

E.T.S.

L I M I T E D
Electrical Contractors

18 June 2004

MGK (Scotland) Limited
Polbeth Industrial Estate
West Calder
West Lothian
EH55 TJ

RECEIVED 21 JUN 2004

Dear Sirs,

Account Number ETS

I write to advise that Electronic Tagging Systems Limited has ceased to trade with immediate effect, as it is insolvent.

I have taken this step following advice received from the company's accountants. Advice has also been sought from a licensed insolvency practitioner, however as there are no funds available to meet the fees and expenses of a liquidation, it has not been possible to find an insolvency practitioner who will accept the appointment as liquidator.

The failure of the company can mainly be attributed to difficulties which arose during a major contract. There is a substantial amount still outstanding here which is in dispute. Due to this loss, the company is now insolvent and to continue to trade in these circumstances is not an option.

I shall, in due course, apply to the Registrar of Companies to have the company struck off in terms of Section 652 of the Companies Acts.

Yours faithfully



Pat Gammie
Director

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