Shell U.K. Limited

Legal Division

Mr J Donovan Managing Director Don Marketing UK Limited St Andrews Castle 33 St Andrews Street South Bury St Edmunds Suffolk IP33 3PH



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By Fax: 01284 388308

20 May 1997

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Dear Mr Donovan

Thank you for your letter of 19 May. I note what you say.

The moral obligation which we have referred to in the past and in relation to which we said that the slate was wiped clean arose out of the termination of the Company's long standing relationship with you; not out of any particular claim. Accordingly, we feel that the slate remains wiped clean.

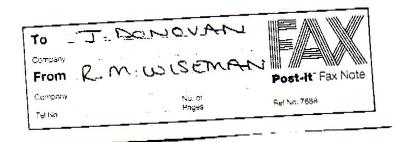
For the reasons explained to you, we do not believe that any further obligation arises out of your latest claim, legal, moral or otherwise. I hope that the papers to be produced by D J Freeman will satisfy you on this.

Yours sincerely

R M Wiseman

General Counsel and Company Secretary

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Mr Richard Wiseman General Counsel & Company Secretary Shell UK Limited Shell Mex House Strand London WC2R ODX

21 May 1997 One Page Fax To: 0171 257 3303

Dear Mr Wiseman.

Thank you for your letter of 20 May.

I note your assertion that the settlement did not relate to any particular claim, but was some form of severance payment which discharged all of Shell's moral obligations to DM. I wonder if any other non-retained agency has ever received a severance payment from Shell, let alone one for £200,000. You imply that a blanket absolution applied even to the misdeeds of which you had no knowledge at the mediation. With all due respect, this entire line of argument cannot be right.

If that really is what you had in mind, you failed to convey any such impression at the time of the settlement. There is not the slightest trace in the settlement documents or the letter received from Dr Fay of any termination element (the reverse is the case). Although we cannot accept what you are now claiming, it seems sensible to set those issues to one side for the time being.

We look forward to receiving the information being provided by D J Freeman.

Yours sincerely

John Donovan

Managing Director

Shell U.K. Limited

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21 October 1996

Dear Mr Donovan

I am pleased that our long running dispute has been satisfactorily resolved. It is unfortunate that some of our dealings with you appear not to have met the high standards we set ourselves and which our long relationship had led you to expect of us.

On reflection it seems that, had this aspect been more focused on than the strict legal issues, we might have been able to resolve our differences more quickly.

May I wish you and your business every success for the future.

Yours sincerely

CEFay

Chairman and Chief Executive