Bals Engineering

Jubilee Estate Ashington Northumberland NE63 8UG

Telephone: 01670 813275

Fax: 01670 851141



Private and Confidential

Registrar of Companies Companies House Crown Way Maindy Cardiff CF4 3UZ

23 July 1998

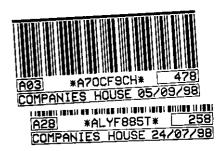
Dear Sirs

In accordance with Section 392(3) Companies Act 1985 we enclose the notice of resignation deposited at our registered office by our auditors Price Waterhouse.

Yours faithfully BALS ENGINEERING GROUP LIMITED 276705

S Jackson

Company Secretary



Notice of resignation of Price Waterhouse as auditors of the company having been received:

- (i) THAT PricewaterhouseCoopers be appointed to fill the casual vacancy thus arising to hold office until the conclusion of the next general meeting at which accounts are laid before the company; and
- (ii) THAT PricewaterhouseCoopers take over the existing engagement letter between the company and Price Waterhouse with immediate effect, on identical terms and conditions (but reading references to any Price Waterhouse entity or person as references to the corresponding PricewaterhouseCoopers entity or person).