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The Directors
Cater Allen Holdings plc
20 Birchin Lane
London
EC3V 9DJ

19 December 1997

RKP/JB

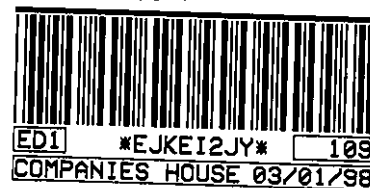
Dear Sirs

In accordance with section 392 of the Companies Act 1985, we write to notify you of our resignation as auditors of your subsidiary undertakings as shown on the attached Appendix. This resignation takes effect from the time at which you receive this letter.

In accordance with section 394(1) of that Act, we confirm that there are no circumstances connected with our resignation which we consider should be brought to the attention of the members or creditors of these companies.

Yours faithfully

Ernst & Young



APPENDIX

AC (Nominees) Ltd
Cater Allen Global Markets Ltd
Cater Allen Nominees Ltd
CDS (Nominees) Ltd
City Deal Services (Nominees) Ltd
Suspense Nominees Ltd