

# British Aggregates Association

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31 May 2012

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**ATTN: AI Fraser Liquidator Yr Ref AIF/CS/24**

**Skye Aggregates – in Liquidation**

I write on behalf of the British Aggregates Association as a creditor of Skye Aggregates in response to your letter to us of 28 May.

It would appear from the papers you enclosed that the biggest problem for Skye Aggregates has been the Aggregates Levy and interest thereon.

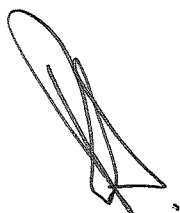
Please be aware that our association, in conjunction with two other companies, is currently engaged in court action against this levy which we regard as being illegal. Following a successful judgment in the EU General Court on March 7 this year, state aid approval for the Aggregates Levy was annulled. We expect that the process will be brought to a conclusion in the Court of Appeal in London sometime this year and the necessary papers have already been filed. If our appeal is successful, companies such as Skye Aggregate will be entitled to reclaim the total amount paid since the levy was introduced 1 April 2002

The purpose of my letter is to inform you that Skye Aggregates Ltd. may have a substantial claim against HMRC and to ask you to avoid doing anything in the meantime prejudicial to either the British Aggregates Association, as a creditor, or our member, Skye Aggregates Ltd.

This matter has only just come to our attention, but our lawyers, Herbert Smith, will presently be in contact with further information.

Without prejudice.

Yours sincerely,



Robert Durward  
Director

