

RMW/LD
CSJ/JXM/105457/SBI

Messrs D J Freeman,
Solicitors,
DX No: 103 London

Email: rrw@royds.law.co.uk

23 June 1998
Sent via fax and by dx
Fax No: 0171 556 4461
No of Pages 2

Dear Sirs,

Re: Shell Smart Card Consortium

We have received from our Client a copy of your letter to him of the 19th June - surprisingly not copied directly to us. Indeed we have received no reply to our letter either from you or for that matter Cofton Consultants.

The Plaintiff in this litigation is John Donovan not Don Marketing UK Limited. What has a visit to the Company's registered office address got to do with "routine credit enquiries" about John Donovan? If "routine credit enquiries" were indeed the sole ambit of the brief given by your firm to Cofton Consultants then perhaps you would supply us with a copy of your letter of instruction so that everyone can be satisfied about what you say.

Neither do we accept that such enquiries are "normal" in litigation. Your Clients have been litigating with ours for years. If it was "normal" presumably such checks would have been made at the behest of your predecessors, Mackrell Turner Garrett. The fact that those checks were not made indicates to us that you have your own idea of what is "normal".

Despite what you say about "Mr. Phillips" the fact is that your explanation requires our Client and ourselves to accept that the events of the past fortnight have been a wholesale coincidence of the most spectacular kind.

Royds Treadwell

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As you can imagine we have taken detailed instructions from our Client about the extremely disturbing anonymous telephone call he received ten days ago. We are entirely satisfied that this call could only have been made by someone connected with your Clients or fully briefed by them. The caller accurately informed John Donovan that your Clients were using private enquiry agents; accurately informed John Donovan that your Clients had retained the services of Shandwick Public Relations and Tequila (both of whom have recorded a number of visits to our Client's website); accurately recounted the events which had taken place at Shell's AGM; and (probably) accurately recounted Dr. Fay's anger on that occasion.

The caller also stated that your Clients were "fed up with" the campaign which supports the litigation (particularly the "colourful website") and threatened that if this continues not only would the litigation prove financially ruinous to Mr. Donovan, he and his family would be "endangered".

At the same time you are also aware of the approaches our Client has received from someone calling himself "Charles Hoots". Are you in a position categorically to confirm that no one connected with Shell, DJ Freeman, Cofton Consultants or any other company instructed by Shell has at any time adopted this pseudonym when making enquiries of Mr. Donovan?

We should add that we think that your Clients are wasting their money in paying people like Mr. Phillips to make footling enquiries at St. Andrew's Castle. It is no secret that it is highly unlikely that Mr. Donovan would be in a financial position to pay the enormous costs you will no doubt charge Shell for running this litigation. Fortunately, he does not consider there to be much risk that he will have to do so.

Costs would of course be substantially restricted if, instead of playing procedural games, your Clients would get on and serve Defences to these claims so that the litigation can rapidly proceed to a conclusion. The tactics you have adopted in the libel proceedings indicate that, perhaps unsurprisingly, this is very far from your client's intention.

Yours faithfully,

Royds Treadwell

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