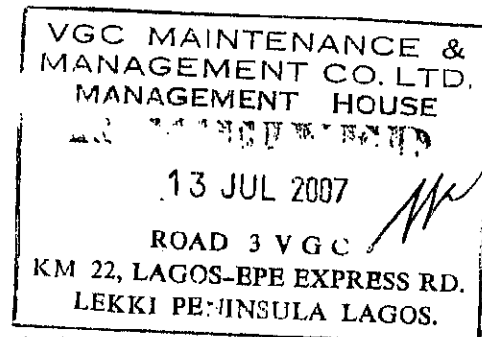


'ANNEXURE 2'

13th July 2007

The Chairman/ Managing Director
VGC Maintenance & Management Company Limited
Management House
Road 3, Victoria Garden City
Km 22, Lagos – Epe, Express Road,
Lekki- Peninsula, Ajah



ATTENTION: Mr. A. A. Onabanjo,

Dear Sir,

RE: NEW PHCN POWER SUPPLY ARRANGEMENT FOR VGC – MATTERS ARISING

We are solicitors to Mrs. Funke Adekoya, SAN, a resident of Victoria Garden City (VGC), (our client). Our client has shown us your letter of 3rd July, 2007, addressed to all residents of VGC. In the letter, you informed the residents of a new power supply arrangement. Under the arrangement, you will buy power in bulk from the Power Holding Company of Nigeria (PHCN) and then distribute to the residents, through PHCN cables and wiring and metered by prepaid meters supplied by PHCN. You also indicated in your letter that you will buy power at 8.50 per kWhr and resell to the residents at 12.00 kWhr, purportedly to cover the cost of alleged transmission losses. We have been informed by our client that you have indeed started implementing this arrangement and that she is being made to purchase electricity at a rate over and above that approved by PHCN.

Your activity under the arrangement amounts to carrying on the business of distribution and trading of electricity, which are regulated by the Nigerian Electricity Regulatory Commission (NERC). It was not disclosed in your letter under what authority you are implementing these arrangements.

While our client has no objection to your management of the Estate in a manner that will provide the residents with the services for which a service charge is levied, we have on the instruction of our client, considered the legality of the new arrangement under the Electric Power Reform Act (the Act). We found that distribution is only permissible without a licence where the aggregate capacity of the distribution facilities does not exceed 100 kilowatts (kw), which is clearly not the case here. Otherwise a person who engages in the business of trading in or distributing electricity without a trading or distribution licence is committing an offence. Those licences are issued by the Nigerian Electricity Regulatory Commission and our enquiries do not indicate that you have obtained such licence[s].

You are therefore advised to **immediately** desist from implementing the power supply arrangements as it affects our client until you have obtained the requisite licences.

TAKE NOTICE that if after seven (7) days from the date of this letter, you have not ceased to implement the power supply arrangements as demanded, we shall have no option but to approach the appropriate authorities for the enforcement of the letter and spirit of the Act. Further we shall perfect our client's instructions to proceed with legal action against you before a court of law for a refund of any amount paid over and above the PHCN approved rates. These shall be without any further notice from us.

Thanks.

Yours faithfully

AELEX



GIDEON AGBEDO

gagbedo@aelex.com

Ext. 112

CC:

1. Dr Olufemi Mobolaji – Lawal - Chairman, VGCPORA
2. DGMD (Admin. / Legal) HFP Engineering (Nig) Limited
3. District Manager PHCN (VGC Sub-station)
4. Manager Momas Systems Nigeria Limited