

CHFP025

COMPANIES FORM No. 155(6)a

Declaration in relation to assistance for the acquisition of shares

155(6)a

Pursuant to section 155(6) of the Companies Act 1985

Please complete legibly, preferably in black type, or bold block lettering

**To the Registrar of Companies
(Address overleaf - Note 5)**

For official use

Company number

06090338

Note
Please read the notes
on page 3 before
completing this form

Name of company

* Drakefield Holdings Limited (the "Company")

* insert full name
of company

X/We 0 See Schedule 1

- Ø insert name(s) and address(es) of all the directors

† delete as appropriate

~~XXXXXXXXXXXX~~ [all the directors] † of the above company do solemnly and sincerely declare that

The business of the company is

§ delete whichever
is inappropriate

[illegible]

~~XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX~~

(c) something other than the above §

The company is proposing to give financial assistance in connection with the acquisition of shares in the

~~XXXXXXXXXX~~ [company's holding company] AA Corporation Limited (company number 03797747)

The assistance is for the purpose of ~~the acquisition~~ [reducing or discharging a liability incurred for the purpose of that acquisition] †

The number and class of the shares acquired or to be acquired is 1,100,010,982 ordinary shares of £1 each

Presentor's name address and
 reference (if any)
 Clifford Chance LLP
 10 Upper Bank Street
 London
 E14 5JJ
 Tel 020 7006 1000

Ref 908613/70-40255921
149120 Canary Wharf 3

For official Use
General Section

SATURDAY



A58

A5/G0R15

07/07/2007

503

COMPANIES HOUSE

The assistance is to be given to (note 2) AA Acquisition Co Limited (company number 05018987)
whose registered office is at Fanum House, Basing View, Basingstoke, Hampshire RG21 4EA

Please do not
write in this
margin

Please complete
legibly, preferably
in black type, or
bold block
lettering

The assistance will take the form of

See Schedule 2

See Schedule 4 for definitions of terms not otherwise defined in this statutory declaration. The
definitions in Schedule 4 apply throughout this statutory declaration

The person who [has acquired] ~~10000000~~ † the shares is

† delete as
appropriate

AA Acquisition Co Limited (company number 05018987) whose registered office is at Fanum House,
Basing View, Basingstoke, Hampshire RG21 4EA

The principal terms on which the assistance will be given are

See Schedule 3

The amount of cash to be transferred to the person assisted is £ Nil

The value of any asset to be transferred to the person assisted is £ Nil

The date on which the assistance is to be given is Within eight weeks of today's date

* delete either (a) or (b) as appropriate

[illegible]

A Commissioner for Oaths or Notary Public or Justice of the Peace or a Solicitor having the powers conferred on a Commissioner for Oaths

K. S. S.

Philly

Laserform International 12/99
1248698

DRAKEFIELD HOLDINGS LIMITED

Company number 6090338

(the "Company")

SCHEDULE 1 to Form 155(6)a

List of Directors

We, Andrew James Galbraith of 24 Connaught Road, Teddington, Middlesex, TW11 0PS and Kevin Morris Sinclair of Kalafrana, 12 Malvern Drive, Woodford Green, Essex, IG8 0JW,

together with

John Robert Christian Young of 109 Streathbourne Road, London SW17 8RA and Michael Edward Barry of 19 Nightingale Close, Rayleigh, Essex, SS6 9GE

DRAKEFIELD HOLDINGS LIMITED

Company number 6090338

(the "Company")

SCHEDULE 2 to Form 155(6)a

Form of Financial Assistance

The assistance will take the form of the execution, delivery and performance by the Company of its obligations under

- 1 an accession deed relating to a credit agreement originally dated 25 June 2004 (as amended and restated 20 April 2007) (the "**Credit Agreement**") to be entered into between AA Junior Mezzanine Co Limited as Parent, the Company and Barclays Bank PLC as Facility Agent and Security Agent (as those terms are defined therein), and
- 2 a security accession deed relating to a debenture dated 20 April 2007 (the "**Debenture**") to be entered into between the AA Junior Mezzanine Co Limited as Parent, the Company and Barclays Bank PLC (as Security Agent for itself and on behalf of the Secured Parties as defined therein),

(each of these documents being in such form as the directors may approve and as may be amended, supplemented, novated, replaced, refinanced or restated from time to time) together with the performance of the Company of other acts (such as the execution of documents, ancillary or otherwise) in connection with the purchase of shares in AA Corporation Limited

DRAKEFIELD HOLDINGS LIMITED

Company number 6090338

(the "Company")

SCHEDULE 3 to Form 155(6)a

Principal Terms of the Financial Assistance

Unless already defined in the Form 155(6)a, all capitalised terms shall be as defined in Schedule 4

The principal terms on which the assistance will be given are

1 Accession Deed

By executing the Accession Deed the Company will become

- (a) a Guarantor under the Credit Agreement, and
- (b) an Obligor under the Intercreditor Deed,

as if it had originally been a party to the Credit Agreement and the Intercreditor Deed as a Guarantor

2 Security Accession Deed

2.1 By executing the Security Accession Deed the Company agrees to be a Charging Company under the Debenture and to be bound by all of the terms of the Debenture and among other things will

- (a) covenant with the Security Agent as primary obligor (for the benefit of itself and the other Secured Parties) that it will pay on demand the Indebtedness when it falls due for payment,
- (b) charge in favour of the Security Agent, security for the payment of the Indebtedness, with full title guarantee the following assets, both present and future, from time to time owned by it or in which it has an interest
- (c) by way of first legal mortgage all freehold and leasehold property (including the property specified in schedule 1 of the Debenture) together with all buildings and fixtures (including trade fixtures) on that property,
- (d) by way of first fixed charge
 - (i) all the Subsidiary Shares and Investments and all corresponding Distribution Rights,
 - (ii) all other interests (not charged under clauses 2.3(a)) in any freehold or leasehold property, the buildings and fixtures (including trade fixtures) on that property, all proceeds of sale derived therefrom and the benefit

of all covenants given in respect thereof and all licences to enter upon or use land and the benefit of all other agreements relating to land,

- (iii) all plant, machinery, vehicles, computers, office and other equipment and the benefit of all contracts, licences and warranties relating thereto;
 - (iv) all Book Debts and all rights and claims against third parties and against any security in respect of those Book Debts,
 - (v) all debts and monetary claims (other than Book Debts) and all rights against third parties in respect of such debts and claims,
 - (vi) all monies standing to the credit of any and all its accounts (including the Collection Accounts and the Cash Collateral Accounts) with any bank, financial institution, or other person,
 - (vii) all its Intellectual Property Rights,
 - (viii) the benefit of all consents and agreements held by it in connection with its business or the use of any of its assets,
 - (ix) its goodwill and uncalled capital,
 - (x) if not effectively assigned by clause 2.5 (*Security Assignment*) of the Debenture, all its rights and interests in (and claims under) the Assigned Agreements
- (e) charge as further security for the payment of the Indebtedness, with full title guarantee in favour of the Security Agent (for the benefit of itself and the other Secured Parties) by way of first floating charge all its assets, both present and future, not effectively charged by way of first fixed charge under clause 2.3 (*Fixed Charges*) of the Debenture or assigned under clause 2.5 (*Security Assignment*) of the Debenture, including heritable property and all other assets in Scotland,
- (f) assign as further security for the payment of the Indebtedness, absolutely with all its rights, title and interest in the Assigned Agreements, provided that on payment or discharge in full of the Indebtedness the Security Agent will at the request and cost of the Company re-assign the Assigned Agreements to the Company (or as it shall direct);

2.2 If any Charging Company creates (or purports to create) any Security Interest (except as permitted by the Credit Agreement or with the prior consent of the Security Agent) on or over any Floating Charge Asset without the prior consent in writing of the Security Agent, or if any third party levies or attempts to levy any distress, attachment, execution or other legal process against any Floating Charge Asset, the floating charge created under this deed will automatically (without notice) and immediately be converted into a fixed charge over the relevant Floating Charge Asset

- (a) There shall be excluded from the charge created by clause 3 1 (*Fixed Charges*) of the Debenture or clause 3 2 (*Floating Charge*) of the Debenture and from the operation of clause 5 (*Further Assurance*) of the Debenture any leasehold property held by a Charging Company under a lease which either precludes absolutely or conditionally (including requiring the consent of any third party) that Charging Company from creating any charge over its leasehold interest in that property (each an "**Excluded Property**") until the relevant condition or waiver has been satisfied or obtained
- (b) For each Excluded Property which is a Material Premises, each relevant Charging Company undertakes to apply for the relevant consent or waiver of prohibition or condition (i) in the case of Material Premises listed in Schedule 4 (*Material Premises*) of the Debenture within fourteen days of the date of this deed or the date of the relevant Security Accession Deed (as the case may be) or (ii) in the case of other Material Premises within fourteen days of the date of notification by the Parent pursuant to clause 8 3(a) of the Debenture and, in respect of each Excluded Property which is a Material Premises which provides that the relevant third party will not unreasonably withhold its consent to charging, to use all reasonable endeavours to obtain that consent as soon as possible and to keep the Security Agent informed of the progress of its negotiations
- (c) Forthwith upon receipt of the relevant waiver or consent, the relevant formerly Excluded Property shall stand charged to the Security Agent under clause 3 1 (*Fixed Charges*) of the Debenture. If required by the Security Agent at any time following receipt of that waiver or consent, the relevant Charging Company will forthwith execute a valid legal mortgage in such form as the Security Agent shall reasonably require

DRAKEFIELD HOLDINGS LIMITED

Company number 6090338

(the "Company")

SCHEDULE 4 to Form 155(6)a

Definitions

"Accession Deed" means an executed deed substantially in the form set out in schedule 8 (*Form of Accession Document*) to the Credit Agreement

"Acquisition Documents" means the Sale and Purchase Agreement, the Disclosure Letter, the Transitional Services Agreement, the Seller Receivables Assignments, the Seller Payables Novations, the Tax Indemnity (in each case as defined in the Sale and Purchase Agreement) and all other documents and agreements entered into between the Vendor and any Group Company in connection with the Sale and Purchase Agreement

"Acquisition Facility Accession Letter" means a letter delivered pursuant to clause 4 10(h) (*The Acquisition Facility*) to the Credit Agreement substantially in the form set out in schedule 16 to the Credit Agreement

"Acquisition Facility Borrower" means any Borrower or any other Group Company specified as such in a Commitment Request and which (if not already a Borrower) becomes a Borrower under the Acquisition Facility in accordance with clause 4 10 (*Conditions Precedent for Acquisition Facility Borrowers*) of the Credit Agreement

"Additional Borrower" means a company that becomes an Additional Borrower in accordance with clause 27 (*Obligors and Security*) of the Credit Agreement

"Additional Guarantor" means a company that becomes an Additional Guarantor in accordance with clause 27 (*Obligors and Security*) of the Credit Agreement

"Affiliate" means, in relation to any person, a Subsidiary of that person or a Holding Company of that person or any other Subsidiary of that Holding Company.

"Agent" means the Facility Agent and the Security Agent

"Amendment and Restatement Deed" means an amendment and restatement deed in respect of the Credit Agreement dated 29 September 2004

"Ancillary Documents" means the Ancillary Facility Letters and all other documents and agreements made by an Ancillary Lender and any Group Company in connection with the Ancillary Facilities

"Ancillary Facilities" means working capital facilities made available by an Ancillary Lender under an Ancillary Facility Letter in accordance with clause 7 (*Ancillary Facilities*) of the Credit Agreement

"Ancillary Facility Letter" means a facility letter entered into by an Ancillary Lender and one or more Borrowers in accordance with clause 7 (*Ancillary Facilities*) of the Credit Agreement

"Ancillary Lender" means a Lender which has agreed to make available Ancillary Facilities under an Ancillary Facility Letter (until all amounts outstanding under those Ancillary Facilities have been discharged and it no longer makes those Ancillary Facilities available)

"Assigned Agreements" means the Acquisition Documents, the Hedging Agreements, the Insurances and the Transitional Services Agreement but, for the avoidance of doubt, does not include the Target Contract

"Bank Guarantee" means a letter of credit issued by the Issuing Lender under the Revolving Facility substantially in the form set out in schedule 14 (*Form of Bank Guarantee*) to the Credit Agreement or any other guarantee or letter of credit in a form agreed by the Parent, the Facility Agent and the Issuing Lender.

"Book Debts" means all book and other debts arising in the ordinary course of trading

"Borrower" means an Original Borrower as listed in schedule 2 (*Original Obligors*) to the Credit Agreement, with effect from the Fourth Effective Date AA Senior Co Limited, an Additional Borrower or an Acquisition Facility Borrower unless it has ceased to be a Borrower in accordance with clause 27 (*Obligors and Security*) of the Credit Agreement

"Cash Collateral Account" means an account with the Security Agent (or any other Lender) bearing interest at a rate normally offered to corporate depositors on similar deposits with the Security Agent or other Lender (as the case may be) opened in the name of an Obligor which is designated by the Parent and the Facility Agent for the purpose of receiving payments of cash collateral under clause 14 (*Cash Cover*) of the Credit Agreement and/or clause 10 (*Prepayment and Cancellation*) of the Credit Agreement and over which the Security Agent (and/or relevant Lender) has a first priority security interest under a Security Document

"Cash Equivalents" means marketable debt securities with a maturity of twelve months or less and with a short term debt rating of at least A-1 granted by Standard & Poor's, a division of the McGraw-Hill Companies, Inc , P1 granted by Moody's Investors Services, Inc or A1 granted by Fitch IBCA to which a Group Company is beneficially entitled, and which can be promptly realised by that Group Company without condition

"Charging Companies" means the Parent, each of the companies listed in schedule 1 (*Charging Companies*) to the Debenture and each company which grants security over its assets in favour of the Security Agent by executing a Security Accession Deed

"Collection Accounts" means the accounts of the Charging Companies set out in schedule 6 (*Details of Collection Accounts*) to the Debenture (or schedule 6 of any Security Accession Deed) and/or such other accounts as are permitted by the Senior Credit Agreement or (following the occurrence of a Declared Default) as the Security Agent shall specify

"Compliance Certificate" means a certificate substantially in the form set out in schedule 10 (*Form of Compliance Certificate*) of the Credit Agreement

"Declared Default" means an Event of Default under clauses 25 6 (*Insolvency*) to 25 8 (*Creditors' Process*) (inclusive) of the Credit Agreement or any other Event of Default which has resulted in the Facility Agent exercising any of its rights under clause 25 20 (*Acceleration*) of the Credit Agreement

"Derivative Instrument" means any forward rate agreement, option, swap, cap, floor, any combination or hybrid of the foregoing and any other financial derivative agreement

"Distribution Rights" means all dividends, distributions and other income paid or payable on an Investment or Subsidiary Share, together with all shares or other property derived from that Investment or Subsidiary Share and all other allotments, accretions, rights, benefits and advantages of all kinds accruing, offered or otherwise derived from or incidental to that Investment or Subsidiary Share (whether by way of conversion, redemption, bonus, preference, option or otherwise).

"Event of Default" means any event or circumstance specified as such in clause 25 (*Events of Default*) of the Credit Agreement

"Facility Agent" means Barclays Bank PLC

"Finance Documents" means this agreement, each Security Document, the Intercreditor Deed, the Hedging Letter, each Hedging Agreement, each Ancillary Document, each Accession Document, each Transfer Certificate, the Fees Letter, a Compliance Certificate, any Acquisition Facility Accession Letter, the Amendment and Restatement Deed, the Second Amendment and Restatement Deed, the Third Amendment and Restatement Deed, the Fourth Amendment and Restatement Agreement, the Senior Amendment Agreement, the Fifth Amendment and Restatement Agreement, the Sixth Amendment and Restatement Deed and any other document designated as a Finance Document by the Parent and the Facility Agent

"Finance Parties" means Mandated Lead Arranger, each Agent, each Lender, each Ancillary Lender, each Issuing Lender and each Hedging Lender

"Fifth Amendment and Restatement Agreement" means an amendment and restatement agreement in respect of the Credit Agreement dated on or around 12 March 2007

"Floating Charge Asset" means an asset charged under clause 3 2 (*Floating Charge*) of the Debenture

"Fourth Amendment and Restatement Agreement" means an amendment and restatement agreement in respect of the Credit Agreement dated 14 March 2006

"Fourth Effective Date" has the meaning given to "Effective Date" in the Fourth Amendment and Restatement Agreement

"Group" means the Parent and its Subsidiaries for the time being

"Group Company" means a member of the Group

"Guarantor" means an Original Guarantor as listed in schedule 2 (*Original Obligors*) to the Credit Agreement or an Additional Guarantor, unless it has ceased to be a Guarantor in accordance with clause 27 (*Obligors and Security*) of the Credit Agreement

"Hedging Agreements" means Derivative Instruments entered into with the Hedging Lenders for the purpose of managing or hedging interest rate risk in relation to the relevant Term Facilities

"Hedging Lender" means a provider of interest rate hedging which has entered into any Hedging Agreement in accordance with clause 24 10(d)(ii) (*Hedging*) of the Credit Agreement and which has acceded to the Intercreditor Deed in that capacity For the avoidance of doubt, this expression includes any person who was, at the time of entry in to those Hedging Agreements, but is no longer, a Lender or an Affiliate of a Lender

"Hedging Letter" means a letter between the Mandated Lead Arranger and the Parent in the agreed form dated on or before the date of this agreement describing the hedging arrangements to be entered into in respect of the interest rate liabilities of the Borrower(s) under the relevant Term Facilities and the Mezzanine Facilities

"Holding Company" means, in relation to a company or corporation, any other company or corporation in respect of which it is a Subsidiary

"Insurances" means all policies of insurance (including those listed in schedule 3 (*Insurances*) to the Debenture) and all proceeds of them either now or in the future held by, or written in favour of, a Charging Company or in which it is otherwise interested, but excluding any third party liability or public liability insurance and any directors and officers insurance

"Issuing Lender" means any Lender in its capacity as issuer of a Bank Guarantee

"Intellectual Property Rights" means all patents and patent applications, trade and service marks and trade and service mark applications (and all goodwill associated with any such registrations and applications), all brand and trade names, all copyrights and rights in the nature of copyright, all design rights, all registered designs and applications for registered designs, all inventions, all trade secrets, all know-how and all other intellectual property rights throughout the world

"Intercreditor Deed" means the intercreditor deed dated 30 September 2004 between, amongst others, each of the parties to the Finance Documents (as the same may be amended)

"Investment" means any stock, share, debenture, loan stock, security, interest in any investment fund and any other comparable investment (whether or not marketable) whether owned directly by or to the order of a Charging Company or by any trustee, fiduciary or clearance system on its behalf (including, unless the context otherwise requires, the Subsidiary Shares) but excluding the Cash Equivalents

"Lender" means

- (a) any Original Lender,
- (b) any person referred to in paragraph (b) of the definition of "Acquisition Facility Lender",
- (c) any Recap Term B Lender, and
- (d) any bank, financial institution, trust, fund or other entity which has become a Party in accordance with clause 26 (*Changes to the Lenders*) of the Credit Agreement,

which in each case has not ceased to be a party to the Credit Agreement

"Mandated Lead Arranger" means Barclays Capital

"Material Premises" means the Premises listed in Schedule 4 (*Material Premises*) to the Debenture (or schedule 4 (*Material Premises*) of any Security Accession Deed) and any other Premises which, in the opinion of the Parent, acting reasonably,

- (a) is likely to have a material value to a third party, or
- (b) which is not easily replaced and which has a material significance to the operation of a Charging Company's business

"Mezzanine Facilities" means the Mezzanine Facilities as defined in the Credit Agreement

"Obligor" means a Borrower or a Guarantor

"Parent" means AA Junior Mezzanine Co Limited

"Premises" means all freehold and leasehold property from time to time owned by a Charging Company or in which a Charging Company is otherwise interested, including the property, if any, specified in schedule 2 to the Debenture (or, as the case may be, schedule 1 of the relevant Security Accession Deed)

"Recap Effective Date" means the Recap Effective Date as defined in the Credit Agreement

"Recap Term B Facility" means the term B loan facility made available under clause 2 1(d) (*Facilities*) of the Credit Agreement

"Recap Term B Lenders" means the lenders of the Recap Term B Facility

"Revolving Facility" means the revolving credit facility made available under the Credit Agreement

"Second Amendment and Restatement Deed" means an amendment and restatement deed in respect of the Credit Agreement dated 7 October 2004

"Secured Parties" means the Finance Parties

"Security Accession Deed" means an executed deed substantially in the form set out in schedule 11 (*Form of Security Accession Deed*) to the Debenture, with those amendments that the Security Agent may approve or reasonably require

"Security Agent" means Barclays Bank PLC

"Security Documents" means each of the security documents specified in schedule 3 (*Security Documents*) to the Credit Agreement, and all other documents creating, evidencing or granting a Security Interest in favour of any Finance Party in relation to the obligations of any Obligor under any Finance Document

"Security Interest" means a mortgage, charge, pledge, lien or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect

"Senior Amendment Agreement" means a senior amendment agreement in respect of the Credit Agreement dated 18 August 2006

"Sixth Amendment and Restatement Deed" means the Amendment and Restatement Deed in respect of the Credit Agreement dated on or about the Recap Effective Date

"Subsidiary" means a subsidiary within the meaning of section 736 of the Companies Act 1985 and a subsidiary undertaking within the meaning of section 258 of the Companies Act 1985

"Subsidiary Shares" means all shares owned by a Charging Company in its Subsidiaries

"Target Contract" means a framework agreement dated 23 May 2005 between Automobile Association Insurance Services Limited and Target Group Limited

"Term Facilities" means the Term Facilities as defined in the Credit Agreement

"Third Amendment and Restatement Deed" means an amendment and restatement deed in respect of the Credit Agreement dated 29 October 2004

"Transfer Certificate" means a certificate effecting a transfer of one or more lenders interests under this agreement substantially in the form set out in schedule 7 (*Transfer Certificate*) of the Credit Agreement or in such other form as the Facility Agent and the Parent may approve (each acting reasonably)

"Transitional Services Agreement" means the transitional services agreement dated 30 September 2004 between Centrica PLC and AA Corporation Limited

CHFP025

Declaration in relation to assistance for the acquisition of shares

155(6)a

Pursuant to section 155(6) of the Companies Act 1985

• insert name(s) and address(es) of all the directors

— — — — —

06090338

Name of company

* Drakefield Holdings Limited (the "Company")

~~X~~We ☐ See Schedule 1

§ delete whichever
is inappropriate

XX S

(c) something other than the above §

~~XXXXXXXX~~ [company's holding company] AA Corporation Limited (company number 03797747)

The assistance is for the purpose of ~~reducing or discharging a liability incurred for the purpose of that acquisition~~ †

The number and class of the shares acquired or to be acquired is 1,100,010,982 ordinary shares of
£1 each

Post room

Ref 908613/70-40255921
149120 Canary Wharf 3

The assistance is to be given to (note 2) AA Acquisition Co Limited (company number 05018987)
whose registered office is at Fanum House, Basing View, Basingstoke, Hampshire RG21 4EA

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The assistance will take the form of

See Schedule 2

See Schedule 4 for definitions of terms not otherwise defined in this statutory declaration. The definitions in Schedule 4 apply throughout this statutory declaration.

The person who [has acquired] ~~00000000~~ † the shares is

† delete as
appropriate

AA Acquisition Co Limited (company number 05018987) whose registered office is at Fanum House,
Basing View, Basingstoke, Hampshire RG21 4EA

The principal terms on which the assistance will be given are

See Schedule 3

The amount of cash to be transferred to the person assisted is £ Nil

The value of any asset to be transferred to the person assisted is £ Nil

The date on which the assistance is to be given is Within eight weeks of today's date

DRAKEFIELD HOLDINGS LIMITED

Company number 6090338

(the "Company")

SCHEDULE 1 to Form 155(6)a

List of Directors

We, John Robert Christian Young of 109 Streathbourne Road, London SW17 8RA and
Michael Edward Barry of 19 Nightingale Close, Rayleigh, Essex, SS6 9GE,

together with

Andrew James Galbraith of 24 Connaught Road, Teddington, Middlesex, TW11 0PS and
Kevin Morris Sinclair of Kalafrana, 12 Malvern Drive, Woodford Green, Essex, IG8 0JW

DRAKEFIELD HOLDINGS LIMITED

Company number 6090338

(the "Company")

SCHEDULE 2 to Form 155(6)a

Form of Financial Assistance

The assistance will take the form of the execution, delivery and performance by the Company of its obligations under

- 1 an accession deed relating to a credit agreement originally dated 25 June 2004 (as amended and restated 20 April 2007) (the "**Credit Agreement**") to be entered into between AA Junior Mezzanine Co Limited as Parent, the Company and Barclays Bank PLC as Facility Agent and Security Agent (as those terms are defined therein), and
- 2 a security accession deed relating to a debenture dated 20 April 2007 (the "**Debenture**") to be entered into between the AA Junior Mezzanine Co Limited as Parent, the Company and Barclays Bank PLC (as Security Agent for itself and on behalf of the Secured Parties as defined therein),

(each of these documents being in such form as the directors may approve and as may be amended, supplemented, novated, replaced, refinanced or restated from time to time) together with the performance of the Company of other acts (such as the execution of documents, ancillary or otherwise) in connection with the purchase of shares in AA Corporation Limited.

DRAKEFIELD HOLDINGS LIMITED

Company number 6090338

(the "Company")

SCHEDULE 3 to Form 155(6)a

Principal Terms of the Financial Assistance

Unless already defined in the Form 155(6)a, all capitalised terms shall be as defined in Schedule 4

The principal terms on which the assistance will be given are

1 Accession Deed

By executing the Accession Deed the Company will become:

- (a) a Guarantor under the Credit Agreement; and
- (b) an Obligor under the Intercreditor Deed,

as if it had originally been a party to the Credit Agreement and the Intercreditor Deed as a Guarantor

2 Security Accession Deed

2 1 By executing the Security Accession Deed the Company agrees to be a Charging Company under the Debenture and to be bound by all of the terms of the Debenture and among other things will

- (a) covenant with the Security Agent as primary obligor (for the benefit of itself and the other Secured Parties) that it will pay on demand the Indebtedness when it falls due for payment;
- (b) charge in favour of the Security Agent, security for the payment of the Indebtedness, with full title guarantee the following assets, both present and future, from time to time owned by it or in which it has an interest
- (c) by way of first legal mortgage all freehold and leasehold property (including the property specified in schedule 1 of the Debenture) together with all buildings and fixtures (including trade fixtures) on that property,
- (d) by way of first fixed charge:
 - (i) all the Subsidiary Shares and Investments and all corresponding Distribution Rights,
 - (ii) all other interests (not charged under clauses 2 3(a)) in any freehold or leasehold property, the buildings and fixtures (including trade fixtures) on that property, all proceeds of sale derived therefrom and the benefit

of all covenants given in respect thereof and all licences to enter upon or use land and the benefit of all other agreements relating to land,

- (iii) all plant, machinery, vehicles, computers, office and other equipment and the benefit of all contracts, licences and warranties relating thereto,
 - (iv) all Book Debts and all rights and claims against third parties and against any security in respect of those Book Debts,
 - (v) all debts and monetary claims (other than Book Debts) and all rights against third parties in respect of such debts and claims;
 - (vi) all monies standing to the credit of any and all its accounts (including the Collection Accounts and the Cash Collateral Accounts) with any bank, financial institution, or other person,
 - (vii) all its Intellectual Property Rights;
 - (viii) the benefit of all consents and agreements held by it in connection with its business or the use of any of its assets,
 - (ix) its goodwill and uncalled capital;
 - (x) if not effectively assigned by clause 2.5 (*Security Assignment*) of the Debenture, all its rights and interests in (and claims under) the Assigned Agreements
- (e) charge as further security for the payment of the Indebtedness, with full title guarantee in favour of the Security Agent (for the benefit of itself and the other Secured Parties) by way of first floating charge all its assets, both present and future, not effectively charged by way of first fixed charge under clause 2.3 (*Fixed Charges*) of the Debenture or assigned under clause 2.5 (*Security Assignment*) of the Debenture, including heritable property and all other assets in Scotland;
- (f) assign as further security for the payment of the Indebtedness, absolutely with all its rights, title and interest in the Assigned Agreements, provided that on payment or discharge in full of the Indebtedness the Security Agent will at the request and cost of the Company re-assign the Assigned Agreements to the Company (or as it shall direct),

2.2 If any Charging Company creates (or purports to create) any Security Interest (except as permitted by the Credit Agreement or with the prior consent of the Security Agent) on or over any Floating Charge Asset without the prior consent in writing of the Security Agent, or if any third party levies or attempts to levy any distress, attachment, execution or other legal process against any Floating Charge Asset, the floating charge created under this deed will automatically (without notice) and immediately be converted into a fixed charge over the relevant Floating Charge Asset

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- (a) There shall be excluded from the charge created by clause 3.1 (*Fixed Charges*) of the Debenture or clause 3.2 (*Floating Charge*) of the Debenture and from the operation of clause 5 (*Further Assurance*) of the Debenture any leasehold property held by a Charging Company under a lease which either precludes absolutely or conditionally (including requiring the consent of any third party) that Charging Company from creating any charge over its leasehold interest in that property (each an "**Excluded Property**") until the relevant condition or waiver has been satisfied or obtained.
- (b) For each Excluded Property which is a Material Premises, each relevant Charging Company undertakes to apply for the relevant consent or waiver of prohibition or condition (i) in the case of Material Premises listed in Schedule 4 (*Material Premises*) of the Debenture within fourteen days of the date of this deed or the date of the relevant Security Accession Deed (as the case may be) or (ii) in the case of other Material Premises within fourteen days of the date of notification by the Parent pursuant to clause 8 3(a) of the Debenture and, in respect of each Excluded Property which is a Material Premises which provides that the relevant third party will not unreasonably withhold its consent to charging, to use all reasonable endeavours to obtain that consent as soon as possible and to keep the Security Agent informed of the progress of its negotiations.
- (c) Forthwith upon receipt of the relevant waiver or consent, the relevant formerly Excluded Property shall stand charged to the Security Agent under clause 3.1 (*Fixed Charges*) of the Debenture. If required by the Security Agent at any time following receipt of that waiver or consent, the relevant Charging Company will forthwith execute a valid legal mortgage in such form as the Security Agent shall reasonably require.

DRAKEFIELD HOLDINGS LIMITED

Company number 6090338

(the "Company")

SCHEDULE 4 to Form 155(6)a

Definitions

"Accession Deed" means an executed deed substantially in the form set out in schedule 8 (*Form of Accession Document*) to the Credit Agreement

"Acquisition Documents" means the Sale and Purchase Agreement, the Disclosure Letter, the Transitional Services Agreement, the Seller Receivables Assignments, the Seller Payables Novations, the Tax Indemnity (in each case as defined in the Sale and Purchase Agreement) and all other documents and agreements entered into between the Vendor and any Group Company in connection with the Sale and Purchase Agreement

"Acquisition Facility Accession Letter" means a letter delivered pursuant to clause 4.10(h) (*The Acquisition Facility*) to the Credit Agreement substantially in the form set out in schedule 16 to the Credit Agreement

"Acquisition Facility Borrower" means any Borrower or any other Group Company specified as such in a Commitment Request and which (if not already a Borrower) becomes a Borrower under the Acquisition Facility in accordance with clause 4.10 (*Conditions Precedent for Acquisition Facility Borrowers*) of the Credit Agreement

"Additional Borrower" means a company that becomes an Additional Borrower in accordance with clause 27 (*Obligors and Security*) of the Credit Agreement.

"Additional Guarantor" means a company that becomes an Additional Guarantor in accordance with clause 27 (*Obligors and Security*) of the Credit Agreement

"Affiliate" means, in relation to any person, a Subsidiary of that person or a Holding Company of that person or any other Subsidiary of that Holding Company

"Agent" means the Facility Agent and the Security Agent

"Amendment and Restatement Deed" means an amendment and restatement deed in respect of the Credit Agreement dated 29 September 2004

"Ancillary Documents" means the Ancillary Facility Letters and all other documents and agreements made by an Ancillary Lender and any Group Company in connection with the Ancillary Facilities

"Ancillary Facilities" means working capital facilities made available by an Ancillary Lender under an Ancillary Facility Letter in accordance with clause 7 (*Ancillary Facilities*) of the Credit Agreement.

"Ancillary Facility Letter" means a facility letter entered into by an Ancillary Lender and one or more Borrowers in accordance with clause 7 (*Ancillary Facilities*) of the Credit Agreement

"Ancillary Lender" means a Lender which has agreed to make available Ancillary Facilities under an Ancillary Facility Letter (until all amounts outstanding under those Ancillary Facilities have been discharged and it no longer makes those Ancillary Facilities available)

"Assigned Agreements" means the Acquisition Documents, the Hedging Agreements, the Insurances and the Transitional Services Agreement but, for the avoidance of doubt, does not include the Target Contract

"Bank Guarantee" means a letter of credit issued by the Issuing Lender under the Revolving Facility substantially in the form set out in schedule 14 (*Form of Bank Guarantee*) to the Credit Agreement or any other guarantee or letter of credit in a form agreed by the Parent, the Facility Agent and the Issuing Lender

"Book Debts" means all book and other debts arising in the ordinary course of trading

"Borrower" means an Original Borrower as listed in schedule 2 (*Original Obligors*) to the Credit Agreement, with effect from the Fourth Effective Date AA Senior Co Limited, an Additional Borrower or an Acquisition Facility Borrower unless it has ceased to be a Borrower in accordance with clause 27 (*Obligors and Security*) of the Credit Agreement

"Cash Collateral Account" means an account with the Security Agent (or any other Lender) bearing interest at a rate normally offered to corporate depositors on similar deposits with the Security Agent or other Lender (as the case may be) opened in the name of an Obligor which is designated by the Parent and the Facility Agent for the purpose of receiving payments of cash collateral under clause 14 (*Cash Cover*) of the Credit Agreement and/or clause 10 (*Prepayment and Cancellation*) of the Credit Agreement and over which the Security Agent (and/or relevant Lender) has a first priority security interest under a Security Document.

"Cash Equivalents" means marketable debt securities with a maturity of twelve months or less and with a short term debt rating of at least A-1 granted by Standard & Poor's, a division of the McGraw-Hill Companies, Inc , P1 granted by Moody's Investors Services, Inc. or A1 granted by Fitch IBCA to which a Group Company is beneficially entitled, and which can be promptly realised by that Group Company without condition.

"Charging Companies" means the Parent, each of the companies listed in schedule 1 (*Charging Companies*) to the Debenture and each company which grants security over its assets in favour of the Security Agent by executing a Security Accession Deed

"Collection Accounts" means the accounts of the Charging Companies set out in schedule 6 (*Details of Collection Accounts*) to the Debenture (or schedule 6 of any Security Accession Deed) and/or such other accounts as are permitted by the Senior Credit Agreement or (following the occurrence of a Declared Default) as the Security Agent shall specify

"Compliance Certificate" means a certificate substantially in the form set out in schedule 10 (*Form of Compliance Certificate*) of the Credit Agreement

"Declared Default" means an Event of Default under clauses 25.6 (*Insolvency*) to 25.8 (*Creditors' Process*) (inclusive) of the Credit Agreement or any other Event of Default which has resulted in the Facility Agent exercising any of its rights under clause 25.20 (*Acceleration*) of the Credit Agreement.

"Derivative Instrument" means any forward rate agreement, option, swap, cap, floor, any combination or hybrid of the foregoing and any other financial derivative agreement.

"Distribution Rights" means all dividends, distributions and other income paid or payable on an Investment or Subsidiary Share, together with all shares or other property derived from that Investment or Subsidiary Share and all other allotments, accretions, rights, benefits and advantages of all kinds accruing, offered or otherwise derived from or incidental to that Investment or Subsidiary Share (whether by way of conversion, redemption, bonus, preference, option or otherwise)

"Event of Default" means any event or circumstance specified as such in clause 25 (*Events of Default*) of the Credit Agreement

"Facility Agent" means Barclays Bank PLC

"Finance Documents" means this agreement, each Security Document, the Intercreditor Deed, the Hedging Letter, each Hedging Agreement, each Ancillary Document, each Accession Document, each Transfer Certificate, the Fees Letter, a Compliance Certificate, any Acquisition Facility Accession Letter, the Amendment and Restatement Deed, the Second Amendment and Restatement Deed, the Third Amendment and Restatement Deed, the Fourth Amendment and Restatement Agreement, the Senior Amendment Agreement, the Fifth Amendment and Restatement Agreement, the Sixth Amendment and Restatement Deed and any other document designated as a Finance Document by the Parent and the Facility Agent.

"Finance Parties" means Mandated Lead Arranger, each Agent, each Lender, each Ancillary Lender, each Issuing Lender and each Hedging Lender.

"Fifth Amendment and Restatement Agreement" means an amendment and restatement agreement in respect of the Credit Agreement dated on or around 12 March 2007

"Floating Charge Asset" means an asset charged under clause 3.2 (*Floating Charge*) of the Debenture

"Fourth Amendment and Restatement Agreement" means an amendment and restatement agreement in respect of the Credit Agreement dated 14 March 2006

"Fourth Effective Date" has the meaning given to "Effective Date" in the Fourth Amendment and Restatement Agreement

"Group" means the Parent and its Subsidiaries for the time being

"Group Company" means a member of the Group

"Guarantor" means an Original Guarantor as listed in schedule 2 (*Original Obligors*) to the Credit Agreement or an Additional Guarantor, unless it has ceased to be a Guarantor in accordance with clause 27 (*Obligors and Security*) of the Credit Agreement

"Hedging Agreements" means Derivative Instruments entered into with the Hedging Lenders for the purpose of managing or hedging interest rate risk in relation to the relevant Term Facilities

"Hedging Lender" means a provider of interest rate hedging which has entered into any Hedging Agreement in accordance with clause 24 10(d)(ii) (*Hedging*) of the Credit Agreement and which has acceded to the Intercreditor Deed in that capacity For the avoidance of doubt, this expression includes any person who was, at the time of entry in to those Hedging Agreements, but is no longer, a Lender or an Affiliate of a Lender

"Hedging Letter" means a letter between the Mandated Lead Arranger and the Parent in the agreed form dated on or before the date of this agreement describing the hedging arrangements to be entered into in respect of the interest rate liabilities of the Borrower(s) under the relevant Term Facilities and the Mezzanine Facilities

"Holding Company" means, in relation to a company or corporation, any other company or corporation in respect of which it is a Subsidiary.

"Insurances" means all policies of insurance (including those listed in schedule 3 (*Insurances*) to the Debenture) and all proceeds of them either now or in the future held by, or written in favour of, a Charging Company or in which it is otherwise interested, but excluding any third party liability or public liability insurance and any directors and officers insurance

"Issuing Lender" means any Lender in its capacity as issuer of a Bank Guarantee.

"Intellectual Property Rights" means all patents and patent applications, trade and service marks and trade and service mark applications (and all goodwill associated with any such registrations and applications), all brand and trade names, all copyrights and rights in the nature of copyright, all design rights, all registered designs and applications for registered designs, all inventions, all trade secrets, all know-how and all other intellectual property rights throughout the world.

"Intercreditor Deed" means the intercreditor deed dated 30 September 2004 between, amongst others, each of the parties to the Finance Documents (as the same may be amended)

"Investment" means any stock, share, debenture, loan stock, security, interest in any investment fund and any other comparable investment (whether or not marketable) whether owned directly by or to the order of a Charging Company or by any trustee, fiduciary or clearance system on its behalf (including, unless the context otherwise requires, the Subsidiary Shares) but excluding the Cash Equivalents.

"Lender" means

- (a) any Original Lender,
- (b) any person referred to in paragraph (b) of the definition of "Acquisition Facility Lender";
- (c) any Recap Term B Lender; and
- (d) any bank, financial institution, trust, fund or other entity which has become a Party in accordance with clause 26 (*Changes to the Lenders*) of the Credit Agreement,

which in each case has not ceased to be a party to the Credit Agreement.

"Mandated Lead Arranger" means Barclays Capital

"Material Premises" means the Premises listed in Schedule 4 (*Material Premises*) to the Debenture (or schedule 4 (*Material Premises*) of any Security Accession Deed) and any other Premises which, in the opinion of the Parent, acting reasonably,

- (a) is likely to have a material value to a third party, or
- (b) which is not easily replaced and which has a material significance to the operation of a Charging Company's business.

"Mezzanine Facilities" means the Mezzanine Facilities as defined in the Credit Agreement

"Obligor" means a Borrower or a Guarantor

"Parent" means AA Junior Mezzanine Co Limited.

"Premises" means all freehold and leasehold property from time to time owned by a Charging Company or in which a Charging Company is otherwise interested, including the property, if any, specified in schedule 2 to the Debenture (or, as the case may be, schedule 1 of the relevant Security Accession Deed).

"Recap Effective Date" means the Recap Effective Date as defined in the Credit Agreement

"Recap Term B Facility" means the term B loan facility made available under clause 2 1(d) (*Facilities*) of the Credit Agreement

"Recap Term B Lenders" means the lenders of the Recap Term B Facility.

"Revolving Facility" means the revolving credit facility made available under the Credit Agreement

"Second Amendment and Restatement Deed" means an amendment and restatement deed in respect of the Credit Agreement dated 7 October 2004

"Secured Parties" means the Finance Parties

"Security Accession Deed" means an executed deed substantially in the form set out in schedule 11 (*Form of Security Accession Deed*) to the Debenture, with those amendments that the Security Agent may approve or reasonably require

"Security Agent" means Barclays Bank PLC.

"Security Documents" means each of the security documents specified in schedule 3 (*Security Documents*) to the Credit Agreement and all other documents creating, evidencing or granting a Security Interest in favour of any Finance Party in relation to the obligations of any Obligor under any Finance Document

"Security Interest" means a mortgage, charge, pledge, lien or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect

"Senior Amendment Agreement" means a senior amendment agreement in respect of the Credit Agreement dated 18 August 2006

"Sixth Amendment and Restatement Deed" means the Amendment and Restatement Deed in respect of the Credit Agreement dated on or about the Recap Effective Date

"Subsidiary" means a subsidiary within the meaning of section 736 of the Companies Act 1985 and a subsidiary undertaking within the meaning of section 258 of the Companies Act 1985.

"Subsidiary Shares" means all shares owned by a Charging Company in its Subsidiaries.

"Target Contract" means a framework agreement dated 23 May 2005 between Automobile Association Insurance Services Limited and Target Group Limited

"Term Facilities" means the Term Facilities as defined in the Credit Agreement

"Third Amendment and Restatement Deed" means an amendment and restatement deed in respect of the Credit Agreement dated 29 October 2004.

"Transfer Certificate" means a certificate effecting a transfer of one or more lenders interests under this agreement substantially in the form set out in schedule 7 (*Transfer Certificate*) of the Credit Agreement or in such other form as the Facility Agent and the Parent may approve (each acting reasonably)

"Transitional Services Agreement" means the transitional services agreement dated 30 September 2004 between Centrica PLC and AA Corporation Limited

STRICTLY PRIVATE AND CONFIDENTIAL

The Directors
Drakefield Holdings Limited
Fanum House
Basing View
Basingstoke
Hampshire
RG21 4EA

20 June 2007

Dear Sirs

Report of the Independent Auditor to the directors of Drakefield Holdings Limited pursuant to Section 156(4) of the Companies Act 1985

We report on the attached statutory declaration of the directors dated 20 June 2007, prepared pursuant to the Companies Act 1985, in connection with the proposal that the company should give financial assistance for the reduction or discharge of a liability incurred for the purpose of the acquisition of shares in the company's holding company, AA Corporation Limited. This report including the opinion, has been prepared for and only for the company and the company's directors in accordance with Section 156 of the Companies Act 1985 and for no other purpose. We do not, in giving the opinion set out below, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Basis of opinion

We have enquired into the state of the company's affairs in order to review the bases for the statutory declaration.

Opinion

We are not aware of anything to indicate that the opinion expressed by the directors in their statutory declaration as to any of the matters mentioned in Section 156(2) of the Companies Act 1985 is unreasonable in all the circumstances.

Yours faithfully

PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors

Company Number 6090338

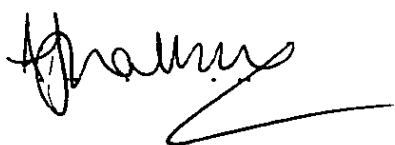
Drakefield Holdings Limited (the "Company")

Board Memorandum

This Memorandum is given in connection with the proposed arrangement whereby the Company will give financial assistance in connection with the discharge of an existing liability incurred in relation to the purchase of shares in AA Corporation Limited, being a holding company of the Company, particulars of which are given in the statutory declaration made by the directors this day pursuant to section 155(6) of the Companies Act 1985

- (a) As at the close of business on 31 May 2007, being the latest practicable date before the date of this Memorandum for which management accounts have been prepared, the aggregate of the Company's assets as stated in its accounting records exceeded the aggregate of its liabilities as so stated
- (b) From their knowledge of events since that date and of the likely course of the Company's business, the directors have formed the opinion that the aggregate of the Company's assets will exceed the aggregate of its liabilities immediately before the proposed financial assistance is given and that the giving of such financial assistance will not reduce the net assets of the Company or to the extent (if any) the net assets of the Company are reduced, such assistance could be given out of its distributable profits

Signed on behalf of the Company



Dated 20 June 2007