

For immediate release

Not for release, publication or distribution, in whole or in part, in or into any Restricted Jurisdictions or any other jurisdiction where to do so would constitute a violation of the relevant laws of such jurisdiction.

9 October 2013

RECOMMENDED CASH ACQUISITION

of

Abbey Protection plc

by

Markel Capital Holdings Limited

Summary

- The boards of Markel Capital Holdings Limited (“Markel”), a wholly-owned subsidiary of Markel Corporation, and Abbey Protection plc (“Abbey Protection” or the “Company”) are pleased to announce that they have reached agreement on the terms of a recommended cash acquisition of the entire issued and to be issued share capital of Abbey Protection by Markel (the “Acquisition”). It is intended that the Acquisition will be implemented by way of a scheme of arrangement under Part 26 of the Companies Act 2006 (the “Scheme”).
- Under the terms of the Acquisition, Abbey Protection Shareholders will be entitled to receive 115 pence in cash for each Abbey Protection Share (the “Acquisition Price”), valuing the entire issued and to be issued share capital of Abbey Protection at approximately £116.5 million.
- In addition, Abbey Protection Shareholders on Abbey Protection’s register of members on 13 September 2013 will be entitled to receive the interim dividend of 2.4 pence per Abbey Protection Share as announced on 4 September 2013 and which will be payable on 10 October 2013.
- Markel has confirmed that it will not increase the Acquisition Price and that this is its full and final offer.
- The Acquisition Price represents:
 - an enterprise value-to-earnings before interest, tax and depreciation (“EBITDA”) multiple of 9.3 times; and
 - a price-to-earnings multiple of 14.5 times.

- Following the Effective Date, it is intended that Abbey Protection will be managed by Markel International, a division of Markel Corporation, which is headquartered in London and writes insurance and reinsurance business through eight divisions and through offices across the UK, Europe, Canada, Latin America and Asia Pacific. As a specialist provider of legal and taxation related professional fees insurance products and services for UK small to medium sized enterprises, the Boards of Abbey Protection and Markel International believe that Abbey Protection provides a complementary fit with Markel International, enhances its product range in the UK and improves Markel International's reach within the UK retail market.
- The Board of Abbey Protection has undertaken a review of the strategic options for the business and conducted a sale process of the Company, as more fully described in the main body of the announcement, and concluded that, in the light of the wish of the Abbey Protection Senior Executive Team to sell their shares in Abbey Protection, the sale of the Company to Markel is the best strategic option for the Company and its employees and is in the best interests of all Abbey Protection Shareholders.
- Members of the Abbey Protection Senior Executive Team (Colin Davison, Chris Ward, Adrian Green, Elizabeth Grace, Murray Fairclough, Richard Candy, Simon Howes and Tony Clarke) and Tony Shearer (Chairman of Abbey Protection), who together (either individually or with their Connected Persons, where applicable) hold beneficial interests in 56,606,964 Abbey Protection Shares, representing, in aggregate, approximately 56.6 per cent. of the issued share capital of Abbey Protection, have signed irrevocable undertakings to vote, or procure to vote, in favour of the Scheme at the Court Meeting and the Special Resolution to be proposed at the Abbey Protection General Meeting.
- Markel has also received a letter of intent to vote in favour of the Scheme at the Court Meeting and the Special Resolution to be proposed at the Abbey Protection General Meeting from an additional member of the Abbey Protection Senior Executive Team (David Hartley) in respect of a total of 398,754 Abbey Protection Shares, representing, in aggregate, approximately 0.4 per cent. of the issued share capital of Abbey Protection.
- In addition, Markel has received a letter of intent to vote in favour of the Scheme at the Court Meeting and the Special Resolution to be proposed at the Abbey Protection General Meeting from Mawer Investment Management Limited in respect of a total of 9,988,000 Abbey Protection Shares, representing, in aggregate, approximately 10.0 per cent. of the issued share capital of Abbey Protection.
- Markel has therefore received irrevocable undertakings or letters of intent from Abbey Protection Shareholders in respect of a total of 66,993,718 Abbey Protection Shares, representing, in aggregate, approximately 67.0 per cent. of the issued share capital of Abbey Protection.
- The Abbey Protection Directors, who have been so advised by PwC, consider the terms of the Acquisition to be fair and reasonable. In providing their advice, PwC has taken into account the commercial assessments of the Abbey Protection Directors. Accordingly, the Abbey Protection Directors intend to recommend unanimously that Abbey Protection

Shareholders vote in favour of the Scheme at the Court Meeting and the Special Resolution to be proposed at the Abbey Protection General Meeting

- The Scheme is subject to a number of conditions including the approval of the Scheme by Scheme Shareholders at the Court Meeting and the passing by Abbey Protection Shareholders of the Special Resolution at the Abbey Protection General Meeting by the requisite majorities and the receipt of regulatory approvals from the FCA, the GFSC and the SRA.
- The Scheme Document, containing further information about the Acquisition and notices of the Court Meeting and the Abbey Protection General Meeting, will be posted to Abbey Protection Shareholders as soon as practicable and, unless the Panel otherwise consents, within 28 days of the date of this announcement. It is expected that the Scheme will become Effective in January 2014, subject to the satisfaction or waiver of the Conditions (including the sanction of the Scheme by the Court and confirmation by the Court of the Capital Reduction) and is subject to certain further terms set out in Appendix 1 to the full announcement.

Commenting on the Acquisition, William Stovin of Markel International said: *“Our financial and underwriting strengths, and our established relationships with UK SME customers, fit well with the Board of Abbey Protection’s objectives for the further development and expansion of their business. From our first meeting it was clear that there was a strong cultural fit between our organisations and we are looking forward to working with the Abbey Protection management to make the best use of resources we bring to support the continued development of this high quality business.”*

“It’s our expectation that Abbey Protection will continue to operate under its own successful brand, while our capital and risk appetite will enable it to retain more underwriting risk and to explore growth initiatives currently beyond its reach. Abbey Protection will be a significant addition to our UK retail business.”

Commenting on the Acquisition, Tony Shearer, Chairman of Abbey Protection, said: *“As Abbey Protection looks to the next stage of its growth strategy, the Board of Abbey Protection believes that now is the right time for a change of ownership. Accordingly, the Board of Abbey Protection believes that the acquisition by Markel gives Abbey Protection an exciting opportunity to build a platform for further growth through Markel Corporation’s scale and financial strength, and Abbey Protection’s specialist products and distribution network. Markel Corporation is a highly regarded insurer with an international reputation and, like Abbey Protection, has a strong track record in providing specialist insurance products to SMEs. The Board of Abbey Protection believes that the Acquisition represents the most attractive outcome for our shareholders and will enhance Abbey Protection’s business in the interests of our customers, partners and employees, thus securing the Group’s long-term future.”*

This summary should be read in conjunction with, and is subject to, the full text of the following announcement and the Appendices, which include the Conditions to completion of the Acquisition.

Terms used in this summary shall have the meaning given to them in the full announcement.

Enquiries:

Markel International William Stovin (President & Chief Operating Officer) Andy Davies (Finance Director) Michael Henman	+44 (0) 20 7953 6000
Peel Hunt LLP (Financial adviser to Markel) Guy Wiehahn James Britton Harry Florry	+44 (0) 20 7418 8900
Abbey Protection Tony Shearer (Chairman) Colin Davison (Chief Executive Officer) Chris Ward (Group Managing Director)	+44 (0) 845 217 8293
FTI Consulting Ed Berry Tom Willetts	+44 (0) 20 7269 7297 +44 (0) 20 7269 7175
PricewaterhouseCoopers LLP (Financial adviser to Abbey Protection) Simon Boadle Steve Cater Jon Raggett	+44 (0) 20 7583 5000
Shore Capital and Corporate Ltd (Nominated adviser and broker to Abbey Protection) Bidhi Bhoma Toby Gibbs	+44 (0) 20 7408 4050

Further Information

About Markel International

Markel International is a division of Markel Corporation, a US-based holding company trading on the New York Stock Exchange (MKL). Markel International writes insurance and reinsurance business through eight divisions and through offices across the UK, Europe, Canada, Latin America and Asia Pacific. Markel International's insuring entities include Syndicate 3000, Syndicate 1400, Markel Resseguradora do Brasil S.A. and Markel International Insurance Company Limited. For more information, please visit www.markelinternational.com.

About Abbey Protection

Abbey Protection is an integrated specialist insurance and consultancy group focused on the underwriting and sale of insurance products to UK SMEs and affinity groups providing protection against legal expenses and professional fees incurred as a result of legal actions and HMRC investigations.

The Abbey Protection Group was founded in 1992 and has developed a range of complementary legal, professional and reinsurance services. It floated on AIM in November 2007. It has over 250 employees operating from five locations and distributes its services via a wide network of insurance brokers, insurance companies, accountants, solicitors and affinity groups.

For more information, please see www.abbeyprotectionplc.com.

This announcement is not intended to, and does not constitute, or form part of, any offer to sell, purchase, exchange or subscribe for, or an invitation to purchase or subscribe for, any securities or the solicitation of an offer to sell, purchase or exchange any securities or of any vote or approval in any jurisdiction pursuant to the Acquisition or otherwise, nor shall there be any sale, issuance or transfer of securities of Abbey Protection in any jurisdiction in contravention of applicable law. This announcement does not constitute a prospectus or a prospectus equivalent document. The Acquisition will be made solely pursuant to the terms of the Scheme Document and the Forms of Proxy which will accompany it and which will contain the full terms and conditions of the Acquisition, including details of how to vote in respect of the Scheme. Any decision in respect of, or other response to, the Acquisition should be made only on the basis of the information in the Scheme Document and the Forms of Proxy which will accompany it. Scheme Shareholders are advised to read the formal documentation in relation to the Acquisition carefully, once it has been dispatched.

Unless otherwise determined by Markel or required by the Panel and unless permitted by applicable law and regulation, copies of this announcement and any formal documentation relating to the Acquisition are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in or into or from any Restricted Jurisdiction.

Peel Hunt, which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting exclusively for Markel and for no-one else in connection with the Acquisition and will not be responsible to any person other than Markel for providing the protections afforded to clients of Peel Hunt, nor for providing advice in relation to the Acquisition or any other matters referred to herein.

PwC, which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting exclusively for Abbey Protection and for no-one else in connection with the Acquisition and will not be responsible to any person other than Abbey Protection for providing the protections afforded to clients of PwC, nor for providing advice in relation to the Acquisition or any other matters referred to herein.

Shore Capital and Corporate Limited and Shore Capital Stockbrokers Limited (together "Shore Capital"), which are authorised and regulated in the United Kingdom by the Financial Conduct Authority, are acting exclusively for Abbey Protection and for no-one else in connection with the Acquisition and will not be responsible to any person other than Abbey Protection for providing the protections afforded to clients of Shore Capital, nor for providing advice in relation to the Acquisition or any other matters referred to herein.

Overseas Shareholders

The release, publication or distribution of this announcement in jurisdictions other than the United Kingdom may be restricted by law and, therefore, any persons who are subject to the laws of any jurisdiction other than the United Kingdom should inform themselves about, and observe, any applicable requirements. Any failure to comply with any applicable restrictions may constitute a

violation of the securities laws of any such jurisdiction. This announcement has been prepared for the purposes of complying with English law and the information disclosed may not be the same as that which would have been disclosed if this announcement had been prepared in accordance with the laws and regulations of any jurisdiction outside of England. In particular, a transaction effected by means of a UK scheme of arrangement is not subject to the tender offer rules or the proxy solicitation rules under the US Exchange Act. Accordingly, the Scheme is subject to the disclosure requirements, rules and practices applicable in the United Kingdom to schemes of arrangement, which differ from the requirements of the US tender offer rules.

The financial information relating to the Abbey Protection Group referred to in this announcement has been prepared in accordance with International Financial Reporting Standards (as adopted by the European Union) and thus may not be comparable to financial information of US companies or companies whose financial statements are prepared in accordance with generally accepted accounting principles in the United States.

Unless otherwise determined by Markel or required by the Panel and unless permitted by applicable law and regulation, the Acquisition will not be made directly or indirectly, in or into, or by the use of mails or any means or instrumentality (including, but not limited to, facsimile, e-mail or other electronic transmission, telex or telephone) of interstate or foreign commerce of, or of any facility of a national, state or other securities exchange of any Restricted Jurisdiction. If the Acquisition is implemented by way of a Takeover Offer (unless otherwise determined by Markel and permitted by applicable law and regulation), the Takeover Offer may not be capable of acceptance by any such use, means, instrumentality or facilities. Unless otherwise determined by Markel or required by the Panel and unless permitted by applicable law and regulation, copies of this announcement and any formal documentation relating to the Acquisition are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in or into or from any Restricted Jurisdiction and persons receiving this announcement and all documents (including custodians, nominees and trustees) relating to the Acquisition should observe these restrictions and should not mail or otherwise forward, distribute or send this announcement or documents relating to the Acquisition in or into or from any Restricted Jurisdiction.

Forward-looking statements

This announcement, oral statements made by or on behalf of Markel and/or Abbey Protection regarding the Acquisition and other information published by or on behalf of Markel and/or Abbey Protection or their respective affiliates may contain certain statements that are or may be forward-looking. These statements are based on the assumptions and assessments made by Abbey Protection and/or Markel in light of their experience and their perceptions of historical trends, current conditions, future developments and other factors they believe appropriate and are naturally subject to uncertainty and changes in circumstances. The forward-looking statements contained herein may include statements about the expected effects of the Acquisition, the expected timing and scope of the Acquisition, anticipated earnings enhancements, estimated cost savings and other synergies, costs to be incurred in achieving synergies, potential disposals and other strategic options and all other statements in this announcement other than historical facts. Forward-looking statements include, without limitation, statements that typically contain words such as: “will”, “may”, “should”, “could”, “continue”, “believes”, “expects”, “intends”, “estimates”, “anticipates”, “aims”, “targets”, “plans” and “forecasts” or words of similar import. By their nature, forward-looking

statements involve risks, changes in circumstances and uncertainties that could cause actual results to differ materially from those expressed in the forward-looking statements. Many of these risks and uncertainties relate to factors that are beyond the ability of the person making the statement to control or estimate precisely. There are several factors which could cause actual results to differ materially from those expressed or implied in forward-looking statements. Among such factors are changes in the global, political, economic, business, competitive, market and regulatory forces, future exchange and interest rates, changes in tax rates and future business combinations or dispositions. Other unknown or unpredictable factors could also cause actual results to differ materially from those in the forward looking statements. Therefore Abbey Protection Shareholders, investors and other persons should not place undue reliance on such statements because, by their very nature, they are subject to known and unknown risks and uncertainties and can be affected by other factors that could cause actual results, and management's plans and objectives, to differ materially from those expressed or implied in the forward-looking statements.

The inclusion of forward-looking statements in this announcement should not be regarded as a representation by the Markel Group or the Abbey Protection Group that the Markel Group's or the Abbey Protection Group's objectives will be achieved.

Markel and Abbey Protection and their respective affiliates assume no obligation and do not intend to revise or update any forward-looking statements contained in this announcement, whether as a result of new information, future events or otherwise, except as required by law or regulation (including the AIM Rules and the Disclosure Rules).

Responsibility and Consents

The Markel Directors (all of whose names will be set out in the Scheme Document) accept responsibility for the information contained in this announcement relating to Markel, the Markel Group and themselves and their immediate families, related trusts and Connected Persons. To the best of the knowledge and belief of Markel Directors (who have taken all reasonable care to ensure that such is the case), such information for which they are responsible is in accordance with the facts and does not omit anything likely to affect the import of such information.

The Abbey Protection Directors (all of whose names will be set out in the Scheme Document) accept responsibility for the information contained in this announcement relating to Abbey Protection, the Abbey Protection Group and themselves and their immediate families, related trusts and Connected Persons. To the best of the knowledge and belief of the Abbey Protection Directors (who have taken all reasonable care to ensure that such is the case), such information for which they are responsible is in accordance with the facts and does not omit anything likely to affect the import of such information.

Peel Hunt has consented to the issue of this Announcement with the references to its name in the form and context in which they appear.

PwC has consented to the issue of this Announcement with the references to its name in the form and context in which they appear.

Dealing disclosure requirements of the City Code

Under Rule 8.3(a) of the City Code, any person who is interested in 1% or more of any class of relevant securities of an offeree company or of any securities exchange offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the offer period and, if later, following the announcement in which any securities exchange offeror is first identified. An Opening Position Disclosure must contain details of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) applies must be made by no later than 3.30 pm (London time) on the 10th business day following the commencement of the offer period and, if appropriate, by no later than 3.30 pm (London time) on the 10th business day following the announcement in which any securities exchange offeror is first identified. Relevant persons who deal in the relevant securities of the offeree company or of a securities exchange offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.

Under Rule 8.3(b) of the City Code, any person who is, or becomes, interested in 1% or more of any class of relevant securities of the offeree company or of any securities exchange offeror must make a Dealing Disclosure if the person deals in any relevant securities of the offeree company or of any securities exchange offeror. A Dealing Disclosure must contain details of the dealing concerned and of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror, save to the extent that these details have previously been disclosed under Rule 8. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3.30 pm (London time) on the business day following the date of the relevant dealing.

If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant securities of an offeree company or a securities exchange offeror, they will be deemed to be a single person for the purpose of Rule 8.3.

Opening Position Disclosures must also be made by the offeree company and by any offeror and Dealing Disclosures must also be made by the offeree company, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4).

Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the Takeover Panel's website at www.thetakeoverpanel.org.uk, including details of the number of relevant securities in issue, when the offer period commenced and when any offeror was first identified. You should contact the Panel's Market Surveillance Unit on +44 (0)20 7638 0129 if you are in any doubt as to whether you are required to make an Opening Position Disclosure or a Dealing Disclosure.

Rule 2.10 Disclosure

In accordance with Rule 2.10 of the City Code, Abbey Protection confirms that at the date of this Announcement, there are 99,994,773 Abbey Protection Shares in issue and admitted to trading on AIM. The ISIN of the Abbey Protection Shares is GB00B293ZK84. A total of 25,738 Abbey Protection Shares are held in treasury at the date of this Announcement. Excluding Abbey Protection Shares held in treasury, there are 99,969,035 Abbey Protection Shares in issue.

Publication on website

A copy of this announcement will be available, free of charge, on Abbey Protection's website at www.abbeyprotectionplc.com and on Markel International's website at www.markelinternational.com by no later than 12 noon (London time) on the Business Day immediately following the date of this announcement. For the avoidance of doubt, neither the content of the websites referred to above (nor any other website) nor the contents of any website accessible from hyperlinks on any such website is incorporated into, or forms part of, this announcement.

Neither Markel nor Abbey Protection (nor any of their respective directors, officers, employees, agents or advisers) make any representation or warranty (express or implied), or give any guarantee in this announcement as to the accuracy or completeness of the information on the websites referred to above (nor any other website) nor the contents of any website accessible from hyperlinks on any such website, nor shall they be liable for any loss or damage of any kind, direct or indirect, that any person may suffer as a result of using these websites or acting in reliance on the information on such websites. Persons who access such websites shall do so subject to the terms (if any) stated on those websites.

You may request a hard copy of this announcement (and any information incorporated by reference in it) by contacting Jon Raggett of PwC at jonathan.raggett@uk.pwc.com or by submitting a request in writing to Jon Raggett at PwC, 7 More London Riverside, London, SE1 2RT or Harry Florry of Peel Hunt at harry.florry@peelhunt.com or by submitting a request in writing to Harry Florry at Peel Hunt, Moor House, 120 London Wall, London, EC2Y 5ET . Unless such a request is made, and save as otherwise required by Rule 2.12 of the City Code, a hard copy of this announcement (and any information incorporated by reference in it) will not be sent to any person.

Not for release, publication or distribution, in whole or in part, in or into any Restricted Jurisdictions or any other jurisdiction where to do so would constitute a violation of the relevant laws of such jurisdiction.

9 October 2013

RECOMMENDED CASH ACQUISITION

of

Abbey Protection plc

by

Markel Capital Holdings Limited

Introduction

The boards of Markel Capital Holdings Limited (“Markel”), a wholly-owned subsidiary of Markel Corporation, and Abbey Protection plc (“Abbey Protection”) are pleased to announce that they have reached agreement on the terms of a recommended cash acquisition of the entire issued and to be issued share capital of Abbey Protection by Markel (the “Acquisition”). It is intended that the Acquisition will be implemented by way of a scheme of arrangement of Abbey Protection under Part 26 of the Companies Act, pursuant to which Markel will acquire the entire issued and to be issued ordinary share capital of Abbey Protection.

The Acquisition

Under the terms of the Acquisition, which will be subject to the Conditions and further terms set out in Appendix 1 to this announcement and to be set out in the Scheme Document, Abbey Protection Shareholders will be entitled to receive:

115 pence in cash for each Abbey Protection Share (the “Acquisition Price”)

In addition, Abbey Protection Shareholders on Abbey Protection’s register of members on 13 September 2013 will be entitled to receive the interim dividend of 2.4 pence per Abbey Protection Share that was announced on 4 September 2013 and which will be payable on 10 October 2013.

The Acquisition Price values Abbey Protection's entire issued and to be issued share capital at approximately £116.5 million and, on this basis, represents the following multiples:

- 9.3 times Abbey Protection's reported EBITDA of £10.9 million for the financial year ended 31 December 2012; and
- 14.5 times Abbey Protection’s reported earnings per share of 7.93 pence for the financial year ended 31 December 2012.

In addition, the Acquisition Price represents:

- a premium of approximately 43.8 per cent. to the average Closing Price of 80.0 pence per Abbey Protection Share between the date of admission of Abbey Protection Shares to trading on AIM

(“Admission”) on 29 November 2007 and 8 October 2013, being the last practicable day prior to the date of this announcement;

- a discount of approximately 4.0 per cent. to the Closing Price of 119.75 pence per Abbey Protection Share on 8 October 2013, being the last practicable day prior to the date of this announcement; and
- a premium of approximately 0.4 per cent. to the Closing Price of 114.50 pence per Abbey Protection Share on 20 May 2013 (being the Business Day before Abbey Protection announced its special dividend of 5 pence per Abbey Protection Share).

Markel has confirmed that it will not increase the Acquisition Price and that this is its full and final offer.

Background to, and reasons for, the Acquisition

The Board of Markel International believes that Abbey Protection will be a significant addition to Markel International’s UK retail business. Abbey Protection is specialised, well-known and experienced in its target legal and taxation related professional fees insurance market, and the Board of Markel International believes that Abbey Protection is a high quality business in terms of service and knowledge. Abbey Protection is also an attractive business for Markel International due to its high quality brand, consistent profitability, solid balance sheet, specialist product and service offering and its network of customers.

The Board of Markel International believes that the Markel Group can provide the level of capital and risk tolerance to enable Abbey Protection to retain more underwriting risk and explore growth initiatives which the Abbey Protection business would not currently target given the scale of its current balance sheet.

Background to, and reasons for, the Abbey Protection Directors’ recommendation

Background to the approach

Since its initial public offering (“IPO”) in 2007, the Company has consistently delivered strong, sustainable earnings and a progressive dividend yield for investors, through a strategy of driving organic growth, developing opportunities for its consulting divisions and making selective and complementary acquisitions. This most recently included the acquisition in February 2013 of the law firm Lewis Hymanson Small Solicitors LLP, a significant step in the Company’s plans to expand in the legal services market.

The Abbey Protection Senior Executive Team has been in place throughout the period from the IPO to date and, in the majority of cases, for some considerable time prior to the IPO and has overseen the Company’s growth during that time. Together, the Senior Executive Team hold interests in Abbey Protection Shares representing approximately 56.9 per cent. of the issued share capital of the Company.

Abbey Protection's share price has performed strongly, with total shareholder return at the Acquisition Price of 159.6 per cent. from the date of Admission. This compares to a total shareholder return of negative 20.2 per cent. for the FTSE AIM All Share index and of positive 31.0 per cent. for the FTSE All Share index over the period from the date of Admission to 7 October 2013, being the last practicable day prior to the date of this announcement.

The Senior Executive Team have for some time discussed with the Board that whilst Abbey Protection's relatively small size and independence has complemented its strategy to date, it also makes it difficult to take advantage of certain growth opportunities, particularly those which are higher risk. Furthermore, after more than 20 years successfully running Abbey Protection, the team are keen to realise their investment in the business in a timely and appropriate manner, without compromising its long-term future and in a way that preserves value for all Abbey Protection Shareholders.

As a result, the Board of Abbey Protection has been conscious of the need to put in place an appropriate succession plan. However, the Board of Abbey Protection has recognised the very real difficulties of recruiting and incentivising a new team to drive the business forward in the same way that the Senior Executive Team have done, particularly in light of their very significant shareholdings and their length of service.

Strategic options

Over recent years the Board of Abbey Protection has considered a number of strategic options for the business. The Board of Abbey Protection took the decision in early 2012 to initiate a formal review, and consequently appointed PwC to advise the Board of Abbey Protection. A range of strategies were considered for the business as well as various options for realising the Senior Executive Team's holdings in the medium term. Having completed this review, the Board of Abbey Protection decided that achieving value for all Abbey Protection Shareholders whilst securing the long-term future of the Company and the interests of all stakeholders were most likely to be served through a sale of the Company and, in Autumn 2012, commenced a sale process.

PwC approached a number of potential interested parties to assess their appetite for acquisitions in the sector and identified a number of highly credible, strategically aligned, potential bidders for targeted discussions. Throughout this process the Board of Abbey Protection was conscious of the potential disruption to the business and accordingly took the decision not to announce a formal sale process. Markel was one of the parties approached in this process.

Throughout the last six months of 2012, the Abbey Protection Share price increased considerably, rising by approximately 32.4 per cent. compared to the FTSE AIM All-Share index, which rose approximately 4.1 per cent., and the FTSE All Share index, which rose approximately 5.7 per cent. At the end of December 2012, the share price reached a then all-time high, closing at 107.25 pence on 27 December 2012, and as this price risked forcing the Board of Abbey Protection to make an announcement at a premature stage, the Board of Abbey Protection took the decision to put the sale process on hold in early January 2013. At this point Markel International had emerged as the most credible potential bidder.

In July 2013, the Board of Abbey Protection received a further approach from Markel International in relation to a possible offer for the Company. In light of this approach, the Board of Abbey Protection reconsidered its strategic options and concluded that the best option for all stakeholders remained a

sale of the Company. The Board of Abbey Protection then engaged in further negotiations with Markel International and the Acquisition being announced today is the result of these discussions.

Background to the recommendation

In reaching its unanimous decision to recommend that Abbey Protection Shareholders vote in favour of the Scheme to effect the Acquisition, the Board of Abbey Protection has taken into account the following factors:

- the consideration payable under the Acquisition is cash and, as such, represents a good opportunity for all Abbey Protection Shareholders to realise their investments in Abbey Protection, particularly given the limited liquidity in Abbey Protection Shares and the limited ability of Abbey Protection Shareholders otherwise to realise their investments in significant size at the market price;
- the Acquisition reflects the value of the business and its prospects, representing:
 - 9.3 times Abbey Protection's reported EBITDA of £10.9 million for the financial year ended 31 December 2012; and
 - 14.5 times Abbey Protection's reported earnings per share of 7.93 pence for the financial year ended 31 December 2012.
- the Board of Abbey Protection has conducted a thorough review of alternative strategic options over an extended period of time and has held discussions with a number of potential bidders;
- the unique position of the Senior Executive Team and the very real difficulties in replicating the incentive and drive of the team to continue to grow the business sustainably;
- the Senior Executive Team has decided that now is an appropriate time to sell their Abbey Protection Shares and, although they intend to remain involved in the business, some of them plan to take a less active role in its day-to-day operations after an appropriate handover and integration period. Members of the Abbey Protection Senior Executive Team have provided Markel with irrevocable undertakings to vote, or procure the vote, in favour of the Scheme at the Court Meeting and the Special Resolution at the Abbey Protection General Meeting in respect of their shareholdings, and/or the shareholdings of their Connected Persons (as the case may be), representing, in aggregate, approximately 56.5 per cent. of the issued share capital of Abbey Protection;
- furthermore, Markel has received a letter of intent from an additional member of the Abbey Protection Senior Executive Team to vote, or procure the vote, in favour of the Scheme at the Court Meeting and the Special Resolution at the Abbey Protection General Meeting in respect of additional Abbey Protection Shares representing, in aggregate, approximately 0.4 per cent. of the issued share capital of Abbey Protection;
- therefore in total, Markel has received irrevocable undertakings and a letter of intent from the Senior Executive Team to vote, or procure the vote, in favour of the Scheme at the Court Meeting and the Special Resolution at the Abbey Protection General Meeting in respect of Abbey

Protection Shares representing, in aggregate, approximately 56.9 per cent. of the issued share capital of Abbey Protection;

- in addition, Markel has received a letter of intent from Mawer Investment Management Limited to vote in favour of the Scheme at the Court Meeting and the Special Resolution at the Abbey Protection General Meeting, or to accept a Takeover Offer, as the case may be, in respect of additional Abbey Protection Shares representing approximately 10.0 per cent. of the issued share capital of Abbey Protection;
- the Abbey Protection Share price has risen considerably over the period since the Board of Abbey Protection took the decision in early 2012 to initiate the formal review of strategic options, with an average closing price of 78.6 pence for the first six months of 2012 rising to an average closing price of 115.4 pence for the six month period ended on 8 October 2013, being the last practicable day before the date of this announcement;
- Markel has made it clear to the Board of Abbey Protection that it will not increase the Acquisition Price above 115 pence per Abbey Protection Share and the Board of Abbey Protection has not received any offer from any other party; and
- the Board of Abbey Protection believes that the sale to Markel represents the best strategic option for the Company and its employees. Markel represents an attractive acquirer of Abbey Protection taking into account the following factors:
 - the culture and management styles of the two businesses are highly compatible and form the backbone of both operations. Markel shares the values that are core to Abbey Protection: strong supplier relationships; quality products and customer service; honesty and integrity and a workplace which enables all management and employees to reach their personal potential;
 - as a larger group, Markel should be able to run the Abbey Protection business more efficiently, due to the benefits arising from its larger scale, underwriting expertise and capacity;
 - as part of the Markel Group, Abbey Protection should be better placed to take advantage of future growth opportunities and should benefit from the enhanced profile of being part of a large international insurance group; and
 - the existing Abbey Protection Senior Executive Team will be strengthened and supported by the Markel Group. Abbey Protection will also benefit from better succession planning as part of a much larger group.

Taking into account all of the factors above, the Abbey Protection Directors, who have been so advised by PwC, consider the terms of the Acquisition to be fair and reasonable and in the best interests of Abbey Protection Shareholders, as a whole. In providing its advice, PwC has taken into account the commercial assessments of the Abbey Protection Directors.

Accordingly, the Abbey Protection Directors intend unanimously to recommend that all Abbey Protection Shareholders vote in favour of the Scheme at the Court Meeting and the Special Resolution

at the Abbey Protection General Meeting, as they have irrevocably undertaken to do, or procure to be done, in respect of 33,351,973 Abbey Protection Shares representing, in aggregate, 33.4 per cent. of the issued share capital of Abbey Protection.

Interim Dividend

On 4 September 2013, the Abbey Protection Directors announced their intention to pay an interim dividend of 2.4 pence per Abbey Protection Share for the six month period ended 30 June 2013. Abbey Protection Shareholders who were on Abbey Protection's register of members as at close of business on 13 September 2013 will receive the Interim Dividend on 10 October 2013.

Information relating to Markel Corporation

Markel is a wholly-owned subsidiary of Markel Corporation. Markel Corporation is a diverse financial holding company serving a variety of niche markets. Markel Corporation's principal business markets and underwrites specialty insurance products. In each of the Markel Corporation's businesses, it seeks to provide quality products and excellent customer service so that it can be a market leader. The financial goals of Markel Corporation are to earn consistent underwriting and operating profits and superior investment returns to build shareholder value.

For the six month period ended 30 June 2013, Markel Corporation reported total operating revenues of \$1,852 million (HY 2012: \$1,426 million), gross written premiums of \$1,844 million (HY 2012: \$1,296 million) and net income to shareholders of \$117 million (HY 2012: \$147 million). At 30 June 2013, Markel Corporation had shareholders' equity of \$6,321 million (31 December 2012: \$3,889 million).

Markel Corporation is listed on the New York Stock Exchange and had a market capitalisation of approximately \$7.3 billion, as at 8 October 2013, being the last practicable date before the date of this announcement.

Further information on Markel Corporation is available on its website at www.markelcorp.com.

Information relating to Markel International

Markel International is headquartered in London and writes UK and international business. It operates through eight divisions and 18 overseas offices. It employs some 700 people.

For the six month period ended 30 June 2013, Markel International reported gross written premiums of \$526 million (HY 2012:\$514 million).

Further information on Markel International is available on its website at www.markelinternational.com.

Information relating to Abbey Protection

Abbey Protection is an integrated specialist insurance and consultancy group focused on the underwriting and sale of insurance products to UK SMEs and affinity groups providing protection against legal expenses and professional fees incurred as a result of legal actions and HMRC investigations.

The Abbey Protection Group was founded in 1992 and has developed a range of complementary legal, professional and reinsurance services. It floated on AIM in November 2007. It has over 250 employees operating from five locations and distributes its services via a wide network of insurance brokers, insurance companies, accountants, solicitors and affinity groups.

For the six months ended 30 June 2013, pre-tax profits were stable at £5.2 million and total revenues grew 8 per cent. to £20.7 million. The interim dividend increased by 14 per cent. to 2.4 pence per Abbey Protection Share, whilst also paying a special dividend of £5 million (5 pence per Abbey Protection Share) in June 2013.

The Abbey Protection Group now operates through four companies and a limited liability partnership, each with their own distinct trading brands:

Abbey Protection Group Limited

Abbey Legal Protection (“ALP”)

ALP, based in the City of London, sells and arranges the underwriting of commercial legal expenses insurance (“CLEI”) that reimburses legal fees incurred by businesses, typically SMEs, in the event of legal actions, such as employment and contract disputes. ALP is a market leader in the provision of CLEI to SMEs and affinity groups and has built up an extensive and diverse distribution network of over 1,000 insurance brokers, five insurance companies, and over 200 affinity groups.

Abbey Legal Services (“ALS”)

ALS, based in Croydon, provides legal advice and related employment services to ALP clients. ALS services approximately 275,000 calls a year.

After the Event Services (“ATES”)

ATES, based in Croydon, provides commercial “after the event” (“ATE”) insurance and manages the Law Society’s only personal injury compensation scheme, Accident Line, and its ATE insurance policies, supporting solicitors who undertake an injury claim on a conditional fee agreement.

Abbey HR (“AHR”)

AHR, based in Rugby, provides human resources consultancy services direct to businesses. AHR was established to leverage off the Abbey Protection Group’s existing specialist skills in employment law and to penetrate further the independent compliance consultancy market.

Abbey Tax & Consultancy Services Limited

Abbey Tax Protection (“ATP”)

ATP, based in Rugby, sells and underwrites professional fees insurance which reimburses fees incurred by taxpayers when HMRC undertakes an investigation into a taxpayer’s tax, VAT or PAYE

return. It also undertakes specialist consultancy services on behalf of its network of accountancy clients.

Accountax (“ACX”)

ACX, based in Milton Keynes, supplies advice and consultancy services to businesses involved in IR35 and tax status disputes with HMRC, particularly specialising in personal service companies. It also markets for new audit clients for its accounting franchisees.

Abbey Property Facilities Limited (“APF”)

APF, based in Chester, markets and administers services to assist owners of vacant commercial property to mitigate their commercial rates liabilities. APF is majority owned by the Abbey Protection Group.

Lewis Hymanson Small Solicitors LLP (“LHS”)

LHS, a solicitors practice based in Manchester, provides a comprehensive range of legal services to SMEs and private clients. LHS is a leading player in the regulatory sector, representing professionals in disciplinary and criminal proceedings. LHS was acquired by Abbey Protection in February 2013.

Ibex Reinsurance Company Limited (“Ibex”)

Ibex, based in Guernsey, is the Abbey Protection Group’s captive reinsurer. In order to provide a rated insurance counter party, the Abbey Protection Group places its insurance policies through its insurance partner, Brit Insurance. With the exception of the ATES division and certain specialist risks, Ibex reinsures Brit on a straight quota share basis, and benefits from the majority of the underwriting profits.

For the six month period ended 30 June 2013, Abbey Protection reported total revenues of £20.7 million (HY 2012: £19.2 million) and profit after tax of £4.2 million (HY 2012: £3.9 million). At 30 June 2013, Abbey Protection had shareholders’ funds of £28.4 million (HY 2012: £30.4 million).

Further information on Abbey Protection is available on its website at www.abbeyprotectionplc.com.

Financing the Acquisition

The cash consideration payable by Markel under the terms of the Acquisition will be financed from the existing cash resources of the Markel Group.

Peel Hunt, as financial adviser to Markel, has confirmed that it is satisfied that sufficient resources are available to Markel to enable it to satisfy, in full, the cash consideration payable to Abbey Protection Shareholders under the terms of the Acquisition.

Management and Employees

Markel International recognises the quality of the Abbey Protection management team and Abbey Protection's employees generally, and their importance to the future success of Abbey Protection. Following the Acquisition becoming Effective, it is Markel International's intention that Chris Ward, Abbey Protection Group Managing Director, and Colin Davison, Abbey Protection Group Chief Executive, will continue to lead the Abbey Protection management team. It is intended that Tony Shearer and Paul Wilson will resign as non-executive Abbey Protection Directors with effect from the Acquisition becoming Effective.

Markel has given assurances to the Abbey Protection Directors that, upon the Acquisition becoming Effective, it is its intention that Markel will continue to comply with its legal obligations in relation to pensions and employment rights of all Abbey Protection employees. Markel has no current intention to change the location of Abbey Protection's places of business or to redeploy its fixed assets. It is likely that surplus capital in the combined UK regulated entities could be managed by Markel Corporation.

Following the Effective Date, the intention is that the Abbey Protection management team will be incentivised on standard Markel incentive arrangements. However, limited discussions have taken place to date.

Markel has also confirmed its intention to retain the Abbey Protection brand, to continue with the operational integrity of Abbey Protection as a separate business unit and to continue with its existing portfolio and strategy in all material respects.

Abbey Protection Share Incentive Schemes

Appropriate proposals will be made to Abbey Protection Share Incentive Scheme Participants and separate letters will be dispatched in due course explaining the effect of the Acquisition on their options/awards and setting out the specific proposals being made in respect of their outstanding options/awards in connection with the Scheme.

If Abbey Protection Shareholders approve the relevant amendments to the articles of association of Abbey Protection to be proposed at the Abbey Protection General Meeting, then any Abbey Protection Shares issued under the Abbey Protection Share Incentive Schemes at or prior to the Scheme Record Time will be subject to the Scheme and any Abbey Protection Shares issued under the Abbey Protection Share Incentive Schemes after the Scheme Record Time will be transferred to Markel at the Acquisition Price and otherwise on the same terms as under the Scheme.

The effect of the Scheme on the interests of the Abbey Protection Directors does not differ from its effect on the like interests of any other Abbey Protection Shareholder or of any other Abbey Protection Share Incentive Scheme Participants.

Structure of the Acquisition

It is intended that the Acquisition will be effected by means of a Court-sanctioned scheme of arrangement between Abbey Protection and Scheme Shareholders under Part 26 of the Companies Act.

The procedure involves, among other things, an application by Abbey Protection to the Court to sanction the Scheme and to confirm the cancellation of the existing Abbey Protection Shares and the issue of the New Abbey Protection Shares to Markel, in consideration for which the Scheme Shareholders will receive cash on the basis described in the paragraph above headed "The Acquisition". The purpose of the Scheme is to provide for Markel to become the owner of the entire issued and to be issued share capital of Abbey Protection.

The Scheme is subject to the Conditions and certain further terms referred to in Appendix 1 to this announcement and to be set out in the Scheme Document.

The Scheme will only become Effective if, amongst other things, the following events occur on or before the Long Stop Date or such later date (if any) as Markel and Abbey Protection may, with the consent of the Panel, agree and (if required) the Court may approve:

- a resolution to approve the Scheme is passed by a majority in number of the Scheme Shareholders who are on the register of members of Abbey Protection at the Voting Record Time present and voting, either in person or by proxy, representing 75 per cent. or more in value of the Scheme Shares held by the Scheme Shareholders at the Court Meeting (or at any adjournment thereof);
- the Special Resolution necessary to implement the Scheme and to sanction the Capital Reduction, as set out in the Notice of the Abbey Protection General Meeting, is passed by the requisite majority of Abbey Protection Shareholders at the Abbey Protection General Meeting (or at any adjournment thereof);
- the Scheme is sanctioned and the Capital Reduction is confirmed by the Court (in either case, with or without modification, on terms acceptable to Markel and Abbey Protection);
- copies of the Court Orders and the Statement of Capital are delivered to the Registrar of Companies; and
- in relation to the Capital Reduction, if required by the Court, the Reduction Court Order is registered by the Registrar of Companies.

The Scheme is also subject to:

- the FCA having notified Markel and/or Abbey Protection of its approval of the change of control of any UK authorised persons within the Abbey Protection Group as a result of the Acquisition (or the requisite waiting period for such approval to be provided having elapsed without the FCA having objected to the Acquisition);
- the GFSC having notified Markel and/or Abbey Protection that there has been no actual or deemed objection to the change of control of Ibex Reinsurance Company Limited, the Abbey Protection Group's captive Guernsey-incorporated insurance company, as a result of the Acquisition; and
- the SRA having notified Markel that it does not object to the change of control of Lewis Hymanson Small LLP, the Abbey Protection Group's firm of solicitors, as a result of the Acquisition.

Upon the Scheme becoming Effective: (i) it will be binding on all Scheme Shareholders, irrespective of whether or not they attended and/or voted at the Court Meeting or the Abbey Protection General Meeting (and, if they attended and voted, whether or not they voted in favour); and (ii) share certificates in respect of Abbey Protection Shares will cease to be valid and entitlements to Abbey Protection Shares held within CREST will be cancelled.

If the Scheme does not become Effective on or before the Long Stop Date it will lapse and the Acquisition will not proceed (unless Markel and Abbey Protection wish it to proceed and the Panel so consents).

Upon the Scheme becoming Effective, the New Abbey Protection Shares will be issued to Markel (and/or its nominee(s)) fully paid and free from all liens, equities, charges, encumbrances, options, rights of pre-emption and any other third party rights and interests of any nature and together with all rights attaching or accruing to them, including voting rights and the right to receive and retain in full all dividends and other distributions (if any) declared, made or paid on or after the date of this announcement (other than the Interim Dividend).

The Scheme Document will include full details of the Scheme, together with notices of the Court Meeting and the Abbey Protection General Meeting. The Scheme Document will also contain the expected timetable for the Acquisition and will specify the necessary actions to be taken by Abbey Protection Shareholders. The Scheme Document will be posted to Abbey Protection Shareholders and, for information only, to persons with information rights and to holders of options (or other awards) granted under the Abbey Protection Share Incentive Schemes, as soon as practicable.

Subject, amongst other things, to the satisfaction or waiver of the Conditions, it is expected that the Scheme will become Effective in January 2014.

Markel reserves the right, in its sole discretion and subject (if required) to the consent of the Panel, to seek to implement the Acquisition by way of a Takeover Offer for the entire issued and to be issued share capital of Abbey Protection and to make appropriate amendments to the terms of the Acquisition as a result of the change from the Scheme to a Takeover Offer.

The Court Meeting and the Abbey Protection General Meeting

The Acquisition (including the Scheme) will be put to Abbey Protection Shareholders at the Court Meeting and at the Abbey Protection General Meeting.

Notices to convene the Court Meeting (subject to obtaining the permission of the Court) and the Abbey Protection General Meeting will be included in the Scheme Document.

The purpose of the Court Meeting is to seek the approval of Abbey Protection Shareholders for the Scheme and certain related matters.

The purpose of the Abbey Protection General Meeting is to consider and, if thought fit, pass the Special Resolution to give effect to the Acquisition. The Special Resolution addresses:

- the approval of the Capital Reduction and the issue of the New Abbey Protection Shares to Markel in connection with the Scheme; and

- the approval of certain amendments to the Articles of Association of Abbey Protection in connection with, and to facilitate, the Scheme and the Acquisition by Markel of the entire issued and to be issued share capital of Abbey Protection.

Abbey Protection Shareholders should note that completion of the Acquisition will be conditional upon the all the above resolutions being passed by the requisite majorities.

Cancellation of admission to trading of Abbey Protection Shares on AIM

Subject to satisfaction or, where applicable, waiver of the Conditions to the Scheme, prior to the Scheme becoming Effective, an application will be made to the London Stock Exchange for the cancellation of the admission of the Abbey Protection Shares to trading on AIM.

The last day of dealings in, and for registration of transfers of, Abbey Protection Shares is expected to be the day before the Court Hearing to confirm the Capital Reduction and at 5.00 p.m. on that date the trading of Abbey Protection Shares on AIM will be suspended. No transfers of Abbey Protection Shares will be registered after this date other than the registration of Abbey Protection Shares transferred or issued under the Abbey Protection Share Incentive Schemes.

It is intended that the cancellation of admission of the Abbey Protection Shares to trading on AIM will take effect in January 2014. In addition, in January 2014, entitlements to Abbey Protection Shares held within CREST will be cancelled and share certificates in respect of Scheme Shares will cease to be valid and should, if so requested by Abbey Protection, be sent to Abbey Protection for cancellation.

Disclosure of interests in Abbey Protection Securities and Opening Position Disclosure

As at the close of business on 8 October 2013, being the last practicable date prior to the date of this announcement, save for the irrevocable undertakings and letters of intent referred to in the paragraph headed "Irrevocable Undertakings and Letters of Intent" below, neither Markel, nor any of the Markel Directors, nor, so far as Markel is aware, any person acting, or deemed to be acting, in concert with Markel:

- had an interest in, or right to subscribe for, relevant securities of Abbey Protection;
- had any short position in (whether conditional or absolute and whether in the money or otherwise), including any short position under a derivative, any agreement to sell or any delivery obligation or right to require another person to purchase or take delivery of, relevant securities of Abbey Protection;
- had procured an irrevocable commitment or letter of intent to accept or vote in favour of the Acquisition in respect of relevant securities of Abbey Protection; or
- had borrowed or lent any Abbey Protection Shares.

Furthermore, no dealing arrangement exists with Markel or any person acting in concert with Markel in relation to the Abbey Protection Shares. For these purposes "arrangement" includes any indemnity or option arrangement, any agreement or any understanding, formal or informal, of whatever nature,

relating to Abbey Protection Shares which may be an inducement to deal or refrain from dealing in such securities.

Markel confirms that it will be making an Opening Position Disclosure today setting out the details required to be disclosed by Rule 8.1(a) of the City Code.

Markel's Opening Position Disclosure may not include details of all interests or short positions in, or rights to subscribe for, any relevant securities of Abbey Protection held by all persons acting in concert with Markel. If required, Markel will make a further Opening Position Disclosure as soon as possible disclosing these details.

Irrevocable Undertakings and Letters of Intent

Colin Davison, Chris Ward, Adrian Green and Tony Shearer, being the Abbey Protection Directors who together (either individually or with their Connected Persons, where applicable) hold beneficial interests in Abbey Protection Shares, have irrevocably undertaken to vote, or procure the vote, in favour of the Scheme at the Court Meeting and the Special Resolution to be proposed at the Abbey Protection General Meeting (or, in the event that the Acquisition is implemented by way of a Takeover Offer, to accept, or procure the acceptance of, the Takeover Offer) in respect of a total of 33,351,973 Abbey Protection Shares, representing, in aggregate, approximately 33.4 per cent. of Abbey Protection's issued share capital.

Markel has also received irrevocable undertakings to vote, or procure the vote, in favour of (or to return, or procure the return of, Forms of Proxy voting in favour of) the Acquisition at the Court Meeting and the Special Resolution to be proposed at the Abbey Protection General Meeting (or, in the event that the Acquisition is implemented by way of a Takeover Offer, to accept, or procure the acceptance of, the Takeover Offer) from Elizabeth Grace, Murray Fairclough, Richard Candy, Toby Clarke and Simon Howes, being additional members of the Senior Executive Team, in respect of a total of 23,254,991 Abbey Protection Shares, representing, in aggregate, approximately 23.3 per cent. of Abbey Protection's issued share capital.

Markel has also received a letter of intent to vote, or procure the vote, in favour of (or to return, or procure the return of, Forms of Proxy voting in favour of) the Acquisition at the Court Meeting and the Special Resolution to be proposed at the Abbey Protection General Meeting (or, in the event that the Acquisition is implemented by way of a Takeover Offer, to accept, or procure the acceptance of, the Takeover Offer) from a further member of the Abbey Protection Senior Executive Team (David Hartley) in respect of a total of 398,754 Abbey Protection Shares, representing, in aggregate, approximately 0.4 per cent. of Abbey Protection's issued share capital.

In addition, Markel has received a letter of intent from Mawer Investment Management Limited confirming its intention to vote in favour of the Scheme or to accept the Takeover Offer, as the case may be, in respect of 9,988,000 Abbey Protection Shares, representing, in aggregate, approximately 10.0 per cent. of Abbey Protection's issued share capital.

Markel has therefore received irrevocable undertakings in respect of a total of 56,606,964 Abbey Protection Shares, representing, in aggregate, approximately 56.6 per cent. of Abbey Protection's issued share capital and letters of intent in respect of a total of 10,386,754 Abbey Protection Shares representing, in aggregate, approximately 10.4 per cent. of Abbey Protection's issued share capital. In

total, therefore, Markel has received irrevocable undertakings and letters of intent in respect of 66,993,718 Abbey Protection Shares representing, in aggregate, approximately 67.0 per cent. of Abbey Protection's issued share capital.

Abbey Protection holds 25,738 Abbey Protection Shares in treasury which it is not entitled to vote at the Court Meeting or the Abbey Protection General Meeting. In the event that the Scheme is sanctioned by the Court, it is intended that the Abbey Protection Shares held in treasury will be cancelled prior to the Reduction Court Hearing.

Details of the terms applicable to the irrevocable undertakings and the letters of intent referred to above are set out in Appendix 3 to this announcement.

Offer-related Arrangements

Markel International Limited and Abbey Protection have entered into a confidentiality agreement, dated 30 October 2012, pursuant to which Markel International Limited has undertaken to keep certain information relating: (i) to the Acquisition; and (ii) to the Abbey Protection Group and its business, customers or financial affairs confidential and not to disclose such information to third parties, except (a) to its directors, senior employees and advisers for the purposes of evaluating the Acquisition or (b) if required by applicable laws or regulations. These confidentiality obligations will remain in force until completion of the Acquisition or, if the Acquisition fails to complete, three years from the date of the confidentiality agreement.

Documents on Website

Copies of the following documents will be made available by no later than 12 noon (London time) on the Business Day immediately following the date of this announcement on Abbey Protection's website (www.abbeyprotectionplc.com) and Markel International's website (www.markelinternational.com):

- a copy of this announcement;
- the irrevocable undertakings and the letters of intent listed in Appendix 3; and
- the confidentiality agreement between Abbey Protection and Markel International Limited referred to above.

General

The Acquisition will be subject to the Conditions and certain further terms set out in Appendix 1 and the further terms and conditions to be set out in the Scheme Document when issued.

It is expected that the Scheme Document, which will include notices to convene the Court Meeting and the Abbey Protection General Meeting, and the Forms of Proxy which will accompany it, will be posted to Abbey Protection Shareholders as soon as practicable following this announcement and, in any event, unless the Panel otherwise consents, within 28 days of the date of this announcement.

Your attention is drawn to the further information contained in the Appendices which form part of, and should be read in conjunction with, this announcement.

Appendix 1 to this announcement contains the conditions to and certain further terms of the Scheme and the Acquisition.

Appendix 2 to this announcement sets out the sources of and bases of calculations of certain of the information contained in this announcement.

Appendix 3 to this announcement contains certain details relating to the irrevocable undertakings and letters of intent received by Markel.

Appendix 4 to this announcement contains definitions of certain terms used in this announcement.

Enquiries:

Markel International +44 (0) 20 7953 6000
William Stovin (President & Chief Operating Officer)
Andy Davies (Finance Director)
Michael Henman

Peel Hunt LLP (Financial adviser to Markel) +44 (0) 20 7418 8900
Guy Wiehahn
James Britton
Harry Florry

Abbey Protection +44 (0) 845 217 8293
Tony Shearer (Chairman)
Colin Davison (Chief Executive Officer)
Chris Ward (Group Managing Director)

FTI Consulting
Ed Berry +44 (0) 20 7269 7297
Tom Willetts +44 (0) 20 7269 7175

PricewaterhouseCoopers LLP (Financial adviser to Abbey
Protection) +44 (0) 20 7583 5000
Simon Boadle
Steve Cater
Jon Raggett

Shore Capital and Corporate Ltd (Nominated adviser and
broker to Abbey Protection) +44 (0) 20 7408 4050
Bidhi Bhoma
Toby Gibbs

Further Information

This announcement is not intended to, and does not constitute, or form part of, any offer to sell, purchase, exchange or subscribe for, or an invitation to purchase or subscribe for, any securities or the solicitation of an offer to sell, purchase or exchange any securities or of any vote or approval in any jurisdiction pursuant to the Acquisition or otherwise, nor shall there be any sale, issuance or transfer of securities of Abbey Protection in any jurisdiction in contravention of applicable law. This announcement does not constitute a prospectus or a prospectus equivalent document. The Acquisition will be made solely pursuant to the terms of the Scheme Document and the Forms of Proxy which will accompany it and which will contain the full terms and conditions of the Acquisition, including details of how to vote in respect of the Scheme. Any decision in respect of, or other response to, the Acquisition should be made only on the basis of the information in the Scheme Document and the Forms of Proxy which will accompany it. Scheme Shareholders are advised to read the formal documentation in relation to the Acquisition carefully, once it has been dispatched.

Unless otherwise determined by Markel or required by the Panel and unless permitted by applicable law and regulation, copies of this announcement and any formal documentation relating to the Acquisition are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in or into or from any Restricted Jurisdiction.

Peel Hunt, which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting exclusively for Markel and for no-one else in connection with the Acquisition and will not be responsible to any person other than Markel for providing the protections afforded to clients of Peel Hunt, nor for providing advice in relation to the Acquisition or any other matters referred to herein.

PwC, which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting exclusively for Abbey Protection and for no-one else in connection with the Acquisition and will not be responsible to any person other than Abbey Protection for providing the protections afforded to clients of PwC, nor for providing advice in relation to the Acquisition or any other matters referred to herein.

Shore Capital and Corporate Limited and Shore Capital Stockbrokers Limited (together “Shore Capital”), which are authorised and regulated in the United Kingdom by the Financial Conduct Authority, are acting exclusively for Abbey Protection and for no-one else in connection with the Acquisition and will not be responsible to any person other than Abbey Protection for providing the protections afforded to clients of Shore Capital, nor for providing advice in relation to the Acquisition or any other matters referred to herein.

Overseas Shareholders

The release, publication or distribution of this announcement in jurisdictions other than the United Kingdom may be restricted by law and, therefore, any persons who are subject to the laws of any jurisdiction other than the United Kingdom should inform themselves about, and observe, any applicable requirements. Any failure to comply with any applicable restrictions may constitute a violation of the securities laws of any such jurisdiction. This announcement has been prepared for the purposes of complying with English law and the information disclosed may not be the same as that which would have been disclosed if this announcement had been prepared in accordance with the laws and regulations of any jurisdiction outside of England. In particular, a transaction effected by means of a UK scheme of arrangement is not subject to the tender offer rules or the proxy solicitation rules under the US Exchange Act. Accordingly, the Scheme is subject to the disclosure requirements,

rules and practices applicable in the United Kingdom to schemes of arrangement, which differ from the requirements of the US tender offer rules.

The financial information relating to the Abbey Protection Group referred to in this announcement has been prepared in accordance with International Financial Reporting Standards (as adopted by the European Union) and thus may not be comparable to financial information of US companies or companies whose financial statements are prepared in accordance with generally accepted accounting principles in the United States.

Unless otherwise determined by Markel or required by the Panel and unless permitted by applicable law and regulation, the Acquisition will not be made directly or indirectly, in or into, or by the use of mails or any means or instrumentality (including, but not limited to, facsimile, e-mail or other electronic transmission, telex or telephone) of interstate or foreign commerce of, or of any facility of a national, state or other securities exchange of any Restricted Jurisdiction. If the Acquisition is implemented by way of a Takeover Offer (unless otherwise determined by Markel and permitted by applicable law and regulation), the Takeover Offer may not be capable of acceptance by any such use, means, instrumentality or facilities. Unless otherwise determined by Markel or required by the Panel and unless permitted by applicable law and regulation, copies of this announcement and any formal documentation relating to the Acquisition are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in or into or from any Restricted Jurisdiction and persons receiving this announcement and all documents (including custodians, nominees and trustees) relating to the Acquisition should observe these restrictions and should not mail or otherwise forward, distribute or send this announcement or documents relating to the Acquisition in or into or from any Restricted Jurisdiction.

Forward-looking statements

This announcement, oral statements made by or on behalf of Markel and/or Abbey Protection regarding the Acquisition and other information published by or on behalf of Markel and/or Abbey Protection or their respective affiliates may contain certain statements that are or may be forward-looking. These statements are based on the assumptions and assessments made by Abbey Protection and/or Markel in light of their experience and their perceptions of historical trends, current conditions, future developments and other factors they believe appropriate and are naturally subject to uncertainty and changes in circumstances. The forward-looking statements contained herein may include statements about the expected effects of the Acquisition, the expected timing and scope of the Acquisition, anticipated earnings enhancements, estimated cost savings and other synergies, costs to be incurred in achieving synergies, potential disposals and other strategic options and all other statements in this announcement other than historical facts. Forward-looking statements include, without limitation, statements that typically contain words such as: “will”, “may”, “should”, “could”, “continue”, “believes”, “expects”, “intends”, “estimates”, “anticipates”, “aims”, “targets”, “plans” and “forecasts” or words of similar import. By their nature, forward-looking statements involve risks, changes in circumstances and uncertainties that could cause actual results to differ materially from those expressed in the forward-looking statements. Many of these risks and uncertainties relate to factors that are beyond the ability of the person making the statement to control or estimate precisely. There are several factors which could cause actual results to differ materially from those expressed or implied in forward-looking statements. Among such factors are changes in the global, political, economic, business, competitive, market and regulatory forces, future

exchange and interest rates, changes in tax rates and future business combinations or dispositions. Other unknown or unpredictable factors could cause actual results to differ materially from those in the forward-looking statements. Other unknown or unpredictable factors could also cause actual results to differ materially from those in the forward looking statements. Therefore Abbey Protection Shareholders, investors and other persons should not place undue reliance on such statements because, by their very nature, they are subject to known and unknown risks and uncertainties and can be affected by other factors that could cause actual results, and management's plans and objectives, to differ materially from those expressed or implied in the forward-looking statements.

The inclusion of forward-looking statements in this announcement should not be regarded as a representation by the Markel Group or the Abbey Protection Group that the Markel Group's or the Abbey Protection Group's objectives will be achieved.

Markel and Abbey Protection and their respective affiliates assume no obligation and do not intend to revise or update any forward-looking statements contained in this announcement, whether as a result of new information, future events or otherwise, except as required by law or regulation (including the AIM Rules and the Disclosure Rules).

Responsibility and Consents

The Markel Directors (all of whose names will be set out in the Scheme Document) accept responsibility for the information contained in this announcement relating to Markel, the Markel Group and themselves and their immediate families, related trusts and Connected Persons. To the best of the knowledge and belief of Markel Directors (who have taken all reasonable care to ensure that such is the case), such information for which they are responsible is in accordance with the facts and does not omit anything likely to affect the import of such information.

The Abbey Protection Directors (all of whose names will be set out in the Scheme Document) accept responsibility for the information contained in this announcement relating to Abbey Protection, the Abbey Protection Group and themselves and their immediate families, related trusts and Connected Persons. To the best of the knowledge and belief of the Abbey Protection Directors (who have taken all reasonable care to ensure that such is the case), such information for which they are responsible is in accordance with the facts and does not omit anything likely to affect the import of such information.

Peel Hunt has consented to the issue of this Announcement with the references to its name in the form and context in which it appears.

PwC has consented to the issue of this Announcement with the references to its name in the form and context in which it appears.

Dealing disclosure requirements of the City Code

Under Rule 8.3(a) of the City Code, any person who is interested in 1% or more of any class of relevant securities of an offeree company or of any securities exchange offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the offer

period and, if later, following the announcement in which any securities exchange offeror is first identified. An Opening Position Disclosure must contain details of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) applies must be made by no later than 3.30 pm (London time) on the 10th business day following the commencement of the offer period and, if appropriate, by no later than 3.30 pm (London time) on the 10th business day following the announcement in which any securities exchange offeror is first identified. Relevant persons who deal in the relevant securities of the offeree company or of a securities exchange offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.

Under Rule 8.3(b) of the City Code, any person who is, or becomes, interested in 1% or more of any class of relevant securities of the offeree company or of any securities exchange offeror must make a Dealing Disclosure if the person deals in any relevant securities of the offeree company or of any securities exchange offeror. A Dealing Disclosure must contain details of the dealing concerned and of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror, save to the extent that these details have previously been disclosed under Rule 8. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3.30 pm (London time) on the business day following the date of the relevant dealing.

If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant securities of an offeree company or a securities exchange offeror, they will be deemed to be a single person for the purpose of Rule 8.3.

Opening Position Disclosures must also be made by the offeree company and by any offeror and Dealing Disclosures must also be made by the offeree company, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4).

Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the Takeover Panel's website at www.thetakeoverpanel.org.uk, including details of the number of relevant securities in issue, when the offer period commenced and when any offeror was first identified. You should contact the Panel's Market Surveillance Unit on +44 (0)20 7638 0129 if you are in any doubt as to whether you are required to make an Opening Position Disclosure or a Dealing Disclosure.

Rule 2.10 Disclosure

In accordance with Rule 2.10 of the City Code, Abbey Protection confirms that at the date of this Announcement, there are 99,994,773 Abbey Protection Shares in issue and admitted to trading on AIM. The ISIN of the Abbey Protection Shares is GB00B293ZK84. A total of 25,738 Abbey Protection Shares are held in treasury at the date of this Announcement. Excluding Abbey Protection Shares held in treasury, there are 99,969,035 Abbey Protection Shares in issue.

Publication on website

A copy of this announcement will be available free of charge on Abbey Protection's website at www.abbeyprotectionplc.com and on Markel International's website at www.markelinternational.com by no later than 12 noon (London time) on the Business Day immediately following the date of this announcement. For the avoidance of doubt, neither the content of the websites referred to above (nor any other website) nor the contents of any website accessible from hyperlinks on any such website is incorporated into or forms part of this announcement.

Neither Markel nor Abbey Protection (nor any of their respective directors, officers, employees, agents or advisers), make any representation or warranty (express or implied), or give any guarantee in this announcement as to the accuracy or completeness of the information on the websites referred to above (nor any other website) nor the contents of any website accessible from hyperlinks on any such website, nor shall they be liable for any loss or damage of any kind, direct or indirect, that you may suffer as a result of using these websites or acting in reliance on the information on such websites. Persons who access such websites shall do so subject to the terms (if any) stated on those websites.

You may request a hard copy of this announcement (and any information incorporated by reference in it) by contacting Jon Raggett of PwC at jonathan.raggett@uk.pwc.com or by submitting a request in writing to Jon Raggett at PwC, 7 More London Riverside, London, SE1 2RT or Harry Florry of Peel Hunt at harry.florry@peelhunt.com or by submitting a request in writing to Harry Florry at Peel Hunt, Moor House, 120 London Wall, London, EC2Y 5ET. Unless such a request is made, and save as otherwise required by Rule 2.12 of the City Code, a hard copy of this announcement (and any information incorporated by reference in it) will not be sent to any person.

APPENDIX 1

CONDITIONS TO AND CERTAIN FURTHER TERMS OF THE SCHEME AND THE ACQUISITION

The Acquisition will comply with the applicable rules and regulations of the City Code, the Panel, the FCA and the London Stock Exchange and will be governed by English law and will be subject to the jurisdiction of the courts of England and Wales. In addition, it will be subject to the terms and conditions set out in this Appendix I and to be set out in the Scheme Document.

CONDITIONS OF THE ACQUISITION

The Acquisition will be subject to the following Conditions:

1 The Scheme

1.1 The Acquisition is conditional upon the Scheme, subject to the City Code, becoming unconditional and becoming Effective by no later than the Long Stop Date or such later date (if any) as Markel and Abbey Protection may, with the consent of the Panel, agree and (if required) the Court may approve.

1.2 The Scheme is subject to the following Conditions:

(a) the approval of the Scheme by a majority in number representing not less than 75 per cent. in value of the Scheme Shareholders (or, if applicable, the relevant class or classes thereof) present and voting, either in person or by proxy, at the Court Meeting and at any separate class meeting which may be required by the Court (or at any adjournment of any such meeting);

(b) all resolutions required to approve and implement the Scheme as set out in the notice of the Abbey Protection General Meeting in the Scheme Document (when issued) being duly passed by the requisite majorities at the Abbey Protection General Meeting (or at any adjournment thereof); and

(c) the sanction of the Scheme and the confirmation of the Capital Reduction by the Court, in each case, with or without modification (but subject to any such modification being acceptable to Markel and Abbey Protection) and:

(i) the delivery of a copy of each of the Court Orders and of the Statement of Capital to the Registrar of Companies; and

(ii) if the Court so orders for it to become Effective, the registration of the Reduction Court Order and the Statement of Capital by the Registrar of Companies.

1.3 In addition, Abbey Protection and Markel have agreed that the Scheme is conditional on the following matters and, accordingly, the necessary actions to make the Acquisition and the Scheme Effective will not be taken unless the following Conditions (as amended, if appropriate) have been satisfied or waived:

1.3.1 Regulatory issues

Without limitation to the Conditions set out in paragraph 1.3.2:

(a) the FCA having notified in writing, any required approval in accordance with Part XII of FSMA to the proposed acquisition of control over each UK authorised person in the Wider Abbey

Protection Group by Markel in the manner contemplated by the Acquisition, such consent being either: (a) unconditional in all respects (save as to the period within which the change of control must occur; or (b) subject to conditions (other than as to timing) in terms reasonably satisfactory to Markel; or

(b) the period of 60 Working Days (as defined in section 191G of FSMA, excluding any interruption period imposed by the FCA in accordance with section 190 of FSMA) having elapsed from the date of acknowledgment of receipt of a complete application by the FCA for the proposed acquisition of each UK authorised person in the Wider Abbey Protection Group by Markel without the FCA having objected to the proposed acquisition of any UK authorised person in the Wider Abbey Protection Group,

and for the purposes of paragraphs (a) and (b) of this Condition 1.3.1, “control” shall have the meaning given to it in Part XII of FSMA and “controller” shall have the meaning given to it in section 422 of FSMA;

(c) the Guernsey Financial Services Commission (“GFSC”) having provided notice in writing under section 25(1)(c) of The Insurance Business (Bailiwick of Guernsey) Law, 2002, as amended, that there is no objection to any person becoming a controller of IbeX Reinsurance Company Limited (or the Guernsey Financial Services Commission’s written notification that there is no such objection being deemed to have been given under section 25(1) of The Insurance Business (Bailiwick of Guernsey) Law, 2002, as amended) as a result of the Acquisition or its implementation; and

(d) the Solicitors Regulation Authority having notified Markel in writing in terms reasonably satisfactory to Markel that it does not object to Markel or any other person acquiring control of Lewis Hymanson Small LLP in accordance with Schedule 13 of Legal Services Act 2013;

1.3.2 Third Party intervention

No Third Party having, without the consent or agreement of Markel, intervened in any way and there not continuing to be outstanding, any such action, proceeding, suit, investigation, enquiry or reference, and no Third Party having given notice of an intervention having enacted, made or proposed any statute, regulation, decision or order or taken any measures or other steps or required any action to be taken or information to be provided or otherwise having done anything and there not continuing to be outstanding any statute, regulation, decision or order in each case which would or might be expected to:

(a) make the Acquisition, its implementation or the acquisition or proposed acquisition by Markel or any member of the Wider Markel Group of any Abbey Protection Shares or other securities in, or control or management of, Abbey Protection or any member of the Wider Abbey Protection Group void, voidable, unenforceable and/or illegal under the laws of any relevant jurisdiction or otherwise, directly or indirectly, prevent, restrain, restrict, prohibit, impede, challenge or delay the same or impose additional material conditions or obligations with respect to the Acquisition or such acquisition, or otherwise challenge, impede or interfere with the Acquisition or such acquisition or require amendment to the terms of the Acquisition or such acquisition;

(b) require, prevent or materially delay a divestiture by Markel or any member of the Wider Markel Group of any of the shares or other securities in Abbey Protection or any member of the Wider Abbey Protection Group;

(c) require, prevent, materially delay or restrict a divestiture or alter the terms envisaged for any proposed divestiture by any member of the Wider Markel Group or by any member of the Wider Abbey Protection Group, in any such case, of all or any part of their respective businesses, assets or properties or impose any material limitation on the ability of any of them to conduct their businesses (or any part thereof) or to own, control or manage, use or operate all or any part of their respective businesses, assets or properties owned by, or the use or operation of which is enjoyed by any of them;

(d) result in any member of the Wider Markel Group or any member of the Wider Abbey Protection Group ceasing to be able to carry on business, or being restricted in its carrying on of business, under any name and in any manner which it currently does so;

(e) impose any material limitation on, or result in a material delay in, the ability of any member of the Wider Markel Group, directly or indirectly, to acquire or to hold or to exercise effectively all or any rights of ownership in respect of shares or other securities (or the equivalent) in Abbey Protection or in any member of the Wider Abbey Protection Group or, directly or indirectly, to hold or exercise effectively management control or voting control over Abbey Protection or any member of the Wider Abbey Protection Group;

(f) except pursuant to the Acquisition and the Scheme or Part 28 of the Companies Act, require any member of the Wider Markel Group or of the Wider Abbey Protection Group to acquire, or offer to acquire, any shares or other securities (or the equivalent) or interest in any member of the Wider Abbey Protection Group or any asset, in each case, owned by any third party;

(g) limit the ability of any member of the Wider Abbey Protection Group or the Wider Markel Group to conduct, integrate or co-ordinate all or any part of its business with all or any part of the businesses of any other member of the Wider Markel Group or the Wider Abbey Protection Group;

(h) require undertakings or assurances to be given by the Wider Markel Group, except on terms reasonably satisfactory to Markel; or

(i) otherwise adversely affect any or all of the business, assets, value, profits, financial or trading or regulatory position or prospects or operational performance of any member of the Wider Markel Group or the Wider Abbey Protection Group,

to an extent which is, in any such case, material in the context of the Acquisition or the Wider Markel Group or the Wider Abbey Protection Group, taken as a whole,

and all applicable waiting and other time periods (including any extension of such periods) during which any Third Party could decide to, or actually, take, institute, implement or threaten any such action, proceeding, suit, investigation, enquiry or reference or to take any other step under the laws of any jurisdiction in respect of the Acquisition or the acquisition or proposed acquisition of any Abbey Protection Shares or otherwise intervene having expired, lapsed or been terminated.

1.3.3 Filings and authorisations

(a) All notifications, filings and applications which are necessary or are reasonably considered necessary or appropriate by Markel, including such notifications, filings and applications as may be required to be submitted to any Third Parties, having been submitted and all applicable waiting and other time periods (including any extensions of such waiting or other time periods) under any applicable legislation or regulations of any relevant jurisdiction having expired, lapsed or been terminated (as appropriate);

(b) all authorisations and statutory and regulatory obligations which are necessary or are reasonably considered necessary or appropriate by Markel in any relevant jurisdiction for or in respect of the Acquisition or its implementation or the acquisition or the proposed acquisition of any shares or other securities (or the equivalent) in, or under the control of, Abbey Protection or any member of the Wider Abbey Protection Group by any member of the Wider Markel Group or the carrying on by any member of the Wider Abbey Protection Group of its business having been obtained or complied with (as appropriate) on terms and in a form reasonably satisfactory to Markel from all Third Parties or from any persons or bodies with whom any member of the Wider Abbey Protection Group has entered into contractual arrangements and all such authorisations remaining in full force and effect and there being no notice or intimation of an intention having been received by any member of the Wider Markel Group or Abbey Protection or any other member of the Wider Abbey Protection Group to revoke, withdraw, withhold, suspend, restrict, modify, amend or not to renew such authorisations; and

(c) there being no temporary restraining order, preliminary or permanent injunction, preliminary or permanent enjoinder, or other order threatened or issued and being in effect by a court or other Third Party which has the effect of making the Acquisition or any acquisition or proposed acquisition of any shares or other securities in, or control or management of, any member of the Wider Abbey Protection Group by any member of the Wider Markel Group or the implementation of either of them, void, voidable, illegal and/or enforceable under the laws of any relevant jurisdiction or otherwise directly or indirectly prohibiting, preventing, restraining, restricting, delaying or otherwise interfering with the consummation or the approval of the Acquisition or any matter arising from the proposed acquisition of any shares or other securities in, or control or management of, any member of the Wider Abbey Protection Group by any member of the Wider Markel Group.

1.3.4 Consequences of the Acquisition

Except as Publicly Announced or Disclosed, there being no provision of any authorisation, arrangement, agreement, licence, permit, lease, franchise or other instrument to which any member of the Wider Abbey Protection Group is a party or by or to which any such member or any of its respective assets is or may be bound, entitled or be subject or any event or circumstance which, in each case, as a consequence of the Acquisition or the acquisition or the proposed acquisition by any member of the Wider Markel Group of any shares or other securities (or the equivalent) in, or a change in the control or management of, Abbey Protection or any other member of the Wider Abbey Protection Group or otherwise, would or might reasonably be expected to result in:

(a) any monies borrowed by, or any other indebtedness, actual or contingent of, or any grant available to, any member of the Wider Abbey Protection Group being or becoming repayable, or capable of being declared repayable, immediately or earlier than the stated maturity or repayment

date, or the ability of any such member to borrow monies or incur any indebtedness being or becoming capable of being withdrawn or inhibited;

(b) the rights, liabilities, obligations, interests or business of any member of the Wider Abbey Protection Group under any such arrangement, agreement, licence, permit, lease, franchise or instrument or the rights, interests or business of any member of the Wider Abbey Protection Group in or with any other firm or company or body or person (or any agreement or arrangements relating to any such rights, business or interests) being or becoming capable of being terminated or adversely modified or adversely affected or any onerous obligation or liability arising or any material adverse action being taken or arising thereunder;

(c) any member of the Wider Abbey Protection Group ceasing to be able to carry on business under any name or in any manner under which it presently does so;

(d) any asset, property or interest of, or any asset the use of which is enjoyed by, any member of the Wider Abbey Protection Group being disposed of by or ceasing to be available to any member of the Wider Abbey Protection Group or the Wider Markel Group or any right arising under which any such asset or interest could be required to be disposed of by or charged or could cease to be available to any member of the Wider Abbey Protection Group other than in the ordinary course of business;

(e) the creation or enforcement of any mortgage, charge or other security interest over the whole or any part of the business, property or assets of any member of the Wider Abbey Protection Group or any such mortgage, charge or other security interest (whether existing or having arisen) becoming enforceable;

(f) the financial or trading or regulatory position or prospects or the value of any member of the Wider Abbey Protection Group being materially prejudiced or materially adversely affected;

(g) the creation, acceleration or assumption of any liabilities (actual, contingent or prospective) by any member of the Wider Abbey Protection Group other than in the ordinary course of business in a manner which is material in the context of the Wider Abbey Protection Group, taken as a whole;

(h) any member of the Wider Abbey Protection Group being required to repay or repurchase any shares in and/or indebtedness of any member of the Wider Abbey Protection Group owned by any third party;

(i) the business, assets, value, financial or trading position, profits, prospects or operational performance or regulatory position of any member of the Wider Abbey Protection Group being materially prejudiced or materially adversely affected;

(j) any liability of any member of the Wider Abbey Protection Group to make any severance, termination, bonus or other payment to any of its directors or other officers; and

(k) and no event having occurred which, under any provision of any such authorisation, arrangement, agreement, licence, permit, lease, franchise or other instrument could result in any of the events or circumstances which are referred to in paragraphs 1.3.4(a) to (j) (inclusive).

1.3.5 No corporate action taken since the Accounting Date

Since the Accounting Date (except as Publicly Announced or Disclosed), no member of the Wider Abbey Protection Group having:

(a) issued or agreed to issue, or authorised or proposed the issue of, additional shares of any class, or securities convertible into, or exchangeable for, or rights, warrants or options to subscribe for or acquire, any such shares or convertible securities or transferred or sold any such shares out of treasury (other than as between Abbey Protection and wholly-owned subsidiaries of Abbey Protection or between the wholly-owned subsidiaries of Abbey Protection and other than on the exercise of rights to subscribe for Abbey Protection Shares or pursuant to any options and/or awards granted and the issue of Abbey Protection Shares on the exercise of options and/or awards granted, under any of the Abbey Protection Share Incentive Schemes before 9 October 2013 or any shares issued thereafter pursuant to any such options and/or awards);

(b) recommended, declared, paid or made or proposed to recommend, declare, pay or make any dividend, bonus issue or other distribution whether payable in cash or otherwise (other than to Abbey Protection or one of its wholly-owned subsidiaries or the Interim Dividend);

(c) (save for transactions between members of the Wider Abbey Protection Group) merged with or demerged from or acquired, disposed of, transferred, mortgaged, charged or granted any security interest over, any body corporate, partnership or business or, other than in the ordinary course of business, acquired or disposed of, or transferred, mortgaged or charged or created any security interest over, any asset or any right, title or interest in any asset (including shares and trade investments) or authorised, proposed or announced any intention to do so;

(d) (save for transactions between members of the Wider Abbey Protection Group or transactions carried out by members of the Abbey Protection Group in the ordinary course of business) issued, authorised or proposed the issue of or made any change in or to any debentures or incurred or increased any indebtedness or become subject to any liability (actual or contingent);

(e) (save for transactions between members of the Wider Abbey Protection Group) made or authorised or proposed or announced an intention to propose any change in loan capital;

(f) entered into or varied or authorised or announced or proposed its intention to enter into or vary any contract, transaction, arrangement, reconstruction, amalgamation or commitment (whether in respect of capital expenditure or otherwise) which is of a loss making, long term, unusual or onerous nature or magnitude, or which involves or could involve an obligation of such a nature or magnitude or which is other than in the ordinary course of business or which is or could materially restrict the business or activities of any member of the Wider Abbey Protection Group;

(g) entered into any licence or other disposal of intellectual property rights of any member of the Wider Abbey Protection Group which are material in the context of the Wider Abbey Protection Group taken as a whole and outside the normal course of business;

(h) save as agreed by Markel, entered into or varied (other than in respect of increases in remuneration required under the terms of the relevant agreement which have been Disclosed) or made

any agreement (which remains open for acceptance) to enter into or change the terms of any contract, service agreement or arrangement with any director or senior executive (being an employee with a basic salary of £100,000 or more) of Abbey Protection or of any other member of the Wider Abbey Protection Group;

(i) entered into, implemented, effected or authorised, proposed or announced its intention to enter into, implement, effect, authorise or propose any reconstruction, amalgamation, commitment (whether in respect of capital expenditure or otherwise), scheme or other transaction or arrangement in respect of itself or another member of the Wider Abbey Protection Group (other than the Scheme);

(j) (save for transactions between members of the Wider Abbey Protection Group) entered into, implemented or effected, authorised, proposed or announced its intention to implement or effect any joint venture, asset or profit sharing arrangement, partnership, composition, assignment, reconstruction, amalgamation, commitment, scheme or other transaction or arrangement (other than the Acquisition) otherwise than in the ordinary course of business;

(k) (save for transactions between members of the Wider Abbey Protection Group) purchased, redeemed or repaid or proposed the purchase, redemption or repayment of any of its own shares or other securities (or the equivalent) or reduced or made any other change (not referred to in or excluded by paragraph 1.3.5(a) above) to any part of its share capital;

(l) waived or compromised or settled any material claim other than in the ordinary course of business;

(m) made any material alteration to its memorandum or articles of association or other constitutional documents;

(n) taken or proposed any steps or corporate action or had any legal proceedings instituted or threatened against it or petition presented or order made in any such case in relation to the suspension of payments, a moratorium of indebtedness, for its winding up (voluntary or otherwise), dissolution, reorganisation or for the appointment of any administrator, receiver, manager administrative receiver, trustee or similar officer or other encumbrancer of all or any of its assets or revenues or any analogous proceedings in any jurisdiction or appointed any analogous person in any jurisdiction or had any such person appointed;

(o) been unable, or having admitted in writing that it is unable, to pay its debts or having commenced negotiations with one or more of its creditors with a view to rescheduling or restructuring any of its indebtedness or having stopped or suspended (or threatened to stop or suspend) payment of its debts generally or ceased or threatened to cease carrying on all or a substantial part of its business;

(p) made or agreed or consented to:

(i) any material change to:

(A) the terms of the trust deeds rules, policy or other governing documents constituting the pension scheme(s) or other retirement or death benefit arrangement established by any member of the Wider Abbey Protection Group for its directors, former directors, employees, former employees and/or their dependants (a Relevant Pension Plan);

(B) the contributions payable to any Relevant Pension Plan or the benefits which accrue, or to the pensions which are payable under any Relevant Pension Plan;

(C) the basis on which qualification for, or accrual or entitlement to any Relevant Pension Plan, (and benefits thereunder) are calculated or determined;

(D) the basis upon which the liabilities (including pensions) of any Relevant Pension Plan are funded, valued or made; or

(E) the manner in which the assets of any Relevant Pension Plan are invested;

(ii) any material change to the trustees or other fiduciary including the appointment of a trust corporation but excluding any appointment of a member nominated trustee in accordance with existing nomination arrangements or one company appointment to fill a trustee vacancy;

(iii) any material change to the employer contributions payable under any Relevant Pension Plan;

(iv) the establishment of any new pension scheme or other arrangement for the provision of retirement benefits for its directors, former directors, employees, former employees and/or their dependants outside any Relevant Pension Plan;

(q) entered into or proposed to enter into one or more bulk annuity contracts in relation to any Relevant Pension Plan;

(r) carried out any act (i) which would or could reasonably be expected to lead to the commencement of the winding up of any Relevant Pension Plan; (ii) which would or might create a material debt owed by an employer to any Relevant Pension Plan; (iii) which would or might accelerate any obligation on any employer to fund or pay additional contributions to any Relevant Pension Plan; or (iv) which would or might give rise directly or indirectly to a liability in respect of any Relevant Pension Plan arising out of the operation of sections 38 to 56 inclusive of the Pensions Act 2004 in relation to the scheme;

(s) terminated or made any material variation to the terms of any agreement or arrangement between any member of the Wider Abbey Protection Group and any other person which is material to that member of the wider Abbey Protection Group;

(t) save with the agreement of Markel, or changes made by legislation, proposed, agreed to provide or modified the terms of any share option scheme or incentive scheme or other benefit relating to the employment or termination of employment of any person employed by the Wider Abbey Protection Group;

(u) save for transactions between members of the Wider Abbey Protection Group, granted any material lease in respect of any of the property owned by or occupied by it or transferred or otherwise disposed of any such property;

(v) entered into any contract, commitment, agreement or arrangement or passed any resolution or made any offer (which remains open for acceptance) with respect to, or authorised or announced any intention to implement or effect or propose, any of the transactions, matters or events referred to in this paragraph 1.3.5; or

(w) having taken (or agreed or proposed to take) any action which requires, or would require, the consent of the Panel or the approval of the shareholders of Abbey Protection in general meeting in accordance with, or as contemplated by, Rule 21.1 of the City Code.

1.3.6 Other events since the Accounting Date

Since the Accounting Date (except as Publicly Announced or Disclosed):

(a) there having been no material adverse change or material deterioration and no event, matter or circumstances having arisen which would be expected to result in any material adverse change or material deterioration in the business, assets, value, financial, trading or regulatory position or profits or prospects or operational performance or legal or regulatory position of the Wider Abbey Protection Group, taken as a whole;

(b) no litigation, arbitration proceedings, prosecution or other legal proceedings or investigation to which any member of the Wider Abbey Protection Group is or may become a party (whether as plaintiff or claimant or defendant or otherwise) having been threatened, announced or instituted by or against or remaining outstanding against or in respect of any member of the Wider Abbey Protection Group which, were the outcome to be unfavourable, would have a material adverse effect on the Wider Abbey Protection Group, taken as a whole;

(c) no enquiry, review or investigation or enforcement proceedings by, or complaint or reference to, any Third Party having been threatened, announced, implemented or instituted or remaining outstanding, by, against or in respect of any member of the Wider Abbey Protection Group in respect of which, were the outcome to be unfavourable, would have a material adverse effect on the Wider Abbey Protection Group, taken as a whole;

(d) no actual, contingent or other liability having arisen, increased, been incurred or become apparent to Markel which would be likely materially and adversely to affect the business, assets, financial, trading or regulatory position or profits or prospects of the Wider Abbey Protection Group, taken as a whole;

(e) no material increase to an existing claim or no material claim being made, and no circumstance having arisen which is likely to lead to a material claim being made, under the insurances of any member of the Wider Abbey Protection Group; or

(f) no steps having been taken, and no omissions having been made, which may result in the withdrawal, cancellation, termination or modification of any material licence, permission or authorisation held by any member of the Wider Abbey Protection Group which is necessary for the proper carrying on of its business and which would, in the event of such withdrawal, cancellation, termination or modification, otherwise have a material adverse effect on the Wider Abbey Protection Group, taken as a whole.

1.3.7 Information issues

Except as Publicly Announced or Disclosed, Markel not having discovered:

(a) that any financial, business or other information concerning the Wider Abbey Protection Group Publicly Announced or Disclosed is misleading in any material respect, contains a material misrepresentation of fact or omits to state a fact necessary to make that information not misleading and which was not corrected before 9 October 2013 by being Publicly Announced or Disclosed;

(b) that any member of the Wider Abbey Protection Group or any partnership, company or other entity in which any member of the Wider Abbey Protection Group has a significant economic interest but which is not a subsidiary undertaking of any member of the Wider Abbey Protection Group is subject to any liability, (whether actual, contingent or prospective) which has not been Publicly Announced; or

(c) any information which adversely affects the import of any information Disclosed at any time.

1.3.8 Environmental issues

Save as Publicly Announced or Disclosed, Markel not having discovered that:

(a) any past or present member of the Wider Abbey Protection Group has not complied with any applicable legislation or regulations, notices or other requirements of any jurisdiction or Third Party with regard to environmental matters or the health and safety of any person, or that there has otherwise been any breach of environmental or health and safety law or that there is any environmental condition which, in any case, would be likely to give rise to any liability (whether actual or contingent) or cost on the part of any member of the Wider Abbey Protection Group which in any case is material in the context of the Wider Abbey Protection Group as a whole; or

(b) there is, or is likely to be, any liability, whether actual or contingent, to make good, repair, reinstate or clean up any property now or previously owned, occupied or made use of by any past or present member of the Wider Abbey Protection Group or any controlled waters under any environmental law or which has or could result in the closure of any property required by any member of the Wider Abbey Protection Group which in any case is material in the context of the Wider Abbey Protection Group as a whole.

1.3.9 Intellectual Property

No circumstance having arisen or event having occurred in relation to any intellectual property owned or used by any member of the Wider Abbey Protection Group including:

(a) any member of the Wider Abbey Protection Group losing its title to any intellectual property material to its business, or any intellectual property owned by the Wider Abbey Protection Group and material to its business being revoked, cancelled or declared invalid;

(b) any claim being asserted or threatened by any person challenging the ownership of any member of the Wider Abbey Protection Group to, or the validity or effectiveness of, any of its intellectual property; or

(c) any agreement regarding the use of any intellectual property licensed to or by any member of the Wider Abbey Protection Group being terminated or varied.

A. DEFINITIONS

For the purposes of these Conditions:

(a) **“Third Party”** means any central bank, government, government department or governmental, quasi-governmental, supranational, statutory, regulatory administrative, fiscal, or investigative body, authority (including any national anti-trust or merger control authority), court, trade agency, association, institution or professional or environmental body, employee representative body or any other person or body whatsoever in any relevant jurisdiction (including the London Stock Exchange, FCA, PRA, the Panel and HM Revenue & Customs);

(b) a Third Party shall be regarded as having **“intervened”** if it has taken, instituted, implemented or threatened any action, proceeding, suit, investigation or enquiry or reference, or made, enacted or proposed any statute, regulation, decision or order, and **“intervene”** shall be construed accordingly;

(c) **“Accounting Date”** means 31 December 2012;

(d) **“authorisations”** means authorisations, orders, grants, recognitions, determinations, certifications, confirmations, consents, licences, clearances, exemptions, valuations, reports, permissions and approvals;

(e) **“Disclosed”** means fairly disclosed in writing to Markel or its advisers by or on behalf of Abbey Protection in connection with the Acquisition prior to 9 October 2013;

(f) **“FSMA** means the Financial Services and Markets Act 2000;

(g) **“Publicly Announced”** means disclosed in (i) the annual reports and accounts for Abbey Protection for the financial year ended 31 December 2012; or (ii) the unaudited interim report of Abbey Protection for the six months ended 30 June 2013; or (iii) in any announcement made by or on behalf of Abbey Protection to a Regulatory Information Service prior to 9 October 2013;

(h) **“Wider Markel Group”** means Markel Corporation and its subsidiary undertakings and associated undertakings and any other undertaking or partnership, company or joint venture in which Markel Corporation and/or such subsidiary or associated undertakings (aggregating their interests) have a substantial interest;

(i) **“Wider Abbey Protection Group”** means Abbey Protection and its subsidiary undertakings and associated undertakings and any other undertaking, partnership, company or joint

venture in which Abbey Protection and/or such subsidiary or associated undertakings (aggregating their interest“) have a substantial interest; and

(j) “**subsidiary**”, “**subsidiary undertaking**”, “**associated undertaking**” and “**undertaking**” have the meanings given to them by the Companies Act 2006 (but for this purpose ignoring paragraph 19(1)(b) of The Large and Medium-Sized Companies and Groups (Accounts and Reports) Regulations 2008) and “**substantial interest**” means a direct or indirect interest in 20 per cent. or more of the equity share capital (as defined in the Companies Act 2006) of any undertaking.

B. RIGHT TO WAIVE CONDITIONS

Subject to the requirements of the Panel, Markel reserves the right in its sole discretion (but shall be under no obligation) to waive all or any of the above Conditions, in whole or in part, except the conditions set out in paragraphs 1.1 and 1.2 and 1.3.1(a) to (d)(inclusive).

Markel shall be under no obligation to waive (if capable of waiver) to determine, to be or remain satisfied or to treat as satisfied any of the Conditions in paragraphs 1.3.2 to 1.3.9 (inclusive) by a date earlier than the date specified in paragraph 1.1 for the satisfaction thereof, notwithstanding that the other Conditions of the Acquisition may at an earlier date be waived or fulfilled and that there are, at such earlier date, no circumstances indicating that any such conditions may not be capable of fulfillment.

C. ALTERATIONS TO CONDITIONS

If Markel is required by the Panel to make an offer for Abbey Protection Shares under the provisions of Rule 9 of the City Code, Markel and Abbey Protection may make such alterations to the above conditions, including the Conditions set out in paragraphs 1.1 and 1.2, as are necessary to comply with the provisions of that Rule.

D. COMPETITION COMMISSION REFERRAL

The Acquisition will lapse if it (or any part of it) is referred to the Competition Commission before the Court Meeting and the General Meeting. In such event, neither Abbey Protection nor Abbey Protection Shareholders will be bound by any terms of the Scheme.

E. ACQUISITION LAPSING

All of the Conditions set out in paragraphs 1.3.1 to 1.3.9 of this Appendix 1 must be fulfilled, be determined by Markel to be or remain satisfied or (if capable of waiver) be waived by the Scheme Record Time, failing which the Acquisition will, if Markel so determines, lapse.

F. SEPARATE CONDITIONS

Each of the above Conditions shall be regarded as a separate condition and shall not be limited by reference to any other condition.

G. ABBEY PROTECTION SHARES

(a) The New Abbey Protection Shares to be issued to Markel in connection with the Scheme will be allotted and issued fully paid and free from all liens, charges, equitable interests, encumbrances, rights of pre-emption and other third party rights or interests of any nature whatsoever and together with all rights attaching or accruing to such Abbey Protection Shares, including (without limitation) voting rights and the right to receive all dividends and other distributions (if any) announced, declared, paid or made after 9 October 2013 (other than the Interim Dividend).

(b) If prior to the Effective Date, any dividend or other distribution is declared or paid by Abbey Protection (save for (i) any dividend declared before the Effective Date by any wholly-owned subsidiary of Abbey Protection to Abbey Protection or any of Abbey Protection's wholly-owned subsidiaries and (ii) the Interim Dividend (if applicable)), Markel reserves the right (without prejudice to any right of Markel, with the consent of the Panel, to invoke Condition 1.3.5(b) above) to reduce, with the consent of the Panel, the consideration payable under the Acquisition in respect of an Abbey Protection Share by the aggregate amount of such dividend or distribution (excluding any associated tax credit).

If any such dividend or distribution is paid or made before the Effective Date and if Markel exercises its rights described in this paragraph G, any reference in this announcement to the consideration payable under the Scheme shall be deemed to be a reference to the consideration as so reduced.

To the extent that such a dividend or distribution has been declared but not paid prior to the Effective Date and such dividend or distribution is cancelled, then the Acquisition Price shall not be subject to change in accordance with this paragraph G.

Any exercise by Markel of its rights referred to in this paragraph G shall be the subject of an announcement and, for the avoidance of doubt, shall not be regarded as constituting any revision or variation of the Scheme.

H. SWITCHING TO AN OFFER

(a) Markel reserves the right to elect (subject to the consent of the Panel) to implement the acquisition of the Abbey Protection Shares by way of a Takeover Offer in accordance with the City Code (as an alternative to the Scheme) as it may determine in its absolute discretion. In such event, the acquisition will be implemented by Markel and/or a wholly-owned subsidiary of Markel on substantially the same terms as those which would apply to the Scheme subject to appropriate amendments, including (without limitation) an acceptance condition set at 90 per cent. (or such lesser percentage (being more than 50 per cent.) as Markel may decide or the Panel may require) of the Abbey Protection Shares to which such offer would relate.

(b) In the event that the Acquisition is implemented by way of a Takeover Offer, the Abbey Protection Shares acquired under such an offer will be acquired fully paid and free from all liens, equities, charges, encumbrances, options, rights of pre-emption and any other third party rights and interests of any nature and together with all rights attaching or accruing to them, including voting rights and the right to receive and retain in full all dividends and other distributions (if any) declared, made or paid on or after the date of this announcement (save for the Interim Dividend).

I. LAW

The Acquisition will be on the terms and will be subject, amongst other things, to the Conditions which will be set out in the Scheme Document (when issued) and the Forms of Proxy which will accompany it and such further terms as may be required to comply with the AIM Rules, the rules of the London Stock Exchange, the rules and guidance promulgated by the FCA, the provisions of FSMA, the provisions of the City Code and the provisions of the Companies Act. The Scheme will be governed by the laws of England and Wales and subject to the jurisdiction of the English Courts.

J. NON-UK RESIDENT SHAREHOLDERS

The availability of the Acquisition to Abbey Protection Shareholders who are not resident in the United Kingdom may be affected by the laws of relevant jurisdictions. Therefore any persons who are subject to the laws of any jurisdiction other than the United Kingdom or shareholders who are not resident in the United Kingdom will need to inform themselves about, and observe, any applicable requirements.

APPENDIX 2

SOURCES OF INFORMATION AND BASES OF CALCULATION

In this announcement, unless otherwise stated, or the context otherwise requires, the bases and sources used are set out below.

1.1 Unless otherwise stated, financial information relating to the Abbey Protection Group has been extracted or derived (without any adjustment) from the consolidated audited report and accounts of Abbey Protection for the two financial years ended 31 December 2012 and the unaudited interim report for the half year ended 30 June 2013, as applicable.

1.2 The premium and discount calculations to the price per Abbey Protection Share have been calculated by reference to share price data provided by Proquote.

1.3 The issued and to be issued share capital of Abbey Protection is 101,297,021 Abbey Protection Shares, calculated as:

1.4 the total number of Abbey Protection shares in issue of 99,994,773 as at 8 October 2013, the last practicable date prior to the date of this announcement;

1.5 *less* total number of Abbey Protection shares held in treasury of 25,738 as at 8 October 2013, the last practicable date prior to the date of this announcement;

1.6 *plus* total number of Abbey Protection Shares that may be issued as at 8 October 2013, the last practicable date prior to the date of this announcement, upon the exercise of outstanding options/awards under the Abbey Protection Share Incentive Schemes of 1,327,986 assuming that all options/awards are exercised in full, being the sum of:

1.6.1 the full exercise of options to acquire 10,272 Abbey Protection Shares at an exercise price of 63.6 pence per Abbey Protection Share and options to acquire 535,003 Abbey Protection Shares at an exercise price of 64.4 pence per Abbey Protection Share granted under the Abbey Protection Savings Related Share Option Scheme (2007);

1.6.2 the full exercise of options to acquire 255,450 Abbey Protection Shares at an exercise price of 80.25 pence per Abbey Protection Share, options to acquire 38,583 Abbey Protection Share at an exercise price of 77.75 pence per Abbey Protection Share and an option to acquire 17,543 Abbey Protection Shares at an exercise price of 114 pence per Abbey Protection Share granted under the Abbey Protection Company Share Option Plan (2007); and

1.6.3 the full exercise of awards to acquire 37,383 Abbey Protection Shares granted under the Abbey Protection Long Term Incentive Plan (2007) on 27 April 2011, an award to acquire 20,000 Abbey Protection Shares granted under that plan on 2 September 2011, awards to acquire 141,476 Abbey Protection Shares granted under that plan on 11 April 2012 and awards to acquire 272,276 Abbey Protection Shares granted under that plan on 2 April 2013, each with a nil exercise price.

- 1.7 The International Securities Identification Number for the Abbey Protection Shares is GB00B293ZK84.
- 1.8 The aggregate Acquisition Price of £116,491,574 has been calculated on the basis of 101,297,021 Abbey Protection Shares in issue, as set out in paragraph 1.3 above, multiplied by the Acquisition Price of 115 pence per Abbey Protection Share.
- 1.9 The enterprise value of £101,385,503 has been calculated as:
- 1.9.1 the Acquisition value of £116,491,574, as set out in paragraph 1.8 above;
 - 1.9.2 *less* surplus net cash of £14,500,000, being the cash available in the Company as per the Abbey Protection management teams' best estimate after taking into account the following:
 - 1.9.2.1 restricted cash due to client money (CASS) regulations;
 - 1.9.2.2 regulatory capital requirements under solvency regulations; and
 - 1.9.2.3 working capital requirements; and
 - 1.9.3 *less* cash proceeds of £606,071 due upon full exercise of the various options granted by the Company pursuant to the Abbey Protection Share Incentive Schemes (assuming all options are exercised in full).
- 1.10 The enterprise value-to-EBITDA multiple of 9.3x has been calculated as:
- 1.10.1 the enterprise value of £101,385,503;
 - 1.10.2 *divided by* EBITDA of £10.9 million for the financial year ended 31 December 2012 (as disclosed in the consolidated audited report and accounts of Abbey Protection for the financial year ended 31 December 2012).
- 1.11 The price-to-earnings multiple of 14.5x is calculated as:
- 1.11.1 the offer price of 115 pence per Abbey Protection Share;
 - 1.11.2 *divided by* earnings per share ("EPS") of 7.93 pence for the financial year ended 31 December 2012 (as disclosed in the consolidated audited report and accounts of Abbey Protection for the financial year ended 31 December 2012).
- 1.12 All information pertaining to total shareholder return is derived from Thomson Reuters Datastream, up until 7 October 2013, the last practicable date prior to the date of this announcement. More specifically:
- 1.12.1 total shareholder return for Abbey Protection Shares has been calculated with reference to 29 November 2007, being the date when Abbey Protection Shares were admitted to trading on AIM and setting the total shareholder return index to 100 at this date. It has been recalculated based on the prices and dividends

declared, with the cash value of dividends being reinvested into stock on the ex-dividend date; and

- 1.12.2 total shareholder return for the FTSE AIM All Share Index and the FTSE All Share Index has also been calculated from 29 November 2007, with the indices being rebased to 100 on 29 November 2007.

Unless otherwise stated, all prices and closing prices for Abbey Protection Shares are closing middle market quotations derived from the Daily Official List published by the London Stock Exchange.

APPENDIX 3

DETAILS OF IRREVOCABLE UNDERTAKINGS AND LETTERS OF INTENT

Irrevocable Undertakings

Markel has received the following irrevocable undertakings from the Abbey Protection Directors and members of the Senior Executive Team to vote (or to procure the vote) in favour of the Scheme at the Court Meeting and the Special Resolution to be proposed at the Abbey Protection General Meeting (if the Acquisition is implemented by way of a Scheme) or to accept (or to procure the acceptance of) a Takeover Offer (if the Acquisition is implemented by way of a Takeover Offer):

Name	Number of Abbey Protection Shares	Percentage of issued share capital of Abbey Protection
-------------	--	---

Directors

1	Colin Davison	15,727,518	15.7%
2	Chris Ward	15,727,518	15.7%
3	Adrian Green	1,806,028	1.8%
4	Tony Shearer	90,909	0.1%

Other Members of the Abbey Protection Senior Executive Team

5	Elizabeth Grace	10,604,770	10.6%
6	Murray Fairclough	6,769,201	6.8%
7	Richard Candy	3,512,479	3.5%
8	Toby Clarke	1,765,246	1.8%
9	Simon Howes	603,295	0.6%
	TOTAL	56,606,964	56.6%

Note 1: These irrevocable undertakings will remain binding in the event of a competing offer being made for Abbey Protection.

Note 2: These irrevocable undertakings will immediately lapse and cease to have effect immediately upon the earliest to occur of the following:

- (a) the Panel consenting to Markel not proceeding with the Acquisition;*
- (b) an event occurring or circumstances arising as a result of which Markel is no longer required by the City Code to proceed with the Acquisition;*
- (c) the Scheme Document is not despatched to the shareholders of Abbey Protection on or before the date which is 28 days from the date of this announcement (or such*

later date as the Panel may permit) unless Markel subsequently elects to proceed by way of a Takeover Offer, in which case, such date shall be extended to a date which is 28 days after the date of the announcement announcing the change in the structure of the Acquisition; or

(d) the Acquisition lapsing or otherwise being withdrawn.

The above irrevocable undertakings also contain undertakings, among other things, not, except pursuant to the Acquisition, to sell, transfer or otherwise dispose of, charge, encumber or grant any option or other right over any of the Abbey Protection Shares or any interest in them nor to accept or give any undertaking or letter of intent or otherwise support any other proposal in respect of all or any of the Abbey Protection Shares nor enter into any agreement or arrangement (whether conditionally or unconditionally) with any person to do any such acts.

In addition, the irrevocable undertakings contain a further undertaking to exercise all voting rights attaching to the Abbey Protection Shares in such manner as to enable the Acquisition to be made and the Conditions to be satisfied and to oppose (and not to take) any action which would or might reasonably be prejudicial to the successful outcome of the Acquisition or result in any of the Conditions not being satisfied at the earliest practicable time.

Letters of Intent

Markel has received non-binding letters of intent from an additional member of the Abbey Protection Senior Executive Team and from Mawer Investment Management Limited to vote (or procure the vote) in favour of the Scheme at the Court Meeting and the Special Resolution to be proposed at the Abbey Protection General Meeting (if the Acquisition is implemented by way of a Scheme) or to accept (or procure the acceptance of) a Takeover Offer (if the Acquisition is implemented by way of a Takeover Offer):

	Name	Number of Abbey Protection Shares	Percentage of issued share capital of Abbey Protection
	<i>Member of the Abbey Protection Senior Executive Team</i>		
1	David Hartley	398,754	0.4%
	<i>Shareholder</i>		
2	Mawer Investment Management Limited	9,988,000	10.0%
	Total	10,386,754	10.4%

Note 1: Both these letters of intent specify that the donor will vote (or procure the vote) in favour of the Scheme at the Court Meeting and the Special Resolution to be proposed at the Abbey Protection General Meeting (if the Acquisition, if made, is implemented by way of a Scheme) or to accept (or to procure the acceptance of) a Takeover Offer (if the Acquisition, if made, is implemented by way of a Takeover Offer), provided that, in each case, the Acquisition Price is not less than 115 pence per Abbey Protection Share.

Note 2: In addition, the letter of intent entered into by Mawer Investment Management Limited states that, if any competing offer is made by a third party that is in excess of 115 pence per Abbey Protection Share, it is the intention of Mawer Investment Management Limited to accept that competing offer.

APPENDIX 4

DEFINITIONS

The following definitions apply throughout this announcement unless the context requires otherwise:

‘Abbey Protection’	Abbey Protection plc, incorporated in England and Wales with registered number 06352358 and having its registered office at Minorities House, 2-5 Minorities, London, EC3N 1BJ.
‘Abbey Protection Directors’ or the ‘Board of Abbey Protection’	the Directors of Abbey Protection at the date of this announcement
‘Abbey Protection General Meeting’	the general meeting of Abbey Protection (including any adjournment thereof) to be convened in connection with the Scheme and the Capital Reduction, notice of which will be set out in the Scheme Document
‘Abbey Protection Group’	Abbey Protection and its subsidiary undertakings
‘Abbey Protection Shareholders’	the holders of Abbey Protection Shares
‘Abbey Protection Shares’ or ‘Shares’	the ordinary shares of £0.01 in the capital of Abbey Protection
‘Abbey Protection Share Incentive Scheme Participants’	the participants in the Abbey Protection Share Incentive Schemes
‘Abbey Protection Share Incentive Schemes’	the Abbey Protection Savings Related Share Option Scheme (2007), the Abbey Protection Long Term Incentive Plan (2007) and the Abbey Protection Company Share Option Plan (2007)
‘Acquisition’	the proposed acquisition of the entire issued and to be issued share capital of Abbey Protection by Markel, to be implemented by means of the Scheme (or, if Markel so elects, a Takeover Offer) on the terms and subject to the conditions set out in the Scheme Document (or the Offer Document (as the case may be)) and, where the context permits, any subsequent revision, variation, extension or renewal thereof
‘Acquisition Price’	115 pence in cash for each Abbey Protection Share
‘AIM’	the market of that name operated by the London Stock Exchange
‘AIM Rules’	the rules and guidance notes for AIM Companies issued by the London Stock Exchange from time to time relating to AIM traded securities and the operation of AIM
‘Business Day’	a day, (other than a Saturday, Sunday, public or bank holiday) on which banks are generally open for business in London (other than

	solely for trading and settlement in Euro)
‘Capital Reduction’	the proposed reduction of the current issued and to be issued ordinary share capital of Abbey Protection pursuant to the Scheme
‘City Code’ or ‘Code’	the City Code on Takeovers and Mergers
‘Closing Price’	the closing middle market quotation of an Abbey Protection Share on a particular trading day, as derived from the Daily Official List published by the London Stock Exchange
‘Companies Act’	the Companies Act 2006
‘Conditions’	the conditions and certain further terms of the Acquisition set out in Appendix 1 to this announcement and to be set out in the Scheme Document
‘Connected Persons’	those persons whose interests in Abbey Protection Shares the Market Directors and the Abbey Protection Directors are, individually and collectively, respectively taken to be interested in pursuant to Part 22 of the Companies Act and related regulations
‘Court’	the High Court of Justice in England and Wales
‘Court Meeting’	the meeting of the Scheme Shareholders (including any adjournment thereof) to be convened, with the permission of the Court, pursuant to section 896 of the Companies Act, notice of which will be set out in the Scheme Document, for the purpose of considering and, if thought fit, approving the Scheme (with or without amendment)
‘Court Orders’	the Scheme Court Order and the Reduction Court Order
‘CREST’	the relevant system (as defined in the Uncertificated Securities Regulations 2001 (SI 2001/3755)) in respect of which Euroclear UK & Ireland Limited is the Operator (as defined in the Regulations)
‘Dealing Disclosure’	an announcement pursuant to Rule 8 of the City Code containing details of dealings in interests in relevant securities of a party to an offer
‘Disclosure Rules’	means the disclosure rules and transparency rules made by the FCA and forming part of the FCA's handbook of rules and guidance, as amended from time to time
‘Effective’	the Acquisition and the Scheme becoming effective in accordance with their terms
‘Effective Date’	the date on which the Acquisition and the Scheme become Effective in accordance with their terms

‘FCA’	the United Kingdom’s Financial Conduct Authority
‘Forms of Proxy’	the forms of proxy in connection with each of the Court Meeting and the Abbey Protection General Meeting, which will accompany the Scheme Document
‘FSMA’	The Financial Services and Markets Act 2000
‘GFSC’	the Guernsey Financial Services Commission
‘HM Revenues & Customs’	Her Majesty’s Revenue and Customs
‘Interim Dividend’	the dividend of 2.4 pence per Abbey Protection Share for the six month period ended 30 June 2013 announced by Abbey Protection on 4 September 2013 and payable on 10 October 2013 to those Abbey Protection Shareholders who were on the register of members of Abbey Protection on 13 September 2013
‘London Stock Exchange’	London Stock Exchange plc
‘Long Stop Date’	30 April 2014 or such later date as Markel and Abbey Protection may, with the consent of the Panel, agree
‘Markel’	Markel Capital Holdings Limited, registered in England and Wales with registered number 06722095 and having its registered office at The Markel Building, 49 Leadenhall Street, London, EC3A 2EA
‘Markel Corporation’	Markel Corporation, an international insurance company incorporated in the Commonwealth of Virginia and quoted on the New York Stock Exchange and the parent company of Markel
‘Markel Directors’ or the ‘Board of Markel’	the Directors of Markel at the date of this announcement
‘Markel Group’	Markel Corporation and its subsidiary undertakings
‘Markel International’	Markel International, a division of Markel Corporation, which is headquartered in London and writes insurance and reinsurance business through eight divisions and through offices across the UK, Europe, Canada, Latin America and Asia Pacific
‘New Abbey Protection Shares’	the new Abbey Protection Shares to be allotted and issued to Markel in connection with the Scheme
‘Offer’ or ‘Takeover Offer’	an offer to acquire the entire issued and to be issued ordinary share capital of Abbey Protection by Markel by means of a takeover offer (as defined in section 974 of the Companies Act) made pursuant to the City Code
‘offer period’	the period commencing on the date of this announcement and ending on the earlier of the date on which the Scheme becomes

	Effective and/or the date on which the Scheme lapses or is withdrawn (or such other date as the Panel may decide)
‘Opening Position Disclosure’	an announcement required by the City Code containing details of interests or short positions in, or rights to subscribe for, any relevant securities of a party to the offer if the person concerned has such a position
‘Panel’	the Panel on Takeovers and Mergers
‘Peel Hunt’	Peel Hunt LLP, which is authorised and regulated in the UK by the FCA, as financial adviser to Markel
‘PRA’	the United Kingdom’s Prudential Regulation Authority
‘PwC’	PricewaterhouseCoopers LLP, which is authorised and regulated in the UK by the FCA, as financial adviser to Abbey Protection
‘Reduction Court Hearing’	the hearing by the Court of the claim form to confirm the Capital Reduction
‘Reduction Court Order’	the order of the Court confirming the Capital Reduction under section 648 of the Companies Act
‘Registrar of Companies’	the Registrar of Companies in England and Wales
‘Restricted Jurisdiction’	any jurisdiction where local laws or regulations may result in a significant risk of civil, regulatory or criminal exposure if information concerning the Acquisition is sent or made available in that jurisdiction (in accordance with Rule 30.3 of the City Code)
‘Scheme’	the proposed scheme of arrangement under Part 26 of the Companies Act between Abbey Protection and Scheme Shareholders to implement the Acquisition
‘Scheme Court Hearing’	the hearing of the Court to sanction the Scheme under Part 26 of the Companies Act
‘Scheme Court Order’	the order of the Court sanctioning the Scheme under section 899 of the Companies Act
‘Scheme Document’	the document to be dispatched to Abbey Protection Shareholders including the particulars required by section 897 of the Companies Act
‘Scheme Record Time’	the time and date to be specified in the Scheme Document, expected to be 6.00 p.m. (London time) on the Business Day immediately prior to the date of the Reduction Court Hearing
‘Scheme Shareholders’	holders of Scheme Shares
‘Scheme Shares’	the Abbey Protection Shares:

- (a) in issue as at the date of the Scheme Document;
- (b) (if any) issued after the date of the Scheme Document and prior to the Voting Record Time; and
- (c) (if any) issued on or after the Voting Record Time and at or prior to the Scheme Record Time either on terms that the original or any subsequent holders thereof shall be bound by the Scheme or in respect of which the holders thereof shall have agreed in writing to be bound by the Scheme,

but in each case other than 25,738 Abbey Protection Shares held in treasury by Abbey Protection and any Abbey Protection Shares registered in the name of, or beneficially owned by, Markel or any other member of the Markel Group (if any)

‘Senior Executive Team’

the senior management team of Abbey Protection being:

- a) Colin Davison
- b) Chris Ward
- c) Elizabeth Grace
- d) Murray Fairclough
- e) Richard Candy
- f) Adrian Green
- g) Toby Clarke
- h) Simon Howes
- i) David Hartley

‘SME’

small and medium enterprise

‘Special Resolution’

the special resolution to be proposed by Abbey Protection at the Abbey Protection General Meeting in connection with, amongst other things, the approval of the Scheme and confirmation of the Capital Reduction, the amendment of Abbey Protection’s articles of association and such other matters as may be necessary or desirable to implement the Scheme

‘SRA’

the UK Solicitors’ Regulation Authority

‘Statement of Capital’

the statement of capital (approved by the Court) showing, with respect to Abbey Protection’s share capital as altered by the Reduction Court Order, the information required by section 649 of the Companies Act

‘UK’ or ‘United Kingdom’

the United Kingdom of Great Britain and Northern Ireland

‘US’ or ‘United States’

the United States of America, its territories and possessions, any state of the United States of America and the District of Columbia

‘US Exchange Act’

the US Securities Exchange Act of 1934 (as amended from time to time)

‘Voting Record Time’

the time and date to be specified in the Scheme Document by reference to which entitlement to vote on the Scheme will be determined, expected to be 6.00 p.m. (London time) on the day prior to the day immediately before the Court Meeting and the Abbey Protection General Meeting or any adjournment thereof (as the case may be)

For the purposes of this announcement (other than the Conditions), "subsidiary", "subsidiary undertaking", "undertaking", "associated undertaking" have the meanings given by the Companies Act.

References to an enactment include references to that enactment as amended, replaced, consolidated or re-enacted by or under any other enactment before or after the date of this announcement. All references to time in this announcement are to London time unless otherwise stated.