

1492207

DATED 7 April 2000

AUTO INDEMNITY (3 COUNTIES) LIMITED

- and -

AUTO INDEMNITY GROUP PLC

- and -

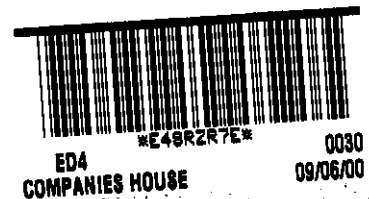
C.E. GREAVES and M. IRVINE

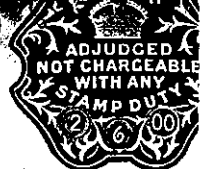
AGREEMENT for the purposes of
Section 88 Companies Act 1985
relating to Auto Indemnity (3 Counties) Limited

WEDLAKE BELL
16 Bedford Street
Covent Garden
London
WC2E 9HF

Tel: 020 7395 3000
Fax: 020 7836 9966

Ref: SMR/58141/WB1-42650





BETWEEN

1. **AUTO INDEMNITY GROUP PLC** (registered in England Number 1492207) whose registered office is at 16 Bedford Street, Covent Garden, London WC2E 9HF ("the Buyer");
2. **AUTO INDEMNITY (3 COUNTIES) LIMITED** (Registered in England Number 319974) whose registered office is at 39 Tithebarn Street, Poulton-le-Fylde, Lancashire TY6 7BY ("3 Counties"); and
3. **CHRISTINE ELIZABETH GREAVES and MARK IRVINE** both of Tithebarn Street, Poulton-le-Fylde, Lancashire TY6 7BY (together "the Guarantors").

WHEREAS

(1) By an Agreement dated *7 April* 2000 ("the Sale Agreement") and made between the Buyer, the Seller and the Guarantors, the Seller has agreed to sell and the Buyer has agreed to purchase the business and assets of the Seller for an aggregate consideration of £200,000 payable by the Buyer to the Seller and to be satisfied by the allotment of 555,555 ordinary shares of £0.10 each in the capital of the Buyer credited as fully paid.

(2) Completion (as defined in the Sale Agreement) is to take place on the date hereof.

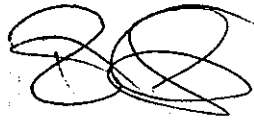
NOW IT IS HEREBY AGREED as follows:-

1. The Buyer shall at Completion (as defined in the Sale Agreement) allot:-
 - (a) to the Seller 236,111 ordinary shares of £0.10 each in the capital of the Buyer credited as fully paid (being the Consideration Shares (as defined in the Sale Agreement)) on the terms set out in the Sale Agreement; and
 - (b) to persons nominated by the Buyer's brokers 319,444 Vendor Placing Shares (as defined in the Sale Agreement) on the terms set out in the Sale Agreement.
2. The Buyer shall deliver this Agreement to the Registrar of Companies for registration pursuant to Section 88 Companies Act 1985.

IN WITNESS whereof this Agreement has been executed on behalf of the parties the day and year first above written

SIGNED by
duly authorised for and on
behalf of AUTO
INDEMNITY GROUP PLC

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SIGNED by
duly authorised for
and on behalf of
AUTO INDEMNITY
(3 COUNTIES) LIMITED

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SIGNED by
C.E. GREAVES

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SIGNED by
M. IRVINE

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