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* insert full name
of company

COMPANIES FORM No. 395

Particulars of a mortgage or charge

Pursuant to section 395 of the Companies Act 1985

To the Registrar of Companies

Name of company

Cotesworth Capital Limited

Date of creation of the charge

31st December 1998

Description of the instrument (if any) creating or evidencing the charge (note 2)

LLOYD'S AMERICAN TRUST DEED FOR LONG-TERM BUSINESS dated 9 December 1993 (the "American Trust Deed")

(see continuation sheet)

*Registered pursuant to an Order of
Court dated 26/7/99*

Amount secured by the mortgage or charge

1. All losses, claims, returns of premiums, re-insurance premiums and other outgoings incurred or arising or which may at any time be incurred or arise in connection with the American long-term business.
 2. The expenses incurred or which may at any time be incurred in connection with the American long-term business, which expenses shall be deemed to include: (i) remuneration and proper expenses of the American Trustee (including any former American Trustee); (ii) any salary, commission, or other remuneration payable to the Agent or any other person, or any proper expenses of the Agent or any other person, in connection with the conduct or winding up of the American long-term business; (iii) a proper proportion as certified or reported by auditors approved by the Council of any salary, commission, or other remuneration payable to the Agent, or any proper expenses of the Agent, in connection with the conduct or winding up of any underwriting business of the Company, whether the American long-term business or not, and any expenses whatsoever from time to time incurred in connection with any underwriting business of the Company, whether the American long-term business or not.
- (see continuation sheet)

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

The American Trustee (being, as at the date of this form, Citibank N.A. of 111 Wall Street, New York, NY, U.S.A), all policy holders to whom the Company is liable in respect of the American long-term business, and
(see continuation sheet)

Presentor's name address and
reference (if any):

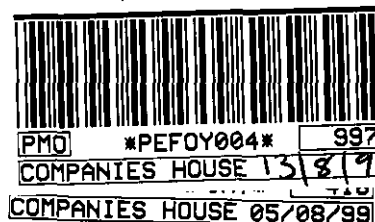
Lloyd's
One Lime Street
London
EC3M 7HA

Ref: CMU 86/G4

Time critical reference

For official use
Mortgage Section

Post room



Short particulars of all the property mortgaged or charged

- (i) All premiums and other moneys payable during the trust term to or for the account of the Company in connection with the American long-term business;
- (ii) all other assets from time to time transferred to the American Trustee to be held by it as part of the American Trust Fund;
- (iii) all investments and moneys for the time being representing (i) and (ii) above; and
- (iv) all income arising from (i) to (iii) above.

"the American long-term business" means such part of the Company's underwriting business at Lloyd's (which is long term business as defined from time to time by the Insurance Companies Act 1982 or by a later similar statute) as complies with the following two conditions: (i) the liability of the Company in respect thereof is expressed in U.S. dollars; and (ii) the premium payable to or for the account of the Company has been paid or is payable in U.S. dollars.

"the American Trust Fund" means the property held in trust under the American Trust Deed.

"the trust term" means the period commencing from the date of commencement of the underwriting business of the Company until such underwriting business shall have been wound up or until twenty-one years after the death of the survivor of the President and Vice President of the United States in office at the date of commencement of such underwriting business, whichever shall first occur.

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particulars as to commission allowance or discount (note 3)

Nil

Signed Jeanne Clark

Date _____

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 situated 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.

COMPANIES FORM No. 395 (Cont.) AND FORM No. 410 (Scot)(Cont.)

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**Particulars of a mortgage or charge
(continued)**

Continuation sheet No 1
to Form No 395 and 410 (Scot)

CHA 116

Company Number

3265777

Please complete
legibly, preferably
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bold block lettering

Name of Company

Cotesworth Capital Limited

Limited*

* delete if
inappropriate

Description of the instrument creating or evidencing the mortgage or charge (continued) (note 2)

made or expressed to be made between the Company, the Agent or Agents through whom the Company underwrites ("the Agent", as further defined below), the Trustee acting under the American Trust Deed from time to time ("the American Trustee") and the Society of Lloyd's ("Lloyd's").

"the Agent" means any one or more of: the Company's Members' Agent at Lloyd's and any agent appointed by the Company and any agent appointed by the Company's Members' Agent in exercise of any authority given by the Company (or appointed by any agent or sub-agent of the Members' Agent acting under any such authority or delegation of such authority) to act as an agent or sub-agent of the Company for the purposes of conducting all or any part of the Company's underwriting business and any successor thereto so acting and any Representative designated as provided by the American Trust Deed.

All expressions identified in this form have the meanings given unless the context otherwise requires.

Reference to any provision of the American Trust Deed shall after the coming into force of any amendment of that provision of the American Trust Deed be read (unless the context otherwise requires) as referring to the amended provision or to the American Trust Deed as so amended (as the case may be).

The instrument amends and restates the instrument dated 9 January 1991 of the same description and made or expressed to be made between the same parties.

3. Transfers to the Premiums Trust Fund, if requested by the Agent and (where required by the American Trust Deed) approved by the Council, pursuant to the terms of the American Trust Deed.

4. All liabilities both actual and estimated in respect of the American long-term business at any time.

"the Council" means the Council of Lloyd's constituted by Lloyd's Act 1982 and such of the Committee of Lloyd's, the Chairman of the Committee or a Deputy Chairman of the Committee as shall from time to time be authorised by the Council to exercise any power conferred on the Council by the American Trust Deed.

"the Premiums Trust Fund" means the property held in trust subject to the provisions of the Lloyd's Premiums Trust Deed.

"the Lloyd's Premiums Trust Deed" means the deed of that name approved by one of Her Britannic Majesty's Principal Secretaries of State under the Insurance Companies Act 1982 for long term business.

"the other Names" means the Underwriting Members of Lloyd's (other than the Company) in association with whom the Company underwrites through the agency of the Agent.

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(1) those to whom any losses, claims, returns of premiums, re-insurance premiums and other outgoings incurred or arising or which may at any time be incurred or arise in connection with the American long-term business are at any time payable, (2) those to whom expenses incurred or which may at any time be incurred in connection with the American long-term business are at any time payable, (3) those to whom any liability whether actual or estimated in respect of the American long-term business is at any time incurred, (4) Lloyd's of One Lime Street, London, (5) (subject always to the terms of the American Trust Deed) the Premiums Trustees and (6) (subject always to the terms of the American Trust Deed and of the Lloyd's Premiums Trust Deed):

(a) those to whom any losses claims returns of premium reinsurance premiums and other outgoings are payable as at the date of the Lloyd's Premiums Trust Deed or at any time thereafter become or may become payable in connection with the Underwriting; and

(b) those to whom any expenses whatsoever from time to time incurred in connection with or arising out of the Underwriting are payable or become or may become payable (such expenses excluding any Non-deductible Item but including any annual fee, commission, other remuneration and reimbursement of outlays payable by the Company to any of the Company's Agents or Lloyd's or the Regulating Trustee or except where so excluded to any other person in connection with the conduct or winding-up of the Underwriting and including also any fiscal liabilities incurred in or by reason of the Underwriting or in respect of the Premiums Trust Fund or its income; and

(c) the Company's obligations to keep fully funded or provide any and every Overseas Business Regulatory Deposit.

"expenses" in relation to the American long-term business shall be deemed to include (i) remuneration and proper expenses of the American Trustee (including any former American Trustee); (ii) any salary, commission, or other remuneration payable to the Agent or any other person, or any proper expenses of the Agent or any other person, in connection with the conduct or winding-up of the American long-term business; (iii) a proper proportion as certified or reported by auditors approved by the Council of any salary, commission, or other remuneration payable to the Agent, or any proper expenses of the Agent, in connection with the conduct or winding-up of any underwriting business of the Company, whether the American long-term business or not, and any expenses whatsoever from time to time incurred in connection with any underwriting business of the Company, whether the American long-term business or not.

"the Company's Agents" are any (or if more than one every) Members' Agent and Managing Agent (but for the avoidance of any doubt not any person who is merely a Lloyd's Adviser or a sponsor of the Company at Lloyd's).

"Lloyd's Adviser" means a Lloyd's adviser entered in the register of Lloyd's advisers maintained by the Council.

"Managing Agent" means an underwriting agent at Lloyd's appointed by the Company (either directly or by any Members' Agent acting in exercise of any authority given by the Company to that Members' Agent or by any means derived from any authority so given) to act as an agent or sub-agent of the Company for the purpose of conducting all or any part of the Underwriting and including any successors so acting of the underwriting agent so appointed.

"Members' Agent" means a members' agent at Lloyd's appointed by the Company to act as the Company's members' agent in respect of all or any part of the Underwriting and including any successors so acting of the members' agent so appointed.

"Non-deductible Item" means anyone or more of the following namely:-

(a) any fee or other remuneration payable by or on behalf of the Company to or for the benefit of any Lloyd's Adviser or sponsor of the Company (except in a case where such Lloyd's Adviser or sponsor is also one of the Company's Agents and the fee or other remuneration in question is paid to him or it solely in that latter capacity)

(see continuation sheet)

Short particulars of all the property mortgaged or charged (continued)

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**Particulars of a mortgage or charge
(continued)**

Continuation sheet No 2
to Form No 395 and 410 (Scot)

CHA 116

Please complete
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Company Number

3265777

Name of Company

cotesworth capital limited

Limited

* delete if
inappropriate

Description of the instrument creating or evidencing the mortgage or charge (continued) (note 2)

Amount due or owing on the mortgage or charge (continued)

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(b) any fee or other remuneration payable by or on behalf of the Company to or for the benefit of any director or other officer of the Company or of any other body corporate (except in a case where such other body corporate is one of the Company's Agents and the fee or other remuneration in question is paid to a director or other officer of it acting in that capacity)

(c) any fee or other remuneration payable to or for the benefit of any lawyer accountant stockbroker or financial adviser or other adviser whatsoever except in relation to (i) any reinsurance effected by or on behalf of the Company or (ii) the payment or settlement of any claims made in connection with the Underwriting (including the processing compromise payment repudiation and litigation of any such claims and all matters ancillary thereto)

(d) any salary wages fee or other remuneration payable by or on behalf of the Company to or for the benefit of any employee of the Company or to or for the benefit of any other person (except Lloyd's itself or one of the Company's Agents acting in that capacity) for the provision of the services of that other person's employees

(e) any outgoings whatsoever payable by or on behalf of the Company in connection with its incorporation or with the setting up of the underwriting business of the Company at Lloyd's

(f) any outgoings whatsoever arising out of the acquisition or disposal or occupation of any premises by or on behalf of the Company or the acquisition or disposal or use of any equipment by or on behalf of the Company and

(g) any other outgoings of an overhead nature payable by or on behalf of the Company.

"Overseas Business Regulatory Deposit" means any deposit trust deed (including any joint asset trust deed) or any company bank account letter of credit guarantee or other entity whatsoever (wheresoever situate in any part of the world) (1) which (and any and every amendment variation or restatement of which) is approved by one of Her Majesty's Principal Secretaries of State and (2) which (or any fund subject or relating to which) the Company is for the time being required to keep in funds or to provide (whether on an individual or syndicate or group or other basis) as a regulatory or other condition or requirement (whether imposed by the Council or by any governmental or regulatory authority having jurisdiction in or in any part of any overseas territory) in order to enable the Company (or any relevant syndicate or group or Managing Agent) to conduct (or more efficiently to conduct) any business which constitutes or which if conducted would constitute (having regard to Clause 4(g) of the Lloyd's Premiums Trust Deed) part of the Underwriting relating to a particular overseas territory.

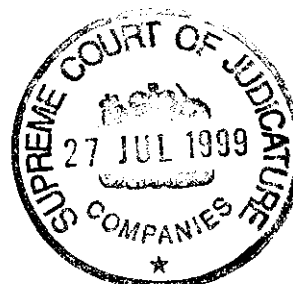
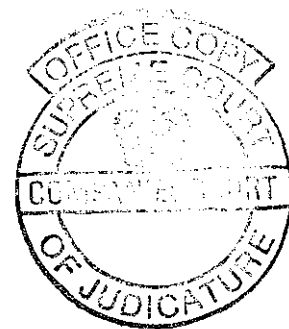
"the Premiums Trustees" means trustees for the time being of the Lloyd's Premiums Trust Deed duly appointed under Clause 5 thereof (whether the Members' Agent's Trustees of any Members' Agent or the Managing Agent's Trustees of any Managing Agent or the Regulating Trustee) but excluding any other person (including the Company) who may hold or in whose name may be held any monies and assets comprised in the Premiums Trust Fund or the income thereof at any time and excluding any separate trustees of any Overseas Funds.

"Regulating Trustee" means the Trustee for the time being of the Lloyd's Premiums Trust Deed designated under Clause 5 thereof as the Regulating Trustee.

"the Underwriting" means the long-term business (whether current or past or future) of the Company at Lloyd's, but excluding any long term business of the Company conducted for any year of account commencing after the sixtieth anniversary of the date of the Lloyd's Premiums Trust Deed.



**IN THE HIGH COURT OF JUSTICE
CHANCERY DIVISION
COMPANIES COURT**



Mr Registrar Buckley

In the Matter of Cotesworth Capital Limited

and

In the Matter of the Companies Act 1985

Between :

The Society of Lloyd's

Claimant

and

Cotesworth Capital Limited

Defendant

UPON THE APPLICATION by Claim filed on the 23rd June 1999 of The Society of Lloyd's

AND UPON HEARING the Solicitor for the Claimant

AND UPON READING THE EVIDENCE

AND the Court being satisfied that the omission to deliver to the Registrar of Companies pursuant to Section 395 of the above-mentioned Act two Lloyd's Premiums Trust Deeds together with the prescribed Particulars thereof was due to inadvertence and that it is just and equitable to grant relief

IT IS ORDERED pursuant to Section 404 of the said Act that the time for delivering to the Registrar of Companies for Registration of :

- a. a Lloyd's Premiums Trust Deed (general business) in Lloyd's standard form PTD G 99 dated the 31st December 1998 and made between the Defendant (1) and the Claimant (2) and;
- b. a Lloyd's Premiums Trust Deed (long term business) in Lloyd's standard form PTD L 99 dated the 31st December 1998 and made between the Defendant (1) and the Claimant (2)

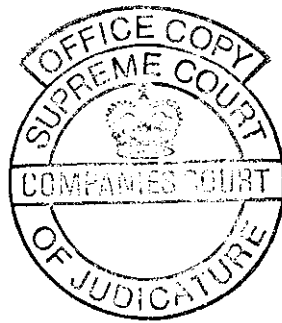
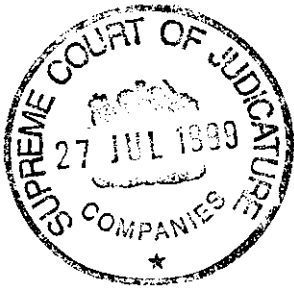
together with the prescribed Particulars thereof is hereby extended to the 16th August 1999

AND IT IS ORDERED THAT the Claimant do deliver an Office Copy of this Order to the Registrar of Companies

AND THIS ORDER is without prejudice to the rights of any person acquired during

the period between the date of the creation of the said Lloyd's Premiums Trust Deeds
and the date of their actual registration

Dated: 26th July 1999



To : Lloyd's Legal Services Department
One Lime Street
London EC3M 7HA

Ref: AIS

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CERTIFICATE OF THE REGISTRATION OF A MORTGAGE OR CHARGE

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

COMPANY No. 03265777

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES HEREBY CERTIFIES THAT A CHARGE (IN THE TERMS OF THE LLOYD'S AMERICAN TRUST DEED FOR LONG-TERM BUSINESS DATED 9 DECEMBER 1993 (THE "AMERICAN TRUST DEED") AMENDING AND RESTATING THE INSTRUMENT DATED 9 JANUARY 1991) DATED THE 31st DECEMBER 1998 AND CREATED BY COTESWORTH CAPITAL LIMITED FOR SECURING ALL LOSSES CLAIMS RETURNS OF PREMIUMS RE-INSURANCE PREMIUMS AND OTHER OUTGOINGS INCURRED OR ARISING OR WHICH MAY AT ANY TIME BE INCURRED OR ARISE IN CONNECTION WITH THE AMERICAN LONG-TERM BUSINESS THE EXPENSES INCURRED OR WHICH MAY AT ANY TIME BE INCURRED IN CONNECTION WITH THE AMERICAN LONG-TERM BUSINESS WHICH EXPENSES SHALL BE DEEMED TO INCLUDE (i) REMUNERATION AND PROPER EXPENSES OF THE AMERICAN TRUSTEE (INCLUDING ANY FORMER AMERICAN TRUSTEE) (ii) ANY SALARY COMMISSION OR OTHER REMUNERATION PAYABLE TO THE AGENT OR ANY OTHER PERSON, OR ANY PROPER EXPENSES OF THE AGENT OR ANY OTHER PERSON IN CONNECTION WITH THE CONDUCT OR WINDING UP OF THE AMERICAN LONG-TERM BUSINESS (iii) A PROPER PROPORTION AS CERTIFIED OR REPORTED BY AUDITORS APPROVED BY THE COUNCIL OF ANY SALARY COMMISSION OR OTHER REMUNERATION PAYABLE TO THE AGENT OR ANY PROPER EXPENSES OF THE AGENT IN CONNECTION WITH THE CONDUCT OR WINDING UP OF ANY UNDERWRITING BUSINESS OF THE COMPANY WHETHER THE AMERICAN LONG-TERM BUSINESS OR NOT AND ANY EXPENSES WHATSOEVER FROM TIME TO TIME INCURRED IN CONNECTION WITH ANY UNDERWRITING BUSINESS OF THE COMPANY WHETHER THE AMERICAN LONG-TERM BUSINESS OR NOT TRANSFERS TO THE PREMIUM TRUST FUND IF REQUESTED BY THE AGENT AND (WHERE REQUIRED BY THE AMERICAN TRUST DEED) APPROVED BY THE COUNCIL PURSUANT TO THE TERMS OF THE AMERICAN TRUST DEED AND ALL LIABILITIES IN RESPECT OF THE AMERICAN LONG-TERM BUSINESS AT ANY TIME WAS REGISTERED PURSUANT TO CHAPTER 1 PART XII OF THE COMPANIES ACT 1985 ON THE 13th AUGUST 1999.

GIVEN AT COMPANIES HOUSE, CARDIFF THE 19th AUGUST 1999.

P.
JK.



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES



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