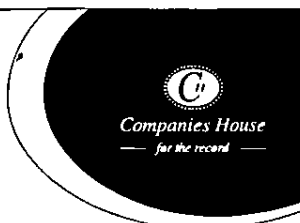


MG01

Particulars of a mortgage or charge

222014/5746



A fee is payable with this form

We will not accept this form unless you send the correct fee

Please see 'How to pay' on the last page

☒ **What this form is for**
You may use this form to register
particulars of a mortgage or charge
in England and Wales or Northern
Ireland

☐ **What this form is NOT for**
You cannot use this form to register
particulars of a charge on a
company. To do this, please use
form MG01s

MONDAY



LD7 07/02/2011 319
COMPANIES HOUSE

1 Company details

Company number 03592542

Company name in full Upton Underwriting Limited (the "Company")

223 For official use

→ Filing in this form
Please complete in typescript or in
bold black capitals

All fields are mandatory unless
specified or indicated by *

2 Date of creation of charge

Date of creation 02/02/2011

3 Description

Please give a description of the instrument (if any) creating or evidencing the
charge, e.g. 'Trust Deed', 'Debenture', 'Mortgage', or 'Legal charge'

Description A Deed of Charge dated as stated at section 2 of this form above (the "Deed") and made between
(1) the Syndicate 1969 2010 Borrower Group (as defined below), (2) the Syndicate 1969 2011
Borrower Group (as defined below), (3) the Sterling Trustees (as defined below), (4) Flagstone
Syndicate Management Limited (the "Managing Agent") and (5) Lloyds TSB Bank plc (the "Bank")

4 Amount secured

Please give us details of the amount secured by the mortgage or charge

Amount secured By Clause 2.1 of the Deed, the Managing Agent on behalf of the
Company covenants with the Bank that the Company will on demand
of the Bank discharge when the same falls due each and every
liability which the Company may at any time have to the Bank under
or pursuant to the Agreement (as defined below) as a member of the
Syndicate 1969 2010 Borrower Group and/or the Syndicate 1969
2011 Borrower Group and will pay to the Bank every sum (of
principal, interest or otherwise) now or thereafter owing, due or
incurred by the Company to the Bank in respect of any such liability

Continuation page
Please use a continuation page if
you need to enter more details

MG01

Particulars of a mortgage or charge

5

Mortgagee(s) or person(s) entitled to the charge (if any)

Please give the name and address of the mortgagee(s) or person(s) entitled to the charge

Name Lloyds TSB Bank plc

Address 25 Gresham Street

London

Postcode E C 2 V 7 H N

Name

Address

Postcode

Continuation page

Please use a continuation page if you need to enter more details

6

Short particulars of all the property mortgaged or charged

Please give the short particulars of the property mortgaged or charged

Continuation page

Please use a continuation page if you need to enter more details

Short particulars

Definitions

Terms used in this Form MG01 shall have the following meanings

"Agreement" means the \$20,000,000 standby facility agreement of even date with the Deed and made between (1) the Syndicate 1969 2010 Borrower Group, (2) the Syndicate 1969 2011 Borrower Group, (3) the Managing Agent and (4) the Bank

"Charged Assets" means the assets for the time being charged to the Bank by or pursuant to the Deed

"Cash Call" means a request for the payment of funds made by a managing agent to an underwriting member of Lloyd's under the terms of the standard managing agent's agreement (general) or the standard managing agent's agreement (corporate member) (within the meaning of the Agency Agreements Byelaw (No 8 of 1988))

"Company" means the company whose company number and name are stated at section 1 of this form above, a limited company incorporated in England and Wales, an underwriting member of Lloyd's which is a member of the Syndicate as constituted for the 2010 year of account and/or the 2011 year of account

"Encumbrance" means

(a) a mortgage, charge, pledge, lien or other encumbrance securing any obligation of any person, (b) any arrangement under which money or claims to, or the benefit of, a bank or other account may be applied, set off or made subject to a combination of accounts so as to effect discharge of any sum owed or payable to any person, or

(c) any other type of preferential arrangement (including any title transfer and retention arrangement) having a similar effect

"Enforcement Event" means any of the following events

(a) any event or circumstance specified as an Event of Default in Clause 24 of the Agreement, (b) the breach by any party (other than the Bank) of any provision of the Deed which, if capable of remedy, is not remedied within five business days after the Bank has given notice thereof to the Managing Agent, and

(c) an event or the receipt by the Bank of any information or the coming to the attention of the Bank of any matter or thing whatsoever which causes the Bank to believe that all or part of the security by the Deed constituted, or intended to be constituted, is for any reason whatsoever in jeopardy

MG01

Particulars of a mortgage or charge

7	Particulars as to commission, allowance or discount (if any)	
Commission allowance or discount	<p>Please insert the amount or rate percent of any commission, allowance or discount paid or made either directly or indirectly by the company to any person on consideration of his</p> <ul style="list-style-type: none"> - subscribing or agreeing to subscribe, whether absolutely or conditionally, or - procuring or agreeing to procure subscriptions, whether absolute or conditional, <p>for any debentures included in this return. The rate of interest payable under the terms of the debentures should not be entered</p>	
8	Delivery of instrument	
	<p>You must deliver the original instrument (if any) creating or evidencing the charge and these prescribed particulars to the Registrar of Companies within 21 days after the date of creation of the charge (section 860). If the property is situated and the charge was created outside the United Kingdom (UK), you must deliver the information to the Registrar within 21 days after the date on which the instrument could have been received in the UK in the normal course of post and assuming you had posted it promptly (section 866).</p> <p>We will accept a verified copy of the instrument creating the charge where the property charged is situated and the charge was created outside the UK (section 870). The company or the person who has delivered the copy to the Registrar must verify it to be a correct copy and sign it. Where a body corporate gives the verification, an officer of that body must sign it. We will also accept a verified copy where section 867(2) applies (property situated in another part of UK).</p>	
9	Signature	
Signature	<p>Please sign the form here</p> <p>Signature</p> <p>X <i>Hogan Lovells International LLP</i> X</p>	
	<p>This form must be signed by a person with an interest in the registration of the charge</p>	

MG01

Particulars of a mortgage or charge



Presenter information

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form and will establish where we return the original documents. The contact information you give will be visible to searchers of the public record.

Contact name Jan Buschmann

Company name Hogan Lovells International LLP

Address Atlantic House

50 Holborn Viaduct

Post town London

County/Region

Postcode E C 1 A 2 F G

Country England

DX LDE 57 London

Telephone 020 7296 2000



Certificate

We will send your certificate to the presenter's address if given above or to the Company's Registered Office if you have left the presenter's information blank.



Checklist

We may return forms completed incorrectly or with information missing

Please make sure you have remembered the following

- ☐ The company name and number match the information held on the public Register
- ☐ You have included the original deed with this form
- ☐ You have entered the date the charge was created
- ☐ You have supplied the description of the instrument
- ☐ You have given details of the amount secured by the mortgagee or chargee
- ☐ You have given details of the mortgagee(s) or person(s) entitled to the charge
- ☐ You have entered the short particulars of all the property mortgaged or charged
- ☐ You have signed the form
- ☐ You have enclosed the correct fee



Important information

Please note that all information on this form will appear on the public record.



How to pay

A fee of £13 is payable to Companies House in respect of each mortgage or charge.

Make cheques or postal orders payable to 'Companies House'.



Where to send

You may return this form to any Companies House address, however for expediency we advise you to return it to the appropriate address below.

For companies registered in England and Wales

The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ
DX 33050 Cardiff

For companies registered in Scotland

The Registrar of Companies, Companies House,
Fourth floor, Edinburgh Quay 2,
139 Fountainbridge, Edinburgh, Scotland, EH3 9FF
DX ED235 Edinburgh 1
or LP - 4 Edinburgh 2 (Legal Post)

For companies registered in Northern Ireland

The Registrar of Companies, Companies House,
Second Floor, The Linenhall, 32-38 Linenhall Street,
Belfast, Northern Ireland, BT2 8BG
DX 481 N R Belfast 1



Further information

For further information, please see the guidance notes on the website at www.companieshouse.gov.uk or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.companieshouse.gov.uk

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Particulars of a mortgage or charge

6	Short particulars of all the property mortgaged or charged	
	Please give the short particulars of the property mortgaged or charged	
Short particulars	<p>"Finance Document" means the Agreement, any Fee Letter (as defined in the Agreement) and any other document designated as such by the Bank and the Managing Agent</p> <p>"Lloyd's" means the Society incorporated by Lloyd's Act 1871 by the name of Lloyd's</p> <p>"Obligations" means all sums and liabilities to be paid and discharged by the Company as a member of the Syndicate 1969 2010 Borrower Group and/or the Syndicate 2011 Borrower Group, the subject of the covenant contained in Clause 2 1 of the Deed</p> <p>"Receiver" means any person appointed to be a receiver, manager or receiver and manager (and any other person appointed in his place or to act together with or independently of him) by the Bank under or pursuant to the Deed</p> <p>"Reinsurance Programme" means, in relation to the Syndicate, a reinsurance programme comprising contracts of reinsurance taken out on behalf of the Syndicate, whether before or at any time after the date of the Agreement, under which risks insured by the Underwriters are reinsured</p> <p>"Sterling Special Account" means a separate trust account opened on behalf of the Sterling Trustees pursuant to Clause 5 of the Deed</p> <p>"Sterling Trustees" means the trustees for the time being of the Lloyd's Premiums Trust Deed (General Business) of the Company, designated in respect of the Managing Agent as the Managing Agent's Trustees</p> <p>"Sterling Trust Fund" means the trust fund constituted by the Lloyd's Premiums Trust Deed (General Business) of the Company in accordance with the provisions thereof</p> <p>"Syndicate" means Syndicate No 1969, being a group of underwriting members of Lloyd's underwriting insurance business at Lloyd's through the agency of the Managing Agent, to which the syndicate number aforesaid is assigned by the Council of Lloyd's</p> <p>"Syndicate 1969 2010 Borrower Group" means the underwriting members of Lloyd's comprising Syndicate No 1969 as constituted for the 2010 year of account</p> <p>"Syndicate 1969 2011 Borrower Group" means the underwriting members of Lloyd's comprising Syndicate No 1969 as constituted for the 2011 year of account</p> <p>"Underwriter" means an underwriting member of Lloyd's which is a member of the Syndicate for the time being</p> <p>Any reference to</p> <p>(a) "assets" is to be construed so as to include all and any right, title, interest and chose in action whatsoever,</p> <p>(b) a "Lender" is to be construed so as to include its and any subsequent successors in title, permitted assigns and permitted transferees in accordance with their respective interests,</p> <p>(c) "Lloyd's Deposit" is to be construed as a reference to the Lloyd's Deposit within the meaning of the Definitions Byelaw (No 7 of 2005),</p> <p>(d) the "Managing Agent" is to be construed so as to include any person who is for the time being acting as managing agent for the Company in place of the Managing Agent pursuant to an appointment under the Underwriting Byelaw (No 2 of 2003) and any person to whom all or any of the services to be provided, the duties to be performed and the powers to be exercised by the Managing Agent may have been delegated at any time,</p> <p>(e) a "person" is to be construed as a reference to any person, firm, company, corporation, government, state or agency of a state or any association, trust or partnership (whether or not having separate legal personality) or two or more of the foregoing,</p> <p>(f) an "Underwriter" is to be construed so as to include any person to whom the Underwriter's property may pass by operation of law in any jurisdiction on bankruptcy, reorganisation or otherwise and, on the dissolution of a Scottish limited partnership, any general partner, and</p> <p>(g) "sterling" denotes lawful currency of the United Kingdom</p>	

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Particulars of a mortgage or charge

6	Short particulars of all the property mortgaged or charged
	Please give the short particulars of the property mortgaged or charged
Short particulars	<p>Short particulars of the property mortgaged or charged</p> <p>1 By Clause 3 1 of the Deed, the Sterling Trustees charge to the Bank with the payment and discharge of the Company's Obligations, if and to the extent that such assets are or are liable in the future to become comprised in that part of the Sterling Trust Fund in relation to which the Managing Agent has power to give directions</p> <p>(a) by way of first fixed charge, all right, title and interest of the Sterling Trustees in and to the moneys at any time standing to the credit of any Sterling Special Account (including any chose in action representing the right of the Sterling Trustees to be paid the same), and</p> <p>(b) by way of first floating charge, all right, title and interest of the Sterling Trustees in and to the reinsurance recoveries which are at any time due under the Syndicate's Reinsurance Programme in respect of gross claims paid on behalf of the Company</p> <p>2 By Clause 3 2 of the Deed, the Managing Agent on behalf of the Company charges to the Bank with the payment and discharge of the Company's Obligations, by way of first fixed charge, all right, title and interest of the Company in and to</p> <p>(a) the benefit of any contract of reinsurance at any time comprised in the Syndicate's Reinsurance Programme not otherwise expressed to be charged by the Deed or any other Finance Document, and</p> <p>(b) the benefit of any letter of credit, guarantee, deposit or security issued, made or given at any time in respect of the performance of a reinsurer's obligations under any such contract of reinsurance</p> <p>Covenants and restrictions</p> <p>1 By Clause 6 1 of the Deed, the Sterling Trustees and the Managing Agent on its own behalf and on behalf of the Company covenant with the Bank from time to time, upon request, to do any act or thing and to execute such further deeds or other documents (in such form as the Bank or such Receiver may specify) as the Bank or any Receiver may reasonably require for the improvement or perfection of the security intended to be constituted by the Deed</p> <p>2 By Clause 6 2 of the Deed, without prejudice to the generality of Clause 6 1 thereof, the Managing Agent is, if so requested by the Bank, to give or concur in the giving</p> <p>(a) to the Company,</p> <p>(b) to Lloyd's,</p> <p>(b) to such banks with which any account of the Syndicate denominated in any currency is opened or maintained from time to time (moneys at any time standing to the credit of which are charged under or pursuant to the Deed) as it may require,</p> <p>(c) to such reinsurers liable to pay reinsurance recoveries (to the extent charged under the Deed) as it may require, and</p> <p>(d) to such insurance brokers of the Syndicate liable to receive payment of the same in the ordinary course of business as it may require,</p> <p>notice (in such form as the Bank may specify) of the security constituted by the Deed</p> <p>3 By Clause 7 1 of the Deed, the Sterling Trustees and the Managing Agent on its own behalf and on behalf of the Company undertake that at no time during the subsistence of the security constituted by the Deed will they, otherwise than in favour of the Bank or with the Bank's prior written consent and in accordance with any conditions which the Bank may attach thereto, create or grant (or direct the creation or grant of), extend or permit to subsist any Encumbrance (howsoever ranking or purporting to rank in relation thereto) on or over the Charged Assets or any part thereof</p>

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Particulars of a mortgage or charge

6	Short particulars of all the property mortgaged or charged
	Please give the short particulars of the property mortgaged or charged
Short particulars	<p>4 By Clause 7 2 of the Deed, the Sterling Trustees and the Managing Agent on its own behalf and on behalf of the Company undertake that at no time during the subsistence of the security constituted by the Deed will they, otherwise than with the Bank's prior written consent, sell or otherwise dispose of or agree to sell or otherwise dispose of all or any part of the Charged Assets or create or agree to create any equitable interest in or over the same</p> <p>5 By Clause 8 1 of the Deed, the Managing Agent is at all times during the subsistence of the security thereby constituted to deal with all or any such funds as may be raised on a Cash Call made pursuant to Clause 23 6 of the Agreement in accordance with any directions which the Bank may give to the Managing Agent including a direction that the Managing Agent procure that the same are paid into such account or accounts (whether or not with the Bank) as the Bank may require</p> <p>6 By Clause 8 2 of the Deed, the Managing Agent is at any time after an Enforcement Event where the Company has made default in respect of the Obligations of the Company, promptly upon the request of the Bank, to make a request to Lloyd's as trustee thereof to apply the Lloyd's Deposit of the Company in discharging or making good such default</p> <p>7 By Clause 8 3 of the Deed, the Managing Agent is at any time after an Enforcement Event to deal with all or any reinsurance recoveries which are at any time due or anticipated under the Syndicate's Reinsurance Programme in respect of gross claims paid or gross notified outstanding claims payable on behalf of the Company, to the extent that the same are charged under or pursuant to the Deed, in accordance with any directions which the Bank may give to the Managing Agent including a direction that the Managing Agent procure that the same are paid into such account or accounts (whether or not with the Bank) as the Bank may require</p> <p>8 By Clause 9 2(c) of the Deed, the Managing Agent is not, during the subsistence of the security constituted by the Deed, to do or omit to do any thing which would or might render any contract of reinsurance comprised in the Syndicate's Reinsurance Programme invalid, void, voidable or unenforceable, or any moneys payable thereunder repayable in whole or in part, under the laws of any jurisdiction</p> <p>9 By Clause 9 2(d) of the Deed, the Managing Agent is not at any time during the subsistence of the security constituted by the Deed, on behalf of the Company, otherwise than with the Bank's prior written consent (such consent not to be unreasonably withheld) and in accordance with any conditions which the Bank may attach thereto, to</p> <p>(i) make or agree to any variation or amendment of any contract of reinsurance comprised in the Syndicate's Reinsurance Programme which may reduce the amount of any reinsurance recoveries becoming payable thereunder,</p> <p>(ii) enter into any arrangement with a reinsurer for the discharge or release of all or part of the reinsurer's obligations or liabilities under any such contract of reinsurance, or</p> <p>(iii) settle, compromise or abandon any claim under any such contract of reinsurance</p>

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Particulars of a mortgage or charge

6	Short particulars of all the property mortgaged or charged	
	Please give the short particulars of the property mortgaged or charged	
Short particulars	<p>10 By Clause 10 2 of the Deed, the Managing Agent undertakes that at no time during the subsistence of the security thereby constituted will it, otherwise than with the Bank's prior consent and in accordance with any conditions as to additional security or otherwise which the Bank may attach thereto, exercise on behalf of the Company any right of set-off or deduction which the Company may have in respect of any reinsurance recoveries which the Managing Agent has been directed to procure be paid into an account pursuant to Clause 10 1 of the Deed</p>	



CERTIFICATE OF THE REGISTRATION OF A MORTGAGE OR CHARGE

Pursuant to section 869(5) & (6) of the Companies Act 2006

**COMPANY NO. 3592542
CHARGE NO. 223**

**THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES
HEREBY CERTIFIES THAT A DEED OF CHARGE DATED 2
FEBRUARY 2011 AND CREATED BY UPTON UNDERWRITING
LIMITED FOR SECURING ALL MONIES DUE OR TO BECOME
DUE FROM THE COMPANY TO LLOYDS TSB BANK PLC UNDER
THE TERMS OF THE AFOREMENTIONED INSTRUMENT
CREATING OR EVIDENCING THE CHARGE WAS REGISTERED
PURSUANT TO CHAPTER 1 PART 25 OF THE COMPANIES ACT
2006 ON THE 7 FEBRUARY 2011**

**GIVEN AT COMPANIES HOUSE, CARDIFF THE 14 FEBRUARY
2011**

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Companies House
— for the record —



**THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES**