

**AMENDMENT AND RESTATEMENT LLOYD'S AMERICAN CREDIT FOR
REINSURANCE JOINT ASSET TRUST DEED DATED SEPTEMBER 15, 1993
(as amended and restated on 7 September, 1995 and as further amended
by Deeds of Amendment dated 7 February, 1997 and 4 January, 2007)**

This Instrument, dated 7 September, 1995, constituting an amendment and restatement of the Lloyd's American Credit For Reinsurance Joint Asset Trust Deed dated September 15, 1993, has been signed by Lloyd's Signatory on behalf of certain of the Underwriters at Lloyd's, London and by Citibank, N.A., a national banking association organized and existing under the laws of the United States of America, and having its principal offices at New York, New York ("Trustee"), and has been executed by the Current Contributors to the Trust Fund (who by such execution ratify and confirm the terms of the Trust Agreement dated September 15, 1993 as well as this amendment and restatement thereof) and will in future be executed and acceded to by those persons (whether individuals, bodies corporate or partnerships and whether or not Underwriters at Lloyd's London) who become in the future Current Contributors to the Trust Fund (all persons now or becoming Current Contributors to the Trust Fund to be collectively Grantors of the Trusts hereunder), and this Instrument shall constitute a Deed of Trust MADE AMONG, (i) Lloyd's, having its principal offices at One Lime Street, London, England, (ii) the Grantors and (iii) the Trustee.

W I T N E S S E T H:

WHEREAS, Underwriters are or have been engaged in the insurance business in the United Kingdom and have or may have obligations to United States insurers as a result of reinsurance ceded by such ceding insurers to Underwriters; and

WHEREAS, Underwriters have heretofore established a trust fund in the United States as security for said ceding insurers and to qualify as an approved or accredited reinsurer under the laws of the various jurisdictions in the United States; and

WHEREAS, the Trustee is acting and is willing to continue to act as Trustee of such trust fund; and

WHEREAS, the Trustee agrees to maintain and to administer such trust fund principally from its office in the City of New York and the State of New York; and

WHEREAS, the Trust Fund now consists of assets valued at a total of not less than the Trust Fund Minimum Amount as defined in Paragraph 2.7 herein, receipt of which the Trustee hereby acknowledges and agrees to hold in trust hereunder; and

WHEREAS, it is deemed advisable to amend the Agreement dated September 15, 1993 in exercise of the power and in the manner set forth in Paragraph 5.4 of said Agreement; and

WHEREAS, for convenience, said Agreement, as amended, is restated in its entirety as a Deed of Trust;

NOW THEREFORE, the amended and restated Deed of Trust shall provide as follows:

ARTICLE 1

DEFINITIONS

The following terms used herein shall, unless the context otherwise requires, have the following meanings:

1.1 "AMERICAN REINSURANCE POLICY" means (i) any contract or policy of reinsurance issued or any agreement to reinsure made by one or more Underwriters which is issued to a Ceding Insurer, as defined herein, providing reinsurance with respect to property or risks situated in a state, district, territory, commonwealth or possession of the United States, provided that, with the exception of such Policies attaching on or prior to November 15, 1995 underwritten under any binding authority incepting prior to August 1, 1995, and subject to (ii) below, such Policies shall not include any contract or policy of reinsurance (or any agreement to reinsure) incepting on or after August 1, 1995, which is (or is to be) underwritten by Underwriters on or after August 1, 1995; or (ii) any contract or policy of reinsurance or any agreement to reinsure which satisfies the definition of an American Reinsurance Policy as set forth in Lloyd's United States Situs Credit For Reinsurance Trust Deed as prescribed from time to time by Council.

1.2 "CEDING INSURERS" for the purposes of this Trust Deed, shall mean an insurer domiciled in a state, district, territory, commonwealth or possession of the United States which has ceded insurance risk underwritten by such insurer to one or more Underwriters pursuant to an American Reinsurance Policy.

1.3 "CLAIM" means:

(i) a claim against one or more Underwriters by a Ceding Insurer, as defined above, for a loss under an American Reinsurance Policy excluding punitive or exemplary damages awarded against a Ceding Insurer and also excluding any extra contractual obligations not expressly covered by the American Reinsurance Policy; and/or

(ii) a claim against one or more Underwriters by a Ceding Insurer for the return of unearned premium under an American Reinsurance Policy; both (i) and (ii) shall constitute a loss under an American Reinsurance Policy ("Loss").

1.4 "CONTRIBUTION PERIOD" shall mean each period of time determined by the Council during which each group of Current Contributors is required to maintain the Current Contributions in the Trust Fund.

1.5 "COUNCIL" shall mean the Council of Lloyd's or (in relation to any power or discretion which is hereby vested in the Council but which has for the time being been delegated by the Council to the Committee of Lloyd's or to the Chairman or a Deputy Chairman of the Committee of Lloyd's pursuant to the provisions of section 6(6) of Lloyd's Act 1982) the Committee of Lloyd's or the Chairman or a Deputy Chairman of Lloyd's as the case may be or such other person or persons (including Lloyd's Signatory) as are for the time being authorized by the Council of Lloyd's to exercise any power or discretion which is hereby vested in the Council.

1.6 "CURRENT CONTRIBUTORS" shall mean those persons (whether individuals, bodies corporate or partnerships and whether or not Underwriters) whose contributions to the Trust Fund constitute the principal of the Trust Fund for the time being, the total amount contributed for the time being to be the "Current Contributions," and each contribution to the Trust Fund to be a "Current Contribution".

1.7 "DOMICILIARY COMMISSIONER" shall mean the Superintendent of Insurance of the State of New York.

1.8 "EFFECTIVE DATE" shall mean with respect to this Instrument the date of execution hereof.

1.9 "LETTER OF CREDIT" means a clean, unconditional, evergreen and irrevocable letter of credit in favour of the Trustee which satisfies the requirements of the New York Insurance Law and which is issued or confirmed by a Qualified United States Financial Institution.

1.10 "LLOYD'S SIGNATORY" shall mean, in relation to any provision of this Trust Deed, the person or persons for the time being authorized by the Council of Lloyd's for that purpose and designated in writing to the Trustee (pursuant to authority given by the Underwriters) to act on behalf of Underwriters and Current Contributors under this Trust Deed and to give or receive any notice or certification to Underwriters and Current Contributors under this Trust Deed.

1.11 "MATURED CLAIM" means a Claim which is enforceable against the Trust Fund as provided for in Paragraph 2.3 of this Trust Deed.

1.12 "MEMBERS' AGENT" shall mean an underwriting agent which is listed as a members' agent on the Lloyd's register of underwriting agents.

1.13 "QUALIFIED UNITED STATES FINANCIAL INSTITUTION" shall mean an institution that:

(a) is organized and licensed (or in the case of a U.S. office of a foreign banking organization, licensed) under the laws of the United States or any state thereof; and

(b) is regulated, supervised and examined by U.S. federal or state authorities having regulatory authority over banks and trust companies; and

(c) has been determined by the Securities Valuation Office of the National Association of Insurance Commissioners ("NAIC") as an acceptable financial institution; and

(d) has been granted authority to operate with trust powers, as a qualified United States Financial Institution, to act as the fiduciary of the trust.

1.14 "READILY MARKETABLE SECURITIES" means securities readily marketable on regulated United States national or principal regional security exchanges or those determined by the Securities Valuation Office of the NAIC to have substantially equivalent liquidity characteristics.

1.15 "RECEIVER" shall mean for purposes of this Trust Deed, the Domiciliary Commissioner or such other person as may be appointed by a court of competent jurisdiction or designated by the statute of a state, territory, district, commonwealth or possession.

1.16 "TO TRANSMIT" or "TRANSMITTED" shall mean to send by telex, teletype, facsimile, modem or other similar means of electronic communication.

1.17 "TRUST FUND" or "TRUST" means the cash, Readily Marketable Securities and Letters of Credit, or any combination thereof, in the actual and sole possession of the Trustee and held under the provisions of this Trust Deed.

1.18 "U.S. REPRESENTATIVE" shall mean the individual or firm designated in writing to the Trustee by the Council.

1.19 "UNDERWRITERS" shall mean for purposes of this Trust Deed underwriters at Lloyd's London and such former underwriters at Lloyd's London as continue to have underwriting business at Lloyd's not fully wound up and the personal representatives or trustee in bankruptcy of any such underwriter or former underwriter who has died or become bankrupt.

ARTICLE 2

THE TRUST

2.1 Duration of the Trust Fund. The Trust Fund shall be irrevocable and remain in full force and effect for a period of at least five years and may be terminated only upon the occurrence of any of the following events:

(a) the passage of five (5) years from the date of written notice from the Council to the Trustee of the termination of the Trust.

(b) the expiration of sixty (60) days after the Council has sent written notice to the Trustee by registered mail that all Underwriters (i)-have become qualified and licensed to conduct a reinsurance business in all states where they have reinsurance in force; or, (ii)-have entered into an assumption and assignment agreement creating a novation that transfers all liability with respect to all risks covered by this Trust Fund to a reinsurer licensed to do an insurance business in such states. Such written notice submitted to the Trustee by the Council shall include a list of all states in which Underwriters have American Reinsurance Policies in force as certified by the Council or Underwriters' U.S. Representative. The Trustee shall notify the Insurance Commissioners of said States in writing of its receipt of a notice as provided for in Subparagraphs (a) or (b) of this paragraph within thirty (30) days of receipt of such notice from the Council.

2.2 Priority of Payments Out of the Trust Fund. The Trust Fund shall be exclusively available first for the payment of all expenditures and fees under Paragraph 3.9 of this Trust Deed including legal fees and expenses actually incurred by or on behalf of the Trustee in connection with its administration, preservation or conservation of the Trust ("Trustee Priority Claims"); provided, however, that this amount shall not exceed \$4,000,000 or 4% of the value of the Trust, whichever is less. Any amount in excess of the amount necessary to satisfy Trustee Priority Claims shall be available for the payment of Matured Claims.

2.3 When Claims Become Enforceable Against the Trust Fund. Subject to the

payment of Trustee Priority Claims, a Claim against any of the Underwriters shall be enforceable against the Trust Fund when all of the following six conditions have been satisfied:

(a) a judgment has been obtained by the Ceding Insurer against any Underwriter in any court of competent jurisdiction within the United States of America, its territories and possessions, in respect of that Underwriter's liability under an American Reinsurance Policy;

(b) such judgment has become final in the sense that the particular litigation has been concluded, either through failure to appeal within the time permitted therefor or through final disposition of any appeal or appeals that may be taken, the word "appeal" being used herein to include any similar procedure for review permitted by applicable law;

(c) the service upon the Trustee of a certified copy of said judgment;

(d) receipt of a written statement under oath from the Ceding Insurer's legal counsel stating, without qualification, that the Ceding Insurer has pursued all of its rights and remedies against that Underwriter under the deeds of trust (as amended from time to time) known as The Lloyd's American Trust Deed and Lloyd's United States Situs Credit For Reinsurance Trust Deed, or any replacement for said trusts, and that the amount of the Ceding Insurer's claim against this trust is limited to the amount of its total claim which remains unsatisfied after all recourse to such other trusts has been exhausted;

(e) receipt of a written statement under oath from the Ceding Insurer's legal counsel stating, without qualification other than with respect to the passage of the time period described in Paragraph 2.3(f) hereof, that the Claim does not include exemplary and/or punitive damages or any extra contractual obligations not expressly covered by the American Reinsurance Policy, and that the Ceding Insurer has complied with all of the provisions set forth in Subparagraphs (a), (b), (c) and (d) of this paragraph; and

(f) the expiration of a period of thirty (30) days from the date of the service upon the Trustee of said certified copy of said judgment and all of said proofs without the Trustee having received notice from the Council that such judgment has been satisfied; provided, however, that in the event that the termination date of the Trust is less than thirty (30) days following such date of service, the expiration of the period of time equal to the amount of time left before the day before the termination date of the Trust.

A Claim which has satisfied each of the above six conditions shall be deemed to be a Matured Claim. The Trustee shall determine that the above conditions have been met on the basis of the evidence specified above and shall be held harmless in relying upon such evidence in its determination provided, however, that the Trustee may rely upon a determination by the Council that a particular judgment relates to liability under an American Reinsurance Policy. If the Council does not furnish such determination to the Trustee at least 10 days prior to the expiration of the period described in Paragraph 2.3(f), then such judgment shall be deemed to relate to liability under an American Reinsurance Policy. If the Council determines that such judgment does not relate to liability under an American Reinsurance Policy, the Council shall notify the Trustee of such determination at least 10 days prior to the expiration of the period described in Paragraph 2.3(f) whereupon the Trustee shall notify the Domiciliary Commissioner of such determination by the Council. The Domiciliary Commissioner shall thereupon determine and notify the Council and the Trustee whether such judgment relates to liability under an American Reinsurance Policy

and such determination shall be conclusive and binding upon all parties. The Council may at any time notify the Trustee if such claim has been satisfied prior to the expiration of the period set forth in subparagraph (e) above. Any Matured Claim shall, subject to Article 4, be paid by the Trustee by check mailed to the address of the Ceding Insurer solely out of the Trust Fund then in its actual and sole possession, without regard to the rights of any other Ceding Insurer. The Trustee shall promptly notify Lloyd's Signatory in writing of the receipt of a Claim which has been determined by the Trustee to meet conditions (a) through (e) of this paragraph and of the amount thereof. If a Matured Claim would, if paid, reduce the Trust Fund below the Trust Fund Minimum Amount as defined in Paragraph 2.7, or, if the Trustee has received notice that the Lloyd's market has ceased trading as set forth in Paragraph 4.1, then Article 4 shall govern the distribution of the Trust Fund. A Matured Claim which, if paid, would reduce the amount of the Trust Fund below the Trust Fund Minimum Amount shall only be paid in accordance with the provisions of Article 4 of this Trust Deed. The Trustee shall notify the Domiciliary Commissioner within ten (10) days of the Trustee's determination that a Claim constitutes a Matured Claim that would reduce the Trust Fund below the Trust Fund Minimum Amount as set forth in Paragraph 2.7. In determining whether payment of a Matured Claim would reduce the amount of the Trust Fund below the Trust Fund Minimum Amount, the Trustee shall rely upon the value of the Trust Fund as established at its most recent valuation as provided for in Paragraph 2.14 of this Trust Deed.

2.4 Limitations of Ceding Insurer's Source of Recovery. No Ceding Insurer shall have any right of any nature or description under this Trust Deed to seek to enforce a Claim or otherwise bring an action against the Trustee in respect of any assets of the Trustee or of any assets other than those in the Trust Fund. No Ceding Insurer, even after its Claim has become a Matured Claim, may require an accounting from the Trustee or inquire into the administration of the Trust, question any of the Trustee's acts or omissions or otherwise enforce this Trust Deed, the sole right of such Ceding Insurer under this Trust Deed being to receive the amount of its Claim after it has become a Matured Claim from the assets then in the Trust Fund and available for such payment under this Trust Deed.

2.5 Sale of Trust Fund Assets.

(a) Unless otherwise directed in writing by the Council and subject to the provisions of subparagraph 2.5(b), the Trustee shall retain the specific assets of the Trust Fund.

(b) Subject to the terms of this Trust Deed, at the time a Matured Claim becomes payable by the Trustee from the Trust Fund, payment shall be effected in accordance with written instructions of the Council or, if no such instructions are received by the Trustee at least ten (10) days prior to the expiration of the time period set forth in Paragraph 2.3(f), then as follows: (i)-first from any cash in the Trust Fund; (ii)-then, from the proceeds of the sale by the Trustee of any or all of the Readily Marketable Securities or other investments (other than Letters of Credit) in the Trust Fund; (iii)-then, any other assets in the Trust Fund other than the Letters of Credit; (iv)-then, from drawings against any Letters of Credit. Subject only to the provisions set forth in the previous sentence, the Trustee in its sole discretion, may sell all or part of the Trust Fund, in any order it elects, needed to effect timely payment of any Matured Claims. The Trustee shall not be liable, except as provided by Paragraph 3.13, for any loss incurred in the sale of assets or for its selection of the assets to be sold, and shall only be obligated to sell such assets at the market price then available to the Trustee, to the extent that there is a reasonably available market.

2.6 Management of Trust Fund. The responsibility for making investments of the Trust Fund from time to time shall repose with the Council; provided, however, that subject to Paragraph 2.7 hereof, all investments of the Trust Fund shall be, and the Council shall only direct the Trustee to make and retain such investments as are of a kind permitted under the laws of the State of New York applicable to licensed insurance companies, or other United States jurisdictions with substantially similar laws, in effect from time to time; and further provided that the Trustee shall not be required to determine, and shall have no liability for omitting to determine, whether such investments are so permitted. Unless and until otherwise directed by the Council in writing, the Trustee shall not be required to take any action in regard to investments and property held in the Trust other than to collect the interest and dividends or other sums payable thereon. The Council may, however, delegate investment authority to the Trustee and may retain the Trustee (or an affiliate) as Investment Manager of the Trust Fund with such additional fees for its services as such as are agreed upon from time to time between the Council and the Trustee. Unless otherwise requested in writing by the Council, and subject only to the provisions of Paragraph 2.5, the Trustee shall retain any and all assets of the Trust held by it from time to time hereunder, notwithstanding that the same may not be recognized as legal investments for trust funds under the laws of the state where the Trust Fund is administered or other applicable law. The Trustee shall deposit the Trust Fund, except to the extent the Trust Fund consists of Letters of Credit, or any part thereof, in one or more such banks (which may include the Trustee) or trust companies in the United States of America, or invest and reinvest the Trust Fund, except to the extent the Trust Fund consists of Letters of Credit, or any part thereof, in any such stocks, bonds and securities, the interest and dividends on which are payable in U.S. dollars, as the Council shall direct in writing, notwithstanding that such investments may not be recognized by the laws of the state where the Trust Fund is administered or other applicable law as legal investments for trust funds, provided that nothing herein contained is intended to relieve Underwriters from furnishing investments in the Trust Fund of the quality required by the Credit for Reinsurance Laws of all states where the Trust Fund must be maintained as a condition of Underwriters' approval as reinsurers and each investment instruction from the Council shall be a representation by the Council that the investments specified therein meet such conditions and the conditions imposed by the definitions set forth in this Trust Deed. The Trustee shall also make or change any deposits and sell and dispose of any negotiable assets of the Trust, other than Letters of Credit, by and with the direction in writing of the Council. The Trustee shall be under no duty to give any investment advice to any person in connection with the Trust Fund (except during such period as it is retained as Investment Manager of the Trust Fund) but shall always, provided the Trustee itself shall have received actual notice thereof, notify the Council as to any rights to conversion, subscription, voting or other rights pertaining to any investments held in the Trust Fund and of any default in the payment of principal or interest. The Council shall have the full, unqualified right to vote and execute consents and to exercise any and all proprietary rights, not inconsistent with this Trust Deed, with respect to any of the property forming a part of the Trust Fund. All interest, dividends and other income resulting from the investment of the property in the Trust Fund (subject to Underwriters' obligation to maintain the Trust Fund Minimum Amount and to the Trustee's interests provided herein) shall be payable to each trust fund relating to the Lloyd's underwriting business of the Current Contributors from which one or more Current Contributions have been made and to each Current Contributor who has made one or more direct Current Contributions, in shares bearing the same ratio to the total amount payable as each Current Contribution bears to the total of Current Contributions as directed by the Council pursuant to paragraph 3.6. The Trustee shall collect such income and pay it as directed in this paragraph, not more frequently than monthly, provided, however, that the Trustee shall have no obligation with respect to the payment of income by

the issuer of any security.

2.7 Trust Fund Minimum Amount. The Council shall provide the Trustee with written notice of the minimum amount which Underwriters are required by law to maintain in the Trust Fund ("Trust Fund Minimum Amount"). The Council may amend the Trust Fund Minimum Amount from time to time by providing the Trustee with advance written notice thereof. In no event, however, may the Trust Fund Minimum Amount be less than \$104,000,000. In the event that the Council shall fail to provide the Trustee with written notice of the Trust Fund Minimum Amount such amount shall be deemed to be \$104,000,000. Current Contributors (acting through Lloyd's Signatory) reserve the right at their sole option to substitute cash in U.S. currency or specifically designated Readily Marketable Securities and/or Letters of Credit for any cash or assets then forming part of the Trust Fund; provided, however, that the amount of cash and/or other assets and the market value at the time of substitution of the investments so substituted shall not decrease the value of the Trust Fund below the Trust Fund Minimum Amount. The value of any substituted assets shall be as determined by the Trustee at the time of substitution in accordance with general business practices as determined in the discretion of the Trustee.

2.8 Letters of Credit. In the event that the assets of the Trust Fund consist in whole or in part of a Letter of Credit (which Letter of Credit may be issued by the Trustee or an affiliate of the Trustee in its commercial and not its trust capacity) and said Letter of Credit shall bear a termination date prior to any stated or noticed termination date of the Trust, the Trustee shall, in the absence of notice at least thirty (30) days in advance of any termination of the Letter of Credit that the Letter of Credit will be renewed or extended, draw down and convert such Letter of Credit to cash and hold the same as assets of the Trust Fund pursuant to the terms hereof.

2.9 Contributions to the Trust Fund. The Trustee may accept further contributions to the Trust Fund from time to time which contributions shall be subject to the terms and conditions hereof.

2.10 Withdrawal of Excess Funds. From time to time the Council may direct the Trustee in writing pursuant to paragraph 3.6 to pay over any funds in excess of the Trust Fund Minimum Amount set forth in Paragraph 2.7 to each trust fund relating to the Lloyd's underwriting business of the Current Contributors from which one or more Current Contributions have been made and to each Current Contributor who has made one or more direct Current Contributions, in shares bearing the same ratio to the total amount payable as each Current Contribution bears to the total of Current Contributions. For this purpose, funds withdrawn by Current Contributors as of the end of a Contribution Period shall be considered to be funds in excess of the Trust Fund Minimum Amount, but only if and to the extent that the funds so withdrawn are replaced by Current Contributions from the succeeding Current Contributors.

2.11 Trustee's Authority to Hold Investments. Trustee may hold any investments or other assets hereunder in the name of a nominee. The term "hold" shall include Trustee's authority to deposit any part or all of the aforesaid property, which consists of securities in registered or unregistered form, at a Federal Reserve Bank under federal book entry procedure, a depository trust company or other centralized securities depository system, whether now or hereafter organized (one or all herein called "CSDS"). All securities in registered form are to be registered in the name of a nominee of Trustee or CSDS.

2.12 Assets of the Trust. Trustee shall be under no duty or obligation to require Underwriters or any other person to make any transfers or payments of additional assets to the Trust and it shall be conclusively presumed that any and all such transfers or payments to Trustee have been properly made.

2.13 Trustee to Certify Trust Assets.

(a) Whenever reasonably required by the Council, but not less often than annually and not more often than quarterly, Trustee shall prepare and submit to the Council a statement of the assets in the Trust and such other information as may be agreed upon between the Council and the Trustee.

(b) Trustee shall promptly certify the existence and value of the Trust Fund net of any charges, liens or encumbrances on the Effective Date of this Instrument and quarterly thereafter to the Domiciliary Commissioner; such notification shall be made within thirty (30) days after the end of each calendar quarter.

In addition, Trustee shall certify the existence and most recent value of the Trust Fund net of any charges, liens or encumbrances whenever so directed by the Council. Whenever the Trustee in the performance of its duties hereunder shall be required to value the assets of the Trust Fund, it may employ an agent for such valuation and Current Contributors shall reimburse Trustee for any costs or expenses of valuations performed either by the Trustee or such agent. In the absence of the filing in writing with the Trustee by the Council of exceptions to any such statement within sixty (60) days, approval of such statement shall be deemed to have been given; and in such case or upon written approval, the Trustee shall be released, relieved and discharged with respect to all matters set forth in such statement as though such account had been settled in a court of competent jurisdiction in a proceeding where all parties having a beneficial or regulatory interest in the Trust were parties.

2.14 Trustee to Furnish Information.

(a) If and to the extent required by the insurance laws or the regulations thereunder of a state where the Trust Fund serves as security for Ceding Insurers with respect to such state, the Trustee shall (when directed by the Council to do so) furnish to the Commissioner, Director or Superintendent of insurance of such state:

(i) a statement of the assets held in the Trust and the fair market value thereof as of the date such statement is required; and

(ii) a statement that it has been advised by the Council that no termination of the trust is planned, or a statement of the proposed effective date of termination if a termination of the Trust is planned.

(b) Notwithstanding the foregoing provisions of this Paragraph-2.14, the Trustee shall have no duty to ascertain what statements (if any) are required to be furnished thereunder and shall have no duty to take any action with respect to such statements except as directed by the Council.

(c) An authorized representative of the Commissioner, Director or Superintendent of insurance in a state where the Trust Fund serves as security for Ceding Insurers with respect

to such state may from time to time examine the assets of the Trust at the offices of the Trustee. The Trustee shall be reimbursed from the Trust for its expenses in connection with any such examination.

2.15 Trustee's Duties Upon Termination of Trust Fund.

(a) In the event of termination in accordance with Paragraph 2.1, the Council shall appoint a qualified, certified public accountant with the consent of the Domiciliary Commissioner, which consent shall not be unreasonably withheld, as auditor. Approval of the auditor shall be deemed given if the Domiciliary Commissioner does not object to such auditor in writing to the Council and the Trustee within 90 days from the date of delivery of such request. An independent audit shall be made as of the date of such termination of the Trust Fund and the Council's estimate of the outstanding liability, if any, of Underwriters for incurred and unpaid Losses (both reported and unreported and including any liability for unearned premiums) on American Reinsurance Policies issued during the term of the Trust and up to and including the date of termination. The auditor shall upon the completion of such audit, and from time to time thereafter, at the request of the Trustee, issue a report to the Trustee expressing an opinion on the amount of any such outstanding liability at the date of such termination or at such later date specified in such report. The Trustee shall be protected in acting or relying upon any report of said auditor for purposes of determining the assets required to be retained in the Trust Fund to pay or provide for such outstanding liability and shall have the right to retain such assets in the Trust Fund as may be necessary, in the Trustee's sole discretion, and the Trustee shall pay or cause to be paid therefrom the amount of any such Losses in the manner provided in Paragraph 2.3, provided, that the Trustee shall have no liability in the event the assets retained in the Trust Fund are not sufficient to discharge all such liability. Upon the termination of the Trust and the payment of any fees and expenses of the Trustee provided for hereunder due and owing, the Trustee shall transfer, pay over and deliver to each trust fund relating to the Lloyd's underwriting business of the Current Contributors from which one or more Current Contributions have been made and to each Current Contributor who has made one or more direct Current Contributions, in shares bearing the same ratio to the total amount payable as each Current Contribution bears to the total of Current Contributions as directed by the Council pursuant to paragraph 3.6, the income and principal of the Trust's assets then in its actual and sole possession, or the balance thereof then remaining if Losses are to be paid according to the report of the auditor, and such payment, transfer and delivery shall constitute a full, final and sufficient release, discharge and acquittance to the Trustee in respect thereof.

(b) No officer of the Trustee shall recognize the audit report of a certified public accountant, nor accept any annual audited financial report if such officer has actual knowledge that such audit report was prepared in whole or in part by any natural person who: (1) has been convicted of fraud, bribery, a violation of the Racketeering, Influenced and Corrupt Organizations Act, 18 U.S.C. Sections 1961-1968, or any dishonest conduct or practices under federal or state law; (2) has been found to have violated the insurance laws of any state with respect to any previous reports submitted in connection with the aftermath of a trust established for credit for reinsurance purposes; or (3) has demonstrated a pattern or practice of failing to detect or disclose material information in previous reports filed. The Trustee shall promptly notify the Domiciliary Commissioner if it shall not recognize such audit report for any reason set forth above.

ARTICLE 3

THE TRUSTEE

3.1 Trustee's Qualification. The Trustee or any Successor Trustee shall always meet the requirements of sub paragraphs (a), (b), (c) and (d) of Paragraph 1.13.

3.2 Trustee's Duties and Liability. Trustee's duties and responsibilities shall be determined solely by the express provisions of this Trust Deed and no other duties or responsibilities shall be implied. Trustee shall be liable for the safekeeping and administration of the Trust Fund in accordance with these provisions.

3.3 Trustee May Rely on Certain Writings. The Trustee shall be entitled to rely upon, be protected, held harmless and deemed to have exercised reasonable due care, if the Trustee relies upon any writing believed by it in good faith to be genuine and to have been signed (whether facsimile or otherwise) or coded or purported to be signed or coded and transmitted, sent or delivered by the proper parties.

3.4 What Constitutes Conclusive Proof for Trustee. If the Trustee deems it necessary or desirable that a matter be proven prior to taking or omitting any action hereunder, such matter, unless other evidence in respect thereof be herein specifically prescribed, may be deemed to be conclusively proven by a statement purported to be executed by the Council, Lloyd's Signatory or the U.S. Representative in writing to the Trustee and delivered to the Trustee for any such action or omission on its faith thereof; but the Trustee, in its discretion, may instead accept or require such other or additional evidence on the matter as it may deem reasonable, provided that in the event the effect of the action would be to terminate the Trust, the Trustee may rely only on a statement or certification of the Council.

3.5 What Constitutes Proper Execution for Trustee. Except as otherwise expressly provided in this Trust Deed, any writing to be furnished by Underwriters or Current Contributors shall be sufficiently executed if signed in their name by such of their officers or other agents or U.S. Representative as they may designate in writing to the Trustee, which designation shall continue in effect until changed by subsequent written notice received by the Trustee. With respect to the authority conferred on it, the Trustee may rely on any writing of any such officers, agents or U.S. representative.

3.6 Payments Directed to be Made to Current Contributors' Trust Funds or to Current Contributors. The Trustee shall make any payments pursuant to Paragraphs 2.6, 2.10 or 2.15 or pursuant to Paragraph 4.5 of this Trust Deed in accordance with instructions in writing received from the Council as to the Trust Funds or Current Contributors entitled thereto.

3.7 What Constitutes Proper Notice or Certification by Trustee. Except as otherwise expressly provided in this Trust Deed, any notice or certification to be furnished to Underwriters or Current Contributors shall be sufficient if given or certified to Lloyd's Signatory or such other agents or U.S. Representatives as Underwriters or Current Contributors may designate in writing to the Trustee, which designation shall continue in effect until changed by subsequent written notice received by the Trustee.

3.8 Trustee's Reliance on Opinions of its Counsel. The Trustee may consult with counsel selected by it and may rely on said counsel's opinion as complete authority in respect

of any action taken or omitted by the Trustee in good faith in accordance with said opinion and the Trustee shall be deemed to have exercised reasonable due care in reliance thereon.

3.9 Trustee's Fees and Expenses. The fees of the Trustee for administering the Trust shall be mutually agreed upon from time to time between the Council and the Trustee. The fees and all expenses of Trustee, including its counsel fees and expenses and other disbursements incurred in administering, preserving or conserving the Trust, shall be, and Current Contributors hereby irrevocably grant to Trustee, a first priority security interest in and a lien upon the lesser of: (i)-\$4,000,000 or, (ii) 4% of the value of the Trust. Nothing herein shall limit the right of the Trustee to assert a priority claim in any amount against amounts in excess of the Trust Fund Minimum Amount pursuant to Paragraph 4.5. All amounts to which the Trustee is entitled by reason of this paragraph shall be Trustee Priority Claims for purposes of Paragraph 2.2. Nothing in this Trust Deed shall be construed as requiring that the Trustee's fees and expenses be satisfied solely from the corpus of the Trust Fund.

3.10 Maintenance and Inspection of Trustee's Records. The Trustee shall keep complete records of the administration of the Trust which any persons duly authorized by the Council in writing may examine during normal business hours upon ten (10) days' written notice to the Trustee. Current Contributors agree to reimburse the Trustee for any reasonable expenses incurred by the Trustee as a result of any such examination. The Underwriters shall on a timely basis provide the Trustee with any and all information, certifications, proofs and any other applicable documentation required under the Internal Revenue Code of 1986, as amended, or any other applicable law. The Trustee shall not be required to furnish information with respect to amounts on deposit in the Trust Fund to the Underwriter or any other person other than the Domiciliary Commissioner, or otherwise be required to account to the Underwriter or any other person other than the Council.

3.11 Trustee's Resignation or Removal: Appointment of Successor. Notwithstanding Paragraph 2.1 hereof, the Trustee may resign at any time by sending its notice of resignation by registered mail to the Council's last known address or by personal delivery to the Council to take effect on the date specified in such notice, but not less than sixty (60) days after the date of such mailing or personal delivery thereof if not mailed, unless the Council shall accept shorter notice as adequate. Trustee or any Successor Trustee may be removed by the Council by sending written notice of such removal by registered mail to such Trustee's last known address or by personal delivery to such Trustee to take effect on the date specified in such notice but not less than sixty (60) days after the date of such mailing or personal delivery thereof if not mailed, unless Trustee accepts shorter notice as adequate; provided that no such removal shall become effective without Trustee's consent until all sums due to it hereunder for its fees and expenses including legal fees and expenses have been paid to it. The Trust Fund shall be retained by the Trustee who is resigning or who has been removed until payment of its fees and expenses as provided in Paragraph 3.8 and its Successor Trustee has accepted its appointment when the Trustee shall transfer, pay and deliver to the Successor Trustee the assets comprising the Trust Fund as they may be then constituted. If a Successor Trustee has not accepted appointment and the Trustee wishes to be relieved of responsibility hereunder, the Trustee may tender the Trust Fund assets to the Domiciliary Commissioner and, if the Domiciliary Commissioner declines to accept responsibility for Trust Fund assets, the Trustee may deposit the Trust Fund with a court of proper jurisdiction and with regard to such action shall be responsible only for giving notice to the Domiciliary Commissioner, the Council and Ceding Insurers which have notified the Trustee in writing that they have an actual or potential claim against the assets of the Trust Fund. When Funds

are accepted by the Domiciliary Commissioner or paid into court, the Trustee's sole remaining responsibility shall be to render a final accounting of the Trust. Copies of the required notice of resignation or removal required by this Paragraph shall also be sent by registered mail to the Domiciliary Commissioner.

3.12 Trustee's Assets. No provision of this Trust Deed shall require the Trustee to expend or risk its own funds or to otherwise incur any financial liability in the performance of any of its duties hereunder or in the exercise of its rights including, but not limited to, prosecuting, defending or otherwise enforcing any claims by or against the Trust Fund.

3.13 Trustee's Liability. The Trustee shall not be liable for any of its actions or omissions hereunder (including any actions taken in accordance with Article 4), except for its own negligence or willful misconduct. If the Trust Fund is funded, in whole or in part, by a Letter of Credit issued by the Trustee or by an affiliate of the Trustee, the failure of the Trustee to draw against the Letter of Credit in circumstances where such draw would be required by this Trust Deed shall be deemed to be negligence and/or willful misconduct for purposes of this paragraph.

3.14 Electronic Access. The Trustee shall be protected in relying upon the instructions given by electronic access which the Trustee believes to be genuine and which purport to be given by the Council or by the person or persons to whom the Council has delegated all or any powers of management and investment, pursuant to Paragraph 2.6 hereof; provided that such instructions by electronic access are accompanied by code words furnished (i) by the Trustee, or (ii) by the Council by means of the use of the electronic access terminal device, or (iii) by the person or persons to whom the Council has delegated any or all powers of management and investment pursuant to Paragraph 2.6 hereof by means of the use of the electronic access terminal device; and provided further that the Trustee has not been directed by the Council or by such person or persons not to recognize such code words.

3.15 No Principle of Conflict of Interest. No principle of conflict of interest or any duty of undivided loyalty shall apply to, and any such conflict of interest or duty of undivided loyalty is hereby deemed waived with respect to, any transactions with or services provided to any one or more of the Trust Fund, the Council, or the Underwriters, by the Trustee acting in its individual capacity (or by any subsidiary, affiliate or associate of the Trustee) or in its capacity as trustee of Lloyd's American Trust Fund, Lloyd's American Surplus or Excess Lines Insurance Joint Asset Trust, Lloyd's United States Situs Surplus Lines Trust, Lloyd's United States Situs Credit for Reinsurance Trust, or of any other trust that may be created from time to time (including, without limitation, any trust established to provide security to policyholders in respect of, or in respect of reinsurance assumed covering, liabilities of any Underwriters for prior years) or any Letter of Credit Issuer, including without limitation, the issuance of Letters of Credit and the investment management of the assets of the Trust Fund, provided however, that such transactions or services or such conflict of interest or duty of undivided loyalty relate to one or more of such Trust Funds.

3.16 Council Approval Protects Trustee. If any difference shall at any time arise between the Trustee and Underwriter or his executors or administrators or his successors or assigns, relating to the Trust, or the administration thereof, or anything in connection therewith, or if the Trustee shall at any time feel any doubt of difficulty in administering the Trust, it shall be an absolute protection to the Trustee against all claims and demands

whatsoever by such Underwriter, his executors or administrators or his successors or assigns, or by any other person (including any Policyholder), that in case of any act or thing already done or omitted by the Trustee the Council shall approve of such act or thing having been so done or omitted, and that in the case of any act or thing intended to be done or omitted the Council shall approve of such intended act or omission, and it shall not be necessary for the Council to give any reason for any such approval. The foregoing provisions of this Article are only for the protection of the Trustee and shall not be construed to impose any obligation on the Trustee to apply for such approval of the Council, nor shall the Trustee be under any liability for omitting to do so.

3.17 Trustee's Powers. In connection with the management and investment of the Trust Fund, the Trustee shall have all powers now or hereafter granted to a fiduciary by the laws of the State of New York, and in addition, subject to directions of the Council and the laws and regulations of the State of New York applicable to insurance companies, shall have power to engage in securities lending transactions for the account of the Trust Fund, but only if the collateral for such transactions is held subject to this Trust Deed.

3.18 Securities Transactions. The Trustee may (in its individual capacity or through any subsidiary, affiliate or associate of the Trustee) advance cash or securities to the Trust to effect or expedite the purchase or sale of securities for the Trust, and the property so purchased or the proceeds from the sale shall be security for repayment of the cash or securities advanced in connection with the purchase or sale of such property. The Trustee (in its individual capacity or through any subsidiary, affiliate or associate of the Trustee) shall have a security interest in such property or proceeds until the Trustee (in its individual capacity or through any subsidiary, affiliate or associate of the Trustee) has been reimbursed from the Trust for its advances in respect of such property. If the Trustee (in its individual capacity or through any subsidiary, affiliate or associate of the Trustee) does not receive reimbursement from the Trust for its advances in respect of such property, the Trustee (in its individual capacity or through any subsidiary, affiliate or associate of the Trustee) shall be entitled to dispose of such property and to retain the proceeds of such disposition, or to retain such proceeds, in each case for its own account up to the amount necessary to obtain reimbursement, and shall be further entitled to reimbursement, as a Trustee Priority Claim pursuant to Paragraph 2.2 hereof, from the Trust for any portion of any such advance not so reimbursed.

ARTICLE 4

INSOLVENCIES

4.1 When Trust Fund Becomes Insolvent. The Trust Fund shall be deemed insolvent upon the happening of the earlier of the following events:

(a) the Trustee actually receives written notice from the Council, the United Kingdom Financial Services Authority or the Domiciliary Commissioner, that the Lloyd's market has ceased trading; or

(b) the expiration of sixty (60) days after the value of the Trust Fund as shown by the most recent valuation of the Trust Fund as provided for in Paragraph 2.13 of this Trust Deed (i)-was reduced below the Trust Fund Minimum Amount as specified in accordance with Paragraph 2.7 or (ii) would be so reduced by the payment of a Matured Claim,

whichever of the events described in (i) and (ii) occurs first. If said minimum has been replenished within said sixty (60) day period by or on behalf of Underwriters to offset any such reduction, the insolvency shall be deemed cured. Promptly after such actual or anticipated reduction of the value of the Trust Fund, the Trustee shall send notice to the Council of the actual or anticipated reduction.

4.2 Notice of Insolvency.

(a) If the Lloyd's market ceases trading, the Council shall promptly (i) transmit a written notice of this event and (ii) send a certified copy of such declaration by registered airmail to Underwriters' U.S. representative or attorney, the Trustee, and the Domiciliary Commissioner.

(b) If the Trust Fund is deemed insolvent as defined in Paragraph 4.1, the Trustee shall promptly transmit a written notice of this event by registered mail or personal delivery to the Council, Underwriters' U.S. Representative, and the Domiciliary Commissioner.

4.3 One-Year Waiting Period After Insolvency. Unless otherwise ordered by a court of competent jurisdiction, no Claims, other than the Trustee's Priority Claims, shall be paid out of the Trust Fund during the 12-month period ("Waiting Period") commencing on the date the Trustee receives written notice that the Lloyd's market has ceased trading as set forth in Paragraph 4.1(a) or the date the Trustee is required to transmit a notice to Underwriters pursuant to Paragraph 4.1(b), unless the insolvency has been cured within the sixty (60) day period as provided for in Paragraph 4.1(b), whichever occurs first.

Matured Claims, whether arising prior to or during the Waiting Period, may be filed throughout said period by personal delivery or registered mail.

4.4 Transfer of Trust Assets to Domiciliary Commissioner in Event of Insolvency. In the event that the Trust becomes insolvent as specified in Paragraph 4.1 and notwithstanding the provisions of this Article 4 or of any other provision in this Trust Deed, the Trustee shall comply with an order of the Domiciliary Commissioner or court of competent jurisdiction directing the Trustee to transfer to the Domiciliary Commissioner or other designated Receiver all of the assets of the Trust Fund except those assets which are necessary to satisfy the Trustee's Priority Claims as determined in Articles 2.2 and 3.9 or to reimburse the Trustee for funds or securities advanced pursuant to Paragraph 3.18. Compliance with such an order shall relieve the Trustee of all further duties, obligations and liabilities of any kind or description under this Trust Deed. Nothing in this paragraph shall be construed as relieving the Trustee of any liability under this Trust Deed for any acts or omissions which occurred prior to the date on which the Trustee transfers the assets of the Trust Fund to the Domiciliary Commissioner.

4.5 Distribution of Trust Fund Assets. If the assets of the Trust have been transferred to the Domiciliary Commissioner pursuant to Paragraph 4.4, hereof, such assets shall be applied in accordance with the laws of the State of New York applicable to the liquidation of insurance companies. If the Domiciliary Commissioner determines that such assets, or any portion thereof, are not needed to satisfy the Claims of Policyholders, the Domiciliary Commissioner shall distribute such assets or such portion of such assets to the Trustee for application to the payment of any outstanding and unpaid Trustee Priority Claims. Any remaining assets after payment of all outstanding Trustee Priority Claims shall then be transferred by the Trustee to Current Contributors in shares bearing the same ratio to

the total amount payable as the total Current Contributions of or attributable to each Current Contributor bears to the total of Current Contributions as directed by the Council.

ARTICLE 5

MISCELLANEOUS

5.1 Governing Law. This Trust Deed shall be governed by, and construed and enforced in accordance with, the laws of the State of New York.

5.2 Survival of Prior Obligations. Commencing on the Effective Date, this Trust Deed shall be binding upon the parties hereto and their successors and assigns and shall supersede such prior agreements, except for continuing obligations created by any prior agreements between the parties on the subject matter hereof as to matters arising prior to the Effective Date.

5.3 Survival of Individual Liability of Underwriters. Nothing in this Trust Deed shall affect or limit Underwriters' obligation to make payment of insurance claims against them.

5.4 Procedure to Be Followed in Amending this Deed of Trust. The Council shall have power in its discretion to amend this Deed of Trust; provided that no amendment increasing the duties of the Trustee or reducing the rights and protections of the Trustee shall be binding upon the Trustee without the Trustee's written consent. All amendments to this Deed of Trust shall be in writing and signed on behalf of the Council. No amendment shall become effective without the prior written consent of the Superintendent of Insurance of the State of New York. The Council shall give written notice of any proposed amendment to the Trustee and shall direct the Trustee to give written notice to the Commissioner, Director or Superintendent of Insurance of each state identified by the Council as requiring such notice ("Commissioner") together with a copy of the proposed amendment. A proposed amendment shall be effective on the date specified by the Superintendent of Insurance of the State of New York unless the Trustee receives notice that a Commissioner disapproves the proposed amendment within thirty (30) days of receipt of the notice by such Commissioner.

5.5 Notice. The Council shall provide the Trustee with the names and mailing addresses of the Domiciliary Commissioner, other insurance officials to whom notices or information is required to be sent, Lloyd's Signatory and Underwriters' U.S. Representative, and shall update this list from time to time as may be necessary to keep the information in the list current. In providing the Notices required under Paragraphs 2.1, 2.3, 2.13, 2.14, 3.9, 4.1, 4.2 or under any other provision of this Trust Deed, Trustee may rely upon this list and in doing so shall be protected, held harmless and deemed to have exercised all reasonable due care.

5.6 Partial Invalidity Does Not Invalidate Entire Trust Deed. If any provision of this Trust Deed is held invalid or unenforceable, the balance of this Trust Deed shall be construed and enforced as if such provision had not been inserted herein.

5.7 Interpretation. The use herein of one gender shall be deemed to include the other and the use herein of singular or the plural shall be deemed to include the other, as the context may require.

5.8 Headings and References. The headings herein are for reference only and not for defining any provisions hereof. Reference to this Trust Deed shall include its amendments, if any. All articles, paragraphs and subparagraphs as well as their subdivisions and abbreviations cited herein refer to this Trust Deed and its amendments, if any.

5.9 Accession. Each person (whether an individual, body corporate or a partnership and whether or not an Underwriter at Lloyd's) who becomes in the future a Current Contributor to the Trust Fund shall (unless such person shall have executed this Trust Deed) execute a deed of accession binding such person to the terms of the Trust Deed.

5.10 Counterparts. This Trust Deed may be executed in any number of counterparts, each of which when signed by a party hereto, shall be deemed to be an original.

IN WITNESS WHEREOF, this amendment and restatement as a Deed of Trust has been duly executed as a deed in the name and on behalf of each of the Current Contributors (all of whom are Underwriters) by their respective members' agents named in the First Schedule hereto pursuant to the power of attorney contained in each Current Contributor's standard members' agent's agreement or by their respective managing agents named in the Second Schedule hereto pursuant to the power of attorney contained in each Current Contributor's standard managing agent's agreement (corporate member) or by each Current Contributor named in the Third Schedule hereto, Lloyd's and the Trustee as of the date hereof.

THE COMMON SEAL of Lloyd's was
hereunto affixed in the presence of:

[*seal*]

Authorized Signatory