

BBAG – Bradford & Bingley Action Group

To B&B Shareholder Action Group Members

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Kirktofers, Elmwood Lane
Barwick-in-Elmet
Leeds
West Yorkshire
LS15 4JS

Phone: 0113-281-3941
Web: www.bbactiongroup.org
Email: dwwb@btinternet.com

The Bradford & Bingley Shareholders Action Group is Now a New Legal Entity

Dear Supporter,

I am writing to inform you that the majority of committee members, and those involved in the Bradford and Bingley Action Group ("BBAG" or "the Action Group") have created a new legal entity to fight the interests of Bradford and Bingley investors which is clearly separate from the UK Shareholders Association (UKSA). This initiative has been taken for a number of reasons:

- It enables the Action Group to take whatever action, legal or otherwise, in a way that does not impede and impact on UKSA's wider interests and responsibilities.
- The new entity will be focused solely on Bradford and Bingley Investors' interests only, and will therefore be focused on this campaign alone.
- We will have better control of our administrative costs as opposed to relying on a third party like UKSA.

The details of this new organisation (which is a company "limited by guarantee") are given below. Since the Action Group Committee made this decision, we have been disappointed by some misleading statements published by UKSA with regard to BBAG Committee members and its Chairman.

You can be assured that we have achieved a great deal in the last few months including submitting a very sound representation to the independent valuer of the ordinary shares, based on the work of unpaid volunteers on this committee. In addition, we are currently contemplating legal action concerned with the position of bondholders, and such action may also be required in due course when we see the result of the valuation exercise for the ordinary shares.

We are currently underway with a number of initiatives with the new administration in the UK as well as the media. We will keep you closely apprised of these as they develop.

We would of course be happy to work with UKSA to promote your interests, and I have written to Martin White accordingly.

Yours sincerely

David Blundell
Chairman