

MPlease do not
write in
this marginPlease complete
legibly, preferably
in black type, or
bold block
lettering**COMPANIES FORM No. 395**
Particulars of a charge**395**

Pursuant to section 395 of the Companies Act 1985

To the Registrar of Companies

For official use

Company number

68

02864625

Name of company

MASTHEAD 'E'

LIMITED

Date of creation of the charge

12th August 1998

Description of the instrument (*if any*) creating or evidencing the chargeDeed of Charge dated 12th August 1998 (the "Deed") and made between the Names and the Dollar Trustees (each as defined therein) constituting the Syndicate ...~~33 (xxx)~~ Dollar Obligor Group as Chargors, Hiscox Syndicates Limited and Barclays Bank plc (the "Bank") as chargee

Amount secured by the mortgage or charge

A letter of credit facility granted by the Bank to the Names and the Dollar Trustees as members of the Syndicate ...~~33 (xxx)~~ Dollar Obligor Group together with certain other parties in the aggregate amount of £100,000,000 or its equivalent from time to time in dollars

Short particulars of all the property mortgaged or charged

See attached

Names and addresses of the mortgagees or persons entitled to the charge

BARCLAYS BANK PLC
54 LOMBARD STREET
LONDON EC3P 3AHPresentor's name, address and
reference (*if any*): 20 - 00 - 00

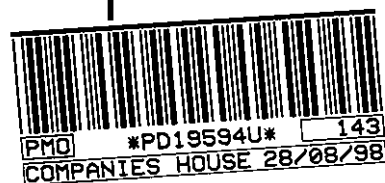
Ref:

BARCLAYS LOAN SERVICING CENTRE
COMPANY REGISTRATIONS
P.O. BOX 299
BIRMINGHAM B1 3PF

For official use

Mortgage section

Post room



Time critical reference

Short particulars of all the property mortgaged or charged

COMPANY NUMBER 02864625

1. The Dollar Trustees charge to the Bank with the payment and discharge of the Dollar Trustees' Obligations and each Name's Obligations -

(a) by way of first fixed charge, if and to the extent that such assets are or are liable in the future to become comprised in that part of the Dollar Trust Fund of the Name in relation to which the Managing Agent has power to give directions -

(i) all right, title and interest of the Name in and to such monies as are now payable or may hereafter at any time become payable to the Name or to any person on behalf of the Name in dollars under the Specified Syndicate Reinsurances in consequence of any loss(es) an outstanding claim in respect of which is the subject of a Claim Acknowledgement (but before receipt thereof by the Name or any such person), whether or not the amount of such monies shall have been finally ascertained (including any chose in action representing the right of the Name and any interest of the Name in any chose in action representing the right of any such person to be paid the same);

Please do not write in this margin

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

Particulars as to commission allowance or discount (note 3)

Signed

Date

21 AUG 1998

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

† delete as appropriate

NOTES

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

(ii) all right, title and interest of the Dollar Trustees in and to such monies (if any) as may at any time hereafter be received by the Name or by any person on behalf of the Name (or by any other person whatsoever) being the proceeds of the monies referred to in [paragraph 1(a)(i) of these short particulars] (but before vesting thereof in or under the control of the Dollar Trustees in accordance with the provisions of the Name's Dollar Trust Deed), whether or not the amount of such monies shall have been finally ascertained (including any chose in action representing the right of the Dollar Trustees to require vesting of the same in accordance with such provisions); and

(iii) all right, title and interest of the Dollar Trustees in and to the Deposits together with the interest from time to time accruing thereon (including any chose in action representing the right of the Dollar Trustees under [the] Deed to be paid any monies in respect thereof);

(b) by way of first floating charge, if and to the extent that such assets are or are liable in the future to become comprised in that part of the Dollar Trust Fund of the Name in relation to which the Managing Agent has power to give directions -

(i) all right, title and interest of the Name in and to such monies as are now payable or may hereafter at any time become payable to the Name or to any person on behalf of the Name in dollars under the Specified Syndicate Reinsurances in consequence of any loss(es) other than one(s) an outstanding claim in respect of which is the subject of a Claim Acknowledgement (but before receipt thereof by the Name or any such person), whether or not the amount of such monies shall have been finally ascertained (including any chose in action representing the right of the Name and any interest of the Name in any chose in action representing the right of any such person to be paid the same);

(ii) all right, title and interest of the Dollar Trustees in and to such monies (if any) as may at any time hereafter be received by the Name or by any person on behalf of the Name (or by any other person whatsoever) being the proceeds of the monies referred to in [paragraph 1(b)(i) of these short particulars] (but before vesting thereof in or under the control of the Dollar Trustees in accordance with the provisions of the Name's Dollar Trust Deed), whether or not the amount of such monies shall have been finally ascertained (including any chose in action representing the right of the Dollar Trustees to require vesting of the same in accordance with such provisions);

(iii) all right, title and interest of the Dollar Trustees in and to the monies now or at any time hereafter standing to the credit of any bank account (excluding the Deposits) which represent the proceeds of collection of the monies mentioned in [paragraph 1(b)(i) and (ii) of these short particulars] together with all other assets whatsoever being or representing the premiums and other receipts of that part of the Name's underwriting business at Lloyd's carried on through the Managing Agent as a member of the Syndicate and the interest and other income from time to time accruing on any of the foregoing (including any chose in action representing the right of the Dollar Trustees to be paid any monies in respect thereof); and

(iv) all assets expressed to be charged under [those provisions of the Deed set forth in paragraph 1(a)(i), (ii) or (iii) of these short particulars] if and to the extent that such assets are not, or shall have ceased to be, effectively charged thereby.

2. The Managing Agent on behalf of each Name charges to the Bank with the payment and discharge of such Name's Obligations and the Dollar Trustees' Obligations, by way of first charge, if and to the extent that (notwithstanding the provisions of the Name's Dollar Trust Deed) such assets are neither comprised in nor liable in the future to become comprised in that part of the Dollar Trust Fund of the Name in relation to which the Managing Agent has power to give directions, all right, title and interest of the Name in and to such monies as are now payable or may hereafter at any time become payable to the Name or to any person on behalf of the Name in dollars under the Specified Syndicate Reinsurances in consequences of any loss(es) an outstanding claim in respect of which is the subject of a Claim Acknowledgement (but before receipt thereof by the Name or any such person), whether or not the amount of such monies shall have been finally ascertained (including any chose in action representing the right of the Name and any interest of the Name in any chose in action representing the right of any such person to be paid the same)

3. The Managing Agent on behalf of each Name charges to the Bank with the payment and discharge of such Name's Obligations and the Dollar Trustees' Obligations, by way of first floating charge -

(a) if and to the extent that (notwithstanding the provisions of the Name's Dollar Trust Deed) such assets are neither comprised in nor liable in the future to become comprised in that part of the Dollar Trust Fund of the Name in relation to which the Managing Agent has power to give directions, all right, title and interest of the Name in and to such monies as are now payable or may hereafter at any time become payable to the Name or to any person on behalf of the Name in dollars under the Specified Syndicate Reinsurances in consequence of any loss(es) other than one(s) an outstanding claim in respect of which is the subject of a Claim Acknowledgement (but before receipt thereof by the Name or any such person), whether or not the amount of such monies shall have been finally ascertained (including any chose in action representing the right of the Name and any interest of the Name in any chose in action representing the right of any such person to be paid the same);

(b) all assets expressed to be charged under [those provisions of the Deed set forth in paragraph 2 of these short particulars] if and to the extent that such assets are not, or shall have ceased to be, effectively charged thereby; and

(c) all right, title and interest of the Name in and to (i) any part of the benefit of the Specified Syndicate Reinsurances not otherwise expressed to be charged by [the] Deed or any other document under which security is given by any person for the payment and discharge of the Name's Obligations and/or the Dollar Trustees' Obligations, and (ii) the benefit of any letter of credit, guarantee, deposit or security issued, made or given in respect of the performance of a reinsurer's obligations thereunder.

NOTE: The Deed contains provisions whereby the Managing Agent and the Dollar Trustees undertake that they will not, otherwise than with the Bank's prior written consent -

(a) create, grant, extend or permit to subsist any other security (howsoever ranking or purporting to rank in relation to the security constituted by the Deed) or encumbrance (other than a Lloyd's encumbrance) on or over all or any part of the Charged Assets; or

(b) dispose or agree to dispose of all or any part of the Charged Assets or create or agree to create any equitable interest in or over the same.

DEFINITIONS:

"Account" means one or more trust accounts held with the Bank in the name of the Dollar Trustees, denominated in dollars and designated by the Syndicate's number and the 1998 year of account, the letters LDFT and such further designation (if any) as the Bank may consider appropriate;

"Account for Payment" means any Account further designated "Reinsurance Receivables Account" or otherwise as the Bank may consider appropriate into which monies becoming payable in dollars under Specified Syndicate Reinsurances are to be paid as hereinafter provided;

"Charged Assets" means the assets for the time being charged to the Bank by or pursuant to [the] Deed or otherwise subject to the security [thereby] constituted;

"Claim Acknowledgement" means a written acknowledgement by a reinsurer to the Bank in relation to a Specified Syndicate Reinsurance (in such form and containing such confirmations as the Bank may specify) that the reinsurer has been notified of an outstanding claim in respect of particular losses;

"Deposits" means the monies now or at any time hereafter standing to the credit of the Account for Payment;

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

"dollars" denotes lawful currency of the United States of America;

"Dollar Trust Deed", in relation to any Name, means either Lloyd's American Instrument 1995 (General Business of Individual Members) or Lloyd's American Instrument 1995 (General Business of Corporate Members), being supplemental as regards such Name to that Name's Lloyd's Premium Trust Deed for general business applicable to the 1998 year of account (and, where the Name has more than one such Premiums Trust Deed, each of the same), according to whether the Name is an individual member or a corporate member;

"Dollar Trust Fund", in relation to any Name, means the trust fund constituted by the Name's Dollar Trust Deed in accordance with the provisions thereof;

"Dollar Trustees" means the trustees for the time being of Lloyd's American Instrument 1995 (being supplemental as regards each Name to such Name's Lloyd's Premiums Trust Deed for general business applicable to the 1998 year of account) designated in respect of the Managing Agent as the Managing Agent's Dollar Trustees, in their capacity as such trustees;

"Dollar Trustees' Obligations" means all sums and liabilities covenanted to be paid and discharged in Clause 2.2 [of the Deed];

"Lloyd's" means the Society incorporated by Lloyd's Act 1871 by the name of Lloyd's;

"Lloyd's encumbrance" [means] any encumbrance granted or subsisting under any deed or agreement required by Lloyd's to be entered into or executed by any person in connection with insurance business at Lloyd's (whether carried on by such person or any other person);

"Managing Agent" means Hiscox Syndicates Limited, a limited company registered in England and Wales with company number 2590623 whose registered office is at 52 Leadenhall Street, London EC3A 2BJ;

["Name" means the [Company]];

"Names" means the underwriting members of Lloyd's comprising syndicate no. 33 as constituted for the 1998 year of account, in their capacity as members thereof;

"Name's Obligations" means all sums and liabilities to be paid and discharged by any Name, the subject (together with the sums and liabilities to be paid and discharged by all the other Names) of the covenant in Clause 2.1 [of the Deed];

"Specified Syndicate Reinsurances" means all contracts of reinsurance taken out on behalf of the Syndicate as constituted for the 1998 year of account, whether before or at any time after the date of [the] Deed, details of which are now or may hereafter be specified in the [annex to the Deed as the same may be supplemented from time to time]; and

"Syndicate" means syndicate no. 33 comprising a group of underwriting members of Lloyd's underwriting insurance business at Lloyd's through the agency of the Managing Agent to which the syndicate number aforesaid is assigned by the Council of Lloyd's.

FILE COPY



CERTIFICATE OF THE REGISTRATION OF A MORTGAGE OR CHARGE

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

COMPANY No. 02864625

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES HEREBY CERTIFIES THAT A DEED OF CHARGE (THE "DEED") AND MADE BETWEEN THE NAMES AND THE DOLLAR TRUSTEES (EACH AS DEFINED THEREIN) CONSTITUTING THE SYNDICATE 33 (1998) DOLLAR OBLIGOR GROUP AS CHARGORS, HISCOX SYNDICATES LIMITED AND BARCLAYS BANK PLC (THE "BANK") AS CHARGEES DATED THE 12th AUGUST 1998 AND CREATED BY MASTHEAD E LIMITED FOR SECURING A LETTER OF CREDIT FACILITY GRANTED BY BARCLAYS BANK PLC TO THE NAMES AND THE DOLLAR TRUSTEES AS MEMBERS OF THE SYNDICATE 33 (1998) DOLLAR OBLIGOR GROUP TOGETHER WITH CERTAIN OTHER PARTIES IN THE AGGREGATE AMOUNT OF £100,000,000 OR ITS EQUIVALENT FROM TIME TO TIME IN DOLLARS WAS REGISTERED PURSUANT TO CHAPTER 1 PART XII OF THE COMPANIES ACT 1985 ON THE 28th AUGUST 1998.

GIVEN AT COMPANIES HOUSE, CARDIFF THE 7th OCTOBER 1998.

W. Grandon
W. GRANDON

for the Registrar of Companies



C O M P A N I E S H O U S E