

From: Davidson Kempner European Partners, LLP
1 New Burlington Place, 3rd Floor
London
W1S 2HR

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

25 November 2020

Dear Sirs

Proposed acquisition by the Offeror of the entire issued and to be issued ordinary share capital of AA plc (the "Company") by way of a scheme of arrangement under Part 26 of the Companies Act 2006 (the "Acquisition")

We refer to the proposed Acquisition to be made substantially on the terms and subject to the conditions set out in the draft offer announcement provided to us (subject to such non-material modifications thereto as may be agreed between you and the Company) (the "**Offer Announcement**"). We hereby confirm that:

1. certain of our affiliates and funds managed by us are the holders of certain derivative instruments (the "**Swaps**") the value of which is determined by reference to the price of 75,728,902 ordinary shares in the capital of the Company (the "**Shares**") and which results, or may result, in us having a long position in them;
2. it is our intention to close out and settle each Swap as soon as reasonably practicable following release of the Offer Announcement ("**Settlement**");
3. as soon as reasonably practicable following the Settlement, we or (at our sole discretion) one or more of our affiliates or funds managed by us intend to seek to acquire the same number of Shares as represented by the Swaps (the "**Relevant Shares**"); and
4. to the extent that we acquire all or some of the Relevant Shares, it is our intention to enter into (on behalf of the relevant affiliates or funds managed by us) an irrevocable undertaking in respect of the Relevant Shares which we or one or more of our affiliates or funds managed by us acquire (on the same terms and subject to the same conditions as those set out in the irrevocable undertaking entered into by us on or about the date of this letter), forthwith upon us holding such Shares.

For the avoidance of doubt, the above statements of intention are not intended to create legally binding obligations on us.

We confirm that we shall provide the Offeror as soon as reasonably practicable following any request with information in our possession that is required by the Offeror to comply with its obligations under Rule 17 of the City Code on Takeovers and Mergers (the "**Code**").

We acknowledge that we are obliged to make appropriate disclosure or notify you under Rule 2.10(c) of the Code promptly after becoming aware that we will not be able to comply with the terms of this letter or no longer intend to do so.

We consent to: (a) the Offer Announcement containing references to us and the particulars of this letter being set out in the formal document containing the offer for the Acquisition and any prospectus or prospectus exempt document (if any); and (b) this letter being published on a website as required by Rule 26.2 of the Code.

Yours faithfully

A solid black rectangular box redacting the signature of the sender.

For and on behalf of Davidson Kempner European Partners, LLP