

**THE SOCIETY INCORPORATED BY LLOYD'S ACT 1871 BY THE NAME
OF
LLOYD'S**

**LLOYD'S AMERICAN INSTRUMENT 1995
(GENERAL BUSINESS OF INDIVIDUAL MEMBERS)**

**AND
LLOYD'S AMERICAN INSTRUMENT 1995
(GENERAL BUSINESS OF
CORPORATE MEMBERS)**

THIS SPECIAL TRUST DIRECTION AND OVERSEAS DIRECTION (hereinafter called the "**1995 American Instrument** ") constitutes by amendment the current form of each of the two Lloyd's American Instruments 1995 for General Business (one in respect of individual members of Lloyd's and the other in respect of corporate members) which were each originally made on 31st July 1995 **BY THE COUNCIL OF LLOYD'S** and which were subsequently amended by the Council (in exercise of the powers of amendment respectively applicable thereto) on 28th December 2001 into a common form (which has subsequently been amended on 1st August 2001 on 13th February 2002, 27th September 2007 and 23 March 2009)

AND IS SUPPLEMENTAL as regards each individual underwriting member of Lloyd's (so far as concerns the first above-mentioned Lloyd's American Instrument 1995 in respect of individual members) and as regards each corporate member of Lloyd's whether a body corporate or a Scottish limited partnership or otherwise (so far as concerns the second above-mentioned Lloyd's American Instrument 1995 in respect of corporate members) who (in either case) has conducted or will hereafter conduct general business for the 1993 or any subsequent year or years of account (hereinafter called "**the Member**") to:

- (1) the Member's Lloyd's Premiums Trust Deed for general business applicable for the year or years of account in question or any of such years and where the Member has more than one of such Premiums Trust Deeds each of the same (such Trust Deed as for the time being modified or if more than one the relevant one being hereinafter called "**the Member's PTD**") and
- (2) the Member's existing Lloyd's American Trust Deed mentioned in Recital (A) hereof (if any)

WHEREAS:-

- (A) Each of the underwriting members of Lloyd's who has conducted general business for the 1995 or any previous year or years of account (or has reinsured such business to close) has or previously has had in force a Lloyd's American Trust Deed as amended from time to time (hereinafter called "**Lloyd's American Trust Deed**") in respect of that part of that underwriting member's general business which complies with the following two conditions

(hereinafter called “*the American Conditions*”) namely that-

- (i) the liability of that underwriting member of Lloyd’s in respect thereof is expressed in US dollars and
- (ii) the premium payable to or for the account of that member has been paid or is payable in US dollars

but the scope of such Lloyd’s American Trust Deed is now confined as is hereinafter next recited

(B) The operation of Lloyd’s American Trust Deed is was by amendment thereto made on 31st July 1995 now confined solely to that part of the relevant underwriting member’s general business complying with the American Conditions that does not include any business which comprises any contract or policy of insurance or reinsurance underwritten or incepting on or after 1st August 1995 other than (and except only for) -

- (1) contracts or policies underwritten under a binding authority incepting prior to that date
- (2) contracts or policies of insurance written pursuant to Lloyd’s licence in Kentucky prior to 1st January 1996 and
- (3) any contract of Reinsurance to Close for any Year of Account underwritten by such underwriting member to the extent only that:
 - (i) the premium payable to or for the account of such member has been paid or is payable in US dollars or the liability of such member in respect of such contract is expressed in US dollars and
 - (ii) such member is liable under such contract in respect of contracts or policies of insurance or reinsurance underwritten by underwriting members of Lloyd’s which (1) incepted prior to 1st August 1995 or (2) were underwritten under a binding authority incepting prior to that date or (3) were underwritten pursuant to Lloyd’s licence in Kentucky prior to 1st January 1996

(C) The operation of Lloyd’s American Trust Deed is pursuant to a resolution of the Council of Lloyd’s made on 23 March 2009 to be confined with effect from 31st March 2009 to that part of the Member’s general business complying with the American Conditions and comprising “1992 and Prior Business” as defined in Schedule 1 hereto directly underwritten by the Member or directly or indirectly reinsured to close by the Member

(D) Lloyd’s American Trust Deed has effect and is governed in all respects by the laws of the State of New York (the present Trustee thereof being Citibank NA)

and is a Special Trust Direction (and an Overseas Direction) for the purposes of each relevant Lloyd's Premiums Trust Deed for general business

- (E) Save as next recited the purpose of this 1995 American Instrument is to deal with all those parts of the Member's general business complying with the American Conditions which are now excluded from Lloyd's American Trust Deed
- (F) As an exception to what is said in Recital (E) above this 1995 American Instrument does not however deal with any part of the Member's general business complying with the American Conditions so excluded from Lloyd's American Trust Deed where the same falls within the definition in Schedule 1 hereto of "Excluded Business"
- (G) Such exception arises because by resolution of the Council on 22nd December 2000 it was decided -
 - (1) with the exception only of Canadian Situs New American Business to return (with effect from the respective Commencement Dates of the new Special Trust Directions next mentioned) such "Excluded Business" to the Member's PTD (discharged from the trusts both of Lloyd's American Trust Deed and of the 1995 American Instrument) so that upon such return separate new Special Trust Directions could be made in respect of the various parts thereof (such new Special Trust Directions being respectively those intended to be entitled the Lloyd's Asia (Offshore Policies) Instrument 2002 and the Lloyd's Asia (Singapore Policies) Instrument 2002) and
 - (2) with effect from 1st January 2001 (being the Specified Date as hereinafter defined) to let all Canadian Situs New American Business be dealt with exclusively by the Lloyd's Canadian Trust Deed (and not by this 1995 American Instrument)
- (H) A draft of this Deed in its latest amended form has been supplied to the Financial Services Authority which has stated in writing that it does not object to the making of such amendments (or to the trusts powers and provisions herein contained) or to the exercise by the Council of its powers to bring such form into effect
- (I) It is intended that this Deed shall be read and construed and take effect in all respects in accordance with English Law
- (J) It is expressly provided in the Member's PTD that this Lloyd's American Instrument 1995 as from time to time modified is to have effect in regard to the Member's PTD as a Special Trust Direction and that it is also an Overseas Direction

NOW THIS DEED WITNESSETH as follows:-

Interpretation

1. The provisions of Schedule 1 shall have effect for the purpose of construing this Deed (including its Recitals)

Direction by the Council

2. (a) It is hereby recorded that on 31st July 1995 **THE COUNCIL OF LLOYD'S** in exercise of the powers in that behalf respectively conferred on it by each underwriting member's Premiums Trust Deed for general business then in existence and of all other powers it enabling (and with the approval of the Secretary of State) **DIRECTED AND DECLARED** (by one of the two Lloyd's American Instruments 1995 above mentioned) in respect of each individual underwriting member of Lloyd's and each Premiums Trust Deed for general business of such a member and also (by the other one of such Instruments) in respect of each corporate underwriting member of Lloyd's and each Premiums Trust Deed for general business of such a member that (subject to the Council's powers of revocation or amendment now contained in clause 5(a) of this 1995 American Instrument on and after 31st July 1995 (or as regards any such Premiums Trust Deed which might be executed after such date on and after the later date of execution of that Premiums Trust Deed) the Member's Dollar Trust Fund in respect of the underwriting member in question and the income thereof should thenceforth be held (as a separate and distinct Fund) upon and with and subject to the trusts powers and provisions in this Deed declared and contained in respect of the same (and accordingly should not form part of the PTD Trust Fund held on the trusts of the Member's PTD)
- (b) It is hereby also recorded that each of such two separate Lloyd's American Instruments 1995 has subsequently been amended by the Council into the same common form (and thereafter amended into the form herein set out) by means of the appropriate exercise by the Council of the powers of amendment respectively conferred on it by such Instruments and by each applicable underwriting member's Premiums Trust Deed for general business (as then for the time being modified) and of all other powers it enabling
- (c) It is hereby further recorded that this 1995 American Instrument is a Special Trust Direction (and also an Overseas Direction) for the purposes of the Member's PTD (and that the Member's Dollar Trust Fund is a Special Trust Fund for such purposes) it being expressly provided in clause 5(g) of the Member's PTD that this Deed (as for the time being modified) shall from 31st March 2009 have effect in accordance with its terms in regard to the Underwriting and the Member's PTD

The Member's Dollar Trust Fund (and the common dollar trust fund in respect of the Member where there is more than one Member's PTD)

3. (a) The Member's Dollar Trust Fund shall consist of the assets specified as comprised therein in Schedule 2
- (b) Provided always that in any case where the Member has more than one Premiums Trust Deed for general business (duly approved as aforesaid) applicable for any of the years of account subsequent to the 1992 year of account (so that each of such Premiums Trust Deeds separately constitutes "the Member's PTD" for the purposes of this 1995 American Instrument) the Member's Dollar Trust Fund in respect of each of such Premiums Trust Deeds of the Member shall on and after the Specified Date be treated together with the respective Member's Dollar Trust Funds in respect of each of the others of the same as being one common blended or mixed dollar trust fund in respect of the Member (without there being any requirement to identify or keep separate records in respect of the respective constituent parts of such common dollar trust fund which lie within the control of any single Managing Agent) and in any such case -
 - (i) all references in this Deed (however expressed) to the Member's Dollar Trust Fund or to trust assets shall (where the context permits) be read as referring to that common dollar trust fund in respect of the Member or (as the case may be) to the assets of that common dollar trust fund and
 - (ii) clauses 4(c) and 7(b) and 17(c) shall have effect in accordance with their terms

Declaration of Trust and Application of the Member's Dollar Trust Fund

4. The Member's Dollar Trust Fund and its income shall be held (by whomsoever including the Member and in whatever names the trust assets are respectively now held or stand or shall hereafter at any time be held or stand) upon the following trusts subject as provided in this Deed namely -
 - (a) in trust during the Trust Period for the payment or discharge as provided in clause 13 of the respective outgoings (hereinafter collectively referred to as "*Permitted Dollar Trust Outgoings*") specified in paragraph 1 of Schedule 3
 - (b) provided always that nothing in clause 4(a) or elsewhere in this Deed shall remove the ability (if any) to pay or discharge (or shall in any way defer or otherwise affect the priority of the payment or discharge of) any Permitted Dollar Trust Outgoings out of the PTD Trust Fund under clause 3 of the Member's PTD (as being Permitted Trust Outgoings capable of being paid or discharged out of that Premiums Trust Deed) To the intent and so that this Proviso shall confirm that the Special Trust Fund hereby created (being the Member's Dollar Trust Fund) is not a Restricting Special Trust Fund for the purposes of the Member's PTD

- (c) and provided further (for the avoidance of doubt) that in any case where clause 3(b) applies the Permitted Dollar Trust Outgoings (being defined by this 1995 American Instrument in precisely the same way in respect of each of the Premiums Trust Deeds of the Member therein referred to) may be paid or discharged as provided in clause 13 out of all or any of the constituent parts of the common dollar trust fund in respect of the Member constituted by such clause 3(b) and its income which lie within the control of any single Managing Agent without distinguishing between the part or parts thereof from which the same are being paid or discharged and
- (d) subject to the foregoing trusts (and subject to clause 17(c)) the Member's Dollar Trust Fund and its income shall be held in trust to transfer the same as an addition to the PTD Trust Fund to be held upon and with and subject to the trusts powers and provisions declared and contained in the Member's PTD

Powers of the Council (including power to revoke or amend)

- 5. (a) Notwithstanding the other provisions of this Deed the Council may at any time or times before the expiry of the Perpetuity Period (provided that it has given to the Financial Services Authority full details of the proposed revocation or amendments) revoke or amend all or any of the provisions of this Deed and the directions herein contained (the power conferred by this clause 5(a) being the same power as that previously set out in clause 18 of this 1995 American Instrument)
- (b) Any and every discretion power or authority conferred by this Deed on the Member or any of the Member's Underwriting Agents or any of the Dollar Trustees shall (notwithstanding the terms in which such discretion power or authority is expressed) only be exercised consistently with any requirements of the Council (whether made under clause 4(c) of the Member's PTD or otherwise)
- (c) Requirements of the Council (whether made under clause 4(c) of the Member's PTD or otherwise) may direct precisely how any discretion power or authority referred to in clause 5(b) hereof is to be exercised
- (d) Without prejudice to the foregoing where any provision of this Deed requires or otherwise provides for the authorisation consent or approval of the Council -
 - (i) the Council may in giving any such authorisation consent or approval impose (and make such authorisation consent or approval subject to compliance with) such conditions or requirements (if any) of whatsoever nature as the Council shall in its absolute discretion think fit and

- (ii) the Council may decline to give such authorisation consent or approval or may impose any such conditions or requirements without in either case being obliged to disclose its reasons for doing so

and in no circumstances shall the Council be liable to any person for giving or withholding any such authorisation consent or approval

- (e) In giving or declining to give any authorisation consent or approval under this Deed the Council may if thought fit (and by means of the same instrument) give or decline to give a like authorisation consent or approval under or by reference to any one or more other Special Trust Directions or other trust instruments at Lloyd's (whether relating to the Member or to any of the other members) and any such authorisation consent or approval may (unless there is an express requirement that it should be given or declined in writing or in any other specified form) be given or declined electronically or in writing or in any other communicable form capable of creating a permanent record and without any need to refer to the provision of this Deed under which the same is being given or declined

Appointment and removal of trustees

- 6. (a) In respect of each Managing Agent there shall be trustees of this Deed hereby designated as the Managing Agent's Dollar Trustees and on and after the Specified Date the number of Managing Agent's Dollar Trustees of each Managing Agent shall not be more than three nor less than two (or one if that one is a body corporate whether or not a trust corporation)
- (b) (i) The initial Managing Agent's Dollar Trustees of each Managing Agent shall be the same persons as are at the date when this Deed first has effect in respect of the Member's PTD and the Managing Agent in question the Managing Agent's Trustees for that Managing Agent for the purposes of the Member's PTD and
- (ii) Each Managing Agent shall as far as is practicable (unless the Managing Agent in question sees good reason not to do so) so exercise the powers conferred on the Managing Agent by this clause 6 as to cause the Managing Agent's Dollar Trustees of that Managing Agent to be from time to time the same persons as shall for the time being be the Managing Agent's Trustees of that Managing Agent for the purposes of the Member's PTD
- (c) Subject as aforesaid each Managing Agent shall (except where the Council exercises its discretion under clause 6(d)) have power in writing at any time -

- (i) to appoint (in any case where clause 6(b)(i) has no application) the initial Managing Agent's Dollar Trustees of that Managing Agent and
- (ii) to appoint any new or additional Managing Agent's Dollar Trustees of that Managing Agent and
- (iii) to remove all or any of the Managing Agent's Dollar Trustees of that Managing Agent

but in doing so shall in every such case occurring on or after the Specified Date first obtain the prior written consent of the Council to the appointment or removal concerned

- (d) Where a Managing Agent has become such by virtue of being appointed by the Council as a substitute agent on or after the Specified Date and after the date when this Deed first has effect in respect of the Member's PTD the original Managing Agent's Dollar Trustees of that Managing Agent may be appointed in writing by the Council forthwith upon appointment of the substitute agent
- (e) In any case where immediately prior to the Specified Date the number of the Managing Agent's Dollar Trustees of any Managing Agent exceeded three such Managing Agent shall on or after that date forthwith exercise the powers conferred on it by clause 6(c) so as to ensure that clause 6(a) is complied with
- (f) (A) If the Council permits and subject to any requirements of the Council any Managing Agent's Dollar Trustee which is a body corporate shall be entitled to be paid such remuneration for acting as Managing Agent's Dollar Trustee as the Relevant Managing Agent may determine and agree with the Dollar Trustee in question and the Relevant Managing Agent may arrange for payment of such remuneration out of the Member's Dollar Trust Fund or its income

(B) A Managing Agent's Dollar Trustee who is an individual shall not be entitled to be paid any remuneration for acting as a Managing Agent's Dollar Trustee
- (g) On any change in the Managing Agent's Dollar Trustees of any Managing Agent all trust assets vested (either solely or jointly with others) in or under the control of any of the Managing Agent's Dollar Trustees ceasing on the change to act as such a trustee shall forthwith be paid or transferred to or otherwise vested in or under control of a permitted number of the new or continuing Managing Agent's Dollar Trustees of such Managing Agent
- (h) A Managing Agent shall forthwith notify Lloyd's of the death of any of the Managing Agent's Dollar Trustees of that Managing Agent or of the occurrence in relation to any of them of a notifiable event

- (i) Lloyd's may be a Managing Agent's Dollar Trustee (whether or not it is at the same time the Regulating Trustee under the Member's PTD) but (except to the extent that any trust assets are held for the time being by any other person including the Member) there shall be no trustee of this Deed who is not a Managing Agent's Dollar Trustee nor shall any Members' Agent or Managing Agent be appointed or act as a trustee hereof

Vesting of trust assets (and provision where clause 3(b) applies for a common dollar sub-fund for the Member in respect of a Managing Agent)

- 7. (a) All assets whatsoever being or becoming trust assets in connection directly or indirectly with so much of any New American Business as is or has been conducted or is being wound up by any Managing Agent and received by the Member or received on behalf of the Member by that Managing Agent or a or the Members' Agent or any other person shall (subject as otherwise provided in this clause and clauses 8 and 10) forthwith after receipt (if not already vested as hereinafter provided) be paid or transferred to or otherwise vested in or under the control of a permitted number of the Managing Agent's Dollar Trustees of that Managing Agent as part of the Managing Agent's Dollar Sub-Fund of that Managing Agent
- (b) Provided always that in any case where clause 3(b) applies (so as to constitute on and after the Specified Date one common dollar trust fund in respect of the Member) and the Managing Agent in question is a Managing Agent of the Member as regards more than one of the Premiums Trust Deeds of the Member referred to in that clause (so that there is a Managing Agent's Dollar Sub-Fund of that Managing Agent under two or more of those Premiums Trust Deeds) -
 - (i) the Managing Agent's Dollar Sub-Fund of that Managing Agent in respect of each of the applicable Premiums Trust Deeds of the Member in question shall on and after the Specified Date be treated together with the respective Managing Agent's Dollar Sub-Funds of that Managing Agent in respect of each of the others of the same as being one common blended or mixed dollar sub-fund for the Member in respect of that Managing Agent (without there being any requirement to identify or to keep separate records in respect of the respective constituent parts of such common dollar sub-fund) and
 - (ii) it shall be a sufficient compliance with the requirements of clause 7(a) for the trust assets there referred to be paid or transferred to or otherwise vested in or under the control of a permitted number of the Managing Agent's Dollar Trustees of the Managing Agent in question as

part of such common dollar sub-fund for the Member in respect of that Managing Agent and

- (iii) all references in this Deed (however expressed) to the Managing Agent's Dollar Sub-Fund of that Managing Agent shall (where the context permits) be read as referring to that common dollar sub-fund
- (c) Nothing in clause 7(a) shall require the vesting for any purpose in or under the control of any Managing Agent's Dollar Trustees of any New American Business Receivables or New American Business Rights of Recovery which are for the time being comprised in the Member's Dollar Trust Fund

Central Accounting System and payments through Lloyd's brokers or other intermediaries

- 8. (a) The provisions contained in this clause shall have effect subject to clause 5 but otherwise notwithstanding the other provisions of this Deed
- (b) Any trust assets (whether or not then yet vested in or under the control of any of the Dollar Trustees) may be dealt with in any manner required or authorised by the Central Accounting system of Lloyd's and
- (c) Any trust assets -
 - (i) which are required by clauses 7(a) or 7(b) or clause 10(a) or any other provision of this Deed to be paid transferred or vested in or under the control of (or to be transferred back to or under the control of) any Managing Agent's Dollar Trustees of any Managing Agent or
 - (ii) which fall to be paid or transferred out of the Managing Agent's Dollar Sub-Fund of any Managing Agent or its income in consequence of any such direction as is mentioned in clause 10(a)(ii) or clause 13 or by virtue of any other provision of this Deedmay (in any such case) if thought fit be so paid or transferred or vested through a Lloyd's broker or other intermediary (being in any case where a particular Lloyd's broker or other intermediary has been expressly or impliedly specified by the Relevant Managing Agent the particular Lloyd's broker or other intermediary in question)
- (d) Any trust assets which fall to be paid or transferred or vested through a Lloyd's broker or other intermediary in accordance with clause 8(c) (including without limitation any trust assets which are already held by that Lloyd's broker or other intermediary when they first fall to be so

paid transferred or vested) may (subject to any contrary direction made by the Council or the Relevant Managing Agent) be dealt with in accordance with the normal business terms and practices of the Lloyd's broker or other intermediary in question for the transmission of monies or other assets including without limitation (where consistent with such terms and practices) -

- (i) the holding and mixing of the same (or assets representing the same) together with other assets (not being trust assets) in an insurance broking or other account belonging to such Lloyd's broker or other intermediary and the making out of such account of any payments that are compatible with such normal business terms and practices (including where applicable the payment or retention thereof for its own use and benefit of any interest earned on or capital appreciation made by that account and any commission fees charges or other sums that are due to be paid to it personally) and
- (ii) the periodic netting off on a global basis of assets due to be transmitted against assets due to be received and
- (iii) the making on a periodic basis of any net payment or transfer due (whether through the Central Accounting system of Lloyd's or otherwise howsoever)

9. *[Deliberately left blank]*

Coverholders etc

10. (a) Subject to clauses 5 and 8 and to any condition imposed by clause 10(b) but notwithstanding the other provisions of this Deed a Managing Agent may at any time or times during the Trust Period authorise any other person (during such period or successive periods and on such terms and subject to such other conditions and with such remuneration as may be specified by the Managing Agent giving the authority) to retain apply or use any assets which then are or may later become trust assets and which then -
- (i) are already held or may later be received by or to the account of that other person on behalf of the Member or
 - (ii) have already been or may later be transferred to or to the account of that other person by any of the Managing Agent's Dollar Trustees of that Managing Agent (acting at the direction of such Managing Agent)

in or towards the payment or discharge of any Permitted Dollar Trust Outgoings then or thereafter capable of being paid or discharged out of the Member's Dollar Trust Fund under clause 4(a) and accordingly

(subject to clause 8) to pay transfer or vest under clauses 7(a) or 7(b) or (as the case may be) to transfer back to such transferring Dollar Trustees only the balance (if any) thereafter or from time to time remaining of the assets in question

- (b) Unless the Council otherwise agrees in writing it shall be a mandatory condition of any authority given under clause 10(a) that the person who is given such authority shall at all times keep the assets to which such authority applies (subject to any application use or transfer made in accordance with that authority) in such a way that they are segregated from that person's own assets and from other assets held by him or to his account and (so far as permitted by applicable laws or regulations) will not become available for his creditors in the event of his insolvency provided that -
 - (i) the trust assets in question may be held in the same account as assets that are comprised in any Special Trust Funds or Lloyd's Deposits or any other trust funds whatsoever at Lloyd's of the Member or any special trust funds Lloyd's Deposits or any other trust funds whatsoever at Lloyd's of any of the other members and
 - (ii) such person may retain for his own use and benefit any interest or capital appreciation earned on or attributable to the trust assets to which such authority applies while such assets are held by him in such manner as aforesaid to the extent (but only to the extent) that he is expressly authorised to retain such interest or capital appreciation by the Managing Agent in question or by the Council (and otherwise all such interest and capital appreciation shall itself constitute trust assets and shall be kept segregated as mentioned above)
- (c) The provisions of clauses 19(d) to (e) relating to responsibility for delegates and sub-delegates shall also apply as regards responsibility for any person given any such authority as is provided for in clause 10(a) as if such person were a delegate of the Managing Agent giving such authority

11. *[Deliberately left blank]*

New American Business Rights of Recovery or New American Business Receivables

- 12. (a) For the avoidance of doubt any Managing Agent may on behalf of the Member collect all premiums monies and other assets settle or compromise claims rights or entitlements take legal or other proceedings assign rights or entitlements (whether by way of security or outright for valuable consideration) and exercise any other discretion power or authority conferred by the Managing Agent's appointment notwithstanding that such discretion

power or authority may be exercisable in relation to New American Business Rights of Recovery or (as the case may be) New American Business Receivables which are comprised in the Member's Dollar Trust Fund and in exercising any such discretion power or authority in relation to New American Business Rights of Recovery or New American Business Receivables (as the case may be) so comprised the Managing Agent shall (subject always to clause 12(b)) be entitled to have regard solely to the provisions of that appointment Provided always that in any such case any proceeds attributable to the Member of any such collection settlement compromise proceedings assignment or exercise of such other discretion power or authority shall be held as trust assets and shall be duly vested and applied only in accordance with the trusts powers and provisions of this Deed

- (b) Any Managing Agent shall in exercising any of the discretions powers authorities or rights referred to in clause 12(a) at all times act bona fide and for the benefit of the trust constituted by this Deed
- (c) Without prejudice to the foregoing it is hereby directed that all monies or other assets received by the Member or any other person under or in respect of any New American Business Rights of Recovery or any New American Business Receivables comprised in the Member's Dollar Trust Fund shall be held as trust assets and shall be duly vested in accordance with clauses 7 8 and 10

Manner and order of application out of each Managing Agent's Dollar Sub-Fund

- 13. As regards the Managing Agent's Dollar Sub-Fund of a Managing Agent and its income (or assets which on receipt by or on behalf of the Member would be required to be added to that Sub-Fund) the payment or discharge thereof of different Permitted Dollar Trust Outgoings under clause 4(a) (as affected where applicable by clause 4(c)) -
 - (i) shall (subject as provided in clauses 8 and 10) be made (as between each other) in such order and manner and at such respective times (or on the occurrence of such respective events) during the Trust Period and to such extent respectively and out of such assets respectively as is or are from time to time directed by the Managing Agent in question and
 - (ii) shall be confined to Permitted Dollar Trust Outgoings then or thereafter becoming payable or incurred or otherwise liable to be discharged in connection with that part of the Member's New American General Business which is or has been conducted or is being wound up by that Managing Agent

Transfers

14. (a) During the Trust Period if and whenever the Relevant Managing Agent or the Council so directs the Managing Agent's Dollar Trustees of any Managing Agent (or such of them as are affected by the direction in question) shall to the extent specified in the direction (whether specified as an amount or value or by identifying specific assets or otherwise) pay or transfer trust assets to or otherwise vest in them in or under the control of -
- (i) a permitted number of the Managing Agent's Dollar Trustees of another Managing Agent so as to be held thereafter as part of the Managing Agent's Dollar Sub-Fund of that other Managing Agent or (as the case may be)
 - (ii) such trustees or trustee of any other Special Trust Fund or of the PTD Trust Fund or of any other trust fund whatsoever at Lloyd's of the Member as may be specified in the direction so as to be held thereafter as part of such other Special Trust Fund or (as the case may be) the PTD Trust Fund or that other trust fund or (in any such case) any part thereof or sub-fund thereunder as may be specified in the direction
- (b) No person making or directing any transfer of assets under this clause 14 shall have any obligation to see to the future application of any assets so transferred
15. *[Deliberately left blank]*

Application of income of the Member's Dollar Trust Fund

16. All interest dividends and other income from time to time earned in respect of trust assets shall be added to and held as capital of the Member's Dollar Trust Fund in accordance with paragraph 1(ii) of Schedule 2 and shall be held as part of the Managing Agent's Dollar Sub-Fund from which such income arose except that in any case where the Member is an individual any such interest dividends and other income accruing after the death of the Member (so far as not used during the Trust Period in the calendar year in which the same are received in paying or discharging Permitted Dollar Trust Outgoings or other amounts becoming payable or reimbursable under this Deed or otherwise liable to be discharged in that calendar year or in any earlier year or period) shall be held in trust for the Member absolutely

Termination of the Trust

17. (a) Notwithstanding anything herein contained no assets shall in any circumstances be added to or otherwise become comprised in the Member's Dollar Trust Fund after the expiry of the Trust Period
- (b) Subject to clause 17(c) -

- (i) on the expiry of the Trust Period the whole of the Member's Dollar Trust Fund then remaining undistributed and the future income thereof shall thenceforth be held in trust to transfer the same as an addition to the PTD Trust Fund to be held upon and with and subject to the trusts powers and provisions declared and contained in the Member's PTD freed and discharged from all the other trusts powers and provisions of this Deed and
 - (ii) in making the transfer directed by clause 17(b)(i) trust assets comprised in the Managing Agent's Dollar Sub-Fund of any Managing Agent shall (save only to the extent if any that the Regulating Trustee under the Member's PTD may during the Trust Period have otherwise directed) be made part of the Managing Agent's Sub-Fund under the Member's PTD of the same Managing Agent (or in any case where that is in the circumstances not practicable shall instead be made part of the Personal Reserve Sub-Fund thereunder)
- (c) Provided always that where clauses 3(b) and 7(b) have effect so that there exists -
- (i) a common dollar trust fund in respect of the Member in accordance with clause 3(b) and
 - (ii) in any case where a Managing Agent is a Managing Agent as regards more than one of the Premiums Trust Deeds of the Member referred to in that clause 3(b) a common dollar sub-fund for the Member in respect of that Managing Agent under clause 7(b)

the provisions contained in clauses 4(d) and 17(b) for the transfer of the Member's Dollar Trust Fund as an addition to the PTD Trust Fund shall be read -

- (i) as extending to the whole of such common dollar trust fund in respect of the Member and
- (ii) as requiring a transfer (save only to the extent if any as the Council may during the Trust Period have already directed) of assets held in the Managing Agent's Dollar Sub-Fund of any Managing Agent (including where applicable any such common dollar sub-fund for the Member in respect of that Managing Agent) to the Managing Agent's Sub-Fund or Sub-Funds of the same Managing Agent under such one or more of the Premiums Trust Deeds of the Member referred to in clause 3(b) that has such a Managing Agent's Sub-Fund and if more than one to the same in such proportions as the Managing Agent shall during the Trust Period in its absolute discretion determine

Nominees and custodians

18. (a) The Relevant Managing Agent may at any time or times -
- (i) appoint any authorised person (including such Agent itself where it is an authorised person) to act as a nominee of or as a custodian for a permitted number of the Managing Agent's Dollar Trustees of the Relevant Managing Agent for the purposes of acquiring holding realising or dealing in any other manner whatsoever with any assets that are or will be comprised in the Member's Dollar Trust Fund
 - (ii) arrange for (and enter into agreements in respect of) the participation of a permitted number of the Managing Agent's Dollar Trustees of the Relevant Managing Agent or any such nominee or custodian in any dematerialised system
 - (iii) for the purposes of any such appointment or arrangement authorise the holding of trust assets in a fungible form
 - (iv) in making such appointment or arrangement agree to such terms as it in its absolute discretion thinks fit (including the giving of any requisite warranties indemnities or undertakings)
 - (v) for the purposes of any such appointment or arrangement involving a nominee or custodian permit the nominee or custodian to act through any sub-appointee and authorise any further such sub-appointments whether limited in degree or extending indefinitely to any number of degrees and so that any participation in any dematerialised system may be through any such sub-appointee and references in clause 18(a)(vi) to a nominee or custodian and in clauses 18(b) and (d) to a sub-appointee shall be taken to include references to any such person
 - (vi) arrange for (and enter into agreements in respect of) the payment out of the Member's Dollar Trust Fund or its income of all normal charges and other costs involved in any such appointment or participation including the payment of the remuneration and expenses of any such nominee or custodian and the giving of any requisite security interest lien or right of retention and
 - (vii) terminate or modify any such appointment arrangement authority permission or agreement
- (b) Any custodian or a nominee appointed directly by a Managing Agent must be an authorised person but it shall not be necessary for any sub-appointee of any custodian or nominee to be an authorised person

- (c) Where any person holds or will or may hold assets as a nominee of or custodian for any one or more of the Managing Agent's Dollar Trustees of any Managing Agent a permitted number of the Managing Agent's Dollar Trustees of that Managing Agent or the Managing Agent itself may in regard to those assets or assets representing or derived from them give directions to such person without obtaining the concurrence of or consulting any or any other Dollar Trustees and such person shall be entitled to act upon any directions purporting to be so given
- (d) The provisions of clauses 19(d) and (e) relating to responsibility for delegates and sub-delegates shall also apply as regards responsibility for nominees and their sub-appointees and custodians and their sub-appointees (as if directly appointed nominees and custodians were delegates and sub-appointees were sub-delegates)

Delegation

- 19. (a) Such one or more of the Dollar Trustees as at any time has or have any trust assets vested in itself or themselves or under its or their control may itself or themselves apply that part in executing the trusts and provisions of this Deed relating thereto (or give any receipt in respect thereof)
- (b) Such one or more of the Managing Agent's Dollar Trustees of any Managing Agent as at any time has or have any trust assets vested in itself or themselves or under its or their control may in its or their absolute discretion pay or transfer or cause to be paid or transferred any trust assets falling to be so applied to the Relevant Managing Agent or (at its direction) to any delegate of it (in any case whether or not an authorised person and other than the Member himself) to be so applied by that person
- (c) Any Managing Agent may from time to time (subject to any terms or conditions that it may think fit) delegate to any person whatsoever (whether or not an authorised person but not the Member himself) all or any of its powers authorities and discretions whatsoever whether conferred by this Deed or under the general law (so far as such powers authorities and discretions are not already vested in some other person by any provision of this Deed) or delegated to the Managing Agent by its Managing Agent's Dollar Trustees under clause 19(b) and any delegation under this clause 19(c) shall (unless that delegation otherwise states) confer on any such delegate power to sub-delegate to any person other than the Member himself all or any of the powers authorities and discretions so delegated and (unless that delegation otherwise states) authorise any further such sub-delegation other than to the Member to any number of degrees
- (d) Lloyd's (whether or not for the time being a trustee of this Deed) shall be responsible for the acts or omissions of any subsidiary of Lloyd's to

which any of the Dollar Trustees or any Managing Agent has delegated or sub-delegated at the express request of Lloyd's

- (e) Save in any such case as is mentioned in clause 19(d) any person who makes a delegation shall be liable for the acts or defaults of any persons to whom he may have delegated and for the acts or defaults of any sub-delegates of such persons as if they were the acts or defaults of the person making such delegation
- (f) Any delegation made under this clause 19 shall be on such terms and subject to such conditions and with such remuneration (and provision for the remuneration of sub-delegates) if any payable out of the Member's Dollar Trust Fund or its income as the person making such delegation may determine and agree with the person to whom the delegation is to be made and the person making such delegation may at any time revoke or vary any such determination
- (g) For the avoidance of doubt it is hereby declared that none of the powers conferred by Part IV of the Trustee Act 2000 shall apply to the trusts of this Deed (all such statutory powers being hereby excluded for all purposes whatsoever)

Bank accounts and blending

- 20. (a) Trust assets may be held in any number of bank accounts denominated in any currency whatsoever and whether situated in the United Kingdom or in any other part of the world
- (b) Without prejudice to clauses 3(b) and 7(b) any trust assets may be placed in the same bank account or pool of assets (in either case denominated in any currency whatsoever and whether situated in the United Kingdom or in any other part of the world) as or may otherwise be blended with -
 - (i) any other trust assets (even if belonging to a different Managing Agent's Dollar Sub-Fund) or
 - (ii) any assets that are comprised in any Special Trust Funds or Lloyd's Deposits or any other trust funds whatever at Lloyd's of the Member or any of the other members (and whether relating to general business or to long term business) including without limitation any assets that are comprised in any of the member's dollar trust funds under either of the two Lloyd's American Instruments 1995 for General Business referred to in the commencement to this Deed of the Member or of any of the other members (in the application of the terms hereof to any other Premiums Trust Deeds for general business of the Member (other than the Member's PTD) or to any of the

Premiums Trust Deeds for general business of any of the other members) and

- (iii) any assets which consist of or represent income held in trust for the Member absolutely under the exception to clause 16 (or distributed in execution of that trust) or which consist of or represent income held in trust for the Member or any of the other members absolutely (or distributed in execution of that trust) under the like provision under this Deed in such application of the terms hereof as is mentioned in clause 20(b)(ii)

and may accordingly be held and may be deposited lent or invested or reinvested together with the same without any need for segregation

- (c) There shall be full power to sever and apportion any blended funds or assets and their income in any manner that complies with the practices adopted at Lloyd's or is otherwise fair and reasonable (without being responsible for any loss occasioned thereby)
- (d) Any trust assets held by any of the Dollar Trustees or by any custodian or nominee or sub-appointee as is referred to in clause 18 in a bank account in the name of an authorised person or in any dematerialised system may be blended with any other assets held by such Dollar Trustees or by that custodian or nominee or sub-appointee or authorised person or in that system without any need for segregation
- (e) Subject to clauses 8 and 10(a) all trust monies shall at all times stand to the credit of an account with an approved bank
- (f) Subject to clauses 8 and 10(a) any person or persons in whose name any bank account containing trust monies is held must be a Dollar Trustee or an authorised person
- (g) Where any bank account is held in the name of one or more of the Managing Agent's Dollar Trustees of any Managing Agent a permitted number of the Managing Agent's Dollar Trustees of that Managing Agent or the Managing Agent itself may in regard to that account give directions to the approved bank concerned without obtaining the concurrence of or consulting any or any other Dollar Trustees and such bank shall be entitled to act upon any directions purporting to be so given

Investment and laying out of the Member's Dollar Trust Fund

- 21. (a) Subject to the requirements of the Council any part of the Member's Dollar Trust Fund may as the Relevant Managing Agent may think fit be -

- (i) deposited with or lent to any person in any part of the world (other than the Member or any of the Member's Underwriting Agents) or
- (2) invested or otherwise laid out in the acquisition of any Applicable Investments or any currency or any other choses in action or other assets of any nature whatsoever (other than Excepted Investments) that could be acquired by an absolute beneficial owner wherever the same are situate (in any part of the world) and although not within any range authorised by law in the absence of an express power including (without limitation) any shares or other securities or choses in action in any part of the world which are recorded held or transferred by any dematerialised system

but (for the avoidance of doubt) neither the general power of investment conferred by Part II of the Trustee Act 2000 nor the power to acquire freehold and leasehold land conferred by Part III of that Act is to apply to the trusts of this Deed (such statutory power being hereby excluded for all purposes whatsoever)

- (b) In determining the investment or other application of any part of the Member's Dollar Trust Fund account may properly be taken (inter alia) of the likely nature of anticipated future Permitted Dollar Trust Outgoings (including the currencies in which the same will fall due to be paid or discharged and the likely date or dates for payment of the same) and the desirability of the Member's Dollar Trust Fund having available at the appropriate time liquid funds out of which the same may be met
- (c) Without prejudice to the generality of the foregoing (but subject to the requirements of the Council) the keeping of any trust monies in an interest-bearing account shall be regarded as a proper investment of the same
- (d) Any Managing Agent may at any time or times during the Trust Period direct that any assets for the time being held as part of the Managing Agent's Dollar Sub-Fund of that Managing Agent shall be released altogether from the Member's Dollar Trust Fund (discharged from all the trusts powers and provisions of this Deed and of the Member's PTD and of any relevant trust instrument) in any case where the same are forthwith replaced by substitute assets of equivalent value (being assets authorised by this clause 21 or by clauses 22 to 23 or cash)
- (e) For the avoidance of doubt nothing in this Deed shall authorise any part of the Member's Dollar Trust Fund or its income to be used for the purpose of underwriting securities issues

Deposits and loans free of interest or on special terms guarantees and letters of credit

22. (a) Subject to the requirements of the Council the Relevant Managing Agent may for any purpose of or in connection with the Member's General Business cause any part of the Member's Dollar Trust Fund to be deposited with or lent to -
- (1) any of the other members or
 - (2) Lloyd's or any company which is a subsidiary of Lloyd's or in which Lloyd's otherwise has an interest (although Lloyd's may currently be the Regulating Trustee or any other trustee under the Member's PTD or a Dollar Trustee or a trustee of any other relevant trust instrument) or
 - (3) Additional Securities Limited or any other company nominated for the purposes of this power by the Council or
 - (4) all or any of the trustees for the time being of any Special Trust Fund or of any Premiums Trust Deed (whether relating to general business or long term business) of the Member or of any of the other members (including without limitation this Deed in its application to the Member or any of the other members or any other special trust direction under any such Premiums Trust Deed)
- (b) Subject to the requirements of the Council any part of the Member's Dollar Trust Fund may be used at the direction of the Relevant Managing Agent to acquire or provide or give security for (either individually or jointly with any members of any syndicate or syndicates at Lloyd's whether or not the Member is a member of any or all of such syndicates) any letters of credit or guarantees (in favour of any person including without limitation Lloyd's itself) required for or otherwise in any way whatsoever relating to or connected with the Member's General Business and any such security may also be given over any assets liable in the future to become comprised in the Member's Dollar Trust Fund or any part thereof including all or any New American Business Rights of Recovery or New American Business Receivables
- (c) Without prejudice to the generality of the foregoing it is hereby declared that in any case where any part of the Member's Dollar Trust Fund is used at the direction of the Relevant Managing Agent to pay more than the Member's proper share of or contribution to -
- (1) any deposit loan letter of credit or guarantee referred to in clauses 22(a) or 22(b) or

- (2) the funding or provision of any New American Business Regulatory Deposit or
- (3) the payment of any outgoings whatsoever of any syndicate or syndicates of or with which the Member is or was a member or is or was otherwise connected for the purposes of any part of the Member's New American General Business

(any which such direction or action the Relevant Managing Agent is hereby expressly authorised to make or take if it acting in good faith thinks fit) the excess over the Member's proper share thereof or contribution thereto shall be treated for all the purposes of this Deed as a loan validly made under clause 22(a) in favour of those of the other members whose own proper share of or contribution to the same has thereby been discharged or otherwise met

Power to borrow and give security for Member's borrowings

- 23. (a) Subject to the requirements of the Council any deposit may be taken or loan may be raised in order to augment the Member's Dollar Trust Fund or any part thereof or to replace wholly or partly any other indebtedness owing by the Dollar Trustees or any of them or for any of the purposes of this Deed whatsoever and any such deposit or loan may be secured in any manner on the whole or any part of the Member's Dollar Trust Fund
- (b) Any security given for any deposit taken or loan raised under clause 23(a) may be given over assets liable in the future to become comprised in the Member's Dollar Trust Fund (including all or any New American Business Rights of Recovery or New American Business Receivables) and with sole liability on the part of the Managing Agent's Dollar Trustees concerned or joint liability with the Member as to repayment
- (c) Any deposit or loan which may be taken or raised by a Managing Agent on behalf of the Member to enable the Member to pay or discharge any Permitted Dollar Trust Outgoings may be secured in any manner permitted under clauses 23(a) or (b)

Provisions supplementary to clauses 21 to 23

- 24. (a) The Managing Agent's Dollar Trustees of any Managing Agent or any one or more of them shall give effect to any direction given by that Managing Agent under clauses 22(b) or 23(b) to give any security over New American Business Rights of Recovery or New American Business Receivables notwithstanding that the same or the relevant part or parts thereof are not vested in or under the control of the Managing Agent's Dollar Trustees in question or any of the Dollar Trustees

- (b) No person providing a letter of credit or guarantee for and no depositor or lender paying or advancing monies to or to the order of all or any of the Dollar Trustees or for or to the order of any Managing Agent purporting to be acting pursuant to the powers given by clauses 22 or 23 shall be concerned to inquire whether such letter of credit or guarantee or all or any of such monies is wanted or ought to so be so provided or paid or advanced or otherwise as to the use made of any such letter of credit or guarantee or as to the application of any such payment or advance or as to the propriety or regularity of any exercise of such powers
- (c) Any deposit or loan may be made under clause 21(a) or clause 22(a) or taken or raised under clause 23(a) by way of an isolated sum or series of sums or by overdraft or by monies or remittances being made available to the credit of any running account or by monies being left as owing to the lender or by lending shares or other securities by way of stocklending or by any other means whatsoever
- (d) Any deposit or loan may be made under clause 21(a) or clause 22(a) or taken or raised under clause 23(a) either with or without security given by the recipient of the deposit or loan and on any such terms as to interest and charges and premium on repayment (if any) and generally upon such terms as to repayment and otherwise in all respects as the person initiating the making of the deposit or loan may think fit and agree with the recipient of the deposit or loan or where that first person is also acting as agent for the recipient of the deposit or loan as it may determine

Purchase and holding of tangible fixed assets

- 25. If the Council permits (and subject to any requirements of the Council) any Managing Agent may at any time or times during the Trust Period direct that any trust assets held as part of the Managing Agent's Dollar Sub-Fund of that Managing Agent be used to purchase as a trust asset any tangible fixed asset (other than land buildings and other immovable property rights) or any interest therein for the purpose of that part of the Member's General Business which is or has been conducted or is being wound up by that Managing Agent and it need not be satisfied that the tangible fixed asset or interest concerned is a suitable investment for trust assets

Netting agreements

- 26. In effecting any acquisition or sale of or other dealing with trust assets or in directing the same any of the Dollar Trustees or any Managing Agent may enter into or direct the entering into of a netting or other similar agreement with any counterparty or other person involved in the transaction in question and where such transaction involves trust assets that have been or will be blended under the powers conferred by clause 20(b) any such netting or other

agreement may be entered into without distinguishing between such trust assets and any other assets that are or may become held in the relevant blended fund

Termination of the agency of a Managing Agent

27. (a) If a Managing Agent becomes neither an agent nor a sub-agent of the Member for the purpose of conducting or winding up all or any part of the New American Business previously conducted or being wound up by that Managing Agent the whole or (where the Managing Agent is continuing to act in respect of some other part of New American Business) an appropriate part or parts (ascertained in accordance with clause 27(b)) of the Managing Agent's Dollar Sub-Fund of that Managing Agent shall (unless the Council otherwise directs) forthwith be paid or transferred to or otherwise vested in or under the control of the Managing Agent's Dollar Trustees of the Managing Agent who is (to the extent in question) appointed as a substitute agent in place of the outgoing Managing Agent or (as the case may be) appointed in the latter's place by the Member or the Members' Agent or Managing Agent that appointed the outgoing Managing Agent (so as instead to become part or parts of the Managing Agent's Dollar Sub-Fund of such succeeding Managing Agent) and the Managing Agent's Dollar Trustees of the outgoing Managing Agent shall thereupon cease to be trustees of this Deed in respect of the whole or part or parts in question and references in this Deed to the outgoing Managing Agent shall thenceforth be read as regards that whole or part or parts as referring to the succeeding Managing Agent
- (b) The "appropriate part or parts" of the Managing Agent's Dollar Sub-Fund of the outgoing Managing Agent referred to in clause 27(a) shall be such part or parts thereof as may be agreed between the outgoing Managing Agent and the succeeding Managing Agent or as shall otherwise be determined by the Council

Persons in whom discretions are vested

28. (a) Subject to clause 5(b) and to any other express provision of this Deed all discretions powers and authorities -
- (i) conferred in this Deed by a provision which does not itself state who is to exercise the same or
 - (ii) conferred by the general law on trustees (whether by virtue of the Trustee Act 1925 or any other statute or otherwise howsoever)

shall as regards the Managing Agent's Dollar Sub-Fund of any Managing Agent (or assets which will when received belong thereto) be vested in and exercisable by or at the direction of the Managing Agent concerned (save only to the extent if any as that Managing Agent otherwise directs)

- (b) For the avoidance of any doubt it is hereby expressly declared that the discretions powers and authorities conferred by this Deed on a Managing Agent shall only be exercisable by it in respect of the Managing Agent's Dollar Sub-Fund of that Managing Agent (or assets which will when received belong thereto)
- (c) Any of the Managing Agent's Dollar Trustees of any Managing Agent who for the time being has or have any part of the Member's Dollar Trust Fund vested in them or under their control shall if and so far as the Managing Agent in question so directs effect with that part or so much thereof as may be requisite any deposit loan letter of credit guarantee or investment (or the giving of any security) authorised by clauses 21 to 24 or any other transaction authorised by this Deed and directed to be effected by that Managing Agent
- (d) Notwithstanding anything hereinbefore contained but subject to the requirements of the Council a permitted number of the Managing Agent's Dollar Trustees of any Managing Agent may withdraw call in or realise any deposit loan letter of credit guarantee or investment or require the withdrawal calling in or realisation of any deposit loan letter of credit guarantee or investment comprised in a part of the Member's Dollar Trust Fund under its control so far as may in the opinion of the trustees or trustee so acting be requisite in order to enable them or it to make any payment falling to be made by them or it and necessary for carrying out the trusts and provisions of this Deed

Exercise of discretions

29. (a) Any Managing Agent's Dollar Trustee which is a body corporate any Managing Agent and Lloyd's may in executing the trusts of this Deed and exercising any discretions powers or authorities conferred upon them by or under this Deed or by law act by any of their respective officers or employees or in the case of any Managing Agent any partner therein but (in each such case) shall be responsible and liable for anything done or omitted by the officer employee or partner in the like manner and to the like extent as if it had been done or omitted by the Managing Agent's Dollar Trustee or the Managing Agent or Lloyd's (as the case may be)
- (b) In exercising any discretions powers or authorities conferred upon it by or under this Deed any Managing Agent (or any delegate or sub-delegate acting for it or in its place) shall so exercise each power authority or discretion so as to comply with clause 5(b) and (subject thereto) so as not to infringe or be inconsistent with any applicable Underwriting Agent's Appointment
 - (c) In exercising any discretion power or authority which is conferred by this Deed on any person or persons (including without limitation the Council or any of the Dollar Trustees or any Managing Agent) such person or persons may if thought fit exercise the same in a way which

will or may (whether revocably or irrevocably) fetter the exercise of such discretion power or authority in the future (including without limitation by way of standing order or direction or by reference to future dates or times or to the occurrence or otherwise of future events or contingencies)

- (d) Any direction or other exercise of a discretion power or authority that is capable of being made under this Deed or any notice to be given or calculation or certification to be made hereunder may (unless there is an express requirement that it should be made in writing or in some other specified form) be made electronically or in writing or in any other communicable form capable of creating a permanent record and without any need to refer to the provision of this Deed under which the same is being made and (if thought fit) in giving any such direction or notice or making any such calculation or certification (or in giving effect to the same) use may be made of and reliance may be placed on any computerised accounting or payment systems
- (e) Any such direction or other exercise of a discretion power or authority or notice or calculation or certification may if thought fit be made or given in conjunction with (and by means of the same communication as) any similar direction or exercise of discretion power or authority or notice or calculation or certification (whether relating to the Member or to any of the other members) under this Deed or any one or more other Special Trust Directions or Premiums Trust Deeds or any other trust instrument whatsoever at Lloyd's of the Member or of any of the other members

Self-dealing

- 30. (a) It is hereby declared that Lloyd's (acting in any capacity whatsoever) or any of the Managing Agents or any of the Dollar Trustees may (save only where expressly prohibited by any provision of this Deed) exercise any discretion power or authority conferred on it or him by or under this Deed in favour of itself or himself or any person in whom it or he has an interest or with whom it or he is connected in any way whatsoever (including in the case of any discretion power or authority expressed to be conferred on the Council Lloyd's acting in that or any other capacity whatsoever and any company in which Lloyd's has a controlling or other interest) without (in any such case) the exercise in question being invalid or becoming liable to be set aside or reopened (and without the incurring of any personal liability) by reason of any self dealing disability or conflict of interest so occasioned
- (b) It is hereby declared that -
 - (i) Any Managing Agent or any of the Dollar Trustees may effect any transaction with itself or himself either as principal or as an agent of the Member or of any of the other members or as a trustee of any Special Trust Fund or of any Premiums Trust

Deed or other trust instrument whatsoever at Lloyd's of the Member or of any of the other members and

- (ii) Lloyd's acting in any capacity may effect any transaction with itself in any other capacity whatsoever

without (in any such case) the transaction in question being invalid or becoming liable to be set aside or reopened (and without the incurring of any personal liability) by reason of any self dealing disability or conflict of interest so occasioned provided that the transaction is shown to have been at the time of the transaction fair and reasonable in regard to the Member and those entitled to Permitted Dollar Trust Outgoings

Rights of policyholders to claim on the Member's Dollar Trust Fund

- 31. No policyholder or other person having or alleging any claim or demand against the Member shall be entitled to have any account rendered to him of the Member's Dollar Trust Fund or its income or of the administration or execution of the trusts of this Deed or any aspect thereof or to see any of the books papers accounts vouchers or records of the Dollar Trustees or any of them or of the Member's General Business the Member or the underwriting agents of the Member at Lloyd's or any of them unless and until all of the following four conditions have been fulfilled -
 - (a) A judgment has been obtained by the policyholder or such other person as aforesaid against the Member in respect of the Member's liability under the relevant policy or contract of insurance in a court of competent jurisdiction in England (or any other country where the judgment is enforceable in England after registration or extension without obtaining a judgment of a court in England other than an order for enforcement of the judgment)
 - (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 for an appeal or through the final disposition of any appeal or appeals that may be taken
 - (c) There has been delivered to the Managing Agent (or other managing agent of the Member at Lloyd's) concerned an office or official copy of the judgment obtained as aforesaid together with such proof as to its finality and subsistence through satisfaction of the condition specified in clause 31(b) as such agent requires and
 - (d) A period of forty-two days has expired from and after the date of delivery of the office or official copy of the said judgment and all such proof as aforesaid to the Managing Agent (or such other managing agent) concerned without the judgment having been satisfied

No partnership

32. Nothing contained in this Deed shall constitute a partnership between the Member and any person or persons (both all the Member's New American General Business and the Member's General Business as a whole being carried on for the Member's own sole and separate account)

Evidence on which the Dollar Trustees may act

33. (a) Any of the Dollar Trustees may accept as sufficient and act upon and give effect to any statement of (or which purports to be a statement of) Lloyd's or any Managing Agent as to what sums or other assets are from time to time required to be paid or transferred out of the Member's Dollar Trust Fund or its income and to whom these are to be paid or transferred and what investments or other property are or is to be acquired or realised or exchanged and in what manner in all respects such payment transfer acquisition realisation or exchange is to be made
- (b) None of the Dollar Trustees shall under any circumstances be under any liability for acting upon or giving effect to any such statement without requiring any verification thereof or for paying or transferring any sums or assets or acquiring or realising or exchanging any investments or property on the basis of any such statement without requiring any such verification
- (c) Any of the Dollar Trustees may however if such trustee thinks fit require any such statement to be verified in such manner as he or it thinks fit but such trustee shall not under any circumstances be under any obligation to do so
- (d) Clause 33(a) shall apply even where there is (unknown to the Dollar Trustee in question) a fault or invalidity in the appointment of the person appearing to be a Managing Agent or in the appointment or authorisation of the officer partner or employee delegate or sub-delegate by which it appears to be acting

Protecting provision

34. If any difference at any time arises between any of the Dollar Trustees and the Member or any present or past Managing Agent or Dollar Trustee hereof relating to the trusts hereby constituted or the administration thereof or anything connected therewith or if any of the Dollar Trustees at any time feel any doubt or difficulty in administering these trusts it shall be an absolute protection to all persons concerned (including Lloyd's) against all claims and demands whatsoever that in the case of any act or thing already done or omitted the Council approved or approves of such act or thing having been done or omitted and that in the case of any act or thing intended to be done or omitted the Council approves of such intended act or omission

Inconsistencies with other agreements

35. (a) If and so far as any of the trusts powers or provisions of this Deed are at any time inconsistent with any existing agreement between the Member and any of the underwriting agents of the Member at Lloyd's with reference to the conduct or winding-up of all or any part of the Member's General Business (including without limitation all or any part of the Member's New American General Business) or with reference to the Member's Dollar Trust Fund and its income or where the underwriting agent of the Member at Lloyd's in question is a substitute agent the terms of its appointment (including but not limited to any applicable Underwriting Agent's Appointment) then and in every such case every such other agreement or terms of appointment shall so far as it or they may be inconsistent with any of the terms of this Deed be deemed cancelled and suspended by this Deed so that in every such case of inconsistency (if any) the provisions of this Deed shall prevail and have full effect
- (b) Save as aforesaid nothing herein contained shall prejudice alter or affect any such agreement or appointment relating to all or any part of the Member's General Business to the intent that except so far as is necessary to give full effect to this Deed any such agreement or appointment as last mentioned shall continue in full force

Electronic communications

36. A notice sent by electronic means is deemed to have been received at the time when any such notice enters the information system controlled by the recipient in such a way that it can be retrieved by the recipient between 9am and 5pm (London time) on a business day or if not between those hours at 10am (London time) on the next business day

English law

37. This Deed shall be construed and have effect and be governed in all respects by English law (which shall be proper law of this Deed)

English jurisdiction

38. The courts in England shall have exclusive jurisdiction for all purposes of and in connection with this Deed

IN WITNESS etc

[Note: no change is made to the original testimonium and attestation clauses of this Deed or to the way in which this Deed was originally executed]

SCHEDULE 1

Interpretation

- 1 In this Deed unless the context otherwise requires the following expressions have (in relation to the Member and the Member's PTD) the following meanings namely:-

"1992 and Prior Business" means all liabilities under contracts of insurance underwritten at Lloyd's (other than long term business) and originally allocated to the 1992 year of account or any earlier year of account including without limitation any such liabilities reinsured to close into the 1993 or any later year of account but excluding any liabilities re-signed or reallocated pursuant to a premium transfer into the 1993 or any later year of account

"American Business" means such part of the Underwriting as complies with the American Conditions

"the American Conditions" has the meaning given in Recital (A)

"1995 American Instrument" has the meaning given in the commencement of this Deed

"Applicable Investments" has the meaning given in the Member's PTD

"approved bank" means any natural or artificial person in any part of the world except only for the Member himself and any of the underwriting agents of the Member at Lloyd's (and so including without limitation Lloyd's or any Dollar Trustee or trustee of the Member's PTD or any company whether or not incorporated in the United Kingdom which is a subsidiary of Lloyd's or in which Lloyd's otherwise has an interest) that either -

- (1) has and is acting through a permanent place of business in the United Kingdom and is permitted by law to carry on the business of banking in the United Kingdom and is regulated in carrying on that business or
- (2) has been authorised by the Council as a person in an account with whom trust monies can be held for the purposes of this Deed or the Member's PTD (or of all or a class of Premiums Trust Deeds and/or the special trust directions thereunder including the Member's PTD and/or this Deed)

"assets" has the meaning given in the Member's PTD

"Auction Proceeds" has the meaning (if any) given in the Member's PTD

"authorised person" means any natural or artificial person in any part of the world except only for the Member himself (and so including without limitation Lloyd's or any Dollar Trustee or trustee of the Member's PTD or any of the

underwriting agents of the Member at Lloyd's or any company whether or not incorporated in the United Kingdom which is a subsidiary of Lloyd's or in which Lloyd's otherwise has an interest) that either -

- (1) has and is acting through a permanent place of business in the United Kingdom and is permitted by law to provide custody services in the United Kingdom and is regulated in the provision of those services or
- (2) has been authorised by the Council to act as a nominee or custodian for the purposes of this Deed or the Member's PTD (or of all or a class of Premiums Trust Deeds and/or special trust directions thereunder including the Member's PTD and/or this Deed)

"business day" has the meaning given in the Member's PTD

"Canadian Situs New American Business" means all New American Business which falls within the definition of "Member's Canadian Business" for the time being contained in Lloyd's Canadian Trust Deed

"Central Fund" has the meaning given in the Member's PTD

"the Council" means the Council of Lloyd's constituted by Lloyd's Act 1982 (and also in regard to any discretion authority or power hereby conferred on the Council except only for the purposes of clause 5(a) such persons as are for the time being authorised by it to exercise that discretion authority or power)

"dematerialised system" means any system in any part of the world for the recording holding or transferring of shares or other securities or any choses in action whatsoever that is based wholly or partly on computer records and being a system either -

- (1) in which any person falling within (1) of the definition of the authorised person is permitted under the regulatory regime applying to it to participate (directly or indirectly) or
- (2) which is approved by the Council

"the Dollar Trustees" means the trustees for the time being of this Deed duly appointed under clause 6 (being the Managing Agent's Dollar Trustees of any Managing Agent) but excluding any other person (including the Member) who may hold or in whose name may be held any monies and assets comprised in the Member's Dollar Trust Fund or the income thereof at any time

"general business" has the meaning given in the Member's PTD

"Excepted Investments" has the meaning given in the Member's PTD

"Excluded Business" means -

- (1) all American Business which relates to any “Offshore Policies” as defined in the proposed new Special Trust Direction intended to be entitled the Lloyd’s Asia (Offshore Policies) Instrument 2002 with the exception only of any receipts into or payments out of the Member’s Dollar Trust Fund in respect of any such “Offshore Policies” that may have taken place or been made prior to “the Commencement Date” as defined in that Instrument
- (2) all American Business which relates to any “Singapore Policies” as defined in the proposed new Special Trust Direction intended to be entitled the Lloyd’s Asia (Singapore Policies) Instrument 2002 with the exception only of any receipts into or payments out of the Member’s Dollar Trust Fund in respect of any such “Singapore Policies” that may have taken place or been made prior to “the Commencement Date” as defined in that Instrument
- (3) all Canadian Situs New American Business with the exception only of any receipts into or payments out of the Member’s Dollar Trust Fund in respect of any such business that may have taken place or been made prior to the Specified Date

(the references in (1) (2) and (3) above to “receipts” being confined to actual receipts of monies or other assets as opposed to a mere entitlement to have a receipt which has not actually been received)

“the Excluded Business Special Trust Directions” means the Lloyd’s Asia (Offshore Policies) Instrument 2002 the Lloyd’s Asia (Singapore Policies) Instrument 2002 and the Lloyd’s Japanese Instrument (respectively referred to in (1) to (3) of the definition of Excluded Business) and Lloyd’s Canadian Trust Deed

“the Financial Services Authority” means the corporate body known as the Financial Services Authority that is referred to in section 1 of the Financial Services and Markets Act 2000

“general business” has the meaning given in the Member’s PTD

“individual” has the meaning given in the Member’s PTD

“land” has the meaning given in the Member’s PTD

“Lloyd’s” has the meaning given in the Member’s PTD

“Lloyd’s American Trust Deed” has the meaning given in Recital (A)

“Lloyd’s broker” means a partnership or body corporate for the being entered in the register of Lloyd’s brokers maintained by the Council

“Lloyd’s Canadian Trust Deed” has the meaning given in the Member’s PTD

“Lloyd’s Deposits” has the meaning given in the Member’s PTD

“long term business” has the meaning given in the Member’s PTD

“Managing Agent” has the meaning given in the Member’s PTD

“Managing Agent’s Dollar Sub-Fund” means in regard to any Managing Agent that part of the Member’s Dollar Trust Fund which is for the time being vested in or under the control of all or any one or more of the Managing Agent’s Dollar Trustees appointed by or for that Managing Agent (and such expression shall where the context permits also be capable of having the extended meaning provided for by clause 7(b) in any case where that clause has effect)

“Managing Agent’s Dollar Trustees” means in regard to any Managing Agent the trustees for the time being of this Deed designated under clause 6 hereof as the Managing Agent’s Dollar Trustees of that Managing Agent

“Managing Agent’s Sub-Fund” has the meaning given in the Member’s PTD or other applicable Lloyd’s Premiums Trust Deed for general business of the Member

“Managing Agent’s Trustees” has the meaning given in the Member’s PTD

“the Member” has the meaning given in the commencement of this Deed and includes where the context so admits or requires -

- (1) in the case of an individual his administrators executors or assigns
- (2) in the case of a corporate body its assigns and
- (3) in the case of a Scottish limited partnership (having until dissolution its own separate legal personality) that partnership as constituted from time to time and the persons or person who will succeed to its assets and/or its liabilities after dissolution

“Members’ Agent” in relation to the Member’s PTD means any and every members’ agent of the Member at Lloyd’s who falls within the definition of ‘the Members’ Agent’ or of ‘Members’ Agent’ contained in the Member’s PTD

“the Member’s Dollar Trust Fund” means the Member’s Dollar Trust Fund hereby constituted as provided by clause 3(a) of this Deed (and such expression shall where the context permits also be capable of having the extended meaning provided for by clause 3(b) in any case where that clause has effect)

“the Member’s General Business” means the Underwriting (including without limitation any New American Business) and all other general business of the Member at Lloyd’s whether current future or past and whether carried

on through the agency of (or under arrangements made by or through) the Members' Agent (if any) who is a party to the Member's PTD (or the successor of any such Members' Agent) or any other underwriting agent of the Member at Lloyd's (including without limitation in any case where no Members' Agent is a party to the Member's PTD any Members' Agent as therein defined)

“the Member's New American General Business” means -

- (1) all New American Business and
- (2) any and every other part of the Member's General Business that complies with the American Conditions but which -
 - (i) is not business in respect of which the Lloyd's American Trust Deed continues to apply (whether in relation to the Member's PTD or in relation to any other Premiums Trust Deed for general business of the Member) and
 - (ii) is not Excluded Business (in relation to the Member's PTD) and
 - (iii) would not fall within the definition of excluded business in the application of the terms of this 1995 American Instrument to any other Premiums Trust Deed for general business of the Member (apart from the Member's PTD)

“the Member's PTD” has the meaning given in the commencement of this Deed

“the Member's Underwriting Agents” has the meaning given in the Member's PTD

“New American Business” means such of the American Business other than any Excluded Business as does not constitute 1992 and Prior Business that has been underwritten directly by the Member or directly or indirectly reinsured by the Member pursuant to any contract of Reinsurance to Close as defined in the Lloyd's American Trust Deed as amended

“New American Business Receivables” means such monies (not being Specified Excluded Assets) as are now payable or may hereafter at any time become payable to the Member or to any person on behalf of the Member in connection with any New American Business (but before receipt thereof by the Member or any such person) and all interest of the Member therein (including for the avoidance of doubt any chose in action representing the right of the Member and any interest of the Member in any chose in action representing the right of any such person to be paid any such monies aforesaid as are for the time being payable)

“New American Business Regulatory Deposit” means any US Surplus Lines Trust Deed or US Reinsurance Trust Deed or any other Overseas Business Regulatory Deposit whatever which (or any fund subject or relating to which) the Member 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 territory outside the United Kingdom) in order to enable the Member (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 all or any part of the Member’s New American General Business

“New American Business Rights of Recovery” means all rights and potential rights of the Member whether current contingent or future to have any assets paid or transferred at any time during the Trust Period to the Member or to any Managing Agent or other person on behalf of the Member (and any and every interest of the Member in the rights and potential rights of any Managing Agent or other person whether current contingent or future to have any assets paid or transferred at any time during the Trust Period to that Managing Agent or other person on behalf of the Member) where the assets in question -

- (1) have not for the time being been so paid or transferred and
- (2) will (when or if so paid or transferred) themselves be trust assets

but (for the avoidance of doubt) does not include any Relevant Cause of Action

“New Central Fund” has the meaning given in the Member’s PTD

“notifiable event” means -

- (1) in relation to a Dollar Trustee who is an individual
 - (a) the making of a receiving order in bankruptcy against such individual by the due process of law of any country or such individual making or proposing any composition with his creditors or otherwise acknowledging his insolvency or
 - (b) that individual becoming through mental or other infirmity incapable of managing his affairs and
- (2) in relation to a Dollar Trustee which is not an individual the making or proposing of any composition with its creditors or otherwise acknowledging its insolvency or a proposal being made in respect of it under section 2 of the Insolvency Act 1986 or a bankruptcy order being made against it by the due process of law of any country or its being adjudicated or declared insolvent by the due process of law of any country or an order being made or resolution being passed for its

winding up or dissolution or an administration order being made in respect of it under section 9 of the Insolvency Act 1986 or a receiver trustee or analogous officer being appointed in respect of the whole or any material part of its property or assets or its directors presenting or filing in any court a petition in respect of its bankruptcy winding up or other insolvency or which seeks any reorganisation dissolution or similar relief or there occurring an event in any jurisdiction which is analogous to any of the foregoing events and

- (3) any other matter prescribed by the Council for the purposes of this definition

“Old American Business” means American Business other than (and apart from) New American Business and Excluded Business

“the other members” has the meaning given in the Member’s PTD

“Overseas Business Regulatory Deposit” has the meaning given in the Member’s PTD

“Overseas Direction” has the meaning given in the Member’s PTD

“Permitted Dollar Trust Outgoings” has the meaning given in Schedule 3

“permitted number” means in regard to the Managing Agent’s Dollar Trustees of any Managing Agent at least two of those trustees or one if that one is a body corporate (whether or not a trust corporation)

“Permitted Trust Outgoings” has the meaning given in the Member’s PTD

“the Perpetuity Period” has the meaning given in the Member’s PTD

“the Personal Reserve Sub-Fund” has the meaning given in the Member’s PTD

“Premiums Trust Deeds” has the meaning given in the Member’s PTD

“PSL Rights of Recovery” has the meaning (if any) given in the Member’s PTD

“the PTD Trust Fund” means the Trust Fund subject to the Member’s PTD

“Regulating Trustee” has the meaning given in the Member’s PTD

“Relevant Cause of Action” has the meaning given in the Member’s PTD

“the Relevant Managing Agent” means in regard to the Managing Agent’s Dollar Trustees of any Managing Agent or assets which are vested or which are or will be required to be vested in or under the control of all or any of the Managing Agent’s Dollar Trustees of any Managing Agent (including any

New American Business Receivables or New American Business Rights of Recovery which if they were to be received by that Managing Agent would be required to be so vested) the Managing Agent in question

“requirements of the Council” has the meaning given in the Member’s PTD

“Restricting Special Trust Fund” has the meaning given in the Member’s PTD

“the Secretary of State” means one of Her Majesty’s Principal Secretaries of State

“Special Trust Direction” has the meaning given in the Member’s PTD

“Special Trust Fund” has the meaning given in the Member’s PTD

“the Specified Date” means 1st January 2001

“Specified Excluded Assets” means all Specified Litigation Recoveries all Relevant Causes of Action or recoveries from (or from what previously was) a Relevant Cause of Action all PSL Rights of Recovery and monies received from (or from what previously was) a PSL Right of Recovery all Auction Proceeds and all assets for the time being representing any of the foregoing respectively

“Specified Litigation Recoveries” has the meaning (if any) given in the Member’s PTD

“tangible fixed assets” has the meaning given in the Member’s PTD

“trust assets” means assets for the time being comprised in the Member’s Dollar Trust Fund or its income including income falling within the exception to clause 16 during the calendar year in which the same is received (and such expression shall where the context permits also be capable of having the extended meaning provided for by clause 3(b) in any case where that clause has effect)

“the Trust Period” means the period commencing with the date of the Member’s PTD and expiring ten days before the termination of the Perpetuity Period

“the Underwriting” has the meaning given in the Member’s PTD

“Underwriting Agent’s Appointment” has the meaning given in the Member’s PTD

“underwriting agents of the Member at Lloyd’s” means the Member’s Underwriting Agents and all other underwriting agents of the Member at Lloyd’s (whether current or future or past and whether members’ agents or

managing agents and including any substitute agent) concerned with the whole or any part or parts of the Member's underwriting business at Lloyd's

"US Reinsurance Trust Deed" means as regards any syndicate at Lloyd's (relating to the 1993 or any subsequent year or years of account) of which the Member for the time being is or has been or is about to become a member (in connection with the Member's General Business) the applicable Lloyd's United States Situs Credit for Reinsurance Trust Deed as for the time being modified

"US Surplus Lines Trust Deed" means as regards any syndicate at Lloyd's (relating to the 1993 or any subsequent year or years of account) of which the Member for the time being is or has been or is about to become a member (in connection with the Member's General Business) the applicable Lloyd's United States Situs Surplus Lines Trust Deed as for the time being modified

2. In this Deed unless the context otherwise requires -
 - (i) A reference to any clause number or numbered Schedule is to the appropriate numbered clause or Schedule of this Deed
 - (ii) A reference to any document (including this Deed itself) or legislation (whether primary or subordinate) or to any provision of it shall after the coming into force of any modification or replacement of the same be read as referring to the same as so modified or replaced
 - (iii) Expressions appearing in the singular shall be read as if appearing alternatively in the plural and vice versa and those appearing in the masculine (including without limitation references to the Member) shall be read as if appearing alternatively in the feminine and neuter and vice versa
 - (iv) References in this Deed to any Members' Agent or Managing Agent (or any other underwriting agent of the Member at Lloyd's) which is a firm shall (unless the context otherwise requires) include such person or persons as shall for the time being be carrying on under whatever style or name the partnership business of that firm
- 3 The cross-headings contained in this Deed are for reference purposes only and shall not in any way affect its meaning or effect

SCHEDULE 2

The Member's Dollar Trust Fund

- 1 Subject to paragraphs 2 to 4 of this Schedule the Member's Dollar Trust Fund shall consist of -
 - (i) all of the following assets on 31st July 1995 (or if the Member's PTD is executed after such date the later date of execution of the Member's PTD) or at any time thereafter during the Trust Period belonging (apart from this Deed and the Member's PTD) to or being or becoming payable or transferable to the Member or to any person on behalf of the Member (and all interests of the Member therein) namely -
 - (A) all premiums in connection with any New American Business
 - (B) all reinsurance recoveries in connection with any New American Business
 - (C) all rights of salvage and subrogation rights in connection with any New American Business
 - (D) (subject to clause 12) in any case where the Member is conducting or has conducted general business for any year of account after the 1998 year of account all New American Business Rights of Recovery and in any other case all New American Business Receivables and in every case (without prejudice to any other provision of this paragraph 1 making the same trust assets) all proceeds monies and other assets directed by clause 12 to be held as trust assets
 - (E) all other assets connected with any New American Business
 - (ii) such income of the Member's Dollar Trust Fund as is referred to in clause 16 of this Deed other than any falling within the exception to that clause
 - (iii) all further property at any time added to the Member's Dollar Trust Fund during the Trust Period whether by or on behalf of the Member or otherwise howsoever (and so that in accepting any such property an indemnity from the Member's Dollar Trust Fund may be given in respect of any liabilities relating thereto) and
 - (iv) all assets now or for the time being representing the foregoing respectively
- 2 Notwithstanding paragraph 1 but subject to paragraphs 3 and 4 of this Schedule assets (and the property representing the same) shall not be treated as

comprised in the Member's Dollar Trust Fund by virtue of paragraph 1(i) of this Schedule:-

- (i) if they are not assets which but for this Deed would be or become comprised in the PTD Trust Fund or
- (ii) if they are Specified Excluded Assets or are assets connected with Old American Business or with Excluded Business or are on [31st March 2009] assets of the Lloyd's American Trust Fund subject to Lloyd's American Trust Deed

3 Nothing in paragraph 2 of this Schedule shall prevent any assets from being added to the Member's Dollar Trust Fund under paragraph 1(iii) of this Schedule

4 (i) In any case where during the Trust Period an unascertainable or unascertained part or proportion of any assets falls within paragraph 1 of this Schedule as belonging to the Member's Dollar Trust Fund and another unascertainable or unascertained part or proportion thereof is excluded from the Member's Dollar Trust Fund by paragraph 2 hereof the Relevant Managing Agent shall in its absolute discretion determine what proportion or part thereof is to be treated as falling within paragraph 1 and what proportion or part is to be treated as excluded therefrom by paragraph 2 and only the proportion or part thereof so determined as falling within paragraph 1 (and all interest of the Member in that proportion or part) shall be treated as constituting or becoming part of the Member's Dollar Trust Fund

(ii) And to the extent that the remaining proportion or part thereof is so determined to have been excluded from the Member's Dollar Trust Fund by virtue of paragraph 2 (ii) hereof it shall be treated -

(A) as being subject to the Member's PTD so far as it is so determined to constitute Specified Excluded Assets and

(B) as being subject to the Lloyd's American Trust Deed so far as it is so determined to constitute assets connected with Old American Business and

(C) as being subject to the applicable one of the Excluded Business Special Trust Directions so far as it is so determined to constitute assets connected with Excluded Business

5 Subject only as is expressly provided in clauses 3(b) and 7(b) assets not falling within the above definition of the Member's Dollar Trust Fund shall not be treated as comprised in the Member's Dollar Trust Fund by reason only that they have been blended with assets of the Member's Dollar Trust Fund (or are income of any assets so blended) and no blending under this Deed shall have the effect of removing from the Member's Dollar Trust Fund any assets which would otherwise be comprised in it

SCHEDULE 3

Permitted Dollar Trust Outgoings

- 1 The following outgoings (all of which are Permitted Trust Outgoings as defined in the Member's PTD that can also be paid or discharged out of the PTD Trust Fund) are Permitted Dollar Trust Outgoings capable of being paid or discharged during the Trust Period (subject to paragraphs 3 to 5 of this Schedule) under the trust contained in clause 4(a) (as affected where applicable by clause 4(c)) namely -
 - (i) any losses claims returns of premiums reinsurance premiums or monies payable to (or to the order of) reinsurers to close and other outgoings from time to time being or becoming payable in connection with the Member's New American General Business
 - (ii) any syndicate operating expenses and syndicate investment expenses and charges from time to time being or becoming payable in connection with the Member's New American General Business and any other expenses in connection with the Member's New American General Business whose payment or discharge is authorised by paragraph 2 of this Schedule
 - (iii) the Member's obligations to keep fully funded or provide (or pay any costs in respect of) any and every New American Business Regulatory Deposit
 - (iv) the Member's obligations under requirements of the Council or this Deed to pay any contributions fees or subscriptions or expenses or make any other payments or any repayments due to Lloyd's (or to the Central Fund or to the New Central Fund) in connection with the Member's New American General Business
 - (v) the repayment of any outstanding loan borrowed on behalf of the Member by any Managing Agent to the extent (if any) that the borrowed monies (or any monies which they have been used to refinance) either have been paid into the Member's Dollar Trust Fund or have been used for the payment or discharge of any Permitted Dollar Trust Outgoings (together with any outstanding interest thereon referable to the monies so paid or used) and
 - (vi) the Member's obligations to reimburse any person who has paid or discharged on the Member's behalf any outgoings which otherwise would fall within any of sub-paragraphs (i) to (v) above
- 2 Subject to paragraphs 3 to 5 of this Schedule expenses falling within any of the following categories can be paid or discharged under paragraph 1(ii) hereof to the extent that they are connected with or relate to the Member's New American General Business namely:-

- (i) the amounts from time to time payable by the Member to any of the underwriting agents of the Member at Lloyd's by way of salary or fee
- (ii) the amounts of profit commission from time to time payable by the Member to any of the underwriting agents of the Member at Lloyd's
- (iii) the amounts of expenses (not being syndicate operating expenses or syndicate investment expenses and charges) from time to time payable by the Member to any of the underwriting agents of the Member at Lloyd's under any applicable underwriting agency agreement or substitute agent's appointment
- (iv) the final or estimated amount of any overseas taxation payable by the Member in respect of the Member's New American General Business
- (v) the final or estimated amount of any UK insurance premium tax and fire brigade charge payable by the Member

3 The following are not Permitted Dollar Trust Outgoings unless (and save to the extent that) they are syndicate operating expenses or syndicate investment expenses and charges payable in connection with the Member's New American General Business namely:-

- (i) any fee or other remuneration payable by or on behalf of the Member to or for the benefit of any Lloyd's adviser or sponsor of the Member (except in a case where such Lloyd's adviser or sponsor is also one of the underwriting agents of the Member at Lloyd's and the fee or other remuneration in question is paid to him or it solely in that latter capacity and in connection with the Member's New American General Business)
- (ii) any fee or other remuneration payable by or on behalf of the Member to or for the benefit of any director or other officer of the Member (where a body corporate) or of any other body corporate (except in a case where such other body corporate is one of the underwriting agents of the Member at Lloyd's and the fee or other remuneration in question is paid to a director or other officer of it acting in that capacity and in connection with the Member's New American General Business)
- (iii) 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 (a) any reinsurance effected by or on behalf of the Member or (b) the payment or settlement of any claims made in connection with the Member's New American General Business (including the processing compromise payment repudiation and litigation of any such claims and all matters ancillary thereto)
- (iv) any salary wages fee or other remuneration payable by or on behalf of the Member to or for the benefit of any officer or employee of the

Member or to or for the benefit of any other person (except Lloyd's itself or one of the underwriting agents of the Member at Lloyd's acting in that capacity in connection with the Member's New American General Business) for the provision of the services of that other person's officers or employees

- (v) any outgoings whatsoever payable by or on behalf of the Member in connection with its incorporation (where it is a body corporate) or with the setting up of the underwriting business of the Member at Lloyd's
- (vi) any outgoings whatsoever arising out of the acquisition or disposal or occupation of any premises by or on behalf of the Member or the acquisition or disposal or use of any equipment by or on behalf of the Member and
- (vii) any other outgoings of an overhead nature payable by or on behalf of the Member

- 4
- (i) Any outgoings or expenses which would but for this paragraph fall within paragraphs 1 or 2 are not Permitted Dollar Trust Outgoings if they relate wholly and exclusively to long term business and are capable of being separately identified as so relating
 - (ii) For the avoidance of doubt it is hereby declared that the payment out of the Member's Dollar Trust Fund under the trust contained in clause 4(a) of any Permitted Dollar Trust Outgoings which relate in part (but not wholly and exclusively) to long term business shall not prevent the reimbursement (if thought fit) of the same to the Member's Dollar Trust Fund to the extent that they relate or are assessed as relating to long term business from any Premiums Trust Deed or Special Trust Direction of the Member relating to long term business in execution of any trust or discretion therein contained

- 5
- If at any time during the Trust Period only a proportion or part of any outgoing may be paid or discharged out of the Member's Dollar Trust Fund as a Permitted Dollar Trust Outgoing because only a proportion or part of such outgoing is connected with or related to the Member's New American General Business the Relevant Managing Agent shall have power in its absolute discretion to determine what is the proportion or part in question

The **COMMON SEAL OF LLOYD'S** was affixed to this Deed of Amendment and
Direction on March 2009 in the presence of:

.....
Chairman of Lloyd's
Authorised Signatory