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Bury St Edmunds
Suffolk
IP33 3PH

Your Ref **JAD**

Our Ref **CSJ/JXM/105457/SB1**

7 August 1998

Dear Mr Donovan

Shell Smart Card Consortium

I acknowledge receipt of your two faxes of 5 August to Mr Richard Wiseman at Shell UK Limited. As I indicated in my letter dated 29 July 1998 Shell have concluded that it is more appropriate and productive for all communications to be conducted through this firm on Shell's behalf in respect of this matter.

I note your comments in respect of your preference for ADR as a means of resolving this dispute. Shell is a member of CEDR but this does not mean that every dispute Shell is involved in must go to ADR. Shell considers each dispute on the particular facts, ADR is not suitable on every occasion and in this instant Shell have decided that a final binding resolution by the Court is the most appropriate solution in the circumstances. We certainly believe that the Court will resolve this matter fairly and I am slightly surprised at your suggestion that it does not present you with a "level playing field".

The letter which Shell sent to all of its service stations on 30 July made it clear that it was for each service station operator to determine whether or not they wished to respond to your survey. Shell clearly has a perfectly legitimate interest in keeping its service station operators informed of its view on this litigation since you choose to involve them in your publicity campaign.

Turning now to the form of letter you are sending MP's, there are a number of statements made in your letter which I believe seriously misrepresent Shell's position. I do not propose to deal with each one but to take one particular point, in relation to the anonymous telephone calls you received, we have repeatedly made clear that the proper body to investigate this incident is the Police. Shell have approached the Suffolk Constabulary directly on two occasions, once speaking directly to the Bury-St-Edmunds

Colin Joseph
Tony Leifer
Stephen Koehne
Toby Greenbury
Edward Totman
Jonathan Lewis
Marcus Rutherford
Paul Clark
Richard Spiller
Vivien Tyrell
Alan Magnus
Susan Hall
Anthony Edwards
David Coupe
Timothy Daniel
Christopher Comyn
David Kendall
James Innes
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Susan Aslan
Dorothy Cory-Wright
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Simon Corke
David Tiplady
Jane Moorman
Richard Hopley
Henry Clinton-Davis
Laurence Harris
Alexander Carter-Silk
Lesley-Anne Avis
Monica Blake
Caroline Janzen
Ashwani Kochhar
Richard Max
Susan Charles
Graham Chase
Mark Everiss
Elizabeth Goss
James Pilgrim-Morris
Ann Robson
Jonathan Martin

Associate
John Skrimshire*

Consultants
David Freeman
Christopher Hancock
Mahir Jalili†

* Non-solicitor
† US Attorney

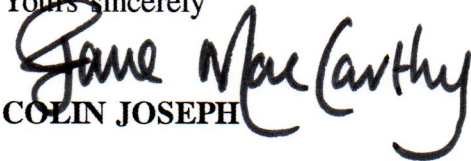
J Donovan Esq
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Police and once in writing to the Chief Constable. Shell have offered their full co-operation and support if the police choose to initiate an investigation into this incident which Shell finds as deplorable as you do. To date, however Shell has heard nothing from the Suffolk Police in respect of this matter.

Finally, I note your comments about your father, of course my clients regret the necessity of having to involve him in this matter, but his actions in breach of the original agreements leave my clients no choice but to involve him in the proceedings.

Yours sincerely


COLIN JOSEPH