

To: Basing Bidco Limited (the “Offeror”)  
3rd Floor, 44 Esplanade  
St Helier  
Jersey JE4 9WG

25 November 2020

Dear Sirs

## **Director’s Irrevocable Undertaking - Acquisition of AA plc (the “Company”)**

### **1 Background**

I understand that the Offeror intends to announce a firm intention to make an offer on or before 5:00pm (UK time) on 25 November 2020 (or such later time or date as the Company and the Offeror may agree and as may be permitted by the Panel, if required) for the entire issued and to be issued ordinary share capital of the Company (the “Acquisition”) substantially on the terms and subject to the conditions set out in the draft offer announcement provided to me (subject to such non-material modifications thereto as may be agreed by the Offeror and the Company) (the “Offer Announcement”).

I understand that the Acquisition is expected to be implemented by way of a Scheme (as defined below) but that the Offeror is entitled, in the circumstances set out in the Offer Announcement and subject to the terms of the Co-operation Agreement (as defined below), to implement the Acquisition by way of an Offer (as defined below). Capitalised terms not otherwise defined in this deed shall have the meanings given to them in the Offer Announcement.

### **2 Irrevocable undertakings**

I, the undersigned, irrevocably and unconditionally undertake, confirm, warrant and represent to the Offeror, subject to the publication of the Offer Announcement on or before 5:00pm (UK time) on 25 November 2020 (or such later time and/or date as the Company and the Offeror may agree, with the consent of the Panel if required), that:

- 2.1** I am the registered holder and/or the beneficial owner of (or am otherwise able to control or procure the exercise of) all rights, including voting rights, attaching to all the ordinary shares in the Company as set out in the first column of the table at Appendix 1 to this deed (the “Existing Shares”);
- 2.2** I have been granted options and awards over ordinary shares in the Company under the Company’s share scheme(s) as set out in the second column of the table at Appendix 1 to this deed (the “Awards”), the Awards are still subsisting and I am beneficially entitled to the Awards;
- 2.3** Appendix 1 to this deed represents a complete and accurate list of:
  - 2.3.1** all the shares and other securities in the Company of which I am the registered holder and/or the beneficial owner or otherwise able to control or procure the exercise of all rights attaching to them; and
  - 2.3.2** all options and awards over ordinary shares in the Company under the Company’s share scheme(s) that I have been granted and am beneficially entitled to.

- 2.4** I have full power and authority to, and (unless the Offeror otherwise requests me in writing in advance) shall, exercise, or where applicable, procure the exercise of, all votes (whether on a show of hands or a poll and whether in person or by proxy) in relation to the Shares (as defined below) at:
- 2.4.1** the meeting of the Company's ordinary shareholders convened by order of the Court (including any adjournment thereof) for the purpose of considering and, if thought fit, approving the Scheme (the "**Court Meeting**"); and
  - 2.4.2** the general meeting of the Company's ordinary shareholders (including any adjournment thereof) to be convened in connection with the Scheme (the "**GM**"),  
in favour of the Scheme and in respect of any resolutions (whether or not amended) required to give effect to the Scheme (the "**Resolutions**") as set out in the notices of meeting contained in the circular to be sent to shareholders of the Company containing, amongst other things, an explanatory statement in respect of the Scheme (the "**Scheme Document**").
- 2.5** I shall, after the despatch of the Scheme Document to the Company's shareholders (and without prejudice to my right to attend and vote in person at the Court Meeting and the GM):
- 2.5.1** return, or procure the return of, the signed forms of proxy enclosed with the Scheme Document (completed, signed and voting in favour of the Scheme and the Resolutions) in accordance with the instructions printed on the forms of proxy, in each case within ten (10) days after the date of despatch of the Scheme Document; and
  - 2.5.2** not revoke or withdraw the forms of proxy once they have been returned in accordance with paragraph 2.5.1;
- 2.6** prior to the Scheme becoming effective (or, if applicable, the Offer becoming or being declared unconditional in all respects) or my Obligations (as defined below) terminating in accordance with the terms of this deed (whichever is earlier), I shall not, and shall procure that any person holding the Shares shall not:
- 2.6.1** except pursuant to the Scheme, sell, transfer, dispose of, charge, pledge or otherwise encumber or grant any option or other right over or otherwise deal in any of the Shares or any interest in them (whether conditionally or unconditionally);
  - 2.6.2** other than the grant, vesting and/or exercise of awards and options in accordance with the Awards, acquire any shares or other securities of the Company or any interest (as defined in the Code) in any such shares or securities;
  - 2.6.3** exercise any voting rights attaching to the Shares to vote in favour of any scheme of arrangement or other transaction which is proposed in competition with the Acquisition;
  - 2.6.4** without the consent of the Offeror, in relation to the Shares, requisition, or join in requisitioning, any general or class meeting of the Company which would or would reasonably be expected to restrict or impede the Scheme becoming effective or, as the case may be, the Offer becoming unconditional; or
  - 2.6.5** other than pursuant to this deed, enter into any agreement or arrangement or allow to arise any obligation with any person, whether conditionally or unconditionally,
    - (i) to do any of the acts prohibited by paragraphs 2.6.1 to 2.6.4 (inclusive); or

- (ii) which, in relation to the Shares, would or would reasonably be expected to restrict or impede my ability to comply with this undertaking,

and references in this paragraph 2.6.5 to any agreement, arrangement or obligation shall include any such agreement, arrangement or obligation whether or not subject to any conditions or which is to take effect upon or following the Scheme becoming effective, lapsing or being withdrawn or upon or following this undertaking ceasing to be binding or upon or following any other event; and

- 2.7** I shall accept any proposal made by or on behalf of the Offeror to holders of options and awards over Shares in compliance with Rule 15 of the Code in respect of all such Awards held by me not later than seven days after receipt of such proposals to the holders of options and awards.

### **3 Publicity**

- 3.1** I consent to:

- 3.1.1** the announcement of the Acquisition containing references to me and to this deed substantially in the terms set out in the Offer Announcement;

- 3.1.2** the inclusion of references to me and particulars of this deed being set out in the Scheme Document; and

- 3.1.3** this deed being published on a website as required by Rule 26.2 and Note 4 on Rule 21.2 of the Code or the Disclosure Guidance and Transparency Rules or Listing Rules of the Financial Conduct Authority.

- 3.2** I acknowledge that I am obliged to make appropriate disclosure under Rule 2.10(c) of the Code promptly after becoming aware that I will not be able to comply with the terms of this deed or no longer intend to do so.

- 3.3** I understand that the information provided to me in relation to the Acquisition is given in confidence and must be kept confidential, save as required by law or any rule of any relevant regulatory body or stock exchange, until the Offer Announcement containing details of the Offer is released or the information has otherwise become generally or publicly available. If and to the extent any of the information is inside information for the purposes of the Criminal Justice Act 1993 and/or the EU Market Abuse Regulation, I shall comply with the applicable restrictions in those enactments on dealing in securities and disclosing inside information.

### **4 Termination**

This deed shall not oblige the Offeror to announce the Acquisition. However, without prejudice to any accrued rights, obligations or liabilities, my Obligations shall terminate and be of no further force and effect:

- 4.1** if the Offer Announcement is not released by 5:00pm (UK time) on 25 November 2020 (or such later time or date as the Company and the Offeror may agree, with the consent of the Panel if required);

- 4.2** if the Offeror announces, with the consent of the Panel, and before the Scheme Document is published, that it does not intend to proceed with the Acquisition and no new, revised or replacement Scheme (or Offer, as applicable) is announced by the Offeror in accordance with Rule 2.7 of the Code at the same time; or

**4.3** if the Scheme (or Offer, as applicable) is withdrawn or lapses in accordance with its terms, provided that this paragraph 4.3 shall not apply:

**4.3.1** where the Scheme is withdrawn or lapses as a result of the Offeror exercising its right to implement the Acquisition by way of an Offer rather than a Scheme; or

**4.3.2** if the lapse or withdrawal either is not, in the case of a withdrawal, confirmed by the Offeror or is followed within ten (10) Business Days by an announcement under Rule 2.7 of the Code by the Offeror (or a person acting in concert with it) to implement the Acquisition either by a new, revised or replacement scheme of arrangement (on terms at least as favourable as the terms of the Scheme) pursuant to Part 26 of the Companies Act 2006 or takeover offer (within the meaning of section 974 of the Companies Act 2006).

**4.4** On termination of this deed I shall have no claim against the Offeror and the Offeror shall have no claim against me, save in respect of any prior breach of this deed.

## **5 Implementation by way of a takeover offer**

**5.1** I acknowledge that the Offeror shall have the right and may elect at any time (with the consent of the Panel and whether or not the Scheme Document has then been despatched, but in accordance with the terms of the Co-operation Agreement) to implement the Acquisition by way of an Offer, as opposed to by way of a Scheme, provided that such takeover offer is made on terms, so far as applicable, as are at least as favourable as the terms of the Scheme.

**5.2** If such an Offer is made by the Offeror, I undertake and warrant that any Obligations shall apply *mutatis mutandis* to such Offer and, in particular, I undertake to accept, or procure the acceptance of, such Offer, in respect of the Shares within 10 days of such Offer or such shorter period as the Panel may determine to be the last date for satisfaction of the acceptance condition under the timetable for the Offer to apply following the election of the Offeror to implement the Acquisition by way of Offer. I further undertake not to withdraw such acceptance. I further undertake, if so required by the Offeror, to execute or procure the execution of all such other documents as may be necessary for the purpose of giving the Offeror the full benefit of the relevant Obligations.

**5.3** References in this deed to:

**5.3.1** the Scheme becoming effective shall be read as references to the Offer becoming or being declared unconditional in all respects; and

**5.3.2** the Scheme lapsing or being withdrawn shall be read as references to the closing or lapsing of the Offer.

## **6 Enforcement**

### **6.1 Governing law**

This deed and any non-contractual obligations arising out of or in connection with it shall be governed by and construed in accordance with English law and I agree that the courts of England are to have exclusive jurisdiction to settle any disputes which may arise out of or in connection with this deed and that accordingly any proceedings arising out of or in connection with this deed shall be brought in such courts.

## 6.2 Specific performance

Without prejudice to any other rights or remedies which the Offeror may have, I acknowledge and agree that damages may not be an adequate remedy for any breach by me of any of my Obligations. The Offeror shall be entitled to the remedies of injunction, specific performance and other equitable relief for any threatened or actual breach of any such Obligation and no proof of special damages shall be necessary for the enforcement by the Offeror of its rights.

## 6.3 Power of attorney

I irrevocably and by way of security for any undertakings in paragraph 2 (or, if applicable, paragraph 5), if I have not complied with such undertakings in respect of the times and duties set out in paragraph 2 (or, if applicable, paragraph 5), appoint each of the Offeror and any director of the Offeror to be my attorney to execute on my behalf proxy forms for any Court Meeting or GM or forms of acceptance to be issued with the offer document in respect of the Shares (as applicable) and to sign, execute and deliver any documents and to do all acts and things as may be necessary for or incidental to the performance of any obligations under paragraph 2 (or, if applicable, paragraph 5) of this undertaking.

## 7 Interpretation

### 7.1 Meaning

In this deed:

- 7.1.1 references to “**Applicable Requirements**” mean the requirements of the Code, the Panel, any applicable law, the High Court of Justice in England and Wales, the Companies Act 2006, the Listing Rules, the Disclosure Guidance and Transparency Rules or Prospectus Rules made by the Financial Conduct Authority in exercise of its function as competent authority pursuant to Part VI of the Financial Services and Markets Act 2000, the Financial Conduct Authority, the requirements of the London Stock Exchange plc or the requirements of any other relevant regulatory authority;
- 7.1.2 references to a “**Business Day**” means a day other than a Saturday or Sunday or public holiday in England and Wales on which banks in London are open for general commercial business;
- 7.1.3 references to the “**Code**” are to the UK City Code on Takeovers and Mergers;
- 7.1.4 references to the “**Co-operation Agreement**” are to the co-operation agreement between the Offeror and the Company dated on or around the date of this deed;
- 7.1.5 references to the “**Company’s Financial Advisers**” are to Evercore Partners International LLP and J.P. Morgan Securities plc conducting its UK investment banking business as J.P. Morgan Cazenove;
- 7.1.6 reference to “**Employee Share Incentive Plan**” means the UK “all-employee” share plan that operates in connection with a UK trust, pursuant to which qualifying employees are entitled to acquire Shares on and subject to terms set out therein;
- 7.1.7 references to “**ESIP Shares**” means any shares acquired or to be acquired pursuant to the Employee Share Incentive Plan;
- 7.1.8 references to the “**Obligations**” are to my undertakings, agreements, warranties, appointments and consents set out in this deed;

**7.1.9** references to an “**Offer**”:

- (i) mean an offer by the Offeror for the entire issued and to be issued ordinary share capital of the Company by way of a takeover offer within the meaning of section 974 of the Companies Act 2006 and otherwise in accordance with the terms and conditions of the Co-operation Agreement; and
- (ii) shall include any extended, increased or revised offer by the Offeror for the acquisition of the Company, the terms of which (including but not limited to the acquisition price proposed) are at least as favourable to shareholders of the Company as the original Offer;

**7.1.10** references to the “**Offeror’s Financial Advisers**” are to Credit Suisse International and Goldman Sachs International;

**7.1.11** references to the “**Panel**” means The Panel on Takeovers and Mergers; and

**7.1.12** references to the “**Scheme**”:

- (i) means the proposed acquisition by the Offeror of the entire issued and to be issued ordinary share capital of the Company by way of a scheme of arrangement (pursuant to Part 26 of the Companies Act 2006), substantially on the terms and subject to the conditions set out in the Offer Announcement; and
- (ii) includes any extended, increased or revised proposal by the Offeror for the acquisition of the Company, the terms of which (including but not limited to the acquisition price proposed) are at least as favourable to shareholders of the Company as the terms set out in the Offer Announcement.

**7.1.13** references to the “**Shares**” mean collectively (and without double counting):

- (i) the Existing Shares;
- (ii) any ESIP Shares or other ordinary shares in the Company of which I may become the beneficial owner or in respect of which I may otherwise become entitled to exercise all rights attaching to (including voting rights) after the date of this deed (including following any exercise or vesting of the Awards); or
- (iii) any other shares in the Company issued after the date of this deed and attributable to or derived from any shares referred to in paragraph 7.1.13(i) or (ii).

## **7.2 Additional Terms**

The Acquisition shall be subject to such additional terms and conditions as may be required to comply with Applicable Requirements.

## **7.3 Unconditional and irrevocable obligations**

Except to the extent otherwise specified, the Obligations set out in this deed are unconditional and irrevocable.

## **7.4 Time**

Time shall be of the essence as regards the Obligations set out in this deed.

## **7.5 Whole Agreement**

This deed supersedes any previous written or oral agreement between us in relation to the matters dealt with in this deed and contains the whole agreement between us relating to the subject matter of this deed at the date of this deed to the exclusion of any terms implied by law which may be excluded by contract. I acknowledge that I have not been induced to sign this deed by any representation, warranty or undertaking not expressly incorporated into it.

## **8 Personal Representatives**

This deed shall bind my estate and personal representatives.

## **9 Third Party Rights**

A person who is not party to this deed has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this deed but this does not affect any right or remedy of a third party which exists or is available apart from that Act.

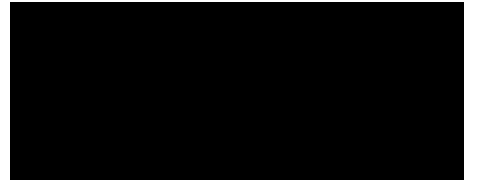
## **10 Customer Relationship**

I confirm and accept that Offeror's Financial Advisers are not acting for me in relation to the Acquisition for the purposes of the rules of the Financial Conduct Authority and shall not be responsible to me for providing protections afforded to their clients or advising me on any matter relating to the Acquisition.

IN WITNESS whereof this deed has been executed and delivered as a deed on the date above mentioned.

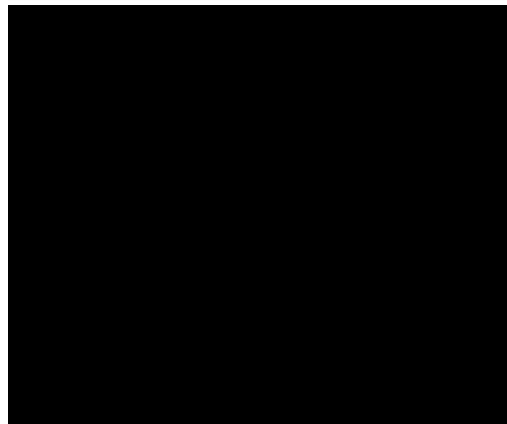
SIGNED as a DEED by  
**STEVE BARBER**

}



in the presence of:

Witness's signature



Name:

Address:

Occupation:



**Appendix 1**  
**Shares to which this deed relates**

The following represent my current holdings in the Company:

<b>Number of Existing Shares</b>	<b>Number of Ordinary Shares under Award</b>
200,000	None