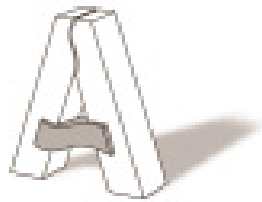


THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt as to the action that you should take, you are recommended to seek your own financial advice from your stockbroker, solicitor, accountant or other professional adviser authorised under the Financial Services and Markets Act 2000.

If you have sold or otherwise transferred all or some of your ordinary shares in Amlin plc prior to 9 April 2003 (the ex dividend date), but those shares are included in the number shown in Box 1 on the enclosed Form of Election, please see note 8 on page 9.



AMLIN

**Offer of a
Scrip Dividend Alternative
to the Proposed Final Dividend
for the year ended 31 December 2002**

Circular to shareholders of Amlin plc

Shareholders who have not already given a Scrip Dividend Mandate and wish to elect for the Scrip Dividend Alternative should complete the enclosed Form of Election and return it as soon as possible, but in any case so as to reach the Company's Registrars, Computershare Investor Services PLC, PO Box 1064, The Pavilions, Bridgwater Road, Bristol BS99 3FA (the "Registrars") by no later than the close of business on 20 May 2003.

If the Form of Election is not received by the Company's Registrars before the close of business on 20 May 2003, the full cash dividend entitlement will be paid in respect of all the ordinary shares that you hold.

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EXPECTED TIMETABLE OF EVENTS

Wednesday 9 April 2003	Ordinary shares quoted ex dividend
Friday 11 April 2003	Record date for the final dividend for 2002 (and for Scrip Dividend Alternative entitlements)
Tuesday 13 May 2003	Final date for consolidated holdings
Tuesday 20 May 2003	Final date for receipt of Forms of Election for the proposed final dividend for 2002 and for Scrip Dividend Mandates
Thursday 5 June 2003	Dividend warrants and (where applicable) share certificates despatched (by first class post)
Friday 6 June 2003	Dividend payment date: cash dividends credited to bank accounts (when mandated) and (where applicable) CREST member accounts credited with new shares
Friday 6 June 2003	First day of dealings in the new shares

AMLIN PLC

To holders of Amlin plc's ordinary shares ("ordinary shares")

14 April 2003



AMLIN

Dear Shareholder

Scrip Dividend Alternative Scheme (the "Scheme")

The directors are offering shareholders the choice of receiving the whole or part of their dividends in new fully paid ordinary shares of the Company ("new shares") instead of cash (a "Scrip Dividend Alternative") in respect of the proposed final dividend of 1.25p per share for the year ended 31 December 2002 (the "2002 final dividend").

Shareholders will find enclosed either a form of election (the "Form of Election") or a notice of entitlement (the "Notice of Entitlement"). A pro forma sample copy of the Form of Election is also set out in Appendix 2. This explains the procedure to be followed and the terms of the election. If you have already completed a standing election (a "Scrip Dividend Mandate"), which you are most likely to have done at the time the previous Scrip Dividend Alternative was offered in 2001, you will receive a Notice of Entitlement with this circular. This advises you of your entitlement to new shares in respect of the 2002 final dividend. Shareholders receiving a Notice of Entitlement need take no further action if you wish to receive such new shares in respect of all of your 2002 final dividend. However, if you do not so wish, please send notice of cancellation of your Scrip Dividend Mandate so that it is received by our Registrars by no later than 20 May 2003.

If you have received a Form of Election and wish to take advantage of the Scrip Dividend Mandate facility so that you will receive the 2002 final dividend, and (until such Scrip Dividend Mandate is revoked) all future dividends when the directors decide to offer a Scrip Dividend Alternative, in the form of new shares in respect of your entire shareholding, please mark Box 4 with a cross on the enclosed Form of Election in accordance with the instructions set out therein, sign it and return it to the Company's Registrars.

If, however, you would prefer to take new shares on this occasion but would like to consider your options each time a Scrip Dividend Alternative is made available, then you should complete and return the Form of Election but **not** mark Box 4 with a cross. Forms of Election in respect of all future dividends declared to which a Scrip Dividend Alternative offer applies will continue to be sent to all shareholders for whom no valid Scrip Dividend Mandate is held.

Box 4 cannot be used to elect for future Scrip Dividend Alternatives if you only wish to elect to receive future dividends in the form of new shares in respect of **part** of your holding. In that case, you must complete Forms of Election for each individual dividend payment to which a Scrip Dividend Alternative applies.

Shareholders who elect to take new shares in the Company instead of cash dividends increase their holdings without incurring dealing costs or stamp duty. At the present stage of the insurance underwriting cycle, there is also a benefit to the Company, and therefore to shareholders, from the retention of cash in the Company which would otherwise be paid out as dividend.

Amlin plc
Registered office
St Helen's, 1 Undershaft
London EC3A 8ND
Registered in England
No. 2854310

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www.amlin.com

Shareholders should bear in mind that the price of shares can go down as well as up.

The Scrip Dividend Alternative is subject to, inter alia, the directors not revoking their decision to offer new shares instead of the full cash dividend. It is envisaged that such action would only be taken in the event of a change in market conditions in Amlin's shares rendering the Scrip Dividend Alternative substantially less beneficial to shareholders accepting the offer.

The Scrip Dividend Alternative is also subject to the approval of the proposed final dividend by shareholders at the Annual General Meeting ("AGM") to be held on 22 May 2003. A separate circular including the Notice of AGM is being sent to shareholders with this circular, together with a Form of Proxy in respect of the meeting.

If you have received a Form of Election and wish to receive cash (a dividend of 1.25p per share) on all of your shareholding then you should take no action in response to this letter, and your dividend will be paid to you in the normal way on 6 June 2003. Appendix 1 forms part of this letter and provides more information on scrip dividends, the workings of the Scheme and on some of the taxation consequences. Only if you would like to consider taking all or part of your dividend in the form of new shares need you read the rest of this document. When considering what action to take, you are recommended to obtain professional advice.

I would remind you that Forms of Election must be received by the Company's Registrars no later than the close of business on Tuesday 20 May 2003.

Yours sincerely

R J Taylor
Chairman

Appendix 1

Further Information

(A) To receive your maximum entitlement to new shares

Sign and post the enclosed Form of Election and, if you also wish to elect in full for new shares for each future dividend when a Scrip Dividend Alternative is offered (the "Scrip Dividend Mandate"), you should mark Box 4 on the Form of Election with a cross.

The entitlement to new shares in respect of the 2002 proposed final dividend is based on:

- (a) a price for each new share of 112.17p (the average of the middle market prices on the day that the shares were declared ex dividend and on the two following business days). This is the "reference share price";
- (b) the 2002 proposed final dividend of 1.25p per share; and
- (c) the number of shares held by you at 11 April 2003 (the "record date").

The formula used is as follows:

(No of shares held at the record date x dividend per share) = Maximum dividend available for share election

$$\frac{\text{Maximum dividend available}}{\text{Reference share price}} = \text{Number of new shares (rounded down to the nearest whole number)}$$

If you choose to take all of your dividend as new shares a residual cash balance will usually arise representing the entitlement to a fraction of a share arising out of the difference between the value of the new shares and the maximum dividend available on the shareholding. This residual cash balance will never exceed the value of one share at the reference share price and, in the case of shareholders who give or have given a Scrip Dividend Mandate, will be carried forward (without interest) to the next dividend. In the case of shareholders who make an election for the Scrip Dividend Alternative, in whole or in part, but who do not give a Scrip Dividend Mandate, such amounts will be paid out in cash.

Example 1

You have 1,000 ordinary shares on the record date. Given the reference share price of 112.17p, your maximum entitlement would be calculated as follows:

Maximum dividend available = 1,000 x 1.25p = £12.50

This is the maximum dividend available for share election.

Number of new shares = $\frac{£12.50}{£1.1217}$ = 11 new shares (rounded down)

Value of 11 new shares at reference share price of 112.17p = £12.34

Cash balance from £12.50 maximum dividend available = £0.16

Accordingly the dividend entitlement in this situation would consist of 11 new shares with a cash balance of £0.16.

(B) **To receive your total dividend in cash in the usual way**

If you have not previously submitted a Scrip Dividend Mandate, take no further action. Your dividend will be paid in the normal way.

If you have previously submitted a Scrip Dividend Mandate, send notice of cancellation of your Scrip Dividend Mandate to the Company's Registrars so that it is received by them by no later than 20 May 2003. Your dividend will then be paid in the normal way.

(C) **To receive your dividend in a combination of new shares and cash**

Example 2

You have 1,000 ordinary shares on the record date. Your maximum entitlement would be 11 new shares (as illustrated in Example 1). You only wish to receive the share dividend on 750 shares and so you should insert 750 in Box 3 of the Form of Election. The calculation would be as follows:

Your maximum dividend available for share election	=	750 x 1.25p	=	£9.375
No of new shares	=	$\frac{\text{No of elected shares} \times \text{final dividend per share}}{\text{reference share price}}$		
No of new shares	=	$\frac{750 \times 1.25\text{p}}{112.17\text{p}}$	=	$\frac{£9.375}{£1.1217} = 8 \text{ new shares (rounded down)}$
Value of 8 new shares at reference share price of 112.17p	=	£8.97		
Plus cash balance on elected shares (£9.375 - £8.97)	=	£0.40		
Plus cash dividend on 250 non-elected shares (250 x 1.25p)	=	£3.12		

Accordingly the dividend entitlement in this situation would consist of 8 new shares with a total cash payment of £3.52, representing the cash balance on the elected shares of £0.40 and the cash dividend on the non-elected shares of £3.12.

(D) **To receive the maximum dividend entitlement currently proposed and all future dividends in the form of new shares when a Scrip Dividend Alternative is offered (the Scrip Dividend Mandate)**

Mark Box 4 with a cross on the Form of Election and sign and date and post the Form of Election in respect of the 2002 proposed final dividend.

To apply to the 2002 proposed final dividend, a validly completed Form of Election must be received by the Company's Registrars **no later than 20 May 2003. In addition, only mark a cross in Box 4 on the Form of Election if you wish to receive the maximum possible dividends in respect of your entire holding in the form of new shares until such instruction is revoked.**

When electing to take all of your dividend in the form of new shares, a residual cash balance may be produced which represents the entitlement to a fraction of a share, created by the difference between the value of the new shares and the full cash dividend on the shareholding. If you make a Scrip Dividend Mandate, this residual cash balance will be carried forward (without interest) to the next dividend. Otherwise this residual cash balance will be paid to you in cash on 6 June 2003.

Notes

1 Terms of election

Shareholders may elect to receive their entitlement to the 2002 proposed final dividend from their holdings of ordinary shares registered in their names at the close of business on 11 April 2003 in the form of new shares credited as fully paid, instead of as cash of 1.25p per ordinary share (the “full cash dividend”). All elections will be subject to fulfilment of the conditions specified in the Form of Election enclosed and are then non-transferable.

This election may be made by shareholders in respect of all or part of their holding of ordinary shares.

If shareholders wish to elect for the Scrip Dividend Alternative in respect of only part of their existing ordinary shares, they must specify the number of shares on which they wish to elect. The number of shares in respect of which the election is made will be multiplied by the 2002 proposed final dividend per share to give the maximum dividend available for share election. The maximum dividend available for share election will then be divided by the reference share price to obtain the number of new shares to be issued to the shareholder pursuant to the election. No fraction of a new share will be allotted and the cash amount representing any fraction of a new share arising on a dividend entitlement will be added to the cash dividend paid to the shareholder in respect of any holding of ordinary shares for which an election is not made (see Example 2 above). The dividend entitlement in respect of a fraction of a new share where no Scrip Dividend Mandate is made will be paid in cash. If a Scrip Dividend Mandate is given, the balance of the cash dividend representing a fraction of a new share which cannot be allotted will be carried forward in Sterling in a non-interest bearing account, and will be used towards the allotment of further shares in the event that following future elections, sufficient funds are available in the account.

2 Basis of allotment

The reference share price has been calculated based on the average of the middle market quotations of an ordinary share as derived from the Daily Official List of the London Stock Exchange for the three business days commencing on 9 April 2003 (the day on which the ordinary shares were first quoted ex dividend), being 112.17p. The directors are not required to determine the reference share price prior to notifying the shareholders of the right of election (although on this occasion have been able to do so).

3 Eligibility

If you are resident outside the UK you may treat this letter as an invitation to receive new shares unless such an invitation could not lawfully be made to you without compliance with any registration or other legal requirements. It is the responsibility of any person resident outside the UK wishing to elect to receive new shares to be satisfied as to full observance of the laws of the relevant territory, including obtaining any government or other consents which may be required and observing any other formalities in such territories. Individuals electing to take new shares from the scrip dividend will not be charged UK stamp duty on the shares.

4 How to make the election for the Scrip Dividend Alternative

If you wish to receive new shares instead of the full cash dividend in respect of all or part of your holding, you should complete the enclosed Form of Election and send it to the Registrars, so as to be received no later than 20 May 2003. If the Form of Election is not received by the close of business on that day, unless you have given a Scrip Dividend Mandate the full cash dividend entitlement will be paid in respect of all the ordinary shares that you hold.

If on the Form of Election you do not specify in Box 3 the number of ordinary shares in respect of which you are making your election, or if you make the election in respect of a greater number of ordinary shares than shown in Box 1 on the form, your election will be deemed to be in respect of all the ordinary shares shown in Box 1.

An election can only be made such that a whole multiple of new shares are issued to the electing shareholder and therefore the balance of the dividend entitlement will be calculated in cash and dealt with as described in note 1 above.

The Scrip Dividend Alternative only relates to the 2002 proposed final dividend. If the directors decide to offer new shares instead of any cash dividend in the future you will be informed separately and further Forms of Election will be sent to you unless you have made a Scrip Dividend Mandate (as described in note 5 immediately below) in which case an entitlement notification will be sent to you instead.

5 How to make the election for the Scrip Dividend Mandate

If you do not already have a Scrip Dividend Mandate in place but you wish to give a Scrip Dividend Mandate for future dividends, you should put a cross in Box 4 on the Form of Election. You will thereby have instructed the Company to treat you as also having elected to take the maximum whole number of new shares available instead of cash in respect of all future dividends for which a Scrip Dividend Alternative is offered, with any residual cash balance representing an entitlement to a fraction of a share being carried forward (in Sterling) without interest and taken into account in subsequent allotments of new shares. The Scrip Dividend Mandate will apply to your entire holding of ordinary shares on the record date for the relevant dividend. It may be cancelled by the Company at any time, or by you giving written notice to the Registrars so as to be received before the final time and date for receipt of Forms of Election in respect of the relevant dividend. If you give a Scrip Dividend Mandate, it will automatically be revoked if the Company registers a transfer of all your shares (e.g. following a sale of your entire holding) or if the Company receives notice of your death. If your Scrip Dividend Mandate is revoked you will be paid any residual cash dividend entitlement at the next review of entitlements.

If further shares are acquired or shares are disposed of in respect of a shareholding, the Scrip Dividend Mandate will continue to apply (until revoked) to such increased or decreased shareholding.

It should be noted that all new shares allotted on each election will automatically increase the shareholding on which any new entitlement to new shares will be calculated.

All shareholders for whom a Scrip Dividend Mandate is in force receive, prior to each dividend payment date, a notice containing details of the basis of their entitlement to new shares, and any cash balance representing an entitlement to a fraction of a share to be carried forward. Unless a mandate is revoked in writing by the date specified in such notice, an election for new shares will be deemed to have been made in respect of the relevant dividend and new shares will automatically be allotted for that dividend.

The accumulated residual cash balance is paid out in Sterling (without interest) if, at any time, a shareholder:

- (i) disposes of his entire holding; or
- (ii) makes an election to receive new shares in respect of part only of their holding, or to receive the full cash dividend on the whole of their holding; or
- (iii) revokes their Scrip Dividend Mandate; or
- (iv) so requests in writing to the Company's Registrars.

Such a payment will also be made to a duly appointed representative following the receipt of proper notice of the death of a sole shareholder.

The accumulated residual cash balance in Sterling will become payable on the day after any of these events occurs.

6 CREST

Where practicable, new shares allotted to you in respect of a holding in CREST will be allotted in uncertificated form and credited electronically on 6 June 2003 to the same CREST member account as that holding, unless the Company is unable to do so under the provisions of the Uncertificated Securities Regulations 2001 or the facilities and requirements of CREST, in which case share certificates in respect of such new shares will be issued in the usual way. Scrip Dividend Mandates will operate accordingly.

If part of your registered holding is in CREST and the balance is represented by share certificates, you will receive separate Forms of Election for these two parts of your holding. You must complete and return both Forms of Election to receive new shares in respect of both your CREST and non-CREST holdings.

7 If you have more than one registered holding

If for any reason your shares are registered in more than one holding and as a result you have received more than one Form of Election, then, unless you are able to make arrangements with the Registrars to have your holdings consolidated before 13 May 2003, they will be treated for all purposes as separate and you should complete separate Forms of Election accordingly.

8 If you have recently sold any of your ordinary shares

If, on or after 9 April 2003 (the day on which the ordinary shares were first quoted ex dividend), you have sold all or some of your holding of ordinary shares, these should still be included in the holding shown in Box 1 on the Form of Election. If they are not, you should without delay consult your stockbroker or agent through whom the sale was made. Your stockbroker or agent will then advise you how to deal with the Form of Election.

If, prior to 9 April 2003 (the day on which the ordinary shares were first quoted ex dividend), you sold all or some of your holding of ordinary shares, but those ordinary shares are nevertheless included in the number shown in Box 1 on the Form of Election, you should without delay consult your stockbroker or agent through whom the sale was made. Your stockbroker or agent will then advise you how to deal with the Form of Election.

9 Listing and ranking of the new shares

Application will be made to the London Stock Exchange plc and the UK Listing Authority (“UKLA”) for admission of the new shares to the official list of the UKLA (the “Official List”). The new shares will on issue be credited as fully paid and will rank pari passu in all respects with the existing ordinary shares except for participation in the 2002 final dividend and will rank for all future dividends.

10 General

No acknowledgement of Forms of Election or Scrip Dividend Mandates will be issued. Subject to satisfaction of the conditions set out in the Form of Election, definitive share certificates for the new shares held outside CREST will be posted, at the risk of the persons entitled thereto, on 5 June 2003, while CREST members should have their accounts credited on 6 June 2003. Dealings in the new shares are expected to begin on 6 June 2003. In the unlikely event that the UKLA does not agree before 6 June 2003 to admit the new shares to the Official List, or if the other conditions are not fulfilled, Forms of Election and standing elections under Scrip Dividend Mandates will be disregarded and the Company will pay the 2002 final dividend in cash in the usual way as soon as practicable on or after 6 June 2003.

If all shareholders were to decide to receive the 2002 final dividend in cash (ignoring any dividend waivers), the total cash dividend payable by the Company would be approximately £4.86 million. If all shareholders were to elect to receive new shares instead of cash in respect of their entire holdings, approximately 4.33 million new shares would be issued based on the reference share price (ignoring any dividend waivers and any reduction in respect of fractions), representing 1.11 per cent of the ordinary share capital of the Company as at the date of this document.

As at the date of this document the authorised share capital of the Company was £140,500,000 of which 388,542,829 ordinary shares of 25p each were in issue.

Further copies of this letter and/or Forms of Election may be obtained from the Company’s Registrars at the following address:

Computershare Investor Services PLC
PO Box 1064
The Pavilions
Bridgwater Road
Bristol BS99 3FA
(Telephone 0870 702 0000)

up to and including 20 May 2003. All enquiries in respect of the Scrip Dividend Alternative and Scrip Dividend Mandate should be addressed to the Registrars.

11 United Kingdom Taxation

The following general summary of the UK tax consequences of electing to receive new shares under the Scrip Dividend Alternative instead of the cash dividend is based on current UK law **(and does not take into account any relevant changes, if any, contained in the 2003 Budget)** and Inland Revenue practice as at the date of this document (which are subject to change, possibly with retrospective effect) and applies only to shareholders who are resident for tax purposes only in the UK and who hold their shares as an investment. In particular the comments do not address the position of certain classes of shareholders such as dealers in securities and corporates within the Shadow ACT scheme.

An election to receive new shares will be a matter for individual decision by each shareholder and will depend upon their circumstances. The summary is not exhaustive and (except where otherwise indicated) only relates to the position of shareholders who are the beneficial owners of their shares.

Shareholders who are in any doubt as to what action to take or who are subject to tax in a jurisdiction other than the UK should consult an independent professional advisor.

11.1 Individuals

11.1.1 Income Tax

Individual shareholders who elect to receive new shares instead of the full, or any part of the cash dividend, will be treated for income tax purposes as having received gross income of an amount which, when reduced by income tax at the rate of 10 per cent, is equal to the cash equivalent (as defined in paragraph 11.5 below). Income tax at the rate of 10 per cent is treated as having been paid on this gross income.

If you elect to receive new shares with a total 'cash equivalent' (as defined in paragraph 11.5 below) of, for example, £90 you will be treated as receiving gross income of £100, on which income tax of £10 has been paid.

(i) If you pay only starting or basic rate income tax

If you elect to receive new shares instead of the cash dividend, you will have no more tax to pay.

(ii) If you are not liable to pay income tax on all or part of the dividends received

If you elect to receive new shares, you will not be entitled to claim repayment of the income tax treated as having been paid (£10 in the example above). Nor could such a claim be made in respect of the cash dividend.

(iii) If you are liable to pay higher rate income tax

If you elect to receive new shares you will be subject to income tax at the rate of 32.5 per cent on the amount of gross income treated as having been received. The 10 per cent income tax deemed to have been paid can be set off against part of that liability, thereby reducing the liability to 22.5 per cent of the amount of the gross income treated as having been received (which is equal to 25 per cent of the cash equivalent (as defined in paragraph 11.5)). In the example above, this would mean further tax to pay of £22.50.

(iv) Charges on Income

You should note that it is not possible to set the cash equivalent against any charges on income paid net, as you can with a cash dividend.

(v) Gift Aid Donations

If you make Gift Aid donations to charity you will be aware that the recipient charities can only reclaim an amount of tax on your donations equal to the amount of income tax and capital gains tax you pay in the relevant tax year. You should note that the income tax treated as paid on the cash equivalent (unlike tax on cash dividends) is disregarded in determining for Gift Aid purposes the amount of tax you pay.

(vi) **Personal Equity Plans and Individual Savings Accounts**

It is not possible for a plan manager to reclaim any part of the income tax treated as paid on new shares, whereas a plan manager can reclaim tax credits on cash dividends paid on or before 5 April 2004. Investors in personal equity plans or individual savings accounts should therefore think carefully before electing to receive new shares.

11.1.2 Capital Gains Tax

If you elect to receive new shares, these will not be added to your existing holding of shares in the Company for capital gains tax purposes but will be treated instead as a new asset acquired on the date the shares are issued.

The base cost of this new holding will be deemed to be the cash equivalent (as defined in paragraph 11.5 below) and taper relief will run from the date of issue of the new shares.

11.2 Trustees

11.2.1 Income Tax

- (i) Where trustees of discretionary trusts, who are liable to income tax on dividend income at the Schedule F trust rate (currently 25 per cent), elect to receive new shares, they will be liable to additional income tax. For the purposes of charging this additional income tax, the trustees will be treated as having received gross income which, when reduced by income tax at the rate of 10 per cent, is the same as the cash equivalent (as defined in paragraph 11.5 below). Using the above example, the trustees would be treated as having received gross income of £100 and having paid income tax of £10 on that grossed up amount. They would be subject to tax on the gross income of £100 at the rate of 25 per cent, although the £10 income tax deemed to have been paid can be set off against that liability. This would result in an additional tax payment of £15.
- (ii) Where trustees of an interest in possession trust (where the beneficiary with an interest in possession is entitled to the trust income) elect to receive new shares and treat such shares as income, the trustees will have no further income tax liability. The tax position of a beneficiary entitled to the trust income who is a UK tax resident individual will be as set out in paragraph 11.1.1 above.
- (iii) Where such trustees elect to receive new shares and treat such shares as capital, the trustees will not have any further income tax to pay. The beneficiary will not be entitled to the shares (and will have no income tax to pay).
- (iv) If the shares are held in a bare trust or in the name of a nominee, the trustee or nominee will be disregarded for the purposes of income tax.

11.2.2 Capital Gains Tax

- (i) Where trustees of discretionary trusts, where no beneficiary is entitled to the trust income, elect to receive new shares, such shares will constitute a new holding of shares in the Company acquired for the cash equivalent in the manner described in paragraph 11.1.2 above.
- (ii) Where trustees of an interest in possession trust (where the beneficiary with an interest in possession is entitled to the trust income) elect to receive new shares and treat such shares as income, a beneficiary entitled to the trust income, if a UK tax resident individual, is treated for capital gains tax purposes as having acquired the new shares for the cash equivalent, in the manner described in paragraph 11.1.2 above.

- (iii) Where trustees of an interest in possession trust (where the beneficiary with an interest in possession is entitled to the trust income) elect to receive new shares and treat such shares as capital, the shares will be added to the trustees' existing holding of shares in the Company and treated as though they had been acquired when the existing holding was acquired. However, the trustees will not be considered to have made any payment for the new shares, so there will be no increase in base cost.
- (iv) If the new shares are held in a bare trust or in the name of a nominee, the trustee or nominee will be disregarded and the beneficiary is treated as having acquired the new shares for the cash equivalent.

11.3 UK Resident Corporate Shareholders

11.3.1 Where a corporate shareholder who is resident in the UK elects to receive new shares, corporation tax will not be chargeable on the new ordinary shares issued.

11.3.2 For the purposes of corporation tax on chargeable gains, it will be assumed that no consideration has been given for the new shares. They will be added to the corporate shareholder's existing holding of shares in the Company and treated as though they had been acquired when the existing holding was acquired. On a disposal of the new shares, the base cost of the new shares will be calculated by reference to the base cost of the existing holding.

11.4 Gross Funds

No tax credit will attach to the new shares and no tax repayment claim can be made in respect of them; nor could such a claim be made in respect of the cash dividend.

11.5 General Note Regarding Taxation

The cash equivalent of one new share is calculated as the cash dividend not taken (112.17p).

If, on the first day of dealing on the Stock Exchange in the new shares, the cash equivalent were to differ substantially (which, according to Inland Revenue practice, will be interpreted as around 15 per cent or more) from the market value of a new share, the Inland Revenue may substitute that market value as the "cash equivalent".

Appendix 2

Pro forma sample copy of Form of Election

Important Note: This form is issued only to the addressee(s) and is specific to the class of security and the unique designated account printed hereon. This pro forma form is not transferrable between different (i) account holders, (ii) classes of securities or (iii) uniquely designated accounts. The Issuer and Computershare accept no liability for any instruction that does not comply with these conditions.

Amlin plc

Registered in England No. 2854310
 Registered Office:
 St Helen's
 1 Undershaft
 London
 EC3A 8ND

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this document and/or the action you should take, you are recommended to seek your own personal financial advice from your stockbroker, solicitor, accountant or other professional adviser authorised pursuant to the Financial Services and Markets Act 2000.

If you have sold or otherwise transferred all or some of your ordinary shares in Amlin plc prior to Wednesday 9 April 2003, but those shares are included in the number shown in Box 1 below, please contact your stockbroker or agent without delay for advice as to how to proceed with this form. This Form of Election is not transferrable.

Reference Number



C1234567890

Form of Election

To receive fully paid ordinary shares instead of cash in respect of the proposed final dividend for the year ended 31 December 2002

Box 1	Box 2	Box 3	Box 4
Number of ordinary shares registered in your name(s) as close of business on 11 April 2003	Maximum number of new shares to be allotted	Only complete this box if you wish to receive more new shares than are shown in Box 2. See note 3 below.	Mark with an 'X' to elect a Scrip Dividend Alternative in respect of future dividends. See note 5 below.

This form should not be completed by shareholders wishing to receive the dividend in cash on the basis of their holding of ordinary shares as shown in Box 1 above. The Scrip Dividend Alternative offer and Scrip Dividend Mandate are subject to the passing of the relevant resolution to be proposed at the Company's Annual General Meeting to be held on 21 May 2003.

- If you wish to receive new shares instead of the full cash proposed final dividend for the year ended 31 December 2002 in respect of ALL THE FVNF of your holding, you should complete and sign this form and return it to the Company's registrars so as to be received not later than the close of business on Tuesday 30 July 2003. Unless this is done you will receive the full cash dividend on your entire holding. Please allow at least two working days for postal delivery.
- If you wish to receive the maximum number of new shares shown in Box 2, please complete Box 3. Your entitlement has been calculated as described in Appendix 1 to the letter from the Chairman of Amlin.
- If you wish to take new shares in respect of only part of your holding you must enter in Box 3 the exact number of SHARES OF YOUR EXISTING SHAREHOLDING ON WHICH YOU WISH TO ELECT (eg, if you hold 1000 shares but wish to receive new shares in respect of only 750, write 750 in Box 3). You will then receive a cash dividend in respect of the balance of your existing shares on which you did not elect.
- If you elect to take all of your dividend in the form of new shares a residual cash balance may be produced which represents the entitlement to a fraction of a share. If you elect for the Scrip Dividend Mandate, this residual cash balance will be credited forward (without interest) to the next dividend. Otherwise it will be paid to you in cash.
- If you wish to receive, automatically, the maximum dividend entitlement currently declared and in respect of all future dividends in the form of new shares instead of cash mark Box 4 with a cross. You will receive the maximum whole number of new shares available instead of cash in respect of all future dividends for which a Scrip Dividend Alternative is offered. The Scrip Dividend Mandate will apply to your entire holding and will remain valid until revoked by notice in writing to the Company's registrars. Box 4 should be left blank.
- The rights under this Form of Election offer are non-transferrable.

To the Directors

Amlin plc

I/We the undersigned, being the registered holder(s) at the close of business on 11 April 2003 of ordinary shares in Amlin plc, hereby give notice that, in respect of the number of ordinary shares shown in Box 1 above (or, if less, the number of elected shares stated in Box 3 above), I/we irrevocably elect to receive, instead of cash in respect of the full amount of the proposed final dividend for the year ended 31 December 2002 of 1.25p per ordinary share, an allotment of new shares credited as fully paid, together with any cash dividend, in accordance with the terms of the accompanying letter from the Chair dated 14 April 2003 and the Memorandum and Articles of Association of the Company as varied from time to time. I/We understand that a full cash dividend of 1.25p per share will be received in respect of the balance of my/our existing shares on which I/we did not elect.

If so indicated in Box 4 above, I/we elect, on the terms (including the right of revocation) of the Company's published Scrip Dividend Mandate facility and in respect of my/our entire holding of ordinary shares in the Company on the record date for the appropriate dividend, to receive an allotment of new shares credited as fully paid, instead of cash in respect of all future dividends of the Company for which a Scrip Dividend Alternative is offered.

I/We hereby authorise you to send an mp/our risk by first class post a definitive share certificate in respect of any new shares allotted to me/us pursuant to this Form of Election and/or (if applicable) procure that CREST Co Limited is instructed to credit my/our stock account in CREST under the same participant ID and member account ID as the ordinary shares from which my/our entitlement to new shares is derived.

Dated 2003

(1) Signature

(2) Signature

(3) Signature

(4) Signature

In the case of joint holders ALL must sign. In the case of a corporation this Form of Election should be executed in accordance with section 36A of the Companies Act 1985 or be signed on its behalf by a duly authorised official whose capacity should be stated or by an attorney. All enquiries regarding this form should be addressed to Computershare Investor Services PLC, PO Box 1094, The Pavilions, Bridgewater Road, Bristol BS35 2EB. Telephone: 0870 782 0000.

In case of enquiry, please quote a daytime telephone number

Terms and definitions in this Form of Election have the same meaning as those given in the circular to shareholders dated 14 April 2003.

101/000

