

SOLOMON HARE
CHARTERED ACCOUNTANTS

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2.8 OCT 1998

The Directors
LTS Rail Limited
Central House
Clifftown Road
Southend on Sea
Essex
SS1 1AB

DKP/LTO5912

27 October 1998

2938993

Dear Sirs

LTS RAIL LIMITED

Following our recent discussions, we are now writing to confirm our resignation as auditors of the above named company as from 27 October 1998.

We attach a statement as required by Section 394 of the Companies Act indicating that there are no circumstances connected with our resignation which we consider should be brought to the attention of members or creditors of the company. A copy of this statement should be deposited with the Registrar of Companies as required by Section 394 within fourteen days.

Yours faithfully

Solomon Hare

SOLOMON HARE



Partners:

Philip E Moody FCA ATII (Senior Partner) • Michael S Batt FCA • Nigel P Belletty FCA • Martin D Brown FCA • Richard W Bunker FCA ATII • Stephen F Butt FCA
Richard Chant FCA FTII • Ian S Cooper FCA • John W Davies MIPA MSPI • Peter W Engel MIPA MSPI • Timothy J Keeley FTII • Michael D Lea ACA ATII • Roy Macfarlane FCA
Richard F Mannion FCA FTII • David J Mouncey ACA ATII • Michael J Neale FCA • J Andrew Peters FCA ATII • David K Pike FCA • Nicholas J Reeve FCA • David W Roper FCA
Stephen D Toole FCA • Gareth R White FCA • David C Wragg FCA • David A Smart FCA (Partnership Secretary)

Chairman: Emily D McPherson BSc

Associated offices: Birmingham, Clipping, Sedbury, and London • Associated Office at Clipping

In association with BPS Stock Exchange

Registered company in audit work and authorised to carry on investment business by the Institute of Chartered Accountants in England and Wales

SOLOMON HARE

To the directors of LTS Rail Limited

Company number: 2938993

Statement under Section 394 Companies Act 1985

There are no circumstances connected with our ceasing to hold office as auditors of LTS Rail Limited which we consider should be brought to the attention of members or creditors of the company.

Solomon Hare

SOLOMON HARE

27 October 1998