

PricewaterhouseCoopers  
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**Private and Confidential**

The Directors  
IBM United Kingdom Holdings Limited  
PO Box 41  
North Harbour  
Portsmouth  
PO6 3AU

Attention: J S Lamb Esq

3 August 1998

Dear Sirs

**IBM United Kingdom Holdings Limited and Subsidiaries (as listed in Appendix A)**

Following the merger of Price Waterhouse and Coopers & Lybrand from 1 July 1998, we have agreed that the new firm, PricewaterhouseCoopers will be replacing Price Waterhouse as auditors. We enclose the letter of resignation of Price Waterhouse and their statutory statement given in connection with ceasing to hold office as auditors.

We confirm that we will take over the audit appointment on the same terms and conditions as before for Price Waterhouse, as set out in the existing engagement letter (but reading references to any Price Waterhouse entity or person as references to the corresponding PricewaterhouseCoopers entity or person). Please would you let us have confirmation of the appointment of PricewaterhouseCoopers on these terms in due course by providing us with a copy of the Board resolution to that effect.

Yours faithfully

*PricewaterhouseCoopers*

PricewaterhouseCoopers



PricewaterhouseCoopers is the successor partnership to the UK firms of Price Waterhouse and Coopers & Lybrand. A list of the names of the partners of Price Waterhouse is open to inspection at Southwark Towers, 32 London Bridge Street, London SE1 9SY, which is the principal place of business of Price Waterhouse.

The principal place of business of PricewaterhouseCoopers and its associate partnerships is 1 Embankment Place, London WC2N 6NN where lists of the partners' names are available for inspection.

All partners in the associate partnerships are authorised to conduct business as agents of, and all contracts for services to clients are with, PricewaterhouseCoopers. PricewaterhouseCoopers is authorised by the Institute of Chartered Accountants in England and Wales to carry on investment business.

PricewaterhouseCoopers is a member of PricewaterhouseCoopers International Limited, a company limited by guarantee registered in England and Wales.

**IBM UNITED KINGDOM HOLDINGS LIMITED AND SUBSIDIARIES – LIST OF SUBSIDIARIES**

IBM United Kingdom Limited  
Multime Limited  
IBM United Kingdom Financial Services Limited  
IBM United Kingdom Leasing Limited  
IBM United Kingdom Credit Limited  
IBM United Kingdom Asset Finance Limited  
IBM United Kingdom Asset Leasing Limited  
Data Sciences Limited  
Data Sciences UK Limited  
Data Sciences Holdings Limited  
Software Sciences Limited  
Early Cloud & Company (Software) Limited  
Integrated Systems Solutions Company Limited  
IBM Service Plus Limited  
International Business Machines Limited