

EXECUTION COPY

Dated 4 November 2016

BEAZLEY RE DESIGNATED ACTIVITY COMPANY

as Issuer

and

U.S. BANK TRUSTEES LIMITED

as Trustee

and

ELAVON FINANCIAL SERVICES DAC, UK BRANCH

as Principal Paying Agent

and

ELAVON FINANCIAL SERVICES DAC

as Registrar and Transfer Agent

AGENCY AGREEMENT

relating to

BEAZLEY RE DESIGNATED ACTIVITY COMPANY

U.S.\$ 250,000,000 5.875 per cent.

Subordinated Notes due 2026

Linklaters

Ref: ND/VG

Linklaters LLP

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This Agreement is made on 4 November 2016 **between:**

- (1) **BEAZLEY RE DESIGNATED ACTIVITY COMPANY** (the “**Issuer**”);
- (2) **ELAVON FINANCIAL SERVICES DAC, UK BRANCH** as Principal Paying Agent (the “**Principal Paying Agent**”);
- (3) **ELAVON FINANCIAL SERVICES DAC** as Registrar and Transfer Agent (the “**Registrar**” and the “**Transfer Agent**”); and
- (4) **U.S. BANK TRUSTEES LIMITED** as Trustee (the “**Trustee**”).

Whereas:

- (A) The Issuer proposes to issue U.S.\$ 250,000,000 principal amount of notes to be known as its 5.875 per cent. Subordinated Notes due 2026 (the “**Notes**”).
- (B) The Notes will be constituted by a Trust Deed (the “**Trust Deed**”) dated 4 November 2016 between the Issuer and the Trustee.
- (C) This is the Agency Agreement as defined in the Trust Deed.

1 Interpretation

1.1 Definitions

Terms defined in the Trust Deed (including the Conditions) have the same meanings in this Agreement except where otherwise defined in this Agreement. In addition:

“**Agents**” means the Principal Paying Agent, the Registrar, the Paying Agents and the Transfer Agent 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;

“**Applicable Law**” means any law or regulation;

“**Authority**” means any competent regulatory, prosecuting, Tax or governmental authority in any jurisdiction;

“**Business Day**” means a day on which commercial banks and foreign exchange markets are open in London and the city in which the specified office of the Principal Paying Agent is located;

“**Code**” means the U.S. Internal Revenue Code of 1986, as amended;

“**Common Depository**” means a common depository appointed by Euroclear and Clearstream, Luxembourg;

“**FATCA Withholding**” means any withholding or deduction required pursuant to an agreement described in section 1471(b) of the Code, or otherwise imposed pursuant to sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or any law implementing an intergovernmental approach thereto;

“**Paying Agents**” means any paying agent appointed in accordance with this Agreement; and

“**Tax**” means any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of any Authority having power to tax.

1.2 Construction of Certain References

References to:

- 1.2.1 other capitalised terms not defined in this Agreement are to those terms as defined in the Conditions;
- 1.2.2 principal and interest shall be construed in accordance with Condition 9; and
- 1.2.3 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 Agents, 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); 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 Agreement.

1.4 Contracts

References in this Agreement to this Agreement or any other document are to this Agreement or those documents as amended, supplemented or replaced from time to time and include any document which amends, supplements or replaces them.

1.5 Schedule

The Schedule is part of this Agreement and has effect accordingly.

1.6 Contracts (Rights of Third Parties) Act 1999

A person who is not a party to this Agreement has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Agreement.

2 Appointment

- 2.1 The Issuer (and, for the purposes of Clause 4.1 only, the Trustee) appoints the Agents as its agents in respect of the Notes in accordance with the Conditions at their respective specified offices referred to in Notes. Except in Clause 17, references to the Agents are to them acting solely through such specified offices. Each Agent shall perform the duties required of it by this Agreement and the Conditions. The obligations of the Agents are several and not joint.

2.2 Mutual Undertaking Regarding Information Reporting and Collection Obligations

Each party shall (in the case of the Agents, at the cost of the Issuer (provided any such cost is notified to the Issuer in advance of being so incurred and is properly incurred and documented), as soon as reasonably practicable following a written request by another party, supply to that other party such forms, documentation and other information relating to it, its operations, or any Notes as that other party reasonably requests for the purposes

of that other party's compliance with Applicable Law and shall notify the relevant other Party reasonably promptly in the event that it becomes aware that any of the forms, documentation or other information provided by such Party is (or becomes) inaccurate in any material respect; provided, however, that no party shall be required to provide any forms, documentation or other information pursuant to this Clause 2.2 to the extent that: (i) any such form, documentation or other information (or the information required to be provided on such form or documentation) is not reasonably available to such party and cannot be obtained by such party using reasonable efforts; or (ii) doing so would or might in the reasonable opinion of such party constitute a breach of any: (a) Applicable Law; (b) fiduciary duty; or (c) duty of confidentiality. For purposes of this Clause 2.2, "**Applicable Law**" shall be deemed to include (i) any rule or practice of any Authority by which any party is bound or with which it is accustomed to comply; (ii) any agreement between any Authorities; and (iii) any agreement between any Authority and any party that is customarily entered into by institutions of a similar nature.

2.3 Notice of Possible Withholding Under FATCA

The Issuer shall notify each Agent in the event that it determines that any payment to be made by an Agent under any Notes is a payment which could be subject to FATCA Withholding if such payment were made to a recipient that is generally unable to receive payments free from FATCA Withholding, and the extent to which the relevant payment is so treated, provided, however, that the Issuer's obligation under this Clause 2.3 shall apply only to the extent that such payments are so treated by virtue of characteristics of the Issuer, such Notes, or both.

2.4 Agent Right to Withhold

Notwithstanding any other provision of this Agreement, each Agent shall be entitled to make a deduction or withholding from any payment which it makes under any Notes for or on account of any Tax, if and only to the extent so required by Applicable Law, in which event the Agent shall make such payment after such deduction or withholding has been made and shall account to the relevant Authority within the time allowed for the amount so deducted or withheld or, at its option, shall reasonably promptly after making such payment return to the Issuer the amount so deducted or withheld, in which case, the Issuer shall so account to the relevant Authority for such amount. For the avoidance of doubt, FATCA Withholding is a deduction or withholding which is deemed to be required by Applicable Law for the purposes of this Clause 2.4.

2.5 Issuer Right to Redirect

In the event that the Issuer determines in its sole discretion that any deduction or withholding for or on account of any Tax will be required by Applicable Law in connection with any payment due to any of the Agents on any Notes, then the Issuer will be entitled to redirect or reorganise any such payment in any way that it sees fit in order that the payment may be made without such deduction or withholding provided that any such redirected or reorganised payment is made through a recognised institution of international standing and otherwise made in accordance with this Agreement and the Trust Deed. The Issuer will promptly notify the Agents and the Trustee of any such redirection or reorganisation. For the avoidance of doubt, FATCA Withholding is a deduction or withholding which is deemed to be required by Applicable Law for the purposes of this Clause 2.5.

3 Issue of Notes

3.1 Issue of Certificates

The Principal Paying Agent shall, upon receipt of both the instructions and the information enabling it to do so, notify the Registrar of all relevant information relating to an issue of Notes, whereupon the Registrar shall complete one or more Certificates in an aggregate principal amount equal to that of the Notes to be issued. The Registrar shall (unless the Principal Paying Agent is to do so in its capacity as, or as agent for, the Registrar) authenticate each Certificate (or cause its agent on its behalf to do so) and deliver them to the Principal Paying Agent not later than the time specified by the Principal Paying Agent (which shall be no earlier than one Business Day after receipt by the Registrar of such instructions).

3.2 Delivery of Certificates

Immediately before the issue of the Global Certificate, the Registrar (or its agent on its behalf) shall authenticate it. Following receipt and authentication of the Global Certificate, the Principal Paying Agent shall deliver it no later than its date of issue to the Common Depository or to such clearing system or other depository for a clearing system as shall have been agreed between the Issuer and the Principal Paying Agent, together with instructions to the clearing systems to whom (or to whose depository) such Global Certificate has been delivered to credit the underlying Notes represented by such Global Certificate to the securities account(s) at such clearing systems that have been notified to the Principal Paying Agent by the Issuer on a delivery against payment basis.

The Principal Paying Agent shall immediately notify the Registrar if for any reason a Certificate is not delivered in accordance with the Issuer's instructions. Unless it receives any such notification, the Registrar shall cause an appropriate entry to be made in the Register to reflect the issue of the Notes to the person(s) whose name and address appears on each such Certificate on the date of issue (if any).

3.3 Clearing Systems

In delivering any Global Certificate in accordance with Clause 3.2, the Principal Paying Agent shall give instructions to the relevant clearing system to hold the Notes represented by it to the order of the Principal Paying Agent pending transfer to the securities account(s) referred to in Clause 3.2. Upon payment for any such Notes being made to the Principal Paying Agent, it shall transfer such payment to the account of the Issuer notified to it by the Issuer. For so long as any such Note continues to be held to the order of the Principal Paying Agent, the Principal Paying Agent shall hold such Note to the order of the Issuer.

3.4 Advance Payment

If the Principal Paying Agent pays an amount (the "**Advance**") to the Issuer on the basis that a payment (the "**Payment**") has been, or will be, received from any person and if the Payment has not been, or is not, received by the Principal Paying Agent on the date the Principal Paying Agent pays the Issuer, the Issuer shall, on demand, reimburse the Principal Paying Agent the Advance and pay interest to the Principal Paying Agent on the outstanding amount of the Advance from the date on which it is paid out to the date of reimbursement at the rate per annum equal to the cost to the Principal Paying Agent of funding such amount, as certified by the Principal Paying Agent. Such interest shall be compounded daily.

3.5 Signing of Certificates

The Certificates shall be signed manually or in facsimile on behalf of the Issuer by a duly authorised signatory of the Issuer. The Issuer may however adopt and use the signature of any person who at the date of signing a Certificate is a duly authorised signatory of the Issuer even if, before the Certificate is issued, he ceases for whatever reason to hold such office and the Certificates issued in such circumstances shall nevertheless represent valid and binding obligations of the Issuer. Certificates shall be printed in accordance with all applicable stock exchange requirements.

3.6 Details of Certificates Delivered

As soon as practicable after delivering any Certificate, the Principal Paying Agent or the Registrar, as the case may be, shall supply to the Issuer and the other Agents all relevant details of the Certificates delivered, in such format as it shall from time to time agree with the Issuer.

3.7 Cancellation

If any Note in respect of which information has been supplied under Clause 3.1 is not to be issued on a given Issue Date, the Issuer shall immediately (and, in any event, prior to the Issue Date) notify the Registrar. Upon receipt of such notice, the Registrar shall not thereafter issue or release the relevant Certificate(s) but shall cancel and, unless otherwise instructed by the Issuer, destroy them and shall not make any entry in the Register in respect of them.

3.8 Outstanding Amount

The Principal Paying Agent shall, upon request from the Issuer, inform such person of the aggregate principal amount of Notes then outstanding at the time of such request.

4 The Trustee

4.1 Agents to act for Trustee

4.1.1 The Agents shall, on demand in writing by the Trustee to the Issuer and the Agents made at any time after a Default has occurred and until notified in writing by the Trustee to the contrary, so far as permitted by applicable law:

- (i) act as Agents of the Trustee under the Trust Deed and the Notes on the terms of this Agreement (with consequential amendments as necessary and except that the Trustee's liability under this Agreement 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 the 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) 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 demand.

4.2 Notices of change of the Trustee

The Issuer shall forthwith notify the Principal Paying Agent of any change in the person or persons comprising the Trustee.

5 Payment

5.1 Payment to the Principal Paying Agent

Subject to Clause 5.12, the Issuer shall (i) by 3:00 p.m. (local time in the city of the Principal Paying Agent's Specified Office) two Business Days prior to any date on which any payment in respect of the Notes is scheduled to become due, procure that the bank through which payment to the Principal Paying Agent required by this Clause 5.1 is to be made shall irrevocably confirm payment details to the Principal Paying Agent by authenticated SWIFT message and (ii) one Business Day prior to any date on which any payment in respect of the Notes becomes due, transfer to the Principal Paying Agent such amount as may be required for the purposes of such payment. In this Clause, the date on which a payment in respect of the Notes becomes due means the first date on which the holder of a Note could claim the relevant payment by transfer to an account under the Conditions.

5.2 Payment by Agents

Unless they receive from the Principal Paying Agent notice of non-payment by the Issuer to the Principal Paying Agent in accordance with Clause 5.3 or 5.12, the Agents shall, subject to and in accordance with the Conditions, pay or cause to be paid on behalf of the Issuer on each due date therefor the amounts due in respect of the Notes and shall be entitled to claim any amounts so paid from the Principal Paying Agent.

5.3 Notification of Non-payment

The Principal Paying Agent shall as soon as reasonably practicable notify in writing each of the other Paying Agents, the Issuer and the Trustee if it has not received the amount referred to in Clause 5.1 by the time specified for its receipt, unless it is satisfied that it will receive such amount.

5.4 Notification of Late Payment

The Principal Paying Agent shall as soon as reasonably practicable notify in writing each of the other Paying Agents, the Issuer and the Trustee if at any time following the giving of a notice by the Principal Paying Agent under Clause 5.3 either any payment provided for in Clause 5.1 is made after its due date but otherwise in accordance with this Agreement or the Principal Paying Agent is satisfied that it will receive such payment. In such circumstances, the Principal Paying Agent and each Agent shall nevertheless make payments in respect of the Notes as aforesaid following receipt by it of such payment in cleared and identified funds.

5.5 Suspension of Payment by Paying Agents

Upon receipt of a notice from the Principal Paying Agent under Clause 5.3, each Paying Agent shall not make any payment in accordance with Clause 5.2, or shall cease making payments in accordance with Clause 5.2 as soon as is reasonably practicable. Upon receipt of a notice from the Principal Paying Agent under Clause 5.4, each Paying Agent shall make, or shall recommence making, payments in accordance with Clause 5.2.

5.6 Reimbursements of Paying Agents

The Principal Paying Agent shall on demand promptly reimburse each other Paying Agent for payments in respect of the Notes properly made by such other Paying Agent in accordance with this Agreement and the Conditions subject to the Principal Paying Agent

having received sufficient funds in respect of such payments from the Issuer and subject to the Principal Paying Agent not having notified such other Paying Agent that it does not expect to receive sufficient funds to make payment of all amounts falling due in respect of the Notes.

5.7 Method of payment to Principal Paying Agent

All sums payable to the Principal Paying Agent hereunder shall be paid in dollars and in immediately available or same day funds to such account with such bank as the Principal Paying Agent may from time to time notify to the Issuer.

5.8 Moneys held by Principal Paying Agent

The Principal Paying Agent may deal with moneys paid to it under this Agreement in the same manner as other moneys paid to it as a banker by its customers except that (1) it may not exercise any lien, right of set-off or similar claim in respect of them and (2) it shall not be liable to anyone for interest on any sums held by it under this Agreement. All money that the Principal Paying Agent holds for the Issuer under the Agreement in an account with itself are held as banker and not as trustee (or in Scotland as agent) and as a result the money will not be held in accordance with the client money rules of the Financial Conduct Authority.

5.9 Partial Payments

If on presentation of a Certificate only part of the amount payable in respect of it is paid (except as a result of a deduction of tax permitted by the Conditions), the Paying Agent to whom it is presented shall procure that it is encased with a memorandum of the amount paid and the date of payment and shall return it to the person who presented it. Upon such payment of only part of the amount payable in respect of any Note, the Registrar shall make a note of the details of such payment in the Register.

5.10 Interest

If the Principal Paying Agent pays out any amount due in respect of the Notes in accordance with the Conditions or due in accordance with Clause 5.6 before receipt of the amount due under Clause 5.1, the Issuer shall on demand reimburse the Principal Paying Agent for the relevant amount and pay interest to the Principal Paying Agent on such amount that is outstanding from the date on which it is paid out to the date of reimbursement at the rate per annum equal to the cost to the Principal Paying Agent of funding the amount paid out, as certified by the Principal Paying Agent.

5.11 Void Global Certificate

If any Note represented by the Global Certificate becomes void in accordance with its terms after the occurrence of a Default or otherwise in accordance with its terms, the Principal Paying Agent shall promptly notify the Agents and, after such notice has been given, no payment shall be made by them in respect of that Note to the extent that the Global Certificate representing such Note has become void.

5.12 Deferral of Interest and Principal Amounts

Notwithstanding Clauses 5.1 to 5.10, the Issuer shall notify the Trustee, the Principal Paying Agent and the Registrar:

5.12.1 in accordance with Condition 3(b) or Condition 5(a), if the Issuer is required not to pay interest pursuant to Conditions 3(b) or 5(a) (as applicable);

- 5.12.2 in accordance with Condition 5(c), of an election to, or an obligation to, pay Arrears of Interest (including details of the amount of such Arrears of Interest to be paid and the due date for payment thereof) made pursuant to or under Condition 5(c);
- 5.12.3 in accordance with Condition 6(a)(iii), if the Issuer is required to defer redemption of the Notes pursuant to Conditions 3(b), 6(a)(ii) or 6(b) (as applicable);
- 5.12.4 of any requirement of the Issuer to redeem the Notes pursuant to Conditions 6(a)(iv) and 6(a)(v) or of the election by the Issuer to redeem the Notes pursuant to Conditions 6(c) or (d);

by giving the Principal Paying Agent not less than 10 Business Days' notice thereof (or such shorter period of time as is reasonably practicable in the circumstances) and the Principal Paying Agent shall notify each of the other Paying Agents forthwith of the receipt of any such notice.

Any failure by the Issuer to provide notice under sub-Clause 5.12.1 will not invalidate the relevant deferral. In the absence of receipt of any such notice, the Principal Paying Agent shall be entitled to assume that no amounts are to be deferred. Where the Principal Paying Agent or any other Paying Agent has paid out, or has procured to be paid out, any such amounts (or any relevant part thereof) due in accordance with the Conditions prior to its receipt of notice of deferral in accordance with Clause 19 and subject to the Principal Paying Agent having first used reasonable efforts to recover such payment from the relevant clearing systems prior to onward payment of such amounts to the Noteholders, the Issuer shall on demand reimburse the Principal Paying Agent in accordance with Clause 3.4.

5.13 Withholding Tax

Notwithstanding any other provision of this Agreement and the Conditions, each Agent shall be entitled to make a deduction or withholding from any payment which it makes under this Agreement for or on account of any present or future taxes, duties or charges if and to the extent so required by any applicable law, regulation or practice or agreements thereunder or official interpretations thereof or any law implementing an intergovernmental approach thereto or by virtue of the relevant holder failing to satisfy any certification or other requirements in respect of the Notes, in which event such Agent shall make such payment after such withholding or deduction has been made and shall account to the relevant authorities for the amount(s) so withheld or deducted and shall have no obligation to gross up any payment hereunder or pay any additional amount as a result of such withholding tax.

6 Repayment

If claims in respect of any Note become void or prescribed under the Conditions, the Principal Paying Agent shall forthwith repay to the Issuer the amount that would have been due on such Note if it or the relative Certificate had been surrendered for payment before such claims became void or prescribed. Subject to Clause 17, the Principal Paying Agent shall not however be otherwise required or entitled to repay any sums received by it under this Agreement.

7 Early Redemption, Variation and Substitution

7.1 Notice to Principal Paying Agent

If the Issuer intends (other than consequent upon a Default) to redeem, vary or substitute the Notes before their stated maturity date in accordance with the Conditions it shall, in accordance with the applicable notice periods set out in the Conditions, give notice of such intention to the Principal Paying Agent and the Trustee stating the date on which such Notes are to be redeemed, varied or substituted and the principal amount of Notes to be so redeemed, varied or substituted.

7.2 Notice to Noteholders

The Principal Paying Agent shall upon written request from the Issuer and at the Issuer's expense publish any notice to Noteholders required in connection with any redemption, variation or substitution referred to in Clause 7.1 or exercise of an Issuer's option (such notice to have been provided to the Principal Paying Agent by the Issuer) and (unless all the Notes are represented by the Global Certificate) shall at the same time also publish a separate list of the principal amount of Notes in respect of which the related Certificates have not been so surrendered. Such notice shall specify the date fixed for such redemption, variation or substitution, the redemption price (where applicable), the manner in which redemption, variation or substitution will be effected and any other information required by the Conditions. In addition, (unless all the Notes are represented by the Global Certificate) the Principal Paying Agent shall send to each holder of Notes, at its address shown in the Register, a copy of such notice together with details of such holder's Notes called for redemption, variation or substitution.

8 Cancellation, Destruction, Records and Reporting Requirements

8.1 Cancellation by Paying Agents

All Certificates representing Notes that are redeemed or substituted by the Issuer in accordance with the Conditions, shall be cancelled forthwith by the Agent to which the Certificates are surrendered for redemption or substitution of the Notes. Such Agent shall send to the Registrar the details required by such person for the purposes of this Clause and the cancelled Certificates.

8.2 Cancellation by Issuer

If the Issuer or any of the Issuer's Subsidiaries purchase any Notes that are to be cancelled in accordance with the Conditions, the Issuer shall immediately notify the Registrar of the principal amount of those Notes it or any of its Subsidiaries has purchased and shall procure their cancellation.

8.3 Certificate of Registrar

The Registrar shall as soon as possible and in any event within three months after the date of any such redemption, purchase or substitution, send the Issuer and the Trustee a certificate stating (1) the aggregate principal amount of Notes that have been redeemed and cancelled or substituted, and (2) the certificate numbers of the Certificates representing them.

8.4 Destruction

Unless otherwise instructed by the Issuer or the Trustee or unless, in the case of the Global Certificate, it is to be returned to its holder in accordance with its terms, the Registrar (or its designated agent) shall destroy the Certificates in its possession and shall

send the Issuer and the Trustee upon request a certificate giving the certificate numbers of such Certificates in numerical sequence.

8.5 Reporting Requirements

The Principal Paying Agent shall (on behalf of the Issuer) submit such reports or information as may be required from time to time in relation to the issue and purchase of Notes by applicable law, regulations and guidelines promulgated by any governmental regulatory authority as agreed between the Issuer and the Principal Paying Agent.

8.6 Information from Issuer

The Registrar shall only be required to comply with its obligations under this Clause 8 in respect of Notes surrendered for cancellation following a purchase of the same by the Issuer or any other entity on its behalf to the extent it has been informed by the Issuer of such purchases in accordance with Clause 8.2 above.

9 Replacement Certificates

9.1 Replacement

The Registrar (in such capacity, the “**Replacement Agent**”) shall issue replacement Certificates in accordance with the Conditions.

9.2 Cancellation

The Replacement Agent shall cancel and, unless otherwise instructed by the Issuer, destroy any mutilated or defaced Certificates replaced by it and shall send the Issuer and the Principal Paying Agent a certificate giving the information specified in Clause 8.4.

9.3 Notification

The Replacement Agent shall, on issuing a replacement Certificate, forthwith inform the other Agents of its certificate number and of the one that it replaces.

9.4 Surrender after Replacement

If a Certificate that has been replaced is surrendered to a Transfer Agent for payment, that Transfer Agent shall forthwith inform the Registrar, who shall so inform the Issuer.

10 Additional Duties of the Transfer Agent

The Transfer Agent to which a Certificate is surrendered for the transfer of the Notes represented by it shall forthwith notify the Registrar of (1) the name and address of the holder of the Note(s) appearing on such Certificate, (2) the certificate number of such Certificate and principal amount of the Note(s) represented by it, (3) (in the case of a transfer of part only) the principal amount of the Note(s) to be transferred, and (4) the name and address of the transferee to be entered on the Register, and shall cancel such Certificate and forward it to the Registrar.

11 Additional Duties of the Registrar

11.1 The Registrar shall maintain a Register in accordance with the Conditions and the Regulations as defined below. The Register shall show the number of issued Certificates, their principal amount, their date of issue and their certificate number (which shall be unique for each Certificate) and shall identify each Note, record the name and address of

its initial subscriber, all subsequent transfers and changes of ownership in respect of it, the names and addresses of its subsequent holders and the Certificate from time to time representing it. The Registrar shall at all reasonable times during office hours make the Register available to the Issuer, the Principal Paying Agent, the Trustee and the Transfer Agents or any person authorised by any of them for inspection and for the taking of copies and the Registrar shall deliver to such persons all such lists of holders of Notes, their addresses and holdings as they may request.

- 11.2** In addition, and subject to its receiving such information from the Issuer, the Registrar shall maintain a record of (i) any payments of principal and/or interest deferred by the Issuer pursuant to and in accordance with the Conditions, and (ii) any amounts referred to in sub-clause (i) which are subsequently paid by the Issuer.

12 Regulations concerning the Notes

The Issuer may, subject to the Conditions, from time to time with the approval of the Principal Paying Agent, the Trustee, the Transfer Agents and the Registrar promulgate regulations (the “**Regulations**”) concerning the carrying out of transactions relating to the Notes and the forms and evidence to be provided. All such transactions shall be made subject to the Regulations. The initial Regulations are set out in the Schedule to this Agreement.

13 Documents and Forms

13.1 Principal Paying Agent

The Issuer shall provide to the Principal Paying Agent in a sufficient quantity, for distribution among the relevant Agents as required by this Agreement or the Conditions, all documents required under the Notes or by any stock exchange on which the Notes are listed to be available for issue or inspection during business hours (and the Transfer Agents shall make such documents available for collection or inspection to the Noteholders that are so entitled and carry out the other functions set out in the Schedule to this Agreement).

13.2 Registrar

The Issuer shall provide the Registrar with enough blank Certificates to meet the Transfer Agents’ and the Registrar’s anticipated requirements for Certificates upon the issue and transfer of the Notes, for the purpose of issuing replacement Certificates.

13.3 Certificates held by Agents

Each Agent (a) acknowledges that all forms of Certificates delivered to and held by it pursuant to this Agreement shall be held by it as custodian only and it shall not be entitled to and shall not claim any lien or other security interest on such forms, (b) shall only use such forms in accordance with this Agreement, (c) shall maintain such forms in safe custody, (d) shall take such security measures as may reasonably be necessary to prevent their theft, loss or destruction and (e) shall keep an inventory of all such forms and make it available to the Issuer, the Trustee and the other Agents at all reasonable times.

14 Fees and Expenses

14.1 Fees

The Issuer shall pay to the Principal Paying Agent the fees and expenses in respect of the Agents' services as is separately agreed with the Principal Paying Agent and the Issuer need not concern itself with their apportionment between the Agents.

14.2 Costs

The Issuer shall also pay on demand all out-of-pocket expenses (including legal, advertising, telex and postage expenses) properly incurred by the Agents in connection with their services together with any applicable irrecoverable value added tax, sales, stamp, issue, registration, documentary or other similar taxes or duties.

15 Indemnity

15.1 By Issuer

The Issuer shall indemnify each Agent, on an after tax basis, against any loss, liability, cost, claim, action, demand or expense (including, but not limited to, all reasonable costs, charges and expenses paid or incurred in disputing or defending any of the foregoing but excluding tax imposed on or calculated by reference to net income received or receivable) that it may incur or that may be made against it arising out of or in relation to or in connection with its appointment or the exercise of its functions, except such as may result from its own gross negligence, wilful default or fraud or that of its officers, employees or agents.

15.2 By Agents

Each Agent shall indemnify the Issuer, on an after tax basis, against any loss, liability, cost, claim, action, demand or expense (including, but not limited to, all reasonable costs, charges and expenses paid or incurred in disputing or defending any of the foregoing but excluding tax imposed on or calculated by reference to net income received or receivable) that the Issuer may incur or that may be made against it as a result of such Agent's gross negligence, fraud or wilful default or that of its officers, employees or agents.

15.3 Survival

Each indemnity in this Clause 15 shall survive the termination and expiry of this Agreement and the resignation or removal of any Agent.

16 General

16.1 No Agency or Trust

In acting under this Agreement, each Agent shall act solely as agent of the Issuer (or, in the circumstances described in Clause 4.1 above, the Trustee) and shall have no obligation or fiduciary duty towards or relationship of agency or trust with any Noteholder.

16.2 Holder to be treated as Owner

Except as otherwise required by law and as provided in the Conditions and the Certificates, each Agent will treat the registered holder of a Note as its absolute owner as provided in the Conditions and will not be liable for doing so.

16.3 No Lien

No Agent shall exercise any lien, right of set-off or similar claim against the Issuer or any Noteholder in respect of moneys payable by it under this Agreement.

16.4 Taking of Advice

Each Agent may consult on any legal matter with any legal adviser selected by it, who may be an employee of or adviser to the Issuer and it shall be liable in respect of anything done, or omitted to be done, relating to that matter in good faith in accordance with that adviser's opinion.

16.5 Reliance on Documents etc.

No Agent shall be liable in respect of anything done or suffered by it in reliance on a Certificate or other document or information from any electronic or other source reasonably believed by it to be genuine and to have been signed or otherwise given or disseminated by the proper parties.

16.6 Other relationships

Any Agent 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, trustee or agent for, any committee or body of holders of securities of any such person in each case with the same rights as it would have had if that Agent were not an Agent and need not account for any profit.

16.7 List of Authorised Persons

The Issuer shall provide the Trustee, the Principal Paying Agent for itself and for delivery to each other Agent with a copy of the certified list of persons authorised to take action on behalf of the Issuer, in connection with this Agreement and shall notify the Trustee, the Principal Paying Agent and each other Agent immediately in writing if any of such persons ceases to be so authorised or if any additional person becomes so authorised. In the case of an additional authorised person, the Issuer shall also provide, together with such notice, evidence (satisfactory to the Trustee and the Principal Paying Agent) that such person has been so authorised. Unless and until notified of any such change, each Agent may rely on the certificate(s) most recently delivered to it and all instructions given in accordance with such certificate(s) shall be binding on the Issuer.

16.8 Indirect, Consequential and Punitive Losses

Notwithstanding any provision of this Agreement to the contrary, under no circumstances shall any Agent be liable to, or be required to indemnify, the Issuer or any third party for (i) indirect, punitive or consequential losses or indirect, punitive, special or consequential damages of any kind whatsoever, (ii) loss of business opportunity, goodwill or reputation or (iii) loss of profit, in each case to the extent any such losses arise in connection with this Agreement, notwithstanding that such losses were or may have been foreseeable or that such Agent was advised or was aware of the possibility of such losses and regardless of whether the claim to any such loss or damage under (i), (ii) or (iii) above is made in negligence or breach of contract or otherwise.

16.9 Determination by Issuer: The Principal Paying Agent shall refer any question relating to the ownership of any Notes or the adequacy or sufficiency of any evidence supplied in connection with the replacement of any of the same to the Issuer for determination by the Issuer and rely upon any determination so made.

16.10 Illegality: The Agents may refrain from doing anything that would or might in its opinion be illegal or contrary to any law of any jurisdiction or any directive or regulation of any agency

of any state or which would or might otherwise render it liable to any person or cause it to act in a manner which might prejudice its interests and may do anything which is, in its opinion, necessary to comply with any such law, directive or regulation.

16.11 Additional Information: Each party shall provide to the Agents upon request such additional information as is necessary for the purposes of their roles as agents, subject to such confidentiality provisions to which the Issuer may be subject.

16.12 No Obligation on Agent to Act: No Agent shall be under any obligation to take any action under this Agreement which it expects will result in any expense or liability accruing to it, the payment of which within a reasonable time is not, in its opinion, assured to it.

17 Changes in Agents

17.1 Appointment and Termination

The Issuer may at any time, subject to the prior written approval of the Trustee (such approval not to be unreasonably withheld or delayed), appoint additional or other Agents and/or (subject to maintaining such Agents as are required by Condition 16) terminate the appointment of any Agent by giving to the Principal Paying Agent and the Agent concerned at least 60 days' written notice to that effect, which notice shall expire not less than 30 days before any due date for payment in respect of the Notes. Upon any letter of appointment being executed by or on behalf of the Issuer and any person appointed as an Agent, such person shall become a party to this Agreement as if originally named in it and shall act as such Agent in respect of the Notes.

17.2 Resignation

Subject to there being maintained such Agents as are required by Condition 16, any Agent may resign its appointment at any time by giving the Issuer and the Principal Paying Agent at least 60 days' written notice to that effect, which notice shall expire not less than 30 days before any due date for payment of any Notes.

17.3 Condition to Resignation or Termination

No resignation or (subject to Clause 17.5) termination of the appointment of the Principal Paying Agent, the Registrar, or the Transfer Agent shall take effect until a new Principal Paying Agent, the Registrar, or, as the case may be, Transfer Agent has been appointed and no resignation or termination of the appointment of a Paying Agent shall take effect if there would not then be the Agents required by the Conditions. Notwithstanding the above, the Issuer agrees with each Agent that if, by the day falling ten days before the expiry of any notice referred to above, the Issuer has not appointed a replacement Agent, then the relevant Agent shall be entitled to select and the Issuer shall appoint in its place any reputable financial institution of good standing on terms approved by the Trustee.

The Agents shall not be responsible for any costs occasioned by termination or resignation (which costs shall be borne by the Issuer).

17.4 Change of Office

If an Agent changes the address of its specified office in a city it shall give the Issuer, the Trustee and the Principal Paying Agent at least 60 days' written notice of the change, giving the new address and the date on which the change takes effect.

17.5 Automatic Termination

The appointment of any Agent shall forthwith terminate if the Agent becomes incapable of acting, is adjudged bankrupt or insolvent, files a voluntary petition in bankruptcy, makes an assignment for the benefit of its creditors, consents to the appointment of a receiver, administrator or other similar official of all or a substantial part of its property or admits in writing its inability to pay or meet its debts as they mature or suspends payment thereof, or if a resolution is passed or an order made for the winding up or dissolution of the Agent, a receiver, administrator or other similar official of the Paying Agent or all or a substantial part of its property is appointed, a court order is entered approving a petition filed by or against it under applicable bankruptcy or insolvency law, or a public officer takes charge or control of the Agent or its property or affairs for the purpose of rehabilitation, conservation or liquidation.

17.6 Delivery of Records

If any Agent resigns or its appointment is terminated, it shall on the date the resignation or termination takes effect pay to the successor Agent any amount held by it for payment of the Notes and deliver to the successor Agent the records kept by it and all Notes held by it pursuant to this Agreement.

17.7 Successor Corporations

A corporation into which an Agent is merged or converted or with which it is consolidated or that results from a merger, conversion or consolidation to which it is a party shall, to the extent permitted by applicable law, be the successor Agent under this Agreement without further formality. The Agent concerned shall forthwith notify such an event to the other parties to this Agreement.

17.8 Notices

The Issuer shall give Noteholders and the Trustee, as soon as practicable, notice of any termination under Clause 17.5 of which it is aware.

18 Communications

18.1 Notices

Any communication shall be by letter or fax or, in the case of the Issuer, by letter or email:

in the case of the Issuer, to it at:

Beazley Re Designated Activity Company

2 Northwood Avenue

Northwood Park

Santry Demesne 9

Ireland

Fax no.: +353 (0)1 842 8481

Attention: The General Manager

in the case of the Trustee, to it at:

U.S. Bank Trustees Limited
125 Old Broad Street
Fifth Floor
London
EC2N 1AR
Email: mbs.relationship.management@usbank.com
Fax no.: +44 207 365 2577
Attention: Structured Finance Relationship Management

in the case of the Principal Paying Agent, to its care of:

Elavon Financial Services DAC, UK Branch
125 Old Broad Street
Fifth Floor
London
EC2N 1AR
Email: mbs.relationship.management@usbank.com
Fax no.: +44 207 365 2577
Attention: Structured Finance Relationship Management

in the case of the Registrar and Transfer Agent, to its care of:

Elavon Financial Services DAC
2nd Floor, Block E
Cherrywood Science & Technology Park
Loughlinstown
Co. Dublin
D18W319
Email: mbs.relationship.management@usbank.com
Fax no.: +44 207 365 2577
Attention: Structured Finance Relationship Management

or any other address of which written notice has been given to the parties in accordance with this Clause. Such communications will take effect, in the case of a letter, when delivered, in the case of a 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) outside business hours 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 Agreement which is to be sent by fax will be written legal evidence.

18.2 Notices through Principal Paying Agent

All communications relating to this Agreement between (1) the Issuer and the Trustee and (2) any of the Agents or between the Agents themselves shall be made (except where otherwise expressly provided) through the Principal Paying Agent.

19 Notices

19.1 Publication

At the request and expense of the Issuer, the Principal Paying Agent shall arrange for the publication of all notices to Noteholders. The Issuer shall send any such notice to the Principal Paying Agent not less than one Business Day prior to the date of publication. Notices to Noteholders shall be published in accordance with the Conditions having previously, unless the Trustee otherwise directs, been approved by the Trustee.

19.2 Copies to the Trustee

The Principal Paying Agent shall promptly send to the Trustee two copies of the form of every notice to be given to Noteholders once published.

20 Entire Agreement

20.1 Without prejudice to the terms of the Trust Deed entered into between the Issuer and the Trustee, this Agreement contains the whole agreement between the parties hereto relating to the subject matter of this Agreement at the date of this Agreement to the exclusion of any terms implied by law which may be excluded by contract and supersedes any previous written or oral agreement between the parties in relation to the matters dealt with in this Agreement. The Agents also acknowledge to the Issuer and the Trustee the terms of, and accept their roles pursuant to and as set out in, the Conditions.

20.2 Each party to this Agreement acknowledges that it has not been induced to enter into this Agreement by any representation, warranty or undertaking not expressly incorporated into it.

20.3 Without prejudice to the indemnities contained in Clause 15 and only insofar as is permitted by law and except in the case of fraud, each of the Issuer and the Agents agree and acknowledge that their only right and remedy in relation to any representation, warranty or undertaking made or given in connection with this Agreement shall be for breach of the terms of this Agreement to the exclusion of all other rights and remedies (including those in tort or arising under statute).

20.4 In Clauses 20.1 to 20.3, as between the Issuer and any Agent or the Registrar, “**this Agreement**” shall be construed so as to include any fee letter entered into between the Issuer and the relevant Agent or the Registrar and any other documents entered into pursuant to this Agreement following the date of this Agreement.

21 Governing Law

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

22 Jurisdiction



22.1 Jurisdiction: The courts of England are to have jurisdiction to settle any disputes which may arise out of or in connection with this Agreement and accordingly any legal action or proceedings arising out of or in connection with this Agreement (“**Proceedings**”) may be brought in such courts. Each of the Issuer and the Agents irrevocably submits to the jurisdiction of such courts and waives any objection to Proceedings in such courts whether 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 the Agents and the Trustee 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).

22.2 Service of Process: The Issuer irrevocably appoints Beazley plc at its registered office as its authorised agent for service of process in England. If for any reason such agent shall cease to be such agent for the service of process, the Issuer shall forthwith appoint a new agent for service of process in England and deliver to the Principal Paying Agent a copy of the new agent’s acceptance of that appointment within 30 days. Nothing shall affect the right to serve process in any other manner permitted by law.

This Agreement has been entered into on the date stated at the beginning.

Signed on behalf of

BEAZLEY RE DESIGNATED ACTIVITY COMPANY as Issuer

By: 
Name: 

ELAVON FINANCIAL SERVICES DAC, UK BRANCH as Principal Paying Agent

By:

Name:

ELAVON FINANCIAL SERVICES DAC as Registrar and Transfer Agent

By:

Name:

U.S. BANK TRUSTEES LIMITED as Trustee

By:

Name:

This Agreement has been entered into on the date stated at the beginning.

Signed on behalf of

BEAZLEY RE DESIGNATED ACTIVITY COMPANY as Issuer

By:

Name:

ELAVON FINANCIAL SERVICES DAC, UK BRANCH as Principal Paying Agent

By:

Name:



Laurence Griffiths
Authorised Signatory



Chris Hobbs
Authorised Signatory

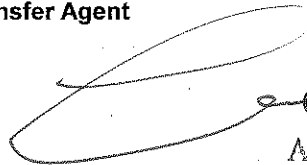
ELAVON FINANCIAL SERVICES DAC as Registrar and Transfer Agent

By:

Name:



Laurence Griffiths
Authorised Signatory

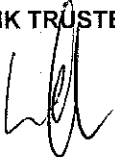


Chris Hobbs
Authorised Signatory

U.S. BANK TRUSTEES LIMITED as Trustee

By:

Name:



Laurence Griffiths
Authorised Signatory



Chris Hobbs
Authorised Signatory

Schedule

Regulations Concerning the Transfer and Registration of Notes

- 1 Each Certificate shall represent an integral number of Notes.
- 2 Unless otherwise requested by him and agreed by the Issuer and save as provided in the Conditions, each holder of more than one Note shall be entitled to receive only one Certificate in respect of his holding.
- 3 Unless otherwise requested by them and agreed by the Issuer and save as provided in the Conditions, the joint holders of one or more Notes shall be entitled to receive only one Certificate in respect of their joint holding which shall, except where they otherwise direct, be delivered to the joint holder whose name appears first in the register of the holders of Notes in respect of the joint holding. All references to “**holder**”, “**transferor**” and “**transferee**” shall include joint holders, transferors and transferees.
- 4 The executors or administrators of a deceased holder of Notes (not being one of several joint holders) and, in the case of the death of one or more of joint holders, the survivor or survivors of such joint holders shall be the only persons recognised by the Issuer as having any title to such Notes.
- 5 Any person becoming entitled to Notes in consequence of the death or bankruptcy of the holder of such Notes may, upon producing such evidence that he holds the position in respect of which he proposes to act under this paragraph or of his title as the Transfer Agent or the Registrar shall require (including legal opinions), be registered himself as the holder of such Notes or, subject to the preceding paragraphs as to transfer, may transfer such Notes. The Issuer, the Transfer Agents and the Registrar may retain any amount payable upon the Notes to which any person is so entitled until such person shall be so registered or shall duly transfer the Notes.
- 6 Upon the surrender of a Certificate representing any Notes to be transferred, the Transfer Agent or the Registrar to whom such Note is surrendered shall request reasonable evidence as to the identity of the person (the “**Surrendering Party**”) who has executed the form of transfer on the Certificate or other accompanying notice or documentation, as the case may be, if such signature does not conform to any list of duly authorised specimen signatures supplied by the registered holder. If the signature corresponds with the name of the registered holder, such evidence may take the form of a certifying signature by a notary public or a recognised bank. If the Surrendering Party is not the registered holder or is not one of the persons included on any list of duly authorised persons supplied by the registered holder, the Transfer Agent or Registrar shall require reasonable evidence (which may include legal opinions) of the authority of the Surrendering Party to act on behalf of, or in substitution for, the registered holder in relation to such Notes.