

Dated 10 September 2019

BEAZLEY INSURANCE DESIGNATED ACTIVITY COMPANY

as Issuer

and

U.S. BANK TRUSTEES LIMITED

as Trustee

TRUST DEED

constituting

U.S.\$300,000,000 5.500 per cent. Subordinated Tier 2 Notes due 2029

Linklaters

Ref: ND/VG

Linklaters LLP

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This Trust Deed is made on 10 September 2019 **between:**

- (1) **BEAZLEY INSURANCE DESIGNATED ACTIVITY COMPANY** (the “**Issuer**”); and
- (2) **U.S. BANK TRUSTEES LIMITED**, a limited liability company incorporated under the laws of England and Wales with registration number 02379632 and with its office at Fifth Floor, 125 Old Broad Street, London, EC2N 1AR, United Kingdom (the “**Trustee**”, which expression, where the context so admits, includes any other trustee for the time being of this Trust Deed).

WHEREAS:

- (A) The Issuer, incorporated in Ireland, has authorised the issue of U.S.\$300,000,000 5.500 per cent. Subordinated Tier 2 Notes due 2029 to be constituted by this Trust Deed.
- (B) The Trustee has agreed to act as trustee of this Trust Deed on the following terms and conditions.

This Deed witnesses and it is declared as follows:

1 Interpretation

1.1 Definitions: The following expressions have the following meanings:

“**Agency Agreement**” means the agreement referred to as such in the Conditions, as altered from time to time, and includes any other agreements approved in writing by the Trustee appointing Successor Agents or altering any such agreements;

“**Agents**” means the Principal Paying Agent, the Registrar and the Transfer Agents or any of them and shall include such other Agent or Agents as may be appointed from time to time hereunder and references to Agents are to them acting solely through their specified offices;

“**Appointee**” has the meaning given in Clause 9.16;

“**Approved Winding-up**” means a solvent winding-up solely for the purposes of a reorganisation, reconstruction or amalgamation, the terms of which reorganisation, reconstruction or amalgamation have previously been approved in writing by the Trustee or an Extraordinary Resolution and do not provide that the Notes thereby become redeemable or repayable in accordance with the Conditions;

“**Arrears of Interest**” has the meaning given in Condition 5(c);

“**Assets**” has the meaning given in Condition 19;

“**Authorised Signatory**” means a director of the Issuer or any other person or persons authorised to sign on behalf of the Issuer as notified by the Issuer to the Trustee from time to time;

“**Capital Disqualification Event**” has the meaning given in Condition 19;

“**Certificate**” means a certificate representing one or more Notes and, save as provided in the Conditions, comprising the entire holding by a Noteholder of his Notes and, save in the case of the Global Certificate, being substantially in the form set out in Part B of Schedule 1;

“**Clearstream, Luxembourg**” means Clearstream Banking S.A.;

“Conditions” means the terms and conditions applicable to the Notes which shall be substantially in the form set out in Schedule 2, as modified, with respect to any Notes represented by a Global Certificate, by the provisions of such Global Certificate and shall be endorsed on the relevant Certificate and any reference to a particularly numbered Condition shall be construed accordingly;

“Default” means an event described as being a default in Condition 8;

“Euroclear” means Euroclear Bank SA/NV;

“Extraordinary Resolution” has the meaning set out in Schedule 3;

“FSMA” means the Financial Services and Markets Act 2000;

“Global Certificate” means a Certificate substantially in the form set out in Part A of Schedule 1 representing Notes that are registered in the name of a nominee for Euroclear, Clearstream, Luxembourg and/or any other clearing system;

“Liabilities” has the meaning given in Condition 19;

“Market” means the regulated market of the London Stock Exchange plc;

“Noteholder” means a person in whose name a Note is registered in the register of Noteholders (or, in the case of joint holders, the first named thereof);

“Notes” means the U.S.\$300,000,000 5.500 per cent. Subordinated Tier 2 Notes due 2029 of the Issuer which expression shall, if the context so permits, include the Global Certificate representing the Notes;

“outstanding” means, in relation to the Notes, all the Notes issued except (a) those which have been redeemed in accordance with the Conditions, (b) those in respect of which the date for redemption has occurred and the redemption moneys (including all interest accrued on such Notes to the date for such redemption and any interest payable under the Conditions after such date) have been duly paid to the Trustee or to the Principal Paying Agent as provided in Clause 2 and remain available for payment in accordance with the Conditions, (c) those which have become void and (d) those which have been purchased and cancelled as provided in the Conditions provided that for the purposes of (1) ascertaining the right to attend and vote at any meeting of the Noteholders or to vote in respect of any Written Resolution or Electronic Consent (each as defined in Schedule 3), (2) the determination of how many Notes are outstanding for the purposes of Conditions 8 and 11 and Schedule 3, and (3) the exercise of any discretion, power or authority whether contained in this Trust Deed or provided by law, which the Trustee is required, expressly or impliedly, to exercise in or by reference to the interests of the Noteholders, those Notes which are beneficially held by or on behalf of the Issuer and not cancelled shall (unless no longer so held) be deemed not to remain outstanding;

“Pari Passu Creditors” has the meaning given in Condition 19;

“Principal Paying Agent” means the institution named as such in the Conditions acting through its specified office, or any Successor Principal Paying Agent;

“Registrar” means the institution named as such in the Conditions acting through its specified office, or any Successor Registrar;

“Relevant Regulator” has the meaning specified in Condition 19;

“Relevant Rules” has the meaning specified in Condition 19;

“Senior Claims” in respect of the Issuer means the claims of all the Senior Creditors of the Issuer (including, without limiting the generality of the foregoing, all contingent and prospective claims, all claims in respect of deposits with, or loans to, the Issuer and all claims to interest thereon or in respect thereof) which are admitted to proof in the Winding-Up of the Issuer;

“Senior Creditors” has the meaning given in Condition 19;

“Senior Indebtedness” means, in respect of the Issuer, the aggregate of Senior Claims in respect of the Issuer;

“Shortfall” means in respect of the Issuer, in the event that, notwithstanding the subordination effected by Clause 5.2 any amounts are paid to the Trustee in the Winding-Up of the Issuer in respect of the claims of the Noteholders without the relevant Senior Indebtedness being paid in full, the amount by which the aggregate amount paid or distributable by the liquidator or the administrator (as the case may be) in the Winding-Up of the Issuer as aforesaid in respect of the relevant Senior Indebtedness is less than the amount of the relevant Senior Indebtedness;

“specified office” means, in relation to an Agent, the office identified with its name at the end of the Conditions or any other office approved by the Trustee and notified to Noteholders pursuant to Clause 7.11;

“Successor” means, in relation to the Agents, such other or further person as may from time to time be appointed by the Issuer as an Agent with the written approval of, and on terms approved in writing by, the Trustee and notice of whose appointment is given to Noteholders pursuant to Clause 7.11;

“successor in business” means

- (i) a company or other entity to whom the Issuer validly and effectually, in accordance with all enactments, orders and regulations in force for the time being and from time to time, transfers the whole or substantially the whole of its business, undertaking and assets for the purpose of assuming and conducting the business of the Issuer in its place; or
- (ii) any other entity which acquires in any other manner the whole or substantially the whole of the undertaking, property and assets of the Issuer and carries on as a successor to the Issuer the whole or substantially the whole of the business carried on by the Issuer prior thereto;

“Tax Event” has the meaning given to it in Condition 19;

“this Trust Deed” means this Trust Deed (as from time to time altered in accordance with this Trust Deed) and any other document executed in accordance with this Trust Deed (as from time to time so altered) and expressed to be supplemental to this Trust Deed;

“Tier 1 Capital” has the meaning given in Condition 19;

“Tier 2 Capital” has the meaning given in Condition 19;

“Transfer Agents” means the Transfer Agents appointed under the Agency Agreement; and

“trust corporation” means a trust corporation (as defined in the Law of Property Act 1925) or a corporation entitled to act as a trustee pursuant to applicable foreign legislation relating to trustees.

1.2 Construction of Certain References: References to:

1.2.1 costs, charges, remuneration or expenses include any value added, turnover or similar tax charged in respect thereof (except, in the case of costs, charges and expenses of the Trustee, to the extent that there is an entitlement to credit or repayment in respect of such value added, turnover or similar tax from the relevant tax authority);

1.2.2 **“dollars”** and **“U.S.\$”** are to the lawful currency for the time being of the United States of America;

1.2.3 an action, remedy or method of judicial proceedings for the enforcement of creditors’ rights includes references to the action, remedy or method of judicial proceedings in jurisdictions other than England as shall most nearly approximate thereto; and

1.2.4 **“acting reasonably”** and similar expressions shall be construed, in relation to the Trustee only, as meaning acting reasonably having due regard to the interests of the Noteholders.

1.3 Headings: Headings shall be ignored in construing this Trust Deed.

1.4 Schedules: The Schedules are part of this Trust Deed and have effect accordingly.

1.5 Contracts (Rights of Third Parties) Act 1999: A person who is not a party to this Trust Deed has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Trust Deed except as expressly provided herein. The consent of any person who is not a party to this Trust Deed is not required to rescind or vary this Trust Deed at any time.

1.6 The Conditions: In this Trust Deed, unless the context requires or the same are otherwise defined, words and expressions defined in the Conditions and not otherwise defined herein shall have the same meaning in this Trust Deed.

1.7 Amended Documents: Save where the contrary is indicated, any reference in this Trust Deed to any other agreement or document shall be construed as a reference to such other agreement or document as the same may have been, or may from time to time be, amended, varied, novated or supplemented.

2 Amount of the Notes and Covenant to Pay

2.1 Amount of the Notes: The aggregate principal amount of the Notes is limited to U.S.\$300,000,000 (without prejudice to Clause 2.2).

2.2 Further Issues:

2.2.1 The Issuer may from time to time create and issue to such persons at such time or times as the Issuer shall determine, without the consent of the Noteholders but subject to any consent or permission required from the Relevant Regulator from time to time, further bonds or notes either (i) having the same terms and conditions of the Notes in all respects (or in all respects save for the amount of and the date of the first payment of interest thereon and the date from which interest begins to

accrue) and so that the same shall be consolidated and form a single series with the Notes then outstanding or (ii) upon such terms as to interest, conversion, premium, redemption and otherwise as the Issuer may at the time of the issue thereof determine.

2.2.2 Any such bonds or notes, if they are to form a single series with the Notes shall be constituted by this Trust Deed or a deed supplemental to it. In any such case the Issuer shall prior to the issue of any further bonds or notes to be so constituted execute and deliver to the Trustee a trust deed supplemental to this Trust Deed (in relation to which all applicable stamp duties or other documentation fees, duties or similar taxes (and any interest or penalties relating thereto) have been paid and, if applicable, duly stamped or denoted accordingly) and containing a covenant by the Issuer in the form *mutatis mutandis* of Clause 2.3 in relation to the principal and interest in respect of such further bonds or notes and such other provisions (whether or not corresponding to any of the provisions contained in this Trust Deed) as the Trustee may require including to effect modifications, if required, to the terms of this Trust Deed in order to enable such further bonds or notes to be constituted by this Trust Deed.

2.2.3 A memorandum of every such supplemental trust deed shall be endorsed by the Trustee on this Trust Deed and by the Issuer on its duplicate of this Trust Deed.

2.2.4 Whenever it is proposed to create and issue any further bonds or notes, the Issuer shall give to the Trustee not less than 14 days' notice in writing of its intention to do so stating the amount of further bonds or notes proposed to be created or issued.

2.3 Covenant to Pay: The Issuer will (subject, where applicable, to Clause 5 and the Conditions) on any date when any Notes become due to be redeemed unconditionally pay or procure to be paid to or to the order of the Trustee in London in dollars in same day funds the principal amount of the Notes becoming due for redemption on that date together with any other amounts due and payable on redemption and will (subject to the Conditions, and, where applicable, Clause 5) until such payment (both before and after judgment) unconditionally pay or procure to be paid to or to the order of the Trustee interest on the principal amount of the Notes outstanding as set out in the Conditions provided that (1) subject to Clause 2.5, payment of any sum due in respect of the Notes made to the Principal Paying Agent as provided in the Agency Agreement shall, to that extent, satisfy such obligation except to the extent that there is failure in its subsequent payment to the relevant Noteholders under the Conditions; and (2) a payment made after the due date or pursuant to Condition 3(a) or Condition 8 will be deemed to have been made when the full amount due has been received by the Principal Paying Agent or the Trustee and notice to that effect has been given to the Noteholders (if required under Clause 7.8), except to the extent that there is failure in its subsequent payment to the relevant Noteholders under the Conditions. The Trustee will hold the benefit of this covenant on trust for the Noteholders.

2.4 Discharge: Subject to Clause 2.5, any payment to be made in respect of the Notes by the Issuer or the Trustee may be made as provided in the Conditions and any payment so made will (subject to Clause 2.5) to that extent be a good discharge to the Issuer or the Trustee, as the case may be.

2.5 Payment after a Default: At any time after a Default has occurred the Trustee may:

2.5.1 by notice in writing to the Issuer and the Agents, require the Agents, until notified by the Trustee to the contrary, so far as permitted by applicable law:

- (i) to act as Agents of the Trustee under this Trust Deed and the Notes on the terms of the Agency Agreement (with consequential amendments as necessary and except that the Trustee's liability for the indemnification, remuneration and expenses of the Agents will be limited to the amounts for the time being held by the Trustee in respect of the Notes on the terms of this Trust Deed) and thereafter to hold all Notes and all moneys, documents and records held by them in respect of Notes to the order of the Trustee; or
- (ii) to deliver all Notes and all moneys, documents and records held by them in respect of the Notes to the Trustee or as the Trustee directs in such notice; and

2.5.2 by notice in writing to the Issuer, require it to make all subsequent payments in respect of the Notes to or to the order of the Trustee and not to the Principal Paying Agent with effect from the issue of any such notice to the Issuer; and from then until such notice is withdrawn, proviso (1) to Clause 2.3 above, shall cease to have effect.

3 Form of the Notes

3.1 The Global Certificate: The Notes will initially be represented by the Global Certificate in registered form in the principal amount of U.S.\$300,000,000 which shall be deposited with a depository common to both Euroclear and Clearstream, Luxembourg. The Global Certificate shall be registered in the name of the depository or its nominee. The Global Certificate will be exchangeable for Certificates as set out in the Global Certificate.

3.2 Form of Certificates: The Certificates, if issued, will be printed in accordance with the requirements of the applicable stock exchange where the Notes are listed and will be substantially in the form set out in Schedule 1 and (except in the case of the Global Certificate) endorsed with the Conditions.

3.3 Signature: The Certificates shall be signed manually or in facsimile by an Authorised Signatory of the Issuer duly authorised for the purpose and authenticated manually by or on behalf of the Registrar. The Issuer may use a facsimile signature of a person who at the date of this Trust Deed is such an Authorised Signatory even if at the issue of any Notes he no longer holds that office. Notes represented by Certificates (including the Global Certificate) so executed and authenticated will be binding and valid obligations of the Issuer.

4 Stamp Duties and Taxes

The Issuer will pay any stamp, issue, documentary or other similar taxes and duties, including interest and penalties, payable in Belgium, Luxembourg, Ireland and the United Kingdom in respect of the creation, issue and offering of the Notes and the execution or delivery of this Trust Deed. The Issuer will also indemnify the Trustee and the Noteholders, on an after tax basis, from and against all stamp, issue, documentary or other similar taxes paid by it in any jurisdiction in connection with any action taken by or on behalf of the Trustee and the Noteholders to enforce the Issuer's obligations under this Trust Deed or the Notes.

5 Status and Subordination of the Notes

5.1 **Status:** The Notes constitute direct and unsecured obligations of the Issuer and rank *pari passu* and without any preference among themselves. The rights and claims of the Noteholders are subordinated as described in Clause 5.2 below and Condition 3(a).

5.2 Subordination

5.2.1 If a Winding-Up occurs, the rights and claims of the Noteholders (and the Trustee on their behalf) against the Issuer in respect of, or arising under, each Note shall, in lieu of any other payment by the Issuer be for an amount equal to the principal amount of the relevant Note, together with, to the extent not otherwise included within the foregoing, any other amounts attributable to such Note, including any Arrears of Interest, any other accrued and unpaid interest thereon and any damages awarded for breach of any obligations in respect of such Note, provided however that such rights and claims shall be subordinated as provided in Condition 3(a) and in this Trust Deed to the claims of all Senior Creditors but shall rank (i) at least *pari passu* with all other subordinated obligations of the Issuer which constitute, or would but for any applicable limitation on the amount of such capital constitute, Tier 2 Capital and all obligations which rank, or are expressed to rank, *pari passu* therewith ("**Pari Passu Securities**") and (ii) in priority to the claims of holders of: (x) all obligations of the Issuer which constitute, or would but for any applicable limitation on the amount of such capital constitute, Tier 1 Capital and all obligations which rank, or are expressed to rank, *pari passu* therewith (including, without limitation, by virtue of the operation of any grandfathering provisions under any Relevant Rules); and (y) all classes of share capital of the Issuer (together, the "**Junior Securities**").

Nothing in this Trust Deed or Condition 3 shall affect or prejudice the payment of the Losses (as defined below) of the Trustee (including remuneration payable to it) or the rights and remedies of the Trustee in respect thereof.

5.2.2 Accordingly, any amounts paid to the Trustee in respect of the claims of the Noteholders at any time after a Winding-Up occurs shall be held by the Trustee upon trust:

- (i) first, for application in payment or satisfaction of all costs, fees, charges, expenses, losses and liabilities ("**Losses**") properly incurred by the Trustee or its Appointees (including remuneration and any indemnity payable to it) in carrying out its functions under this Trust Deed;
- (ii) secondly, to the extent of any Shortfall, for distribution in or towards payment or satisfaction of the Senior Indebtedness in respect of the Issuer; and
- (iii) thirdly, in or towards payment *pari passu* and rateably of any amounts owing in respect of the Notes (to the extent that the claims in the name of the Trustee in respect thereof shall be admitted in such Winding-Up).

The trust mentioned in sub-clause 5.2.2(ii) above may be performed by the Trustee by repaying to the liquidator or administrator for the time being of the Issuer the amount so to be distributed on terms that the liquidator shall distribute the same accordingly, and in that event the receipt of the liquidator for the moneys so paid by the Trustee to him shall be a good discharge to the Trustee for the performance by

the Trustee of the trust mentioned in sub-clause 5.2.2(ii) above and the Trustee shall not be bound to supervise or be in any way responsible for such distribution.

5.3 Solvency Condition

Except in a Winding-Up (in which case Condition 3(a) and Clause 5.2 above shall apply in place of Condition 3(b) and this Clause 5.3), all payments under or arising from the Notes and this Trust Deed (other than payment made to the Trustee for its own account under this Trust Deed) shall be conditional upon the Issuer being solvent at the time for payment by the Issuer, and no amount shall be payable under or arising from the Notes or this Trust Deed (other than payments made to the Trustee for its own account under this Trust Deed) unless and until the Issuer could make such payment and still be solvent immediately thereafter (the “**Solvency Condition**”). Any payment which is not paid due to the operation of the Solvency Condition will be deferred as further provided in Conditions 5(c) and 6(a) as the case may be.

For the purpose of this Clause 5.3 and Condition 3(a), the Issuer will be “**solvent**” if (i) it is able to pay its debts owed to Senior Creditors and *Pari Passu* Creditors as they fall due and (ii) its Assets exceed its Liabilities.

A certificate as to the solvency of the Issuer signed by two Authorised Signatories or, if there is a winding-up or administration of the Issuer, by two directors or authorised signatories of the liquidator or, as the case may be, the administrator of the Issuer shall, in each case, be treated and accepted by the Trustee (and if so treated and accepted by the Trustee, shall be treated and accepted by the Noteholders and all other interested parties) as correct and sufficient evidence thereof and the Trustee shall be entitled to rely on such certificate without further enquiry and without liability to any person.

The Issuer shall notify the Trustee, the Registrar and the Principal Paying Agent in writing and notify the Noteholders in accordance with Condition 14 as soon as reasonably practicable after it has determined that any payment (in whole or in part) will be deferred due to the operation of the Solvency Condition (provided that, for the avoidance of doubt, any delay in giving such notice shall not result in such payment becoming due on the scheduled payment date).

5.4 Set-off, etc: Subject to applicable law, no Noteholder may exercise, claim or plead any right of set-off, compensation or retention in respect of any amount owed to it by the Issuer in respect of, or arising under or in connection with the Notes or this Trust Deed and each Noteholder shall, by virtue of his holding of any Note, be deemed, to the extent permitted under applicable law, to have waived all such rights of set-off, compensation or retention. Notwithstanding the preceding sentence, if any of the amounts owing to any Noteholder by the Issuer in respect of, or arising under or in connection with the Notes is discharged by set-off, such Noteholder shall, subject to applicable law, immediately pay an amount equal to the amount of such discharge to the Issuer (or, in the event of its winding-up or administration, the liquidator or, as appropriate, administrator of the Issuer) and, until such time as payment is made, shall hold an amount equal to such amount in trust for the Issuer (or the liquidator or, as appropriate, administrator of the Issuer (as the case may be)) and accordingly any such discharge shall be deemed not to have taken place.

5.5 Solvency certifications

5.5.1 The Issuer shall procure that:

(i) not more than 14 days and not less than one day prior to the date on which any substitution or variation of the Notes is proposed to be effected by the Issuer pursuant to Condition 6(e); or

(ii) whenever requested by the Trustee, within 14 days of such request,

two Authorised Signatories of the Issuer or (if a Winding-Up of the Issuer (other than an Approved Winding-up)) two authorised signatories of the liquidator or administrator, shall certify in writing to the Trustee as to:

(a) in the case of (i) above, whether and to what extent the Issuer would be able to make the relevant substitution or variation (as applicable) and be solvent immediately thereafter for the purposes of the provisions of this Clause 5;

(b) where the Issuer is in Winding-Up, whether the Issuer is able to pay, or has paid, the claims of the relevant Senior Creditors of the Issuer in full; and

(c) in the case of (ii) above, and save where (b) above applies, whether or not the Issuer is and would after making a specified payment be solvent for the purposes of the provisions of this Clause 5.

5.5.2 Any certification referred to above in this Clause 5.5 shall be treated and accepted by the Issuer, the Trustee, the Noteholders and all other interested parties as correct and sufficient evidence of such solvency (or lack of solvency) or, as applicable, that the Issuer is able (or unable) to pay, or has paid, the claims of the relevant Senior Creditors in full.

5.5.3 In addition, the Trustee shall be entitled to accept any such certificate as conclusive evidence of satisfaction (or non-satisfaction) of the Solvency Condition and shall not be liable to any person by reason of having accepted as valid or acting upon any such certificate. If the Trustee has not received any such certificate within the 30 days prior to the date of receipt of any payment from the Issuer or the liquidator, the Trustee shall be entitled to assume that such payment does not and will not constitute a breach, and shall not be liable to any person for making such assumption or distributing any such payment in accordance with sub-clause 5.2.2 or Clause 6.1.

5.5.4 In the absence of any such certificate to the contrary and without prejudice to the preceding provisions of this sub-clause 5.5, it shall for the purposes hereof be assumed (unless the contrary is proved prior to the date of payment) that the Issuer is and will after any payment hereunder be solvent for such purposes.

5.5.5 The Trustee shall be entitled and is hereby authorised from time to time to call for certificates from the liquidator of the Issuer as to:

(i) the amount of Senior Indebtedness in respect of the Issuer and the persons entitled thereto and their respective entitlements;

(ii) the date upon which Senior Indebtedness was, or the liquidator considers will be, paid or discharged in full;

(iii) any Shortfall in respect of the Issuer; and

(iv) any other information that the Trustee may require in the performance of its functions under this Trust Deed.

5.5.6 Any certificate given by the liquidator of the Issuer in accordance with Clause 5.5.6 shall be conclusive and binding on the Trustee and the Noteholders, and the Trustee shall be entitled to rely upon such certificates without further enquiry and without liability to any person.

5.6 Payment of the Trustee's costs etc: The foregoing provisions of this Clause 5, Condition 3(a) and Condition 8(e) apply only to the principal, interest and other amounts arising from or under the Notes and nothing in this Clause 5, Condition 3(a) or Condition 8(e) shall affect or prejudice the payment of the Losses of the Trustee in its personal capacity or the rights and remedies of the Trustee in respect thereof and in such capacity the Trustee shall rank as an unsubordinated creditor of the Issuer.

5.7 Subordination not to affect other rights: Nothing contained in this Trust Deed shall in any way restrict the right of the Issuer to create, issue, incur, give or assume obligations or guarantees of obligations ranking in priority to, or *pari passu* with, or junior to, the obligations of the Issuer in respect of the Notes and if, in the opinion of the Trustee, any modification to the provisions of this Clause 5 to permit such ranking is necessary or expedient the Trustee is hereby authorised without any consent or sanction of the Noteholders to concur with the Issuer in executing a supplemental trust deed effecting such modification.

6 Application of Moneys Received by the Trustee

6.1 Declaration of Trust: All moneys received by the Trustee in respect of the Notes or amounts payable under this Trust Deed will, despite any appropriation of all or part of them by the Issuer be held by the Trustee on trust to apply them (subject to Clauses 5.2.2 and 6.2):

6.1.1 first, for application in payment towards or satisfaction of all Losses incurred by the Trustee and/or any Appointee (including remuneration and any indemnity payable to it) in carrying out its functions under this Trust Deed;

6.1.2 secondly, for application in payment towards or satisfaction of all Losses incurred by any Agent (including remuneration and any indemnity payable to it) in carrying out its functions under the Agency Agreement;

6.1.3 thirdly, if prior to the receipt of any such amounts or within 30 days thereafter the Trustee is provided with certificates confirming satisfaction of the Solvency Condition pursuant to Clause 5.5 above (which shall be requested by the Trustee on receipt of any such amounts) in payment of any amounts owing in respect of the Notes *pari passu* and rateably, and if the Trustee has not received any such certificate within 30 days the Trustee shall be entitled to assume that such payment does not and will not constitute a breach of the Solvency Condition, and shall not be liable to any person for making such assumption or distributing any such payment; and

6.1.4 fourthly, in payment of any balance to the Issuer for itself.

If the Trustee holds any moneys in respect of Notes which have become prescribed under Condition 9, the Trustee will hold them on these trusts.

6.2 Accumulation: If the amount of the moneys at any time available for payment in respect of the Notes under Clause 6.1 is less than 10 per cent. of the principal amount of the Notes then outstanding, the Trustee may, at its discretion, invest such moneys. The Trustee may

retain such investments and accumulate the resulting income until the investments and the accumulations, together with any other funds for the time being under its control and available for such payment, amount to at least 10 per cent. of the principal amount of the Notes then outstanding and then such investments, accumulations and funds (after deduction of, or provision for, any applicable taxes) will be applied as specified in Clause 6.1.

- 6.3 Investment:** Moneys held by the Trustee may be invested in its name or under its control in any investments or other assets anywhere whether or not they produce income or deposited in its name or under its control at such bank or other financial institution in such currency as the Trustee may, in its absolute discretion, think fit. If that bank or institution is the Trustee or a subsidiary, holding or associated company of the Trustee, it need only account for an amount of interest equal to the standard amount of interest payable by it on such a deposit to an independent customer. The Trustee may at any time vary or transpose any such investments or assets or convert any moneys so deposited into any other currency, and will not be responsible for any resulting loss, whether by depreciation in value, change in exchange rates or otherwise.

7 Covenants

So long as any Note is outstanding, the Issuer will:

- 7.1 Books of Account:** keep proper books of account and, at any time after a Default has occurred or, if the Trustee reasonably believes that such an event has occurred, so far as permitted by applicable law, allow the Trustee and anyone appointed by it to whom the Issuer has no reasonable objection, access to its books of account at all reasonable times during normal business hours;
- 7.2 Notice of a Default:** notify the Trustee in writing immediately on becoming aware of the occurrence of any Default;
- 7.3 Information:** so far as permitted by applicable law, give or procure to be given (to the extent it is practicable to do so) to the Trustee such information as it reasonably requires to perform its functions;
- 7.4 Financial Statements etc.:** send to the Trustee at the time of their issue, and, in the case of annual financial statements in any event within 180 days of the end of each financial year, three copies in English of every balance sheet, profit and loss account, report or other notice, statement or circular issued, or which legally or contractually should be issued, to the members or creditors (or any class of them) of the Issuer or any holding company thereof generally in their capacity as such;
- 7.5 Certificate of Authorised Signatories:** send to the Trustee, within 14 days of its annual audited financial statements being made available to its members, and also within 14 days of any request by the Trustee a certificate of the Issuer, substantially in the form set out in Schedule 4, signed by any two Authorised Signatories that, having made all reasonable enquiries, to the best of the knowledge, information and belief of the Issuer as at a date (the "**Certification Date**") not more than five days before the date of delivery of the certificate (i) no Default had occurred since the Certification Date of the last such certificate or (if none) the date of this Trust Deed or, if such an event had occurred, giving details of it and (ii) that during such period specified in (i) above, the Issuer has complied in all material respects with its obligations contained in this Trust Deed, or, if such is not the case, giving the relevant details;

- 7.6 Notices to Noteholders:** send to the Trustee not less than three Business Days prior to the day on which such notice is to be given the form of each notice to be given to Noteholders and, once given, two copies of each such notice, such notice to be in a form approved by the Trustee (such approval, unless so expressed, not to constitute approval for the purposes of section 21 of the FSMA of any such notice which is a communication within the meaning of section 21 of the FSMA);
- 7.7 Further Acts:** so far as permitted by applicable law, do all such further things as may be necessary in the opinion of the Trustee to give effect to this Trust Deed;
- 7.8 Notice of Late Payment:** forthwith upon request by the Trustee give notice to the Noteholders of any unconditional payment to the Principal Paying Agent or the Trustee of any sum due in respect of the Notes made after the due date for such payment;
- 7.9 Listing and Trading:** use all reasonable endeavours to maintain the listing of the Notes on the Market but, if it is unable to do so, having used such endeavours, or if the maintenance of such listing or trading is agreed by the Trustee to be unduly onerous and the Trustee is satisfied that the interests of the Noteholders would not be thereby materially prejudiced, instead use all reasonable endeavours to obtain and maintain a listing of the Notes on another Recognised Stock Exchange (as defined in Condition 19) and the admission to trading of the Notes on another market, in each case approved in writing by the Trustee;
- 7.10 Maintain a Principal Paying Agent, a Registrar and a Transfer Agent:** at all times maintain a Principal Paying Agent, a Registrar and a Transfer Agent in accordance with the Conditions;
- 7.11 Change in Agents:** give at least 14 days' prior notice to the Noteholders in accordance with Condition 14 of any future appointment, resignation or removal of an Agent or of any change by an Agent of its specified office, and not make any such appointment or removal without the Trustee's written approval;
- 7.12 Notes Held by Issuer etc.:** send to the Trustee as soon as practicable after being so requested by the Trustee a certificate of the Issuer signed by any two of its Authorised Signatories stating the number of Notes (if any) held at the date of such certificate by or on behalf of the Issuer;
- 7.13 Redemption, Variation or Substitution of the Notes:** give prior written notice (in accordance with Conditions 6(c), (d) or (e) to the Trustee of any proposed redemption, substitution or variation pursuant to Conditions 6(c), (d) or (e) and duly proceed (in accordance with, and subject to, the Conditions) to redeem, substitute or vary the Notes accordingly;
- 7.14 Capital Disqualification Event:** give to the Trustee, upon becoming aware of the occurrence of a Capital Disqualification Event (and prior to the publication of a notice of redemption in accordance with Condition 6(d)) a certificate signed by any two Authorised Signatories, to the effect that a Capital Disqualification Event has occurred in accordance with Condition 6(d) and if, having occurred, such Capital Disqualification Event ceases, the Issuer shall provide the Trustee with notice thereof as soon as practicable;
- 7.15 Tax Event:** give to the Trustee, upon becoming aware of the occurrence of a Tax Event and prior to the publication of a notice of redemption in accordance with Condition 6(c), a certificate signed by any two Authorised Signatories, to the effect that a Tax Event has occurred in accordance with Condition 6(c) and if, having occurred, such Tax Event ceases, the Issuer shall provide the Trustee with notice thereof as soon as practicable;

- 7.16 Obligations of Agents:** comply with and perform all its obligations under the Agency Agreement and use all reasonable endeavours to procure that the Agents comply with and perform all their respective obligations thereunder
- 7.17 Clearing systems notices:** use all reasonable endeavours to procure that Euroclear and/or Clearstream, Luxembourg (as the case may be) issue(s) any certificate or other document requested by the Trustee under Clause 9.25 as soon as reasonably practicable after such request;
- 7.18 Relevant Regulator notification:** where notification to and/or confirmation from the Relevant Regulator that it has granted permission or consent for or has no objection to the making of any payment or the taking of any other action under the Conditions or this Trust Deed is required to be obtained before the making of such payment or the taking of such action pursuant to this Trust Deed, give the requisite period of notice as provided for in the Conditions or this Trust Deed or, if such notice requirement is not so provided for in the Conditions, three months' prior written notice to the Relevant Regulator before such payment is made or such other action is taken (or such shorter period of notice as the Relevant Regulator may accept and so long as such notice is required to be given);
- 7.19 Relevant Regulator objection:** having received an objection to the making of any payment or taking of any action pursuant to the Conditions or this Trust Deed from the Relevant Regulator following notification thereof to the Relevant Regulator pursuant to Clause 7.18, promptly notify the Trustee in writing thereof and, if permitted by applicable law, regulation or by the Relevant Regulator, provide a copy thereof to the Trustee;
- 7.20 Interest Deferral:** so long as any Note is outstanding and where any payment of any interest pursuant to Condition 5(a) is mandatorily deferred, give notice of such deferral to the Noteholders in accordance with Conditions 5(a) and 14 and to the Registrar, the Trustee and the Principal Paying Agent, and the Issuer will deliver to the Trustee a certificate (on the same date that it gives such notice) signed by two Authorised Signatories confirming that: (a) a Regulatory Deficiency Interest Deferral Event has occurred and is continuing, or would occur on the next Interest Payment Date if payment of interest on the Notes were made and specifying the Regulatory Deficiency Interest Deferral Event that has occurred and stating that interest will not be paid because a Regulatory Deficiency Interest Deferral Event has occurred and is continuing or (ii) a Regulatory Deficiency Interest Deferral Event has ceased to occur and/or payment of interest on the Notes would not result in a Regulatory Deficiency Interest Deferral Event occurring;
- 7.21 Redemption Deferral:** so long as any Note is outstanding and where there is a mandatory deferral of redemption in accordance with Condition 6(a) give notice of such mandatory deferral to the Noteholders in accordance with Conditions 6(a)(iii) and 14, the Registrar, the Trustee and the Principal Paying Agent, and, the Issuer will deliver a certificate (on the same date that it gives such notice) to the Trustee signed by two Authorised Signatories confirming that: (a) a Regulatory Deficiency Redemption Deferral Event has occurred and is continuing or would occur if redemption of the Notes were to be made; (b) a Regulatory Deficiency Redemption Deferral Event has ceased to occur and/or redemption of the Notes would not result in such event occurring or (c) whether any of the circumstances described in Condition 6(a)(iii)(y) or (z) apply; and
- 7.22 Certificate as to Qualifying Tier 2 Securities:** deliver to the Trustee, in connection with the substitution or variation of the Notes for or into Qualifying Tier 2 Securities in accordance with the terms of Condition 6(e), a certificate signed by two Authorised

Signatories of the Issuer certifying that the securities purport to be Qualifying Tier 2 Securities satisfy the definition thereof in Condition 19 together with any advice or opinion of the investment bank or financial adviser referred to in the definition of Qualifying Tier 2 Securities.

8 Remuneration and Indemnification of the Trustee

8.1 Normal Remuneration: So long as any Note is outstanding, the Issuer will pay the Trustee as remuneration for its services as Trustee such sum on such dates in each case as they may from time to time agree. Such remuneration will accrue from day to day from the date of this Trust Deed. However, if any payment to a Noteholder of moneys due in respect of any Note is improperly withheld or refused, such remuneration will again accrue as from the date of such withholding or refusal until payment to such Noteholder is duly made.

8.2 Extra Remuneration: If a Default shall have occurred, the Issuer hereby agrees that the Trustee shall be entitled to be paid additional remuneration calculated at its normal hourly rates in force from time to time. In any other case, if the Trustee finds it expedient or necessary or is requested by the Issuer to undertake duties which they both agree to be of an exceptional nature or otherwise outside the scope of the Trustee's normal duties under this Trust Deed, the Issuer will pay such additional remuneration as they may agree (and which may be calculated by reference to the Trustee's normal hourly rates in force from time to time) or, failing agreement as to any of the matters in this Clause (or as to such sums referred to in Clause 8.1), as determined by a financial institution or person (acting as an expert) selected by the Trustee and approved by the Issuer or, failing such approval, nominated by the President for the time being of The Law Society of England and Wales. The expenses involved in such nomination and such financial institution's or person's fee will be borne by the Issuer. The determination of such financial institution or person will be conclusive and binding on the Issuer, the Trustee or the Noteholders.

8.3 Expenses: The Issuer will also on demand by the Trustee pay or discharge all costs, charges, liabilities and expenses properly incurred by the Trustee in the preparation and execution of this Trust Deed and the performance of its functions under this Trust Deed including, but not limited to, legal and travelling expenses and any stamp, documentary or other similar taxes or duties paid by the Trustee in connection with any legal proceedings properly brought or contemplated by the Trustee against the Issuer to enforce any provision of this Trust Deed or the Notes but excluding taxes imposed on or calculated by reference to net income received or receivable. Such costs, charges, liabilities and expenses will:

8.3.1 in the case of payments made by the Trustee before such demand, carry interest from the date of the demand at the rate of the cost of funding to the Trustee on the date on which the Trustee made such payments; and

8.3.2 in other cases carry interest at such rate from 30 days after the date of the demand or (where the demand specifies that payment is to be made on an earlier date) from such earlier date.

All remuneration payable to the Trustee shall carry interest at such rate from the due date therefor.

8.4 Indemnity: The Issuer will on demand by the Trustee indemnify it, on an after tax basis, in respect of Amounts or Claims paid or incurred by it in acting as trustee under this Trust

Deed (including (1) any Agent/Delegate Liabilities and (2) in respect of disputing or defending any Amounts or Claims made against the Trustee or any Agent/Delegate Liabilities but excluding taxes imposed on or calculated by reference to net income received or receivable). The Issuer will on demand by such agent or delegate indemnify it, on an after tax basis, against such Agent/Delegate Liabilities. “**Amounts or Claims**” are losses, liabilities, costs, fees, claims, actions, demands or expenses and “**Agent/Delegate Liabilities**” are Amounts or Claims which the Trustee is or would be obliged to pay or reimburse to any of its agents or delegates appointed pursuant to this Trust Deed. The Contracts (Rights of Third Parties) Act 1999 applies to this Clause 8.4.

8.5 Continuing Effect: Clauses 8.3 and 8.4 will continue in full force and effect as regards the Trustee even if it no longer is Trustee.

8.6 Payments not subordinated etc.: Payments under this Clause 8 are not subordinated to the Senior Claims of the Issuer. Furthermore, nothing in the Conditions or this Trust Deed shall affect or prejudice the payment of the Losses of the Trustee or the rights and remedies of the Trustee in respect thereof and in such capacity the Trustee shall rank as an unsubordinated creditor of the Issuer.

8.7 Set-off etc.: The Issuer hereby further undertakes to the Trustee that all moneys payable by the Issuer to the Trustee under this Clause 8 shall be made without set-off, counterclaim, deduction or withholding unless compelled by law in which event the Issuer will pay such additional amounts as will result in the receipt by the Trustee of the amounts which would otherwise have been payable by the Issuer to the Trustee in the absence of any such set-off, counterclaim, deduction or withholding.

9 Provisions Supplemental to the Trustee Act 1925 and the Trustee Act 2000

9.1 Advice: The Trustee may act on the opinion or advice of, or information obtained from, any accountants, financial advisers, financial institution or other expert and will not be responsible to anyone for any loss occasioned by so acting whether such advice is obtained or addressed to the Issuer, the Trustee or any other person. Any such opinion, advice or information may be sent or obtained by letter, electronic communication, telex, or fax and the Trustee will not be liable to anyone for acting in good faith on any opinion, advice or information purporting to be conveyed by such means even if it contains some error or is not authentic. The Trustee may rely without liability to Noteholders on any report, confirmation or certificate or any advice of any accountants, financial advisers, financial institution or any other expert, whether or not addressed to the Trustee and whether or not liability in relation thereto is limited by reference to a monetary cap, methodology or otherwise.

9.2 Trustee to Assume Performance: The Trustee need not notify anyone of the execution of this Trust Deed or do anything to find out if a Default has occurred. Until it has actual knowledge or express notice to the contrary, the Trustee may assume that no such event has occurred and that the Issuer is performing all its obligations under this Trust Deed and the Notes.

9.3 Resolutions of Noteholders: The Trustee will not be responsible for having acted in good faith on a resolution purporting (i) to have been passed at a meeting of Noteholders in respect of which minutes have been made and signed or (ii) to be a Written Resolution or Electronic Consent (each as defined in Schedule 3) made in accordance with paragraph 22 of Schedule 3, even if it is later found that there was a defect in the constitution of the

meeting or the passing of the resolution or that the resolution was not valid or binding on the Noteholders.

- 9.4 Certificate Signed by Authorised Signatories:** If the Trustee, in the exercise of its functions, requires to be satisfied or to have information as to any fact or the expediency of any act, it may call for and accept as sufficient evidence of that fact or the expediency of that act a certificate signed by any two Authorised Signatories of the Issuer as to that fact or to the effect that, in their opinion, that act is expedient and the Trustee need not call for further evidence and will not be responsible for any loss occasioned by acting on such a certificate.
- 9.5 Deposit of Documents:** The Trustee may appoint as custodian, on any terms, any bank or entity whose business includes the safe custody of documents or any lawyer or firm of lawyers believed by it to be of good repute and may deposit this Trust Deed and any other documents with such custodian and pay all sums due in respect thereof. The Trustee is not obliged to appoint a custodian of securities payable to bearer.
- 9.6 Discretion:** The Trustee will have absolute and uncontrolled discretion as to the exercise of its functions and will not be responsible for any loss, liability, cost, claim, action, demand, expense or inconvenience which may result from their exercise or non-exercise.
- 9.7 Agents:** Whenever it considers it expedient in the interests of the Noteholders, the Trustee may, in the conduct of its trust business, instead of acting personally, employ and pay an agent selected by it, whether or not a lawyer or other professional person, to transact or conduct, or concur in transacting or conducting, any business and to do or concur in doing all acts required to be done by the Trustee (including the receipt and payment of money).
- 9.8 Delegation:** Whenever it considers it expedient in the interests of the Noteholders, the Trustee may delegate to any person on any terms (including power to sub-delegate) all or any of its functions.
- 9.9 Nominees:** In relation to any asset held by it under this Trust Deed, the Trustee may appoint any person to act as its nominee on any terms.
- 9.10 Forged Notes:** The Trustee will not be liable to the Issuer or any Noteholder by reason of having accepted as valid or not having rejected any Note purporting to be such and later found to be forged or not authentic.
- 9.11 Confidentiality:** Unless ordered to do so by a court of competent jurisdiction the Trustee shall not be required to disclose to any Noteholder any confidential financial or other information made available to the Trustee by the Issuer.
- 9.12 Determinations Conclusive:** As between itself and the Noteholders the Trustee may determine all questions and doubts arising in relation to any of the provisions of this Trust Deed. Such determinations, whether made upon such a question actually raised or implied in the acts or proceedings of the Trustee, will be conclusive and shall bind the Trustee and the Noteholders.
- 9.13 Currency Conversion:** Where it is necessary or desirable to convert any sum from one currency to another, it will (unless otherwise provided hereby or required by law) be converted at such rate or rates, in accordance with such method and as at such date as may reasonably be specified by the Trustee but having regard to current rates of exchange, if available. Any rate, method and date so specified will be binding on the Issuer and the Noteholders.

- 9.14 Payment for and Delivery of Notes:** The Trustee will not be responsible for the receipt or application by the Issuer of the proceeds of the issue of the Notes, any exchange of Notes or the delivery of Notes to the persons entitled to them.
- 9.15 Notes Held by the Issuer etc.:** In the absence of knowledge or express notice to the contrary, the Trustee may assume without enquiry (other than requesting a certificate under Clause 7.12) that no Notes are for the time being held by or on behalf of the Issuer.
- 9.16 Responsibility for Agents etc.:** If the Trustee exercises reasonable care in selecting any custodian, agent, delegate or nominee appointed under this Clause (an “**Appointee**”), it will not have any obligation to supervise the Appointee or be responsible for any loss, liability, cost, claim, action, demand or expense incurred by reason of the Appointee’s negligence, misconduct or default or the negligence, misconduct or default of any substitute appointed by the Appointee.
- 9.17 Default etc:** The Trustee may determine whether or not a Default (which event shall, unless in any case the Trustee in its absolute discretion shall otherwise determine, for all the purposes of this Trust Deed be deemed to include the circumstances resulting therein and the consequences resulting therefrom) should not be treated as such, provided that in the opinion of the Trustee, the interests of Noteholders are not materially prejudiced thereby. Any such determination will be conclusive and binding on the Issuer and the Noteholders.
- 9.18 Trustee’s consent:** Any consent or approval given by the Trustee for the purposes of this Trust Deed may be given on such terms and subject to such conditions as the Trustee thinks fit. The Trustee may give any consent or approval, exercise any power, authority or discretion or take any similar action (whether or not such consent, approval, power, authority, discretion or action is specifically referred to in this Trust Deed) if it is satisfied that the interests of the Noteholders will not be materially prejudiced thereby. For the avoidance of doubt, the Trustee shall not have any duty to the Noteholders in relation to such matters other than that which is contained in the preceding sentence.
- 9.19 Illegality, Adequate Indemnity or Repayment:** Notwithstanding anything else contained in the Trust Deed, the Trustee shall be entitled to refrain from doing anything which may, in the opinion of the Trustee, (a) be illegal or contrary to applicable law, directive or regulation of any agency of any state which would or might otherwise render it liable to any person and may do anything which in its opinion, is necessary to comply with any such law, directive or regulation or (b) cause it to expend or risk its own funds or otherwise incur any liability in the performance of any of its duties or in the exercise of any right, authority, power or discretion under this Trust Deed, or suffer any loss, damage, cost, charge, claim, demand, expense, judgment, action, proceeding or other liability whatsoever, if it shall have grounds for believing that repayment and/or prepayment of such funds or adequate indemnity and/or security against such risk or loss, damage, cost, charge, claim, demand, expense, judgment, action, proceeding or other liability whatsoever is not assured to it.
- 9.20 Trustee responsibility:** The Trustee will not be responsible for the execution, delivery, legality, effectiveness, adequacy, genuineness, validity, performance, enforceability or admissibility in evidence of this Trust Deed or any other document relating or expressed to be supplemental hereto and shall not be liable for any failure to obtain any licence, consent or other authority for the execution, delivery, legality, effectiveness, adequacy, genuineness, validity, performance, enforceability or admissibility in evidence of this Trust Deed or any other document relating or expressed to be supplemental hereto.

- 9.21 Action by the Trustee:** Notwithstanding anything else contained in this Trust Deed the Trustee shall not be required to take any action prior to making any declaration under Condition 8 that the Notes are immediately due and payable (save that it will procure, at the expense of the Issuer, notice to be given to the Noteholders of any Default of which it has actual knowledge or express notice) if such action would require the Trustee to incur any expenditure or other financial liability or risk its own funds (including obtaining any advice which it might otherwise have thought appropriate to obtain). The Trustee shall not be under any obligation to take proceedings against the Issuer to enforce payment of the Notes after the Notes have become due and payable unless it shall have been indemnified and/or secured and/or prefunded to its satisfaction.
- 9.22 Legal Opinions:** The Trustee shall not be responsible to any person for failing to request, require or receive any legal opinion relating to the Notes or for checking or commenting upon the content of any such legal opinion and shall not be responsible for any loss, damage, cost, charge, claim, demand, expense, judgment, action, proceeding or other liability whatsoever incurred thereby.
- 9.23 Determinations by Trustee:** When determining whether an indemnity or any security or pre-funding is satisfactory to it, the Trustee shall be entitled (a) to evaluate its risk in any given circumstance by considering the worst-case scenario and (b) to require that any indemnity or security or pre-funding given to it by the Noteholders or any of them or any other person be given on a joint and several basis and be supported by evidence satisfactory to it as to the financial standing and creditworthiness of each counterparty and/or as to the value of the security and an opinion as to the capacity, power and authority of each counterparty and/or the validity and effectiveness of the indemnity, security and/or pre-funding.
- 9.24 No Duty to Monitor:** The Trustee has (a) no responsibility to (i) monitor the compliance of any other party with the Conditions or the Trust Deed or (ii) take any steps to ascertain whether any relevant event under the Trust Deed or the Conditions has occurred; and (b) no liability to any person in respect of any loss arising from any breach of the Conditions or the Trust Deed by any such party or any such event.
- 9.25 Securities Held in Clearing Systems:** So long as any Global Certificate is held by or on behalf of a clearing system, in considering the interests of Noteholders, the Trustee may have regard to any information provided to it by such clearing system or its operator as to the identity (either individually or by category) of the clearing system's accountholders or participants with entitlements to any such Global Certificate and may consider Noteholder(s) interests on the basis that such accountholders or participants are the Noteholder(s) with entitlements to such Global Certificate.

The Trustee and the Issuer may call for and, except in the case of manifest error, shall be at liberty to accept and place full reliance on any certificate, letter of confirmation, form of record or other document issued on behalf of Euroclear or Clearstream, Luxembourg or such other evidence, information and/or certification as it shall, in its absolute discretion, think fit to the effect that at any particular time or throughout any particular period any particular person is, was, or will be, shown in a clearing system's records as the Noteholder of a particular principal amount of Notes represented by a Global Certificate and if the Trustee or the Issuer does so rely, such letter of confirmation, form of record, evidence, information, document or certification shall be conclusive and binding on all persons concerned for all purposes. Any such certificate may comprise any form of statement or print out of electronic records provided by the relevant clearing system

(including Euroclear's EUCLID or Clearstream, Luxembourg's Creation Online system) in accordance with such clearing system's usual procedures and in which the Noteholder of a particular principal amount of the Notes is clearly identified together with the amount of such holding. Neither the Issuer nor the Trustee shall be liable to any person by reason of having accepted as valid or not having rejected any letter of confirmation, form of record, evidence, information, document or certification to such effect purporting to be issued by Euroclear or Clearstream, Luxembourg and subsequently found to be forged, incorrect or not authentic.

- 9.26 Consequential Loss:** Notwithstanding any provision of this Trust Deed to the contrary, the Trustee shall not in any event be liable for indirect, punitive or consequential loss or special damages or other damage of any kind whatsoever or any loss of profits, business, goodwill or reputation, whether or not foreseeable, even if the Trustee has been advised of the likelihood of such loss or damage and regardless of whether the claim for loss or damage is made in negligence, for breach of contract or otherwise.

10 Trustee Liable for Negligence

Section 1 of the Trustee Act 2000 shall not apply to any function of the Trustee, provided that if the Trustee fails to show the degree of care and diligence required of it as trustee, nothing in this Trust Deed shall relieve or indemnify it from or against any liability which would otherwise attach to it in respect of any gross negligence, wilful default or fraud of which it may be guilty.

11 Waiver and Proof of Default

- 11.1 Waiver:** The Trustee may, without the consent of the Noteholders and without prejudice to its rights in respect of any subsequent breach, from time to time and at any time, if in its opinion the interests of the Noteholders will not be materially prejudiced thereby, waive or authorise, on such terms as seem expedient to it, any breach or proposed breach by the Issuer of this Trust Deed or the Conditions or determine that a Default will not be treated as such, provided that the Trustee will not do so in contravention of an express direction given by an Extraordinary Resolution or a request made pursuant to Condition 8. No such direction or request will affect a previous waiver, authorisation or determination. Any such waiver, authorisation or determination will be binding on the Noteholders and, if the Trustee so requires, will be notified to the Noteholders as soon as practicable.
- 11.2 Proof of Default:** Proof that the Issuer has failed to pay a sum due to the holder of any one Note will (unless the contrary be proved) be sufficient evidence that it has made the same default as regards all other Notes which are then payable.

12 Trustee not Precluded from Entering into Contracts

The Trustee and any other person, whether or not acting for itself, may acquire, hold or dispose of any Note or other security (or any interest therein) of the Issuer or any other person, may enter into or be interested in any contract or transaction with any such person and may act on, or as depositary or agent for, any committee or body of holders of any securities of any such person in each case with the same rights as it would have had if the Trustee were not acting as Trustee and need not account for any profit.

13 Modification

13.1 Modification

The Trustee may from time to time and at any time without any consent or sanction of the Noteholders, concur with the Issuer in making:

- (a) any modification (provided that such power does not extend to any such modification as is mentioned in the proviso to paragraph 3 of Schedule 3) to the Notes, the Conditions, the Agency Agreement or this Trust Deed which in its opinion is not materially prejudicial to the interests of the Noteholders; or
- (b) any modification to the Notes, the Conditions, the Agency Agreement or this Trust Deed which, in the opinion of the Trustee, is of a formal, minor or technical nature or is made to correct a manifest error,

but such power shall be subject to the immediately following Clause 13.2. Any such modification, authorisation or waiver shall be binding on the Noteholders and such modification shall be notified to the Noteholders as soon as practicable thereafter.

13.2 Consent of the Relevant Regulator

13.2.1 In connection with any proposed modification to the Notes, the Conditions or this Trust Deed, the powers of the Trustee to concur with the Issuer in making any modification to the Conditions, the Notes or the Trust Deed, shall only be exercised by the Trustee subject to the Issuer (to the extent then required by the Relevant Regulator or the Relevant Rules) having notified the Relevant Regulator of its intention to do so in accordance with the Conditions and no objection thereto having been raised by the Relevant Regulator or (if required) the Relevant Regulator having provided its consent to such modification. The Trustee may rely without further enquiry and without liability to any person on any written confirmation provided to it by the Issuer in relation to the Issuer's communications with the Relevant Regulator in this regard and shall have no duty to monitor whether due notice has been given to or consent or no objection received from the Relevant Regulator. Until it has received actual knowledge or express notice in writing to the contrary, the Trustee shall be entitled to assume that due notice has been given to and consent or no objection has been received from the Relevant Regulator.

13.2.2 For the purposes of Schedule 3 in relation to any meetings of Noteholders, the powers of a meeting of Noteholders to sanction any proposal for the alteration, abrogation, variation, compromise of, or arrangement in respect of, the rights of the Noteholders against the Issuer and the powers to assent to any alteration of the provisions contained in this Trust Deed in respect of the Notes or in the Notes which shall be proposed by the Issuer or the Trustee, shall be subject to the giving by the Relevant Regulator of its prior consent to such alteration, abrogation, variation, compromise or arrangement where then required by the Relevant Regulator or the Relevant Rules and the provisions of Schedule 3 shall take effect accordingly.

14 Appointment, Retirement and Removal of the Trustee

14.1 Appointment: Subject as provided in Clause 14.2 below, the Issuer has the power of appointing new trustees but no-one may be so appointed unless previously approved by

an Extraordinary Resolution. A trust corporation will at all times be a Trustee and may be the sole Trustee. Any appointment of a new Trustee will be notified by the Issuer to the Noteholders as soon as practicable.

14.2 Retirement and Removal: Any Trustee may retire at any time on giving at least three months' written notice to the Issuer without giving any reason or being responsible for any costs occasioned by such retirement and the Noteholders may by Extraordinary Resolution remove any Trustee provided that the retirement or removal of a sole trust corporation will not be effective until a trust corporation is appointed as successor Trustee. If a sole trust corporation gives notice of retirement or an Extraordinary Resolution is passed for its removal, the Issuer will use all reasonable endeavours to procure that another trust corporation be appointed as Trustee but if it fails to do so before the expiry of such three month notice period, the Trustee shall have the power to appoint a new Trustee (at the Issuer's expense).

14.3 Co-Trustees: The Trustee may, despite Clause 14.1, by written notice to the Issuer appoint anyone to act as an additional Trustee jointly with the Trustee:

14.3.1 if the Trustee considers the appointment to be in the interests of the Noteholders;

14.3.2 to conform with a legal requirement, restriction or condition in a jurisdiction in which a particular act is to be performed; or

14.3.3 to obtain a judgment or to enforce a judgment or any provision of this Trust Deed in any jurisdiction.

Subject to the provisions of this Trust Deed, the Trustee may confer on any person so appointed such functions as it thinks fit. The Trustee may by written notice to the Issuer and that person remove that person. At the Trustee's request, the Issuer will forthwith do all things as may be required to perfect such appointment or removal and it irrevocably appoints the Trustee as its attorney in its name and on its behalf to do so.

14.4 Competence of a Majority of Trustees: If there are more than two Trustees, the majority of them will be competent to perform the Trustee's functions, provided the majority includes a trust corporation.

15 Communications

Any communication shall be by letter, fax or electronic communication:

in the case of the Issuer, to it at:

Beazley Insurance Designated Activity Company
2 Northwood Avenue
Northwood Park
Santry Demesne 9
Ireland

Attention: Ed McGivney
Email: ed.mcgivney@beazley.ie
corporate.finance@beazley.com

and in the case of the Trustee, to it at:

U.S. Bank Trustees Limited
Fifth Floor
125 Old Broad Street
London EC2N 1AR

Fax no.: +44 207 365 2577
Email: mbs.relationship.management@usbank.com
Attention: Structured Finance Relationship Management – Beazley II

Communications will take effect, in the case of a letter, when delivered, in the case of fax, when the relevant delivery receipt is received by the sender or, in the case of an electronic communication when the relevant receipt of such communication being read is given, or where no read receipt is requested by the sender, at the time of sending, provided that no delivery failure notification is received by the sender within 24 hours of sending such communication; provided that any communication which is received (or deemed to take effect in accordance with the foregoing) after 5:00pm on a business day or on a non-business day in the place of receipt shall be deemed to take effect at the opening of business on the next following business day in such place. Any communication delivered to any party under this Trust Deed which is to be sent by fax or electronic communication will be written legal evidence.

16 Governing Law and Jurisdiction

- 16.1** This Trust Deed and any non-contractual obligations arising out of or in connection with it shall be governed by and construed in accordance with English law, save that the provisions of Clause 5.2, 5.4 and 5.7 relating to the subordination of the Notes and set off (“**Excluded Matters**”) shall be construed in accordance with, the laws of Ireland.
- 16.2 Jurisdiction:** The courts of England are to have jurisdiction to settle any disputes which may arise out of or in connection with this Trust Deed or the Notes (other than the Excluded Matters, in respect of which the courts of Ireland shall have jurisdiction) and accordingly any legal action or proceedings arising out of or in connection with this Trust Deed or the Notes (“**Proceedings**”) may be brought in such courts. The Issuer irrevocably submits to the jurisdiction of such courts and waives any objections to Proceedings in any such courts on the ground of venue or on the ground that the Proceedings have been brought in an inconvenient forum. This Clause is for the benefit of each of the Trustee and the Noteholders and shall not limit the right of any of them to take Proceedings in any other court of competent jurisdiction nor shall the taking of Proceedings in any one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction (whether concurrently or not).
- 16.3 Service of Process:** The Issuer irrevocably appoints Beazley plc at its registered office to receive, for it and on its behalf, service of process in any Proceedings in England. Such service shall be deemed completed on delivery to such process agent (whether or not it is forwarded to and received by the Issuer). If for any reason such process agent ceases to be able to act as such or no longer has an address in England the Issuer irrevocably agrees to appoint a substitute process agent acceptable to the Trustee and shall immediately notify the Trustee of such appointment. Nothing shall affect the right to serve process in any other manner permitted by law.

Schedule 1
Part A
Form of Global Certificate

ISIN: XS2010045438

BEAZLEY INSURANCE DESIGNATED ACTIVITY COMPANY

(incorporated in Ireland with registered number IE464758)

U.S.\$300,000,000 5.500 per cent. Subordinated Tier 2 Notes due 2029

GLOBAL CERTIFICATE

Global Certificate No. 1

This Global Certificate is issued in respect of the principal amount specified above of the Notes (the “**Notes**”) of Beazley Insurance Designated Activity Company (the “**Issuer**”). This Global Certificate certifies that the person whose name is entered in the Register (the “**Registered Holder**”) is registered as the holder of such principal amount of the Notes at the date hereof.

Interpretation and Definitions

References in this Global Certificate to the “**Conditions**” are to the Terms and Conditions applicable to the Notes (which are in the form set out in Schedule 2 to the Trust Deed (the “**Trust Deed**”) dated 10 September 2019 between the Issuer and U.S. Bank Trustees Limited as trustee, as such form is supplemented and/or modified and/or superseded by the provisions of this Global Certificate, which in the event of any conflict shall prevail). Other capitalised terms used in this Global Certificate shall have the meanings given to them in the Conditions or the Trust Deed.

Promise to Pay

The Issuer, for value received, promises to pay to the holder of the Notes represented by this Global Certificate (subject to surrender of this Global Certificate if no further payment falls to be made in respect of such Notes) on 10 September 2029 (or on such earlier date as the amount payable upon redemption under the Conditions may become repayable in accordance with the Conditions) the amount payable upon redemption under the Conditions in respect of the Notes represented by this Global Certificate and to pay interest in respect of such Notes from the Issue Date in arrear at the rates, on the dates for payment, and in accordance with the method of calculation provided for in the Conditions, save that, so long as the Notes are represented by this Global Certificate, the calculation of interest is made in respect of the total aggregate amount of the Notes represented by this Global Certificate, together with such other sums and additional amounts (if any) as may be payable under the Conditions, in accordance with the Conditions. For the purposes of this Global Certificate, the definition of Record Date contained in Condition 7(a)(ii) shall not apply. Each payment will be made to, or to the order of, the person whose name is entered on the Register at the close of business on the record date which shall be on the Clearing System Business Day immediately prior to the date for payment, where Clearing System Business Day means Monday to Friday inclusive except 25 December and 1 January.

For the purposes of this Global Certificate, (a) the holder of the Notes represented by this Global Certificate is bound by the provisions of the Trust Deed, (b) this Global Certificate is evidence of entitlement only, (c) title to the Notes represented by this Global Certificate passes only on due registration on the Register, and (d) only the holder of the Notes represented by this Global Certificate is entitled to payments in respect of the Notes represented by this Global Certificate and payment by the Issuer of amounts due and payable under and in respect of the Notes to such

holder will, to the extent of such payments, constitute good discharge of the Issuer's obligations under the Notes.

Transfer of Notes Represented by Global Certificates

Transfers of the holding of Notes represented by this Global Certificate pursuant to Condition 2(a) may only be made in part:

- (i) if the Notes represented by this Global Certificate are held on behalf of Euroclear or Clearstream, Luxembourg or any other clearing system (an "**Alternative Clearing System**") and any such clearing system is closed for business for a continuous period of at least 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so; or
- (ii) upon or following any failure to pay principal in respect of any Notes when it is due and payable; or
- (iii) with the consent of the Issuer,

provided that, in the case of the first transfer of part of a holding pursuant to (i) or (ii) above, the holder of the Notes represented by this Global Certificate has given the Registrar not less than 30 days' notice at its specified office of such holder's intention to effect such transfer. Where the holding of Notes represented by this Global Certificate is to be transferred in its entirety, the Certificate issued to the transferee upon transfer of such holding shall be a Global Certificate. Where transfers are permitted in part, Certificates issued to transferees shall not be Global Certificates unless the transferee so requests and certifies to the Registrar that it is, or is acting as a nominee for, Clearstream, Luxembourg, Euroclear and/or an Alternative Clearing System.

Calculation of Interest

For so long as all of the Notes are represented by this Global Certificate and this Global Certificate is held on behalf of Euroclear and Clearstream, Luxembourg, interest shall be calculated in respect of any period by applying the rate of interest to the aggregate outstanding principal amount of the Notes represented by this Global Certificate and multiplying such sum by the applicable day count fraction (as provided in Condition 4), and rounding the resultant figure to the nearest sub-unit of dollars, with half of any such sub-unit being rounded upwards or otherwise in accordance with any other applicable market convention, all in accordance with the Conditions.

Notices

So long as all the Notes are represented by this Global Certificate and it is held on behalf of a clearing system, notices to Noteholders will be given by delivery of the relevant notice to that clearing system for communication by it to entitled accountholders in substitution for notification as required by the Conditions. A notice will be deemed to have been given to accountholders on the first Business Day following the day on which such notice is sent to the relevant clearing system for delivery to entitled accountholders.

Prescription

Claims against the Issuer in respect of any amounts payable in respect of the Notes represented by this Global Certificate will be prescribed after 10 years (in the case of principal) and five years (in the case of interest) from the due date.

Meetings

For the purposes of any meeting of Noteholders, the holder of the Notes represented by this Global Certificate shall be treated as being entitled to one vote in respect of each U.S.\$1.00.

Written Resolution and Electronic Consent

For so long as the Notes are represented by this Global Certificate, then, in respect of any resolution proposed by the Issuer or the Trustee:

- (a) where the terms of the proposed resolution have been notified to the Noteholder through the relevant clearing system(s), each of the Issuer and the Trustee shall be entitled to rely upon approval of such resolution proposed by the Issuer or the Trustee (as the case may be) given by way of electronic consents communicated through the electronic communications systems of the relevant clearing system(s) in accordance with their operating rules and procedures by or on behalf of the holders of not less than 75 per cent. in principal amount of the Notes outstanding (the “**Electronic Consent**”). None of the Issuer or the Trustee shall be liable or responsible to anyone for such reliance; and
- (b) where Electronic Consent is not being sought, for the purpose of determining whether a written resolution has been validly passed, the Issuer and the Trustee shall be entitled to rely on consent or instructions given in writing directly to the Issuer and/or the Trustee, as the case may be, by (i) accountholders in the clearing system(s) with entitlements to such Global Certificate and/or, where (ii) the accountholders hold any such entitlement on behalf of another person, on written consent from or written instruction by the person identified by that accountholder as the person for whom such entitlement is held. For the purpose of establishing the entitlement to give any such consent or instruction, the Issuer and the Trustee shall be entitled to rely on any certificate or other document issued by, in the case of (i) above, Euroclear, Clearstream, Luxembourg or any other relevant alternative clearing system (the relevant clearing system) and, in the case of (ii) above, the relevant clearing system and the accountholder identified by the relevant clearing system for the purposes of (ii) above. Any resolution passed in such manner shall be binding on all Noteholders, even if the relevant consent or instruction proves to be defective. Any such certificate or other document shall, in the absence of manifest error, be conclusive and binding for all purposes. Any such certificate or other document may comprise any form of statement or print out of electronic records provided by the relevant clearing system (including Euroclear's EUCLID or Clearstream, Luxembourg's CreationOnline system) in accordance with its usual procedures and in which the accountholder of a particular principal or nominal amount of the Notes is clearly identified together with the amount of such holding. Neither the Issuer nor the Trustee shall be liable to any person by reason of having accepted as valid or not having rejected any certificate or other document to such effect purporting to be issued by any such person and subsequently found to be forged or not authentic.

This Global Certificate shall not become valid for any purpose until authenticated by or on behalf of the Registrar.

This Global Certificate and any non-contractual obligations arising out of or in connection with it shall be governed by and construed in accordance with English law.

In witness whereof the Issuer has caused this Global Certificate to be signed on its behalf.

Dated as of the Issue Date.

BEAZLEY INSURANCE DESIGNATED ACTIVITY COMPANY

By:

Name:

Certificate of Authentication

This Global Certificate is authenticated
by or on behalf of the Registrar without recourse, warranty or liability.

THE BANK OF NEW YORK MELLON SA/NV, LUXEMBOURG BRANCH as Registrar

By:

Name:

Authorised Signatory

For the purposes of authentication only.

Form of Transfer

For value received the undersigned transfers to

(PLEASE PRINT OR TYPEWRITE NAME AND ADDRESS OF TRANSFEREE)

[●] principal amount of the Notes represented by this Global Certificate, and all rights under them.

Dated

Signed Certifying Signature

Notes:

- 1 The signature of the person effecting a transfer shall conform to a list of duly authorised specimen signatures supplied by the holder of the Notes represented by this Global Certificate or (if such signature corresponds with the name as it appears on the face of this Global Certificate) be certified by a notary public or a recognised bank or be supported by such other evidence as a Transfer Agent or the Registrar may reasonably require.
- 2 A representative of the Noteholder should state the capacity in which he signs e.g. executor.

Schedule 1
Part B
Form of Certificate

On the front:

BEAZLEY INSURANCE DESIGNATED ACTIVITY COMPANY
(incorporated in Ireland with registered number IE464758)

U.S.\$300,000,000 5.500 per cent. Subordinated Tier 2 Notes due 2029

CERTIFICATE

Certificate No. [●]

This Certificate certifies that [●] of [●] (the “**Registered Holder**”) is, as at the date hereof, registered as the holder of the principal amount of the Notes referred to above (the “**Notes**”) of Beazley Insurance Designated Activity Company (the “**Issuer**”). The Notes are subject to the Terms and Conditions (the “**Conditions**”) endorsed hereon and are issued subject to, and with the benefit of, the Trust Deed referred to in the Conditions. Expressions defined in the Conditions have the same meanings in this Certificate.

The Issuer, for value received, promises to, or to the order of, pay to the holder of the Notes represented by this Certificate (subject to surrender of this Certificate if no further payment falls to be made in respect of such Notes) on 10 September 2029 (or on such earlier date as the amount payable upon redemption under the Conditions may become payable in accordance with the Conditions) the amount payable upon redemption under the Conditions in respect of the Notes represented by this Certificate and to pay interest in respect of such Notes from the Issue Date in arrear at the rates, in the amounts and on the dates for payment provided for in the Conditions together with such other sums and additional amounts (if any) as may be payable under the Conditions, in accordance with the Conditions.

For the purposes of this Certificate, (a) the holder of the Notes represented by this Certificate is bound by the provisions of the Trust Deed, (b) the Issuer certifies that the Registered Holder is, at the date hereof, entered in the Register as the holder of the Notes represented by this Certificate, (c) this Certificate is evidence of entitlement only, (d) title to the Notes represented by this Certificate passes only on due registration on the Register, and (e) only the holder of the Notes represented by this Certificate is entitled to payments in respect of the Notes represented by this Certificate.

This Certificate shall not become valid for any purpose until authenticated by or on behalf of the Registrar.

This Certificate, and any non-contractual obligations arising out of or in connection with it, shall be governed by and construed in accordance with English law.

In witness whereof the Issuer has caused this Certificate to be signed on its behalf.

Dated as of the Issue Date.

BEAZLEY INSURANCE DESIGNATED ACTIVITY COMPANY

By:

Certificate of Authentication

This Certificate is authenticated
by or on behalf of the Registrar without recourse, warranty or liability.

THE BANK OF NEW YORK MELLON SA/NV, LUXEMBOURG BRANCH as Registrar

By:

Authorised Signatory
For the purposes of authentication only.

On the back:

Terms and Conditions of the Notes

[The Terms and Conditions that are set out in Schedule 2 to the Trust Deed will be set out here.]

Form of Transfer

For value received the undersigned transfers to

(PLEASE PRINT OR TYPEWRITE NAME AND ADDRESS OF TRANSFEREE)

[●] principal amount of the Notes represented by this Certificate, and all rights under them.

Dated

Signed Certifying Signature

Notes:

- 1 The signature of the person effecting a transfer shall conform to a list of duly authorised specimen signatures supplied by the holder of the Notes represented by this Certificate or (if such signature corresponds with the name as it appears on the face of this Certificate) be certified by a notary public or a recognised bank or be supported by such other evidence as a Transfer Agent or the Registrar may reasonably require.
- 2 A representative of the Noteholder should state the capacity in which he signs e.g. executor.

[TO BE COMPLETED BY TRANSFEREE:

[INSERT ANY REQUIRED TRANSFEREE REPRESENTATIONS, CERTIFICATIONS ETC.]]

PRINCIPAL PAYING AGENT

The Bank of New York Mellon, London Branch
One Canada Square
London E14 5AL
United Kingdom

REGISTRAR AND TRANSFER AGENT

The Bank of New York Mellon SA/NV, Luxembourg Branch
Vertigo Building – Polaris
2-4 rue Eugène Ruppert
L-2453 Luxembourg

Schedule 2

Terms and Conditions of the Notes

The issue of the US\$300,000,000 5.500 per cent. Subordinated Tier 2 Notes due 2029 (the “Notes”) of Beazley Insurance Designated Activity Company (the “Issuer”) was authorised by a resolution of the Board of Directors of the Issuer passed on 27 August 2019 and resolutions of duly authorised committees of the Board of Directors passed on 3 September 2019 and 5 September 2019, respectively. The Notes are constituted by a trust deed (the “Trust Deed”) dated 10 September 2019 between the Issuer and U.S. Bank Trustees Limited (the person or persons for the time being the trustee or trustees under the Trust Deed, the “Trustee”) as trustee for the Holders (as defined below) of the Notes. These terms and conditions (the “Conditions”) include summaries of, and are subject to, the detailed provisions of the Trust Deed, which includes the forms of the Notes. Copies of the Trust Deed and of the agency agreement (the “Agency Agreement”) dated 10 September 2019 relating to the Notes between the Issuer, The Bank of New York Mellon, London Branch, as the initial principal paying agent (the person(s) for the time being the principal paying agent under the Agency Agreement, the “Principal Paying Agent”), and the initial registrar and transfer agents named therein (the person(s) for the time being the registrar and transfer agent(s) under the Agency Agreement, the “Registrar” and “Transfer Agent(s)”), and the Trustee, are available for inspection during usual business hours at the principal office of the Trustee (presently at Fifth Floor, 125 Old Broad Street, London EC2N 1AR) and at the specified offices of the Principal Paying Agent, the Registrar and each of the Transfer Agents. The Holders are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the Trust Deed and are deemed to have notice of those provisions applicable to them of the Agency Agreement.

1. Form, Denomination and Title

(a) *Form and Denomination*

The Notes are serially numbered in the denominations of US\$200,000 and integral multiples of US\$1,000 in excess thereof.

The Notes are represented by registered certificates (“Certificates”) and, save as provided in Condition 2(a), each Certificate shall represent the entire holding of Notes by the same Holder.

(b) *Title*

Title to the Notes shall pass by registration in the register that the Issuer shall procure to be kept by the Registrar outside of the UK in accordance with the provisions of the Agency Agreement (the “Register”). Except as ordered by a court of competent jurisdiction or as required by law, the Holder of any Note shall be deemed to be and may be treated as its absolute owner for all purposes whether or not it is overdue and regardless of any notice of ownership, trust or an interest in it, any writing on the Certificate representing it or the theft or loss of such Certificate and no person shall be liable for so treating the Holder.

In these Conditions, “Noteholder” or “Holder” means the person in whose name a Note is registered.

2. Transfer of Notes

(a) *Transfer*

A holding of Notes may, subject to Condition 2(d), be transferred in whole or in part upon the surrender (at the specified office of the Registrar or any Transfer Agent) of the Certificate(s) representing such Notes to be transferred, together with the form of transfer endorsed on such Certificate(s), duly completed and executed and any

other evidence as the Registrar or Transfer Agent may reasonably require. In the case of a transfer of part only of a holding of Notes represented by one Certificate, a new Certificate shall be issued to the transferee in respect of the part transferred and a further new Certificate in respect of the balance of the holding not transferred shall be issued to the transferor. In the case of a transfer of Notes to a person who is already a Holder of Notes, a new Certificate representing the enlarged holding of that Holder shall only be issued against surrender of the Certificate representing the existing holding of that Holder. All transfers of Notes and entries in the Register will be made in accordance with the detailed regulations concerning transfers of Notes scheduled to the Agency Agreement. The regulations may be changed by the Issuer, with the prior written approval of the Registrar and the Trustee. A copy of the current regulations will be made available by the Registrar to any Noteholder upon request.

(b) ***Delivery of New Certificates***

Each new Certificate to be issued pursuant to Condition 2(a) shall be available for delivery within three business days of receipt of a duly completed and executed form of transfer and surrender of the existing Certificate(s). Delivery of the new Certificate(s) shall be made at the specified office of the relevant Transfer Agent or of the Registrar (as the case may be) to whom delivery or surrender of such form of transfer and Certificate(s) shall have been made or, at the option of the Holder making such delivery or surrender as aforesaid and as specified in the relevant form of transfer or otherwise in writing, be mailed by uninsured post at the risk of the Holder entitled to the new Certificate to such address as may be so specified, unless such Holder requests otherwise and pays in advance to the relevant Transfer Agent or the Registrar (as the case may be) the costs of such other method of delivery and/or such insurance as it may specify. In this Condition 2(b), “**business day**” means a day, other than a Saturday or Sunday, on which banks are open for business in the place of the specified office of the relevant Transfer Agent or the Registrar (as the case may be).

(c) ***Transfer Free of Charge***

Certificates, on transfer, shall be issued and registered without charge by or on behalf of the Issuer, the Registrar or any Transfer Agent, but upon payment of any tax or other governmental charges that may be imposed in relation to such transfer (or the giving of such indemnity as the Registrar or the relevant Transfer Agent may require).

(d) ***Closed Periods***

No Noteholder may require the transfer of a Note to be registered (i) during the period of 15 calendar days ending on (and including) the due date for redemption of that Note, (ii) after the Notes have been called for redemption, (iii) during the period of seven days ending on (and including) any Record Date in respect of any payment of interest on the Notes or (iv) during the period following delivery of a notice of a payment of Arrears of Interest in accordance with Condition 5(c) and Condition 14 and ending on the date referred to in such notice as having been fixed for such payment of Arrears of Interest.

3. Status and Subordination

(a) **Winding-Up**

The Notes constitute direct and unsecured obligations of the Issuer and rank *pari passu* and without any preference among themselves. If a Winding-Up occurs, the rights and claims of the Holders (and the Trustee on their behalf) against the Issuer in respect of, or arising under, each Note shall, in lieu of any other payment by the Issuer, be for an amount equal to the principal amount of the relevant Note, together with, to the extent not otherwise included within the foregoing, any other amounts attributable to such Note, including any Arrears of Interest, any other accrued and unpaid interest thereon and any damages awarded for breach of any obligations in respect of such Note, provided however that such rights and claims shall be subordinated as provided in this Condition 3(a) and in the Trust Deed to the claims of all Senior Creditors but shall rank (i) at least *pari passu* with all other subordinated obligations of the Issuer which constitute, or would but for any applicable limitation on the amount of such capital constitute, Tier 2 Capital and all obligations which rank, or are expressed to rank, *pari passu* therewith (“**Pari Passu Securities**”) and (ii) in priority to the claims of holders of: (x) all obligations of the Issuer which constitute, or would but for any applicable limitation on the amount of such capital constitute, Tier 1 Capital and all obligations which rank, or are expressed to rank, *pari passu* therewith (including, without limitation, by virtue of the operation of any grandfathering provisions under any Relevant Rules); and (y) all classes of share capital of the Issuer (together, the “**Junior Securities**”).

(b) **Solvency Condition**

Except in a Winding-Up (in which case Condition 3(a) shall apply in place of this Condition 3(b)), all payments under or arising from the Notes and the Trust Deed (other than payments made to the Trustee for its own account under the Trust Deed) shall be conditional upon the Issuer being solvent at the time for payment by the Issuer, and no amount shall be payable under or arising from the Notes or the Trust Deed (other than payments made to the Trustee for its own account under the Trust Deed) unless and until the Issuer could make such payment and still be solvent immediately thereafter (the “**Solvency Condition**”). Any payment which is not paid due to the operation of the Solvency Condition will be deferred as further provided in Condition 5(c) or Condition 6(a), as the case may be.

For the purpose of the Solvency Condition, the Issuer will be “**solvent**” if (i) it is able to pay its debts owed to Senior Creditors and *Pari Passu* Creditors as they fall due and (ii) its Assets exceed its Liabilities.

A certificate as to the solvency of the Issuer signed by two Authorised Signatories or, if there is a winding-up or administration of the Issuer, by two directors or authorised signatories of the liquidator or, as the case may be, the administrator of the Issuer shall, in each case, be treated and accepted by the Trustee (and if so treated and accepted by the Trustee, shall be so treated and accepted by the Noteholders and all other interested parties) as correct and sufficient evidence thereof and the Trustee shall be entitled to rely on such certificate without further enquiry and without liability to any person.

The Issuer shall notify the Trustee, the Registrar and the Principal Paying Agent in writing and notify the Noteholders in accordance with Condition 14 as soon as

reasonably practicable after it has determined that any payment (in whole or in part) will be deferred due to the operation of the Solvency Condition (provided that, for the avoidance of doubt, any delay in giving such notice shall not result in such payment becoming due on the scheduled payment date).

(c) **Set-off**

Subject to applicable law, no Holder may exercise, claim or plead any right of set-off, compensation or retention in respect of any amount owed to it by the Issuer in respect of, or arising under or in connection with the Notes or the Trust Deed and each Holder shall, by virtue of his holding of any Note, be deemed, to the extent permitted under applicable law, to have waived all such rights of set-off, compensation or retention. Notwithstanding the preceding sentence, if any of the amounts owing to any Holder by the Issuer in respect of, or arising under, or in connection with, the Notes is discharged by set-off, such Holder shall, subject to applicable law, immediately pay an amount equal to the amount of such discharge to the Issuer (or, in the event of its winding-up or administration, the liquidator or, as appropriate, administrator of the Issuer) and, until such time as payment is made, shall hold an amount equal to such amount in trust for the Issuer (or the liquidator or, as appropriate, administrator of the Issuer (as the case may be)) and accordingly any such discharge shall be deemed not to have taken place.

4. Interest Payments

(a) **Interest Rate**

The Notes bear interest at the rate of 5.500 per cent. per annum from (and including) the Issue Date in accordance with the provisions of this Condition 4.

Interest shall, subject to Conditions 3(b) and 5, be payable on the Notes semi-annually in arrear on each Interest Payment Date in equal instalments and shall amount to US\$27.50 per Calculation Amount, as provided in this Condition 4.

Where it is necessary to compute an amount of interest in respect of any Note for a period which is less than a complete Interest Period, such amount of interest shall be determined on the basis of a 360-day year consisting of 12 months of 30 days each, and in the case of an incomplete month, the number of days elapsed.

(b) **Interest Accrual**

Each Note will cease to bear interest from (and including) the due date for redemption thereof pursuant to Condition 6(a), (c) or (d) or the date of substitution thereof pursuant to Condition 6(e), as the case may be, unless, upon surrender of the Certificate representing any Note, payment of all amounts due in respect of such Note is not properly and duly made, in which event interest shall continue to accrue on the Notes, both before and after judgment, and shall, subject to Conditions 3(b) and 5, be payable, as provided in these Conditions up to (but excluding) the Relevant Date.

5. Deferral of Interest

(a) **Mandatory Deferral of Interest**

Any payment of interest otherwise due on the Notes on an Interest Payment Date will be mandatorily deferred if such Interest Payment Date is a Mandatory Interest

Deferral Date. The Issuer shall notify the Trustee, the Registrar and the Principal Paying Agent in writing and notify the Noteholders in accordance with Condition 14 no later than the date which is scheduled to be five Business Days prior to an Interest Payment Date (or as soon as reasonably practicable if a Regulatory Deficiency Interest Deferral Event occurs less than the date which is scheduled to be five Business Days prior to an Interest Payment Date) if a Regulatory Deficiency Interest Deferral Event has occurred and is continuing or if a Regulatory Deficiency Interest Deferral Event would occur on the relevant Interest Payment Date if payment of interest were made (provided that, for the avoidance of doubt, any delay in giving such notice shall not result in such interest becoming due and payable on the relevant Mandatory Interest Deferral Date).

A certificate signed by two Authorised Signatories confirming that (i) a Regulatory Deficiency Interest Deferral Event has occurred and is continuing, or would occur if payment of interest on the Notes were made or (ii) a Regulatory Deficiency Interest Deferral Event has ceased to occur and/or payment of interest on the Notes would not result in a Regulatory Deficiency Interest Deferral Event occurring, may be treated and accepted by the Trustee (and, if so treated and accepted by the Trustee, shall be so treated and accepted by, and be binding on, the Noteholders and all other interested parties) as correct and sufficient evidence thereof and the Trustee shall be entitled to rely on such certificate without further enquiry and without liability to any person.

(b) ***No default***

Notwithstanding any other provision in these Conditions or in the Trust Deed, the deferral of any payment of interest in accordance with this Condition 5 or in accordance with the Solvency Condition will not constitute a default by the Issuer and will not give Noteholders or the Trustee any right to accelerate repayment of the Notes, petition for the winding-up of the Issuer or take any other action under the Notes or the Trust Deed.

(c) ***Arrears of Interest***

Any interest in respect of the Notes not paid on an Interest Payment Date as a result of (i) the obligation on the Issuer to defer such payment of interest pursuant to Condition 5(a) or (ii) the operation of the Solvency Condition, together with any other interest in respect of the Notes not paid on an earlier Interest Payment Date shall, so long as the same remains unpaid, constitute "**Arrears of Interest**". Arrears of Interest shall not themselves bear interest.

Any Arrears of Interest may (subject to the Solvency Condition, to any Regulatory Conditions and to a Regulatory Deficiency Interest Deferral Event not existing at the time of, or occurring as a result of, such payment), be paid in whole or in part at any time at the election of the Issuer upon the expiry of not less than 14 days' notice to such effect given by the Issuer to the Trustee, the Registrar and the Principal Paying Agent in writing and to the Noteholders in accordance with Condition 14, and in any event all Arrears of Interest will become due and payable (subject, in the case of (i) and (iii) below, to the Solvency Condition and to any Regulatory Conditions) upon the earliest of the following dates:

- (i) the next Interest Payment Date which is not a Mandatory Interest Deferral Date; or

- (ii) the date on which a Winding-Up of the Issuer occurs; or
- (iii) the date of any redemption or purchase of Notes by or on behalf of the Issuer or any of its Subsidiaries (subject to the deferral of such redemption pursuant to the Solvency Condition or Condition 6(a)).

The Issuer shall as soon as reasonably practicable notify the Trustee, the Registrar and the Principal Paying Agent in writing and notify the Noteholders in accordance with Condition 14 of any payment of Arrears of Interest made in accordance with (i) or (iii) above.

6. Redemption, Substitution, Variation and Purchase

(a) *Redemption*

- (i) Subject to the Solvency Condition, Condition 6(a)(ii) and compliance by the Issuer with applicable Relevant Rules, including any Regulatory Conditions, and provided that such redemption is permitted under applicable Relevant Rules (on the basis that the Notes are intended to qualify as Tier 2 Capital under the Relevant Rules), unless previously redeemed or purchased and cancelled or (pursuant to Condition 6(e)) substituted, the Notes will be redeemed at their principal amount, together with Arrears of Interest (if any) and any other accrued and unpaid interest, on 10 September 2029 (the “**Maturity Date**”). The Notes may not be redeemed at the option of the Issuer other than in accordance with this Condition 6.
- (ii) No Notes shall be redeemed on the Maturity Date pursuant to Condition 6(a)(i) or prior thereto pursuant to Condition 6(c) or (d) if a Regulatory Deficiency Redemption Deferral Event has occurred and is continuing or would occur if redemption were made on the otherwise applicable redemption date or (to the extent applicable in accordance with the Relevant Rules) if any of the events set out in Condition 6(a)(iii) below apply.
- (iii) If the Notes are not to be redeemed on the Maturity Date pursuant to Condition 6(a)(i) or on any scheduled redemption date pursuant to Condition 6(c) or (d) as a result of circumstances where:
 - (x) a Regulatory Deficiency Redemption Deferral Event has occurred and is continuing or would occur if the Notes were redeemed on such date;
 - (y) the Solvency Condition is not or would not be satisfied on such date and immediately after the redemption; or
 - (z) the Relevant Regulator does not consent to the redemption (to the extent that consent is then required by the Relevant Regulator or the Relevant Rules) or the Relevant Regulator objects to the redemption or such redemption otherwise cannot be effected in compliance with the Relevant Rules on such date,

the Issuer shall notify the Trustee, the Registrar and the Principal Paying Agent in writing and notify the Noteholders in accordance with Condition 14 no later than the date which is scheduled to be five Business Days prior to the otherwise applicable redemption date (or as soon as reasonably

practicable if the relevant circumstance requiring redemption to be deferred arises, or is determined, less than the date which is scheduled to be five Business Days prior to the relevant redemption date). For the avoidance of doubt, any delay in giving such notice shall not result in the Notes becoming due and payable on the Maturity Date or the date specified for redemption in accordance with Condition 6(c) or Condition 6(d), as applicable.

- (iv) If redemption of the Notes under Condition 6(a)(i), (c) or (d) does not occur on the otherwise applicable redemption date as a result of Condition 6(a)(ii) or, as the case may be, Condition 6(a)(iii) above, then, subject (in the case of (x) and (y) below only) to the Solvency Condition and any Regulatory Conditions, such Notes shall be redeemed at their principal amount together with Arrears of Interest, if any, and any other accrued and unpaid interest thereon to (but excluding) the date of redemption, upon the earliest of:
 - (x) (in the case of a failure to redeem due to the operation of Condition 6(a)(ii) only) the date falling 10 Business Days after the date the Regulatory Deficiency Redemption Deferral Event has ceased (unless, on such tenth Business Day, a further Regulatory Deficiency Redemption Deferral Event has occurred and is continuing or redemption of the Notes on such date would result in a Regulatory Deficiency Redemption Deferral Event occurring, in which case the provisions of Condition 6(a)(ii), Condition 6(a)(iii) and this Condition 6(a)(iv) shall apply *mutatis mutandis* to determine the due date for redemption); or
 - (y) the date falling 10 Business Days after the Relevant Regulator has agreed to the repayment or redemption of the Notes; or
 - (z) the date on which a Winding-Up of the Issuer occurs.
- (v) If Condition 6(a)(ii) does not apply, but redemption of the Notes does not occur on the otherwise applicable redemption date as a result of the Solvency Condition not being satisfied at such time and immediately after such payment, then, subject to any Regulatory Conditions, such Notes shall be redeemed at their principal amount together with Arrears of Interest, if any, and any other accrued and unpaid interest thereon to (but excluding) the date of redemption, on the tenth Business Day immediately following the day that (i) the Solvency Condition is satisfied and (ii) redemption of the Notes would not result in the Solvency Condition ceasing to be satisfied, provided that if on such tenth Business Day specified for redemption a Regulatory Deficiency Redemption Deferral Event has occurred and is continuing, or would occur if the Notes were to be redeemed, or if the Solvency Condition would not be satisfied on such date and immediately after the redemption, then the Notes shall not be redeemed on such date and Conditions 6(a)(ii), 6(a)(iii) and 6(a)(iv) (if such further deferral is due to a Regulatory Deficiency Redemption Deferral Event) or Condition 3(b) and this Condition 6(a)(v) (if such further deferral is due to the operation of the Solvency Condition) shall apply *mutatis mutandis* to determine the date of the redemption of the Notes.

- (vi) A certificate signed by two Authorised Signatories confirming that (a) a Regulatory Deficiency Redemption Deferral Event has occurred and is continuing, or would occur if redemption of the Notes were to be made or (b) a Regulatory Deficiency Redemption Deferral Event has ceased to occur and/or redemption of the Notes would not result in a Regulatory Deficiency Redemption Deferral Event occurring or (c) that any of the circumstances described in Condition 6(a)(iii)(y) or (z) apply, may be treated and accepted by the Trustee (and, if so treated and accepted by the Trustee, shall be so treated and accepted by, and be binding on, the Noteholders and all other interested parties) as correct and sufficient evidence thereof and the Trustee shall be entitled to rely on such certificate without further enquiry and without liability to any person.
- (vii) Notwithstanding any other provision of these Conditions or in the Trust Deed, the deferral of redemption of the Notes in accordance with the Solvency Condition or this Condition 6 will not constitute a default by the Issuer and will not give Noteholders or the Trustee any right to accelerate repayment of the Notes, petition for the winding up of the Issuer or take any other action under the Notes or the Trust Deed.
- (viii) In circumstances where redemption of the Notes has been deferred, the Issuer will notify the Trustee, the Registrar and the Principal Paying Agent in writing and notify the Noteholders in accordance with Condition 14 as soon as reasonably practicable after it has determined the relevant deferred date for redemption, and (if applicable) of any subsequent redemption deferrals and corresponding deferred dates for redemption.

(b) ***Conditions to Redemption, Substitution, Variation and Purchase***

Any redemption or purchase of the Notes or substitution or variation of the terms of the Notes is subject to:

- (i) the Issuer having complied with applicable Regulatory Conditions and being in continued compliance with the Regulatory Capital Requirements applicable to it at the relevant time; and
- (ii) in the case of any redemption or purchase prior to the fifth anniversary of the Issue Date (or, if any further tranche(s) of the Notes has or have been issued pursuant to Condition 15 and consolidated to form a single series with the Notes, within five years of the issue date of the latest such tranche), either:
 - (A) such redemption or purchase being funded (to the extent then required by the Relevant Regulator pursuant to the Relevant Rules) out of the proceeds of a new issuance of capital of at least the same quality as the Notes (or, alternatively, in the case of a purchase of Notes only, by means of an exchange of such Notes for a new issuance of capital of at least the same quality as the Notes) and, in any such case, being otherwise permitted under the Relevant Rules; or
 - (B) in the case of any redemption or purchase prior to the fifth anniversary of the Issue Date (or, if applicable, the issue date of the

latest tranche of the Notes) pursuant to Condition 6(c) or (d) and if so permitted by the Relevant Regulator and the Relevant Rules at such time (and only if and to the extent then required by the Relevant Regulator pursuant to the Relevant Rules), the Relevant Regulator being satisfied that the Solvency Capital Requirement applicable to the Issuer and all or any relevant part of the Regulated Group will be exceeded by an appropriate margin immediately after such redemption or repurchase (taking into account the solvency position of the Issuer and all or such relevant part of the Regulated Group, including by reference to the Issuer's or the Regulated Group's medium-term capital management plan); and:

- (x) in the case of redemption or repurchase following the occurrence of a Tax Event, the Issuer having demonstrated to the satisfaction of the Relevant Regulator that the applicable change in tax treatment is material and was not reasonably foreseeable as at the Issue Date (or, if applicable, the issue date of the latest tranche of the Notes); or
- (y) in the case of redemption or repurchase following the occurrence of a Capital Disqualification Event, the Relevant Regulator considering that the relevant change in the regulatory classification of the Notes was sufficiently certain and the Issuer having demonstrated to the satisfaction of the Relevant Regulator that such change was not reasonably foreseeable as at the Issue Date (or, if applicable, the issue date of the latest tranche of the Notes).

Notwithstanding any other provisions of these Conditions, if, at the time of any redemption, substitution, variation or purchase, the prevailing Relevant Rules permit the repayment, substitution, variation or purchase only after compliance with one or more alternative or additional pre-conditions to those set out above in this Condition 6(b) or otherwise in these Conditions, the Issuer shall comply with such other and/or, as appropriate, additional pre-condition(s).

Prior to the publication of any notice of substitution, variation or redemption pursuant to this Condition 6, the Issuer shall deliver to the Trustee (i) a certificate signed by two Authorised Signatories stating that the relevant requirement or circumstance giving rise to the right to redeem, repurchase, substitute or, as appropriate, vary is satisfied, in the case of a substitution or variation, that the terms of the relevant Qualifying Tier 2 Securities comply with the definition thereof in Condition 19 and, in the case of any redemption or repurchase prior to the fifth anniversary of the Issue Date, stating that it would have been reasonable for the Issuer to conclude, judged at the time of the issue of the Notes, that the circumstance entitling the Issuer to exercise the right of redemption was unlikely to occur and (ii) in the case of a redemption pursuant to Condition 6(c) only, an opinion from a nationally recognised law firm or other tax adviser in Ireland experienced in such matters to the effect that the relevant requirement or circumstance referred to in any of paragraphs (a), (b)(i) or (b)(ii) (inclusive) of the definition of "Tax Event" applies (but, for the avoidance of doubt, such opinion shall not be required to comment on the ability of the Issuer to avoid such circumstance

by taking measures reasonably available to it or as to the materiality of any relevant reduction in entitlement). The Trustee may treat and accept (and if so treated and accepted by the Trustee, shall be so treated and accepted by the Holders and all other interested parties) such certificate and, where applicable, opinion as correct and sufficient evidence of the satisfaction of the relevant conditions precedent and, if so treated and accepted by the Trustee, such certificate and, where applicable, opinion, shall be conclusive and binding on the Trustee and the Holders. The Trustee shall be entitled to rely on such certificate and, where applicable, opinion, without further enquiry and without liability to any person.

(c) ***Redemption Due to Tax Event***

If, prior to the giving of the notice referred to below in this Condition 6(c), a Tax Event has occurred and is continuing, then the Issuer may, subject to the Solvency Condition and Conditions 6(a)(ii) and 6(b) and having given not less than 30 nor more than 60 days' notice to the Holders in accordance with Condition 14, the Trustee, the Registrar, the Principal Paying Agent (which notice shall be irrevocable and shall specify the date for redemption), elect to redeem in accordance with these Conditions at any time all, but not some only, of the Notes at their principal amount, together with Arrears of Interest, if any, and any other unpaid interest accrued to (but excluding) the date fixed for redemption. Subject to Conditions 6(a) and 6(b) and the Solvency Condition, upon the expiry of such notice the Issuer shall redeem the Notes.

(d) ***Redemption Due to Capital Disqualification Event***

If, prior to the giving of the notice referred to below in this Condition 6(d), a Capital Disqualification Event has occurred and is continuing, then the Issuer may, subject to the Solvency Condition and Conditions 6(a)(ii) and 6(b) and having given not less than 30 nor more than 60 days' notice to the Holders in accordance with Condition 14, the Trustee, the Registrar and the Principal Paying Agent (which notice shall be irrevocable and shall specify the date for redemption), elect to redeem in accordance with these Conditions at any time all, but not some only, of the Notes at their principal amount, together with Arrears of Interest, if any, and any other unpaid interest accrued to (but excluding) the date fixed for redemption. Subject to Conditions 6(a) and 6(b) and the Solvency Condition, upon the expiry of such notice the Issuer shall redeem the Notes.

(e) ***Substitution or Variation***

If a Tax Event or a Capital Disqualification Event has occurred and is continuing, then the Issuer may, subject to Condition 6(b) and having given not less than 30 nor more than 60 days' notice to the Holders in accordance with Condition 14, the Trustee, the Registrar and the Principal Paying Agent (which notice shall be irrevocable and shall specify the date for substitution or, as the case may be, variation of the Notes) but without any requirement for the consent or approval of the Holders, at any time either substitute all (but not some only) of the Notes for, or vary the terms of the Notes so that they remain or, as appropriate, become, Qualifying Tier 2 Securities, and the Trustee shall (subject to the following provisions of this Condition 6(e) and subject to the receipt by it of the certificates of the Authorised Signatories referred to in Condition 6(b) above and in the definition

of Qualifying Tier 2 Securities) agree to such substitution or variation. Upon the expiry of such notice, the Issuer shall either vary the terms of or substitute the Notes in accordance with this Condition 6(e), as the case may be. The Trustee shall use its reasonable endeavours to assist the Issuer in the substitution of the Notes for, or the variation of the terms of the Notes so that they remain, or as appropriate, become, Qualifying Tier 2 Securities, provided that the Trustee shall not be obliged to participate in, or assist with, any such substitution or variation if the terms of Notes as so varied or the terms of the proposed alternative Qualifying Tier 2 Securities, or, as the case may be, the participation in or assistance with such substitution or variation would impose, in the Trustee's opinion, more onerous obligations upon it or expose it to any additional duties, responsibilities or liabilities or reduce or amend the protective provisions afforded to the Trustee in these Conditions, the Trust Deed or the Agency Agreement (including any supplemental trust deed or agency agreement). If the Trustee does not participate or assist as provided above, the Issuer may, subject as provided above, elect to redeem the Notes as provided in, as appropriate, Condition 6(c) or (d).

In connection with any substitution or variation in accordance with this Condition 6(e), the Issuer shall comply with the rules of any stock exchange on which the Notes are for the time being listed or admitted to trading.

(f) **Purchases**

The Issuer may, subject to the Solvency Condition and Condition 6(b), at any time purchase (or otherwise acquire), or procure others to purchase (or otherwise acquire) beneficially for its account, Notes in any manner and at any price. The Notes so purchased (or acquired), while held by or on behalf of the Issuer, shall not entitle the Holder to vote at any meetings of the Noteholders and shall not be deemed to be outstanding for the purposes of calculating quorums at meetings of the Noteholders or for the purposes of Condition 8(c).

(g) **Cancellation**

All Notes redeemed or substituted by the Issuer pursuant to this Condition 6 will forthwith be cancelled. All Notes purchased by or on behalf of the Issuer may, subject to obtaining any consent or no objection therefor from the Relevant Regulator, be held, reissued, resold or, at the option of the Issuer, surrendered for cancellation to the Registrar. Notes so surrendered shall be cancelled forthwith. Any Notes so surrendered for cancellation may not be reissued or resold and the obligations of the Issuer in respect of any such Notes shall be discharged.

(h) **Trustee Not Obligated to Monitor**

The Trustee shall not be under any duty to monitor whether any event or circumstance has happened or exists within this Condition 6 and will not be responsible to Holders for any loss arising from any failure by it to do so. Unless and until the Trustee has actual written notice of the occurrence of any event or circumstance within this Condition 6, it shall be entitled without liability to any person and without further enquiry to assume that no such event or circumstance exists.

7. Payments

(a) **Method of Payment**

- (i) Payment of principal in respect of the Notes and payment of accrued interest (including, without limitation, Arrears of Interest) payable on redemption of the Notes (other than on an Interest Payment Date) will be made to the persons shown in the Register at the close of business on the Record Date (as defined below), subject to surrender (or in the case of partial payment only, endorsement) of the relevant Note, at the specified office of the Principal Paying Agent. Payments of principal shall be made in US dollars (subject to surrender of the relevant Certificates at the specified office of any Transfer Agent or of the Registrar if no further payment falls to be made in respect of the Notes represented by such Certificates) in like manner as is provided for payments of interest in paragraph (ii) below.
- (ii) Interest on each Note payable on an Interest Payment Date shall be paid to the person shown in the Register at the close of business on the tenth business day before the due date for payment thereof (the “**Record Date**”). Payments of interest on each Note shall be made in US dollars by transfer to a US dollar account maintained by the payee with a bank in New York.

(b) ***Payments Subject to Laws***

Payments in respect of the Notes will be subject in all cases to any applicable fiscal or other laws, regulations and directives in the place of payment, but without prejudice to Condition 9 and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the US Internal Revenue Code of 1986, as amended (the “**Code**”), or otherwise imposed pursuant to Sections 1471 through 1474 of the Code and any regulations or agreements thereunder or official interpretations thereof (“**FATCA**”) or any law implementing an intergovernmental approach to FATCA.

The Issuer will not be liable for any taxes or duties of whatever nature imposed or levied by such laws, regulations, directives or agreements or in respect of FATCA. No commissions or expenses shall be charged to the Holders in respect of such payments.

(c) ***Payment Initiation***

Payment instructions (for value the due date, or, if that date is not a Business Day, for value the first following day which is a Business Day) will be initiated on the last day on which the Principal Paying Agent is open for business preceding the due date for payment or, in the case of payments of principal where the relevant Certificate has not been surrendered at the specified office of any Transfer Agent or of the Registrar, on a day on which the Principal Paying Agent is open for business and on which the relevant Certificate is so surrendered.

(d) ***Delay in Payment***

Noteholders will not be entitled to any interest or other payment for any delay after the due date in receiving the amount due on a Note if the due date is not a Business Day or if the Noteholder is late in surrendering or cannot surrender its Certificate (if required to do so).

(e) ***Non-Business Days***

If any date for payment in respect of any Note is not a business day, the Holder shall not be entitled to payment until the next following business day nor to any interest or other sum in respect of such postponed payment. In this Condition 7, “**business day**” means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for business in the place in which the specified office of the Principal Paying Agent is located and where payment is to be made by transfer to an account maintained with a bank in US dollars, on which foreign exchange transactions may be carried on in US dollars in New York.

8. Default

(a) **Default**

Notwithstanding any of the provisions below in this Condition 8, the right to institute winding-up proceedings in respect of the Issuer is limited to circumstances where payment has become due and is not duly paid. Pursuant to Condition 3(b), no principal, interest or any other amount will be due on a scheduled payment date if the Solvency Condition is not, or would not be, satisfied at the time of, and immediately after, any such payment. In addition, in the case of any payment of interest in respect of the Notes which is deferred pursuant to Condition 5(a), such payment will not be due on the scheduled payment date and, in the case of payment of principal, such payment will be deferred and will not be due on the scheduled payment date if Condition 6(a)(ii) or Condition 6(a)(iii) applies or the relevant Regulatory Conditions are not satisfied or such redemption otherwise cannot be effected in compliance with the Relevant Rules on such date.

If the Issuer shall not make payment in respect of the Notes (in the case of payment of principal) for a period of seven days or more or (in the case of any interest payment or any other amount in respect of the Notes) shall not make payment for a period of 14 days or more, in each case after the date on which such payment is due (a “**Default**”), the Issuer shall be deemed to be in default under the Trust Deed and the Notes and the Trustee, in its discretion, may, or (subject to Condition 8(c)) if so requested by an Extraordinary Resolution of the Holders or in writing by the Holders of at least one-quarter in principal amount of the Notes then outstanding shall, notwithstanding the provisions of Condition 8(b), institute proceedings for the winding-up of the Issuer.

In the event of a Winding-Up of the Issuer (whether or not instituted by the Trustee pursuant to the foregoing), the Trustee in its discretion may, or (subject to Condition 8(c)) if so requested by an Extraordinary Resolution of the Holders or in writing by the Holders of at least one-quarter in principal amount of the Notes then outstanding shall, prove and/or claim in such Winding-Up of the Issuer, such claim being as contemplated in Condition 3(a).

(b) **Enforcement**

Without prejudice to Condition 8(a), the Trustee may at its discretion and without notice institute such steps, actions or proceedings against the Issuer as it may think fit to enforce any term or condition binding on the Issuer under the Trust Deed or the Notes (other than any payment obligation of the Issuer under or arising from the Notes or the Trust Deed, including, without limitation, payment of any principal or interest (including, without limitation, Arrears of Interest) in respect of the Notes and any damages awarded for breach of any obligations in respect thereof), but in

no event shall the Issuer, by virtue of the institution of any such steps, actions or proceedings, be obliged to pay any sum or sums, in cash or otherwise, sooner than the same would otherwise have been payable by it pursuant to these Conditions and the Trust Deed. Nothing in this Condition 8(b) shall, however, prevent the Trustee instituting proceedings for the winding-up of the Issuer and/or proving and/or claiming in any Winding-Up of the Issuer in respect of any payment obligations of the Issuer arising from the Notes or the Trust Deed (including any damages awarded for breach of any obligations) in the circumstances provided in, and subject to the provisions of, Conditions 3(a) and 8(a).

(c) ***Entitlement of Trustee***

The Trustee shall not be bound to take any of the actions referred to in Condition 8(a) or (b) above against the Issuer to enforce the terms of the Trust Deed or the Notes or any other action under or pursuant to the Trust Deed unless (i) it shall have been so requested by an Extraordinary Resolution (as defined in the Trust Deed) of the Holders or in writing by the Holders of at least one-quarter in principal amount of the Notes then outstanding and (ii) it shall have been indemnified and/or secured and/or pre-funded to its satisfaction.

(d) ***Right of Holders***

No Holder shall be entitled to proceed directly against the Issuer or to institute proceedings for the winding-up of the Issuer or prove or claim in any Winding-Up of the Issuer unless the Trustee, having become so bound to proceed or being able to prove or claim in such Winding-Up, fails to do so within a reasonable period and such failure shall be continuing, in which case the Holder shall, with respect to the Notes held by it, have only such rights against the Issuer as those which the Trustee is entitled to exercise in respect of such Notes as set out in this Condition 8.

(e) ***Extent of Holders' Remedy***

No remedy against the Issuer, other than as referred to in this Condition 8, shall be available to the Trustee or the Holders, whether for the recovery of amounts owing in respect of the Notes or under the Trust Deed or in respect of any breach by the Issuer of any of its other obligations under or in respect of the Notes or under the Trust Deed.

9. **Taxation**

All payments of principal, interest and any other amounts by or on behalf of the Issuer in respect of the Notes shall be made free and clear of, and without withholding or deduction for, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by the Relevant Jurisdiction, unless such withholding or deduction is required by law. In that event, in respect of payments of interest (but not principal), the Issuer will pay such additional amounts ("**Additional Amounts**") as will result in receipt by the Holders of such amounts as would have been received by them in respect of payments of interest had no such withholding or deduction been required by law, except that no such Additional Amounts shall be payable in respect of any Note:

- (a) held by or on behalf of a Holder who is liable to such taxes, duties, assessments or governmental charges in respect of such Note by reason of his having some

connection with the Relevant Jurisdiction other than a mere holding of such Note;
or

- (b) in respect of which the certificate representing it is presented for payment (where presentation is required) more than 30 days after the Relevant Date except to the extent that the Holder thereof would have been entitled to such Additional Amounts on presenting the same for payment on the last day of such period of 30 days.

References in these Conditions to interest and/or any other amount in respect of interest shall be deemed to include any Additional Amounts which may become payable pursuant to the foregoing provisions of this Condition 9 or any undertakings given in addition thereto or in substitution therefor pursuant to the Trust Deed.

Notwithstanding any other provision of these Conditions, in no event will the Issuer be required to pay any additional amounts in respect of the Notes, for, or on account of, any withholding or deduction required pursuant to FATCA (including pursuant to any agreement described in Section 1471(b) of the Code) or any law implementing an intergovernmental approach to FATCA.

10. Prescription

Claims against the Issuer for payment in respect of the Notes shall be prescribed and become void unless made within 10 years (in the case of principal) or five years (in the case of interest) from the appropriate Relevant Date in respect of them.

11. Meetings of Holders, Modification, Waiver

(a) Meetings of Holders

The Trust Deed contains provisions for convening meetings of Holders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of any of these Conditions or any provisions of the Trust Deed. Such a meeting may, subject to the provisions of this Condition 11(a) and the Trust Deed, be convened by the Issuer or by Holders holding not less than 10 per cent. in principal amount of the Notes for the time being outstanding.

The quorum at any such meeting for passing an Extraordinary Resolution will be one or more persons holding or representing a clear majority in principal amount of the Notes for the time being outstanding, or at any adjourned meeting one or more persons being or representing Holders whatever the principal amount of the Notes so held or represented, except that at any meeting the business of which includes the modification of certain of these Conditions (including, *inter alia*, the provisions regarding subordination referred to in Condition 3, the terms concerning currency and due dates for payment of principal or interest payments (including Arrears of Interest) in respect of the Notes and reducing or cancelling the principal amount of, or interest (including Arrears of Interest) on, any Notes or the interest rate of the Notes or varying the method of calculating the interest rate of the Notes or varying the circumstances in which interest payments may or shall be deferred (unless such variation reduces the circumstances in which interest payments may or shall be deferred)) and certain other provisions of the Trust Deed the quorum will be one or more persons holding or representing not less than two-thirds, or at any adjourned such meeting not less than one-third, in principal amount of the Notes for the time being outstanding. The agreement or approval of the Holders shall not be required in the case of any variation of these Conditions and/or the Trust Deed

required to be made in the circumstances described in Condition 6(e) to which the Trustee has agreed pursuant to the relevant provisions thereof.

An Extraordinary Resolution passed at any meeting of Holders will be binding on all Holders, whether or not they are present at the meeting.

The Trust Deed provides that (i) a resolution passed at a meeting duly convened and held, by a majority of at least 75 per cent. of the votes cast, (ii) a resolution in writing signed by or on behalf of the Holders of not less than 75 per cent. in principal amount of the Notes for the time being outstanding or (iii) consent given by way of electronic consents through the relevant clearing system(s) (in a form satisfactory to the Trustee) by or on behalf of the Holder(s) of not less than 75 per cent. in principal amount of the Notes for the time being outstanding, shall, in each case, be effective as an Extraordinary Resolution of the Holders. Any resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Holders.

(b) ***Modification of the Trust Deed***

The Trustee may agree, without the consent of the Holders, to (i) any modification of these Conditions or of any other provisions of the Trust Deed or the Agency Agreement which in its opinion is of a formal, minor or technical nature or is made to correct a manifest error, and (ii) any other modification to (except as mentioned in the Trust Deed), and any waiver or authorisation of any breach or proposed breach of any of these Conditions or of the provisions of the Trust Deed or the Agency Agreement which is, in the opinion of the Trustee, not materially prejudicial to the interests of the Holders. The Trustee may, without consent of the Holders, determine that any Default should not be treated as such, provided that, in the opinion of the Trustee, the interests of Holders are not materially prejudiced thereby.

Any such modification, waiver or authorisation shall be binding on all Holders and shall be notified to the Holders in accordance with Condition 14 as soon as practicable thereafter.

No modification to these Conditions or any other provisions of the Trust Deed shall become effective unless any relevant Regulatory Conditions are satisfied.

(c) ***Entitlement of the Trustee***

In connection with the exercise of its functions (including but not limited to those referred to in this Condition) the Trustee shall have regard to the interests of the Noteholders as a class and shall not have regard to the consequences of such exercise for individual Noteholders and the Trustee shall not be entitled to require, nor shall any Noteholder be entitled to claim, from the Issuer any indemnification or payment in respect of any tax consequence of any such exercise upon individual Noteholders.

12. Replacement of the Notes

If any Certificate is lost, stolen, mutilated, defaced or destroyed, it may be replaced, subject to applicable laws and, regulations, at the specified office of the Registrar or such other Transfer Agent as may from time to time be designated by the Issuer for that purpose and notice of whose designation is given to Noteholders, in each case on payment by the

claimant of the fees and costs incurred in connection therewith and on such terms as to evidence, security, indemnity and otherwise as the Issuer may require (provided that the requirement is reasonable in light of prevailing market practice). Mutilated or defaced Certificates must be surrendered before replacements will be issued.

13. Rights of the Trustee

The Trust Deed contains provisions for the indemnification of, and/or the provision of security for, and/or the pre-funding of, the Trustee and for its relief from responsibility.

The Trustee is entitled to enter into business transactions with the Issuer and any entity related to the Issuer without accounting for any profit.

The Trustee may accept and rely without liability to Holders and without further enquiry on a report, confirmation or certificate or any advice of any accountants, financial advisers, financial institution or any other expert, whether or not addressed to it and whether their liability in relation thereto is limited (by its terms or by any engagement letter relating thereto entered into by the Trustee or in any other manner) by reference to a monetary cap, methodology or otherwise.

Condition 3 applies only to amounts payable in respect of the Notes and nothing in Conditions 3 or 8 shall affect or prejudice the payment of the costs, charges, expenses, liabilities or remuneration of the Trustee or the rights and remedies of the Trustee in respect thereof.

14. Notices

Notices required to be given to the Holders pursuant to these Conditions shall be mailed to them at their respective addresses in the Register and deemed to have been given on the weekday (being a day other than a Saturday or Sunday) after the date of mailing. The Issuer shall also ensure that all such notices are duly published (if such publication is required) in a manner which complies with the rules and regulations of any stock exchange or other relevant authority on which the Notes are for the time being listed and/or admitted to trading.

15. Further Issues

The Issuer may from time to time without the consent of the Noteholders, but subject to any consent or permission required from the Relevant Regulator from time to time, create and issue further securities either having the same terms and conditions as the Notes in all respects (or in all respects except for the amount and date of the first payment of interest on them and the date from which interest begins to accrue) and so that such further issue shall be consolidated and form a single series with the Notes or upon such terms as the Issuer may determine at the time of their issue. References in these Conditions to the Notes include (unless the context requires otherwise) any other securities issued pursuant to this Condition and forming a single series with the Notes. Any further securities forming a single series with the Notes shall be constituted by a deed supplemental to the Trust Deed.

16. Agents

The initial Principal Paying Agent, the Registrar and the Transfer Agents and their initial specified offices are listed in the Trust Deed and Agency Agreement. They do not assume any obligation or relationship of agency or trust for or with any Noteholder. The Issuer reserves the right, subject to the provisions of the Agency Agreement, at any time to vary

or terminate the appointment of the Principal Paying Agent, the Registrar and the Transfer Agents and to appoint replacement agents or additional or other Transfer Agents, provided that it will at all times maintain a Principal Paying Agent, a Registrar and a Transfer Agent.

Notice of any such termination or appointment and of any change in the specified offices of the Transfer Agents will be given to the Holders in accordance with Condition 14. If any of the Registrar or the Principal Paying Agent is unable or unwilling to act as such or if it fails to perform its duties under these Conditions or the Agency Agreement (as the case may be), the Issuer shall appoint, on terms acceptable to the Trustee, an independent financial institution acceptable to the Trustee to act as such in its place.

17. Governing Law and Jurisdiction

(a) Governing Law

The Trust Deed, the Notes and any non-contractual obligations arising out of or in connection with them are governed by, and shall be construed in accordance with, the laws of England, save that the provisions of Condition 3 (and related provisions of the Trust Deed) relating to the subordination of the Notes and set-off are governed by, and shall be construed in accordance with, the laws of Ireland.

(b) Jurisdiction

The courts of England are to have jurisdiction to settle any disputes that may arise out of or in connection with the Trust Deed or the Notes (other than Condition 3 (and related provisions of the Trust Deed) relating to the subordination of the Notes and waiver of set-off ("**Excluded Matters**"), in respect of which the courts of Ireland shall have jurisdiction) and accordingly any legal action or proceedings arising out of or in connection with the Trust Deed or any Notes (including any legal action or proceedings relating to non-contractual obligations arising out of or in connection with them) ("**Proceedings**") may be brought in such courts. The Issuer has in the Trust Deed irrevocably submitted to the jurisdiction of the courts of England in respect of any such Proceedings (other than in respect of Excluded Matters) and to the jurisdiction of the courts of Ireland in respect of any Proceedings relating to Excluded Matters.

(c) Service of Process

The Issuer has in the Trust Deed irrevocably appointed an agent in England to receive, for it and on its behalf, service of process in any Proceedings in England.

18. Contracts (Rights of Third Parties) Act 1999

No person shall have any right to enforce any term or condition of the Notes by virtue of the Contracts (Rights of Third Parties) Act 1999.

19. Definitions

In these Conditions:

"**Additional Amounts**" has the meaning given to it in Condition 9;

"**Agency Agreement**" has the meaning given to it in the preamble to these Conditions;

"**Arrears of Interest**" has the meaning given to it in Condition 5(c);

“**Assets**” means the unconsolidated total assets of the Issuer as shown in the latest published audited balance sheet of the Issuer, but adjusted for subsequent events in such manner as the Directors may determine;

“**Authorised Signatory**” means any Director of the Issuer;

“**Business Day**” means a day, other than a Saturday, Sunday or public holiday, on which commercial banks and foreign exchange markets are open for general business in London and, if on that day a payment is to be made, in New York City also;

“**Calculation Amount**” means US\$1,000 in principal amount;

a “**Capital Disqualification Event**” is deemed to have occurred if, as a result of any change to (or change to the interpretation by any court or authority entitled to do so of) the Relevant Rules all or any part of the principal amount of the Notes is excluded from counting as Tier 2 Capital for the purposes of the Issuer or the Regulated Group, whether on a solo, group or consolidated basis, except where such non-qualification is only as a result of any applicable limitation on the amount of such capital;

“**Conditions**” means these terms and conditions of the Notes, as amended from time to time;

“**Directors**” means the directors of the Issuer;

“**EEA**” means the European Economic Area;

“**EIOPA**” means the European Insurance and Occupational Pensions Authority;

“**FATCA**” has the meaning given to it in Condition 7(b);

“**Group Holding Company**” means Beazley plc or, if Beazley plc has an ultimate insurance holding company that is subject to consolidated supervision by an EEA or UK regulatory authority for the purpose of the Solvency II Directive, such ultimate insurance holding company (such company being, as at the Issue Date, Beazley plc);

“**Group Supervisor**” means the regulatory authority exercising group supervision over the Regulated Group in accordance with the Solvency II Directive;

“**Holder**” has the meaning given to it in Condition 1;

“**insurance holding company**” has the meaning given to it in the Solvency II Directive;

“**Interest Payment Date**” means 10 March and 10 September in each year, starting on (and including) 10 March 2020;

“**Interest Period**” means the period beginning on (and including) the Issue Date and ending on (but excluding) the first Interest Payment Date and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date;

“**Irish Regulator**” means the Central Bank of Ireland or any successor or other regulatory authority having primary supervisory authority with respect to prudential matters in relation to the Issuer and/or the Regulated Group;

“**Issue Date**” means 10 September 2019, being the date of the initial issue of the Notes;

“**Issuer**” means Beazley Insurance Designated Activity Company;

“**Junior Securities**” has the meaning given to it in Condition 3(a);

“Level 2 Regulations” means the Commission Delegated Regulation (EU) No. 2015/35 of 10 October 2014 supplementing Directive 2009/138/EC of the European Parliament and of the Council of the European Union on the taking-up and pursuit of the business of insurance and reinsurance (Solvency II), as amended or supplemented from time to time;

“Liabilities” means the unconsolidated total liabilities of the Issuer as shown in the latest published audited balance sheet of the Issuer, but adjusted for contingent liabilities and for subsequent events in such manner as the Directors may determine;

“Lloyd’s” means the Society incorporated by Lloyd’s Act 1871 by the name of Lloyd’s;

“Mandatory Interest Deferral Date” means each Interest Payment Date in respect of which a Regulatory Deficiency Interest Deferral Event has occurred and is continuing or would occur if payment of interest were made on such Interest Payment Date;

“Maturity Date” has the meaning given to it in Condition 6(a)(i);

“Minimum Capital Requirement” means the Minimum Capital Requirement, the minimum group Solvency Capital Requirement or other minimum capital requirements (as applicable) referred to in the Relevant Rules;

“Noteholder” has the meaning given to it in Condition 1;

“Notes” has the meaning given to it in the preamble to these Conditions;

“Official List” means the official list of the UK Financial Conduct Authority acting under Part VI of the Financial Services and Markets Act 2000;

“Pari Passu Creditors” means creditors of the Issuer whose claims rank, or are expressed to rank, *pari passu* with the claims of the Noteholders, including (without limitation) holders of *Pari Passu* Securities;

“Pari Passu Securities” has the meaning given to it in Condition 3(a);

“Principal Paying Agent” has the meaning given to it in the preamble to these Conditions;

“Qualifying Tier 2 Securities” means securities issued directly by the Issuer or issued indirectly by the Issuer and guaranteed by the Issuer (on a subordinated basis equivalent to the ranking of the Notes set out in Condition 3 and in the Trust Deed) that:

- (a) have terms not materially less favourable to an investor than the terms of the Notes (as reasonably determined by the Issuer in consultation with an investment bank or financial adviser of international standing (which in either case is independent of the Issuer), and provided that a certification to such effect (including as to such consultation and in respect of the matters specified in items (1) to (7) of this paragraph) of two Authorised Signatories shall have been delivered to the Trustee (upon which the Trustee shall be entitled to rely without further enquiry and without liability to any person) prior to the issue or, as appropriate, variation of the relevant securities), and, subject thereto, which (1) contain terms which comply with the then current requirements of the Relevant Rules in relation to Tier 2 Capital; (2) include terms which provide for the same interest rate and Interest Payment Dates from time to time applying to the Notes; (3) rank senior to, or *pari passu* with, the ranking of the Notes; (4) preserve any existing rights under these Conditions to any accrued interest, Arrears of Interest and any or other amounts in respect of the Notes which have not been paid; (5) preserve the obligations (including the obligations arising from the exercise of any right) of the Issuer as to redemption of

the Notes, including (without limitation) as to timing of, and amounts payable upon, such redemption; (6) do not contain terms providing for loss absorption through principal write-down or conversion to ordinary shares; and (7) contain terms providing for mandatory deferral of payments of interest and/or principal only if such terms are not materially less favourable to an investor than the mandatory deferral provisions contained in the terms of the Notes; and

- (b) are (i) listed on the Official List and admitted to trading on the regulated market of the London Stock Exchange or (ii) listed on such other internationally recognised, regularly operating stock exchange as is a Recognised Stock Exchange at that time as selected by the Issuer and approved by the Trustee, such approval not to be unreasonably withheld or delayed; and
- (c) where the Notes which have been substituted or varied had a published rating from one or more international rating agencies immediately prior to their substitution or variation (which ratings were solicited by, or ascribed with the assistance of, the Issuer, the Group Holding Company or another member of the Regulated Group), such rating agencies have ascribed, or announced their intention to ascribe, an equal or higher published rating to the relevant securities;

“Recognised Stock Exchange” means a recognised stock exchange as defined in the Irish Revenue Commissioners’ Tax and Duty Manual: Part 04-02-03 (as amended, supplemented or replaced from time to time) and which is situated in the UK, Switzerland or the EEA;

“Record Date” has the meaning given to it in Condition 7(a);

“Register” has the meaning given to it in Condition 1(b);

“Registrar” has the meaning given to it in the preamble to these Conditions;

“Regulated Group” means, at any time, the Group Holding Company and its Subsidiaries (for the avoidance of doubt, excluding any Lloyd’s syndicates) which from time to time are required to be included in the calculation of “group solvency” as provided for at Title III Chapter II, Section 1 of the Solvency II Directive (or if the Solvency II Directive is amended, the corresponding (if any) provisions thereto) or, if Solvency II is not part of the Relevant Rules, any other similar or corresponding calculation under the Relevant Rules;

“Regulatory Capital Requirements” means any applicable capital resources requirement or applicable overall financial adequacy rule (or equivalent) required by the Relevant Regulator pursuant to the Relevant Rules, as any such requirement or rule is in force from time to time;

“Regulatory Conditions” means, in relation to any action at any time, any notifications to, or consent or the provision of non-objection (or, as appropriate, waiver) from, the Relevant Regulator for such action to be undertaken which are required at such time by the Relevant Regulator pursuant to the Relevant Rules;

“Regulatory Deficiency Interest Deferral Event” means any event (including, without limitation, any event which causes any Solvency Capital Requirement or Minimum Capital Requirement applicable to the Issuer or all or any part of the Regulated Group (which part includes the Issuer and at least one other Subsidiary of the Regulated Group) to be breached) which, under the Relevant Rules, means that the Issuer must defer payment of interest (or, if applicable, Arrears of Interest) in respect of the Notes (in order that the Notes

qualify, and/or on the basis that the Notes are intended to qualify, as Tier 2 Capital of the Issuer and the Regulated Group under the Relevant Rules);

“Regulatory Deficiency Redemption Deferral Event” means any event (including, without limitation, any event which causes any Solvency Capital Requirement or Minimum Capital Requirement applicable to the Issuer or all or any part of the Regulated Group (which part includes the Issuer and at least one other Subsidiary of the Regulated Group) to be breached) which, under the Relevant Rules, means that the Issuer must defer or suspend repayment or redemption of the Notes (in order that the Notes qualify, and/or on the basis that the Notes are intended to qualify, as Tier 2 Capital of the Issuer and the Regulated Group under the Relevant Rules);

“Relevant Date” means (i) in respect of any payment other than a sum to be paid by the Issuer in a Winding-Up of the Issuer, the date on which payment in respect of it first becomes due or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made or (if earlier) the date seven days after that on which notice is duly given to the Noteholders that, upon further surrender of the Certificate representing such Note being made in accordance with the Conditions, such payment will be made, provided that payment is in fact made upon such surrender, and (ii) in respect of a sum to be paid by the Issuer in a Winding-Up of the Issuer, the date which is one day prior to the date on which an order is made or a resolution is passed for the winding-up or, in the case of an administration, one day prior to the date on which any dividend is distributed;

“Relevant Jurisdiction” means Ireland or any political subdivision or any authority thereof or therein having power to tax or any other jurisdiction or any political subdivision or any authority thereof or therein having power to tax to which the Issuer becomes subject in respect of payments made by it of principal and/or interest on the Notes;

“Relevant Regulator” means the Irish Regulator or, if the Irish Regulator at any time ceases to be the Group Supervisor, such other regulator as becomes the Group Supervisor for the purpose of Solvency II or such other regulator having primary supervisory authority with respect to prudential matters in relation to the Regulated Group;

“Relevant Rules” means, at any time, any legislation, rules or regulations (whether having the force of law or otherwise) in the jurisdiction of the Relevant Regulator and applicable to the Issuer and/or the Regulated Group (including, without limitation and to the extent then applicable as aforesaid, Solvency II and any legislation, rules or regulations implementing Solvency II and any relevant prudential rules for insurers applied by the Relevant Regulator and any amendment, supplement or replacement thereof) from time to time relating to the characteristics, features or criteria of own funds or capital resources;

“Senior Creditors” means (i) creditors of the Issuer who are unsubordinated creditors of the Issuer including all policyholders of the Issuer (for the avoidance of doubt, the claims of policyholders shall include all amounts to which policyholders and beneficiaries of policies written by the Issuer are entitled under applicable legislation or rules relating to the winding-up of insurance companies to reflect any right to receive or expectation of receiving benefits which policyholders may have), if any, and (ii) other creditors of the Issuer whose claims are, or are expressed to be, subordinated to the claims of other creditors of the Issuer (other than those whose claims are in respect of instruments or obligations which constitute, or would but for any applicable limitation on the amount of any such capital constitute, (a) Tier 1 Capital or (b) Tier 2 Capital (including, without limitation,

by virtue of the operation of any grandfathering provisions under any Relevant Rules), or whose claims otherwise rank, or are expressed to rank, *pari passu* with, or junior to, the claims of the Noteholders);

“Solvency II” means the Solvency II Directive and any additional measures adopted to give effect to the Solvency II Directive (for the avoidance of doubt, whether implemented by way of a regulation (including, without limitation, the Level 2 Regulations), a directive, application of relevant EIOPA guidelines or otherwise);

“Solvency II Directive” means Directive 2009/138/EC of the European Parliament and of the Council of the European Union of 25 November 2009 on the taking-up and pursuit of the business of insurance and reinsurance (Solvency II);

“Solvency Capital Requirement” means the Solvency Capital Requirement or the group Solvency Capital Requirement (as applicable) referred to in, or any other capital requirement (other than the Minimum Capital Requirement) howsoever described in, the Relevant Rules;

“Solvency Condition” has the meaning given to it in Condition 3(b);

“Subsidiary” has the meaning given to it in Section 7 of the Irish Companies Act 2014 (as amended from time to time);

“Tax Event” is deemed to have occurred if, as a result of a Tax Law Change:

- (a) in making any payments on the Notes, the Issuer has paid or will or would on the next payment date be required to pay Additional Amounts; or
- (b) in respect of the Issuer’s obligation to make any payment of interest on the next following Interest Payment Date:
 - (i) the Issuer would not be entitled to claim a deduction in respect of computing its taxation liabilities in Ireland, or such entitlement is materially reduced; or
 - (ii) the Issuer would not to any material extent be entitled to have such deduction set off against the profits of companies with which it is grouped for applicable Irish tax purposes (whether under the group relief system current as at the date of the Tax Law Change or any similar system or systems having like effect as may from time to time exist),

and, in any such case, the Issuer would still have to pay such Additional Amount or, as applicable, would not be able claim such deduction were it to take measures reasonably available to it;

“Tax Law Change” means a change in, or amendment to, the laws or regulations of (in the case of sub-paragraph (a) of “Tax Event”), a Relevant Jurisdiction or (in the case of sub-paragraph (b) of “Tax Event”) Ireland, including any treaty to which such jurisdiction is a party, or any change in the application of official or generally published interpretation of such laws or regulations or treaties, including a decision of any court or tribunal, or any interpretation or pronouncement by any relevant tax authority that provides for a position with respect to such laws or regulations or treaties that differs from the previously generally accepted position in relation to similar transactions, which change or amendment (x) (subject to (y)) becomes effective on or after the Issue Date, or (y) in the case of a change in law, if such change in law is enacted, on or after the Issue Date;

“Tier 1 Capital” has the meaning given to it for the purposes of the Relevant Rules;

“Tier 2 Capital” has the meaning given to it for the purposes of the Relevant Rules;

“Transfer Agents” has the meaning given to it in the preamble to these Conditions;

“Trust Deed” has the meaning given to it in the preamble to these Conditions;

“Trustee” has the meaning given to it in the preamble to these Conditions;

“United Kingdom” or **“UK”** means the United Kingdom of Great Britain and Northern Ireland;

“US\$” or **“US dollars”** means the lawful currency of the United States of America; and

“Winding-Up” means:

- (i) an order is made, or an effective resolution is passed, for the winding-up of the Issuer (except, in any such case, a solvent winding-up solely for the purposes of a reorganisation, reconstruction or amalgamation, the terms of which reorganisation, reconstruction or amalgamation have previously been approved in writing by the Trustee or an Extraordinary Resolution and do not provide that the Notes thereby become redeemable or repayable in accordance with these Conditions);
- (ii) following the appointment of an administrator of the Issuer, an English law administrator gives notice that it intends to declare and distribute a dividend; or
- (iii) an order is made appointing an administrator to the Issuer under the Irish Insurance (No. 2) Act 1983 and such administrator gives notice that it intends to declare or distribute a dividend.

Schedule 3 Provisions for Meetings of Noteholders

Interpretation

- 1 In this Schedule:
- 1.1 references to a meeting are to a meeting of Noteholders and include, unless the context otherwise requires, any adjournment;
- 1.2 “**agent**” means a proxy or a representative;
- 1.3 “**Alternative Clearing System**” means any clearing system (including without limitation The Depository Trust Company) other than Euroclear or Clearstream, Luxembourg;
- 1.4 “**Electronic Consent**” has the meaning set out in paragraph 22;
- 1.5 “**Extraordinary Resolution**” means a resolution passed (a) at a meeting duly convened and held in accordance with this Trust Deed by a majority of at least 75 per cent. of the votes cast, (b) by a Written Resolution or (c) by an Electronic Consent;
- 1.6 “**Written Resolution**” means a resolution in writing signed by or on behalf of the holders of not less than 75 per cent. in principal amount of the Notes for the time being outstanding;
- 1.7 references to persons representing a proportion of the Notes are to Noteholders or agents holding or representing in the aggregate at least that proportion in principal amount of the Notes for the time being outstanding; and
- 1.8 where Notes are held in Euroclear or Clearstream, Luxembourg or an Alternative Clearing System, references herein to the deposit or release or surrender of Notes shall be construed in accordance with the usual practices (including in relation to the blocking of the relevant account) of Euroclear or Clearstream, Luxembourg or such Alternative Clearing System.

Appointment of Proxy or Representative

- 2 A proxy or representative may be appointed in the following circumstances:
- 2.1 A holder of Notes may, by an instrument in writing in the English language (a “**form of proxy**”) signed by the holder or, in the case of a corporation, executed under its common seal or signed on its behalf by an attorney or a duly authorised officer of the corporation and delivered to the specified office of the Registrar or the Transfer Agent not less than 48 hours before the time fixed for the relevant meeting, appoint the person (a “**proxy**”) to act on his or its behalf in connection with any meeting of the Noteholders and any adjourned such meeting.
- 2.2 Any holder of Notes which is a corporation may, by delivering to any Agent not later than 48 hours before the time fixed for any meeting a resolution of its directors or other governing body, authorise any person to act as its representative (a “**representative**”) in connection with any meeting of the Noteholders and any adjourned such meeting.
- 2.3 If the holder of a Note is an Alternative Clearing System or a nominee of an Alternative Clearing System and the rules or procedures of such Alternative Clearing System so require, such nominee or Alternative Clearing System may appoint proxies in accordance with, and in the form used, by such Alternative Clearing System as part of its usual

procedures from time to time in relation to meetings of Noteholders. Any proxy so appointed may, by an instrument in writing in the English language in the form available from the specified office of the Registrar, or in such other form as may have been approved by the Trustee at least seven days before the date fixed for a meeting, signed by the proxy or, in the case of a corporation, executed under its common seal or signed on its behalf by an attorney or a duly authorised officer of the corporation and delivered to the Registrar not later than 48 hours before the time fixed for any meeting, appoint the Principal Paying Agent or any employee of it nominated by it (the “**sub-proxy**”) to act on his or its behalf in connection with any meeting or proposed meeting of Noteholders. All references to “proxy” or “proxies” in this Schedule other than in this sub-paragraph 2.3 shall be read so as to include references to “sub-proxy” or “sub-proxies”.

- 2.4** For so long as the Notes are eligible for settlement through an Alternative Clearing System’s book-entry settlement system and the rules or procedures of such Alternative Clearing System so require, the Issuer may fix a record date for the purpose of any meeting, provided such record date is no more than 10 days prior to the date fixed for such meeting which shall be specified in the notice convening the meeting.
- 2.5** Any proxy appointed pursuant to sub-paragraph 2.1 or 2.3 above or representative appointed pursuant to sub-paragraph 2.2 above shall, so long as such appointment remains in full force, be deemed, for all purposes in connection with the relevant meeting or adjourned meeting of the Noteholders, to be the holder of the Notes to which such appointment relates and the holder of the Notes shall be deemed for such purposes not to be the holder or owner, respectively.

Powers of Meetings

- 3** A meeting shall, subject to the Conditions and without prejudice to any powers conferred on other persons by this Trust Deed, have power by Extraordinary Resolution:
- 3.1** to sanction any proposal by the Issuer or the Trustee for any modification, abrogation, variation or compromise of, or arrangement in respect of, the rights of the Noteholders against the Issuer, whether or not those rights arise under this Trust Deed or the Notes;
- 3.2** to sanction the exchange or substitution for the Notes of, or the conversion of the Notes into, shares, notes or other obligations or securities of the Issuer or any other entity;
- 3.3** to assent to any modification of this Trust Deed or the Notes proposed by the Issuer or the Trustee;
- 3.4** to authorise anyone to concur in and do anything necessary to carry out and give effect to an Extraordinary Resolution;
- 3.5** to give any authority, direction or sanction required to be given by Extraordinary Resolution;
- 3.6** to appoint any persons (whether Noteholders or not) as a committee or committees to represent the Noteholders’ interests and to confer on them any powers or discretions which the Noteholders could themselves exercise by Extraordinary Resolution;
- 3.7** to approve a proposed new Trustee and to remove a Trustee; and
- 3.8** to discharge or exonerate the Trustee from any liability in respect of any act or omission for which it may become responsible under this Trust Deed or the Notes,

provided that the special quorum provisions in paragraph 11 shall apply to any Extraordinary Resolution (a “**special quorum resolution**”) for the purpose of subparagraph 3.2 or 3.7 or for the purpose of making a modification to this Trust Deed or the Notes which would have the effect of:

- (i) amending the dates of maturity or redemption of the Notes or any date for payment of interest or Arrears of Interest on the Notes; or
- (ii) reducing or cancelling the principal amount of the Notes, or reducing the rate or rates of interest or Arrears of Interest in respect of the Notes or varying the method or basis of calculating the rate or rates or amount of interest or the basis for calculating any interest amount in respect of the Notes; or
- (iii) varying the currency or currencies of payment or denomination of the Notes; or
- (iv) changing the subordination of the Notes referred to in Condition 3 and/or the Trust Deed; or
- (v) modifying the provisions in this Schedule concerning the quorum required at a meeting or the majority required to pass an Extraordinary Resolution; or
- (vi) amending this proviso or the aforementioned special quorum provisions or the provisions of this Trust Deed concerning this proviso or such special quorum provisions.

Convening a Meeting

4 The Issuer or the Trustee may at any time convene a meeting. If it receives a written request by Noteholders holding at least 10 per cent. in principal amount of the Notes for the time being outstanding and is indemnified and/or secured and/or prefunded to its satisfaction against all costs and expenses, the Trustee shall convene a meeting. Every meeting shall be held at a time and place approved by the Trustee.

5 At least 21 days’ notice (exclusive of the day on which the notice is given and of the day of the meeting) shall be given to the Noteholders. A copy of the notice shall be given by the party convening the meeting to the other parties. The notice shall specify the day, time and place of meeting and the resolutions to be proposed and shall explain how Noteholders may appoint proxies or representatives and the details of the time limits applicable.

6 Cancellation of meeting

A meeting that has been validly convened in accordance with paragraph 4 above, may be cancelled by the person who convened such meeting by giving at least five days’ notice (exclusive of the day on which the notice is given and of the day of the meeting) to the Noteholders (with a copy to the Trustee where such meeting was convened by the Issuer or to the Issuer where such meeting was convened by the Trustee). Any meeting cancelled in accordance with this paragraph 6 shall be deemed not to have been convened.

Chairman

7 The chairman of a meeting shall be such person as the Trustee may nominate in writing, but if no such nomination is made or if the person nominated is not present within 15 minutes from the time fixed for the meeting, the Noteholders or agents present shall

choose one of their number to be chairman, failing which the Issuer may appoint a chairman.

- 8 The chairman may, but need not, be a Noteholder or Agent. The chairman of an adjourned meeting need not be the same person as the chairman of the original meeting.

Attendance

- 9 The following may attend and speak at a meeting:

9.1 Noteholders and Agents;

9.2 the chairman; and

9.3 the Issuer and the Trustee (through their respective representatives) and their respective financial and legal advisers.

No one else may attend or speak.

Quorum and Adjournment

- 10 No business (except choosing a chairman) shall be transacted at a meeting unless a quorum is present at the commencement of business. If a quorum is not present within 15 minutes from the time initially fixed for the meeting, it shall, if convened on the requisition of Noteholders or if the Issuer and the Trustee agree, be dissolved. In any other case it shall be adjourned until such date, not less than 14 nor more than 42 days later, and time and place as the chairman may decide. If a quorum is not present within 15 minutes from the time fixed for a meeting so adjourned, the meeting shall be dissolved.

- 11 One or more Noteholders or Agents present in person shall be a quorum:

11.1 in the cases marked “**No minimum proportion**” in the table below, whatever the proportion of the Notes which they represent; and

11.2 in any other case, only if they represent the proportion of the Notes shown by the table below.

Column 1	Column 2	Column 3
Purpose of meeting	Any meeting except one referred to in column 3	Meeting previously adjourned through want of a quorum
	Required proportion	Required proportion
To pass a special quorum resolution	Not less than two thirds	Not less than one third
To pass any other Extraordinary Resolution	A clear majority	No minimum proportion
Any other purpose	10 per cent.	No minimum proportion

- 12 The chairman may, with the consent of (and shall if directed by) a meeting, adjourn the meeting from time to time and from place to place. Only business which could have been transacted at the original meeting may be transacted at a meeting adjourned in accordance with this paragraph or paragraph 10.

- 13** At least 10 days' notice (exclusive of the day on which the notice is given or deemed to be given and of the day of the adjourned meeting) of a meeting adjourned through want of a quorum shall be given in the same manner as for an original meeting and that notice shall state the quorum required at the adjourned meeting. No notice need, however, otherwise be given of an adjourned meeting.

Voting

- 14** Each question submitted to a meeting shall be decided by a show of hands unless a poll is (before, or on the declaration of the result of, the show of hands) demanded by the chairman, the Issuer, the Trustee or one or more persons representing 2 per cent. of the Notes.
- 15** Unless a poll is demanded, a declaration by the chairman that a resolution has or has not been passed shall be conclusive evidence of the fact without proof of the number or proportion of the votes cast in favour of or against it.
- 16** If a poll is demanded, it shall be taken in such manner and (subject as provided below) either at once or after such adjournment as the chairman directs. The result of the poll shall be deemed to be the resolution of the meeting at which it was demanded as at the date it was taken. A demand for a poll shall not prevent the meeting continuing for the transaction of business other than the question on which it has been demanded.
- 17** A poll demanded on the election of a chairman or on a question of adjournment shall be taken at once.
- 18** On a show of hands, every person who is present in person and who produces a Note or is a proxy has one vote. On a poll, every such person has one vote for U.S.\$1.00 in principal amount of Notes so produced or for which he is a proxy or representative. Without prejudice to the obligations of proxies, a person entitled to more than one vote need not use them all or cast them all in the same way.
- 19** In case of equality of votes, the chairman shall both on a show of hands and on a poll have a casting vote in addition to any other votes which he may have.

Effect and Publication of an Extraordinary Resolution

- 20** An Extraordinary Resolution shall be binding on all the Noteholders, whether or not present at the meeting, and each of them shall be bound to give effect to it accordingly. The passing of such a resolution shall be conclusive evidence that the circumstances justify its being passed. The Issuer shall give notice of the passing of an Extraordinary Resolution to Noteholders within 14 days but failure to do so shall not invalidate the resolution.

Minutes

- 21** Minutes shall be made of all resolutions and proceedings at every meeting and, if purporting to be signed by the chairman of that meeting or of the next succeeding meeting, shall be conclusive evidence of the matters in them. Until the contrary is proved, every meeting for which minutes have been so made and signed shall be deemed to have been duly convened and held and all resolutions passed or proceedings transacted at it to have been duly passed and transacted.

Written Resolution and Electronic Consent

22 Subject to the following sentence, a Written Resolution may be contained in one document or in several documents in like form, each signed by or on behalf of one or more of the Noteholders.

For so long as the Notes are in the form of a Global Certificate registered in the name of any nominee for one or more of Euroclear, Clearstream, Luxembourg or Alternative Clearing System, then, in respect of any resolution proposed by the Issuer or the Trustee:

- (a) **Electronic Consent:** where the terms of the resolution proposed by the Issuer or the Trustee (as the case may be) have been notified to the Noteholders through the relevant clearing system(s) as provided in subparagraphs (i) and/or (ii) below, each of the Issuer and the Trustee shall be entitled to rely upon approval of such resolution given by way of electronic consents communicated through the electronic communications systems of the relevant clearing system(s) to the Principal Paying Agent or another specified agent and/or the Trustee in accordance with their operating rules and procedures by or on behalf of the holders of not less than 75 per cent. in principal amount of the Notes outstanding (the “**Required Proportion**”) by close of business on the Relevant Date (“**Electronic Consent**”). Any resolution passed in such manner shall be binding on all Noteholders, even if the relevant consent or instruction proves to be defective. None of the Issuer, or the Trustee shall be liable or responsible to anyone for such reliance;
 - (i) when a proposal for a resolution to be passed as an Electronic Consent has been made, at least 10 days' notice (exclusive of the day on which the notice is given and of the day on which affirmative consents will be counted) shall be given to the Noteholders through the relevant clearing system(s). The notice shall specify, in sufficient detail to enable Noteholders to give their consents in relation to the proposed resolution, the method by which their consents may be given (including, where applicable, blocking of their accounts in the relevant clearing system(s)) and the time and date (the “**Relevant Date**”) by which they must be received in order for such consents to be validly given, in each case subject to and in accordance with the operating rules and procedures of the relevant clearing system(s);
 - (ii) If, on the Relevant Date on which the consents in respect of an Electronic Consent are first counted, such consents do not represent the Required Proportion, the resolution shall, if the party proposing such resolution (the “**Proposer**”) so determines, be deemed to be defeated. Such determination shall be notified in writing to the other party or parties to the Trust Deed. Alternatively, the Proposer may give a further notice to Noteholders that the resolution will be proposed again on such date and for such period as shall be agreed with the Trustee (unless the Trustee is the Proposer). Such notice must inform Noteholders that insufficient consents were received in relation to the original resolution and the information specified in subparagraph (i) above. For the purpose of such further notice, references to "Relevant Date" shall be construed accordingly; and
- (b) **Written Resolution:** where Electronic Consent is not being sought, for the purpose of determining whether a Written Resolution has been validly passed, the Issuer and the Trustee shall be entitled to rely on consent or instructions given in writing directly to the Issuer and/or the Trustee, as the case may be, (i) by accountholders in the clearing system with entitlements to such Global Certificate and/or (ii) where

the accountholders hold any such entitlement on behalf of another person, on written consent from or written instruction by the person identified by that accountholder as the person for whom such entitlement is held. For the purpose of establishing the entitlement to give any such consent or instruction, the Issuer and the Trustee shall be entitled to rely on any certificate or other document issued by, in the case of (i) above, Euroclear, Clearstream, Luxembourg or any other relevant alternative clearing system (the “**relevant clearing system**”) and, in the case of (ii) above, the relevant clearing system and the accountholder identified by the relevant clearing system for the purposes of (ii) above. Any resolution passed in such manner shall be binding on all Noteholders, even if the relevant consent or instruction proves to be defective. Any such certificate or other document shall, in the absence of manifest error, be conclusive and binding for all purposes. Any such certificate or other document may comprise any form of statement or print out of electronic records provided by the relevant clearing system (including Euroclear’s EUCLID or Clearstream, Luxembourg’s CreationOnline system) in accordance with its usual procedures and in which the accountholder of a particular principal or nominal amount of the Notes is clearly identified together with the amount of such holding. Neither the Issuer nor the Trustee shall be liable to any person by reason of having accepted as valid or not having rejected any certificate or other document to such effect purporting to be issued by any such person and subsequently found to be forged or not authentic.

A Written Resolution and/or Electronic Consent shall take effect as an Extraordinary Resolution. A Written Resolution and/or Electronic Consent will be binding on all Noteholders, whether or not they participated in such Written Resolution and/or Electronic Consent.

Trustee’s Power to Prescribe Regulations

- 23** Subject to all other provisions in this Trust Deed, the Trustee may, without the consent of the Noteholders, prescribe such further regulations regarding the holding of meetings and attendance and voting at them as it in its sole discretion determines including (without limitation) such requirements as the Trustee thinks reasonable to satisfy itself that the persons who purport to make any requisition in accordance with this Trust Deed are entitled to do so and to satisfy itself that persons who purport to attend or vote at a meeting are entitled to do so.

Schedule 4
Form of Authorised Signatory's Certificate

[ON THE HEADED PAPER OF THE ISSUER]

To: U.S. Bank Trustees Limited
Fifth Floor
125 Old Broad Street
London EC2N 1AR
(the "Trustee")

Dear Sirs

Beazley Insurance Designated Activity Company (the "Issuer")
U.S.\$300,000,000 5.500 per cent. Subordinated Tier 2 Notes due 2029

This certificate is delivered to you in accordance with Clause 7.5 of the Trust Deed dated 10 September 2019 (as amended, restated or supplemented from time to time, the "Trust Deed") and made between the Issuer and the Trustee. All words and expressions defined in the Trust Deed shall (save as otherwise provided herein or unless the context otherwise requires) have the same meanings herein. The undersigned, having made all reasonable enquiries to the best of their knowledge, information and belief:

- (a) as at [●]¹, no Default existed [other than [●]]² and no Default had existed at any time since [●]³ [other than [●]]⁴; and
- (b) during such period specified in (a) above, the Issuer has complied in all material respects with its obligations under the Trust Deed [other than [●]]⁵.

For and on behalf of

Authorised Signatory

Authorised Signatory

¹ Specify a date not more than five days before the date of delivery of the certificate.

² If any Default did exist, give details; otherwise delete.

³ Insert the Certification Date, as defined in the Trust Deed.

⁴ If any Default did exist, give details; otherwise delete.

⁵ If the Issuer has failed to comply with any obligation(s), give details; otherwise delete.

IN WITNESS whereof the Parties have executed and delivered this Deed on the date stated at the beginning.

GIVEN under the Common Seal of

BEAZLEY INSURANCE DESIGNATED ACTIVITY COMPANY

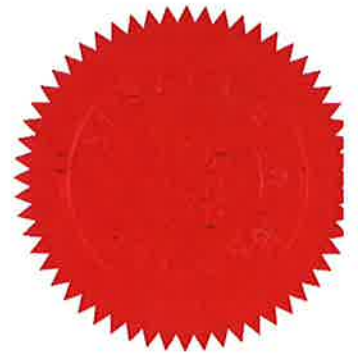
and delivered as a DEED

Director:

E McQuinn

Director:

Catherine Woods




EXECUTED AS A DEED

As authorised signatories for

U.S. BANK TRUSTEES LIMITED

Acting by two duly authorised Attorneys:

By:  **Michael Leong**
Authorised Signatory

By:  **Chris Hobbs**
Authorised Signatory