY  
833 West Street                                  Fed Exp Zip Code  
Holly Springs, MS 38634                      Holly Springs, MS 38635

McFARLAND COMMUNITY CORRECTIONAL FACILITY  
Mailing:    Site:  
P.O. Box 637                                        120 Taylor Avenue  
McFarland, CA 93250-0637                      McFarland, CA 93250

MICHIGAN YOUTH CORRECTIONAL FACILITY  
1805 West 32<sup>nd</sup> Street  
Baldwin, MI 49304

MOORE HAVEN CORRECTIONAL FACILITY  
Mailing:    Site:  
P.O. Box 718501                                  1990 E. State Road 78 NW  
Moore Haven, FL 33471                        Moore Haven, FL 33471

NORTH TEXAS INTERMEDIATE SANCTION FACILITY  
4700 Blue Mound Road  
Fort Worth, TX 76106

QUEENS PRIVATE CORRECTIONAL FACILITY  
Site:  
182-22 150<sup>th</sup> Avenue  
Jamaica, NY 11413



REEVES COUNTY DETENTION  
98 West County Road #204  
Pecos, TX 79772

RIVERS CORRECTIONAL INSTITUTION  
145 Parkers Fishers Road  
Winton, NC 27986

SANDERS ESTES UNIT (VENUS)  
1100 Highway 1807  
Venus, TX 76084

SOUTH BAY CORRECTIONAL FACILITY  
600 US Highway 27 South  
South Bay, FL 33493

TAFT CORRECTIONAL INSTITUTION  
P.O. Box 7000  
Taft, CA 93268

VAL VERDE CORRECTIONAL FACILITY  
253 FM 2523 Hamilton Lane  
Del Rio, TX 78840

WESTERN REGION DETENTION FACILITY AT SAN DIEGO  
220 West C Street  
San Diego, CA 92101

CENTRAL REGIONAL OFFICE  
1583 Common Street, Suite 213  
New Braunfels, TX 78130

EASTERN REGIONAL OFFICE  
7111 Fairway Drive, Suite 202  
Palm Beach Gardens, FL 33418

WESTERN REGIONAL OFFICE  
5963 La Place Court, Suite 105  
Carlsbad, CA 92008

GEO Care, Inc.

ATLANTIC SHORES HOSPITAL  
4545 North Federal Highway  
Fort Lauderdale, FL 33308

SOUTH FLORIDA STATE HOSPITAL  
 800 East Cypress Drive  
 Pembroke Pines, FL 33025

SOUTH FLORIDA EVALUATION & TREATMENT CENTER  
 2200 NW 7<sup>th</sup> Avenue, Miami, FL 33127-4202

WCC RE Holdings LLC  
 c/o 621 NW 53<sup>rd</sup> Street, Suite 700, Boca Raton, FL 33487

<u>Grantor Name</u>	<u>Mailing Address, Places of Business, Chief Executive Office and Other Places where any Property is Located</u>	<u>Any Trade Names or Fictitious Business Names Under Which Grantor Has Done Business During Last 5 Years</u>	<u>Any Assets Acquired Outside The Ordinary Course During Last 5 Years</u>
The GEO Group, Inc.	621 NW 53 <sup>rd</sup> Street, Suite 700 Boca Raton, FL 33487	WCC, Wackenhut Corrections Corporation	Vacant Land S.W. 187 <sup>th</sup> Avenue and S.W. 82 <sup>nd</sup> Street, Homestead, FL
GEO Care, Inc.	4545 North Federal Hwy Fort Lauderdale, FL 33308	Atlantic Shores Healthcare, Inc.	None
GEO RE Holdings LLC	c/o 621 NW 53 <sup>rd</sup> Street, Suite 700 Boca Raton, FL 33487	WCC RE Holdings, LLC	None
GEO Acquisition, Inc.	c/o 621 NW 53 <sup>rd</sup> Street, Suite 700 Boca Raton, FL 33487	N/A	Agreement and Plan of Merger by and among The GEO Group, Inc., GEO Acquisition, Inc. and Correctional Services Corporation dated as of July 14, 2005.

SCHEDULE 3.7

to

Collateral Agreement

Dated as of September 14, 2005

Material Government Contracts

Facility Provision Management and Operations Agreement-Lea County Correctional Facility, dated September 21, 2004, between Lea County and GEO

Correctional Services Contract- Lawton Correctional Facility, dated July 1, 2003, between the State of Oklahoma Department of Corrections and WCC

Contract- Michigan Youth Correctional Facility, dated July 20, 1999, between the State of Michigan and WCC

Lease, dated July 14, 2003, between the State of Michigan and WCC, relating to the Michigan Youth Correctional Facility

Operation and Management Services Contract- Moore Haven Correctional Facility, dated July 1, 2000, between the Correctional Privatization Commission and WCC

Contract- Rivers Correctional Facility, dated March 7, 2000, between the Federal Bureau of Prisons and WCC

Operations and Management Services Contract- South Bay Correctional Facility, dated February 3, 2000, between the Correctional Privatization Commission and WCC

Contract- Western Regional Detention Facility at San Diego, dated July 3, 2000, between the US Marshall Service and WCC

Standard Form Lease Agreement, March 19, 1999, between the County of San Diego and WCC, relating to the Western Regional Detention Facility

Novated Services Agreement- Val Verde Correctional Facility, dated September 4, 2000, between Val Verde County, Texas and WCC

Correctional Services Contract dated March 22, 2003, between WCC and the Virginia Department of Corrections

Management Services Agreement – Reeves County Detention Center I, II & III dated November 1, 2003, between GEO and Reeves County

Lease Agreement dated March 28, 2005, between Reeves County and GEO, relating to Reeves County Detention Center III

Operations Contract- Aurora INS Processing Center, dated March 27, 2003, between the U.S. Immigration and Naturalization Service and WCC

\* For the purposes of this Schedule 3.7, the date of any document listed is the original date of the document; however, it should be noted that in several cases, the document has been amended and/or extended by a subsequently dated agreement of the parties thereto.

Schedule 3.9

to

Collateral Agreement

Dated as of September 14, 2005

Deposit Accounts

NOTE: All of the Deposit Accounts listed below are held in the name of the Borrower, except for those Deposit Accounts relating to the "Atlantic Shores" and "South Florida State Hospital" facilities, which are held in the name of Atlantic Shores Healthcare, Inc.

<u>Adelanto</u>	<u>Financial Institution</u>	<u>Account Number</u>	<u>Account Purpose</u>
	Sun Country Bank	4301925	Petty Cash
	Sun Country Bank	4301958	Inmate Release
	Sun Country Bank	4301982	Inmate Payroll
	Sun Country Bank	4301990	Travel Advance
	Sun Country Bank	4301941	Employee Welfare
<u>Allen</u>	<u>Financial Institution</u>	<u>Account Number</u>	<u>Account Purpose</u>
	Cameron State Bank	3100580511	Impress Account - used to process release cks
	Cameron State Bank	3100580481	Employee Welfare
	Cameron State Bank	3100580538	Petty Cash Account
	Cameron State Bank	3100580716	Travel Advance Fund
<u>Atlantic Shores</u>	<u>Financial Institution</u>	<u>Account Number</u>	<u>Account Purpose</u>
	Bank of America	3299915381	Centralized Disbursement Checking
	Bank of America	3751288042	Depository
<u>Aurora</u>			

	<u>Financial Institution</u>	<u>Account Number</u>	<u>Account Purpose</u>
	USBank	120410362160	Petty Cash
Bridgeport			
	<u>Financial Institution</u>	<u>Account Number</u>	<u>Account Purpose</u>
	First National Bank of Bridgeport	014-157-2	Petty Cash
	First National Bank of Bridgeport	012-342-2	Travel Advance
Broward County Work Release Center			
	<u>Financial Institution</u>	<u>Account Number</u>	<u>Account Purpose</u>
	Bank of America	3751828677	Petty Cash
	Bank of America	3751828703	Center Banking Room & Board Collections
	Bank of America	3751828648	Travel Account
Central Region			
	<u>Financial Institution</u>	<u>Account Number</u>	<u>Account Purpose</u>
	Bank of America	0021 4119 2855	Petty Cash
Central Valley			
	<u>Financial Institution</u>	<u>Account Number</u>	<u>Account Purpose</u>
	Union Bank of Calif.	4010-654500	Petty Cash
	Union Bank of Calif.	4010-654519	Trustee Per-Diem (Inmate Payroll)
	Union Bank of Calif.	4010-659960	I/M Release Fund (Parole Funds)
	Union Bank of Calif.	4010-656198	Travel Advance Acct. (Empl. Travel advances)
Cleveland			
	<u>Financial Institution</u>	<u>Account Number</u>	<u>Account Purpose</u>

	First Bank & Trust	600162434	Travel Funds
	East Texas		
	Prosperity Bank	40640190	Petty Cash Funds
Coke			
	<u>Financial Institution</u>	<u>Account Number</u>	<u>Account Purpose</u>
	FNB Bronte	8904575	Travel Advance
	FNB Bronte	8903361	Petty Cash
	FNB Bronte	8903429	Employee Welfare
East Mississippi			
	<u>Financial Institution</u>	<u>Account Number</u>	<u>Account Purpose</u>
	Regions Bank	1500003833	Petty Cash
	Regions Bank	1500956638	Employee Welfare
	Regions Bank	7511122082	Programs Donation Acct
	Regions Bank	1500956573	Travel Advance Acct.
Fort Worth			
	<u>Financial Institution</u>	<u>Account Number</u>	<u>Account Purpose</u>
	First Bank	37598	Travel Advance
	First Bank	37580	Petty Cash
George W. Hill			
	<u>Financial Institution</u>	<u>Account Number</u>	<u>Account Purpose</u>
	First Keystone Bank	664310562	Employee Welfare
	First Keystone Bank	664310828	Petty Cash
Golden State			
	<u>Financial Institution</u>	<u>Account Number</u>	<u>Account Purpose</u>
	Union Bank of Calif.	4010-654586	Petty Cash
	Union Bank of Calif.	4010-654594	Trustee Per-Diem

			(Inmate Payroll)
	Union Bank of Calif.	4010-654829	I/M Release Fund
			(Parole Funds)
	Union Bank of Calif.	4010-656201	Travel Advance Acct.
			(Empl. Travel advances)
Guadalupe			
	<u>Financial Institution</u>	<u>Account Number</u>	<u>Account Purpose</u>
	Wells Fargo Bank New Mexico, N.A.	2410099971	Petty Cash
	Wells Fargo Bank New Mexico, N.A.	2410100163	Employee Welfare
	Wells Fargo Bank New Mexico, N.A.	2410100287	Inmate Payroll
	Wells Fargo Bank New Mexico, N.A.	1350728289	Travel Advance
Guantanamo Bay			
	<u>Financial Institution</u>	<u>Account Number</u>	<u>Account Purpose</u>
	Bank of America Fort Sam (Overseas Div)	3686051399	Petty Cash
Karnes			
	<u>Financial Institution</u>	<u>Account Number</u>	<u>Account Purpose</u>
	1st Nichols National Bank	88445601	Permanent Advance Fund
	Karnes County National Bank	00147877	Travel Advance Fund
Kyle			
	<u>Financial Institution</u>	<u>Account Number</u>	<u>Account Purpose</u>
	Wells Fargo	087-1743571	Petty Cash
	Wells Fargo	087-4713188	Travel Advance
Lawrenceville			
	<u>Financial Institution</u>	<u>Account Number</u>	<u>Account Purpose</u>



	Benchmark	701003038	Petty Cash
	Benchmark	701003046	Employee Welfare
	Benchmark	701003062	Travel Advance
Lawton			
	<u>Financial Institution</u>	<u>Account Number</u>	<u>Account Purpose</u>
	City National Bank	101732	Employee Welfare
	City National Bank	101721	Inmate Payroll
	City National Bank	102524	Inmate Release
	City National Bank	101358	Petty Cash
	City National Bank	104944	Travel Advance
Lea Cty			
	<u>Financial Institution</u>	<u>Account Number</u>	<u>Account Purpose</u>
	Western Commerce Bank	314378201	Inmate Payroll
	Western Commerce Bank	314376601	Petty Cash
	Western Commerce Bank	374178701	Deposit Account Meal Ticket Sales
	First National Bank	212105010	Travel Advance Fund
	First National Bank	212124710	Prison Industries Inmate Payroll
Lockhart			
	<u>Financial Institution</u>	<u>Account Number</u>	<u>Account Purpose</u>
	First Lockhart National Bank	22683	Facility Petty Cash
	First Lockhart National Bank	31864	Travel Account
Marshall			
	<u>Financial Institution</u>	<u>Account Number</u>	<u>Account Purpose</u>

	Merchants and Farmers Bank	106909	Permanent Advance
	Merchants and Farmers Bank	295256	Travel Advance
	First State Bank	17-15119-3	Employee Welfare
McFarland			
	<u>Financial Institution</u>	<u>Account Number</u>	<u>Account Purpose</u>
	Bank of America	04771-02213	Inmate Payroll
	Bank of America	04472-02180	Inmate Release
	Bank of America	04478-02224	Small, Immediate, Emergency Purchases
Michigan			
	<u>Financial Institution</u>	<u>Account Number</u>	<u>Account Purpose</u>
	Lake Osceola State Bank	164607	Petty Cash
	Lake Osceola State Bank	164682	Travel Advance
	Lake Osceola State Bank	164720	Payroll
	Lake Osceola State Bank	164690	Employee Welfare
Moore Haven			
	<u>Financial Institution</u>	<u>Account Number</u>	<u>Account Purpose</u>
	Big Lake N.B.	248673	Employee Welfare
	Big Lake N.B.	248568	Discharge Gratuity
	Big Lake N.B.	248681	Petty Cash
	Big Lake N.B.	234540	Travel Advance
New York			
	<u>Financial Institution</u>	<u>Account Number</u>	<u>Account Purpose</u>

	Bank of America	21068 19832	Petty Cash
Reeves Cty			
	<u>Financial Institution</u>	<u>Account Number</u>	<u>Account Purpose</u>
	West Texas National Bank	17825	Inmate Release
Rivers			
	<u>Financial Institution</u>	<u>Account Number</u>	<u>Account Purpose</u>
	Southern Bank	5611203651	Inmate Release
	Southern Bank	5611203037	Petty Cash/PAF
	Southern Bank	5611203256	Travel Advance Fund
	Southern Bank	5611203686	Recycling Fund
San Antonio			
	<u>Financial Institution</u>	<u>Account Number</u>	<u>Account Purpose</u>
	Frost National Bank	01-0440515	Telephone Fund
	Frost National Bank	01-0423173	Clearing Account
	Frost National Bank	01-0423556	Travel Account
	Frost National Bank	01-0452440	Employee Welfare Fund
	Frost National Bank	01-0318132	Petty Cash Account
San Diego			
	<u>Financial Institution</u>	<u>Account Number</u>	<u>Account Purpose</u>
	Bank of America	3756209563	Petty Cash
	Bank of America	3756209592	Employee Fund
Sanders Estes			
	<u>Financial Institution</u>	<u>Account Number</u>	<u>Account Purpose</u>
	Citizens National Bank	09102509	Petty Cash
	Citizens National Bank	09102517	Travel Advance

	Citizens National Bank	90102541	Employee Welfare Fund
South Bay			
	<u>Financial Institution</u>	<u>Account Number</u>	<u>Account Purpose</u>
	Fidelity Federal Bank & Trust	2010765401	Employee Welfare
	Fidelity Federal Bank & Trust	2010768901	Inmate Discharge
	Fidelity Federal Bank & Trust	2010761101	Inmate Transportation
	Fidelity Federal Bank & Trust	2010901001	Travel Advance
	Fidelity Federal Bank & Trust	2010763801	Petty Cash
South Florida State Hospital			
	<u>Financial Institution</u>	<u>Account Number</u>	<u>Account Purpose</u>
	Bank of America	3751223191	Clearing Account
	Bank of America	3751223175	Gift Shop
	Bank of America	3751223133	Petty Cash
	Bank of America	3751223162	Petty Cash II
Taft			
	<u>Financial Institution</u>	<u>Account Number</u>	<u>Account Purpose</u>
	Taft National Bank	1719912	TCI Facility Acct / PAF
	West America Bank	284-95304-9	Travel Advance Fund
	West America Bank	284-95208-2	Inmate Telephone System
Val Verde			
	<u>Financial Institution</u>	<u>Account Number</u>	<u>Account Purpose</u>
	The Bank & Trust	10-8575-1	PA Fund
	The Bank & Trust	10-8601-4	Travel Advance

Willacy			
	<u>Financial Institution</u>	<u>Account Number</u>	<u>Account Purpose</u>
	Texas State Bank	601770429	Travel Advance Fund
	Texas State Bank	608020349	Permanent Advance Fund

Schedule 3.10

The GEO Group, Inc.  
Schedule of Trademarks

Trademark	Country	Reg./App. No.	Filed	Issued	Affidavit / Renewal	
					Due Date	Filed
THE GEO GROUP	U.S.	App. 78/307,754	09/30/03	-	02/23/06	No
Atlantic Shores Healthcare, Inc. and Design	U.S.	Reg. 2,664,912	11/14/97	12/24/02	12/24/08	No
Atlantic Shores Healthcare, Inc. and Design (Color)	U.S.	Reg. 2,664,913	11/14/97	12/24/02	12/24/08	No
WCC Development, Inc.	U.S.	Reg. 2,257,679	04/14/97	06/29/99	-	No
WDI and Design (Color)	U.S.	Reg. 2,214,552	11/14/97	12/29/98	-	No
WDI and Design (Shaded)	U.S.	Reg. 2,214,553	11/14/97	12/29/98	-	No

Schedule 3.12

to

Collateral Agreement

Dated as of September 14, 2005

and

Investment Property and Partnership/LLC Interests

<u>Name of Issuer</u>	<u>Class and Series</u>	<u>Number of Shares</u>	<u>Percentage of Ownership Interests of such Class and Series</u>
WCC Financial, Inc.	Common Stock	1,000	The GEO Group, Inc. ("GEO") owns 100%
WCC Development, Inc.	Common Stock	100,000	GEO owns 100%
WCC / FL / 01, Inc.	Common Stock	100,000	GEO owns 100%
WCC / FL / 02, Inc.	Common Stock	100,000	GEO owns 100%
GEO Design Services, Inc.	Common Stock	100,000	GEO owns 100%
GEO Care, Inc.	Common Stock	100,000	GEO owns 100%
GEO International Holdings, Inc.	Common Stock Preferred Stock	100 100	GEO owns 100%
Wackenhut Corrections Corporation N.V.	Common Stock	20	GEO owns 100%
Canadian Correctional Management, Inc.	Common Stock	100	GEO owns 100%
Miramichi Youth Center Management, Inc.	Common Stock	100	GEO owns 100%
Wackenhut Corrections Puerto Rico, Inc.	Common Stock	1,000	GEO owns 100%
Premier Custodial Development Ltd.	Common Stock	2	GEO owns 100%
GEO Acquisition, Inc.	Common Stock	1,000	GEO owns 100%
GEO NZ Limited	Common Stock	1	GEO owns 100%

Certified Securities Held by Grantors:

Securities Accounts (including cash management accounts that are Investment Property) and  
Uncertified Securities Held by Grantors:

<u>Financial Institution</u>	<u>Account Number</u>	<u>Address of Financial Institution</u>	<u>Account Purpose</u>
Bank of America	847084	400 North Ashley Dr. 4 <sup>th</sup> Floor Tampa, FL 33602	Investment Account
UBS Financial Services, Inc.	CP-40208-57	One North Wacker Drive Suite 2500 Chicago, IL 60606	Investment Account

Partnership / LLC Interests Held by Grantors:

<u>Name of Issuer</u>	<u>Type of Ownership Interest</u>	<u>Certificate Number</u> (if any)	<u>Percentage of Ownership</u> <u>Interests of such Type</u>
GEO RE Holdings LLC	Membership Interest	N/A	GEO owns 100%

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