



SFO

serious
fraud
office

Elm House 10-16 Elm Street London WC1X 0BJ
Director: Richard Alderman

Leigh Day & Co

25 FEB 2011

Received

Leigh Day & Co
Priory House
25 St John's Lane
London
EC1M 4LB

24 February 2011

Dear Sirs,

Further to my letter dated 14 February 2011, please find enclosed a letter from those representing BAe, the contents of which are self explanatory.

Given the content of this letter and my previous correspondence with you, I believe the matters you raised are now concluded.

If you need any further details, please do not hesitate to contact me.

Yours Sincerely,


Kathleen Harris
Head of Fraud Business Group
Direct Tel: +44 (0)20 7084 4569
Direct Fax: +44 (0)20 7833 5430
Email: Kathleen.harris@sfo.gsi.gov.uk

ALLEN & OVERY

BY POST

Mr Richard Alderman
Director
Serious Fraud Office
Elm House
10-16 Elm Street
London WC1X 0BJ

Allen & Overy LLP
One Bishops Square
London E1 6AD United Kingdom

Tel +44 (0)20 3086 0000
Fax +44 (0)20 3088 0088

Our ref JDJH/AMC/DFG/0013413-0000476 LT:6455370.1

22 February 2011

Dear Mr Alderman

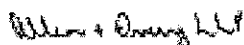
R v BAE Systems plc

We refer to paragraph 8 of the agreement signed on 16 February 2010 between our client, BAE Systems plc, and the SFO.

The SFO conducted an extremely long-running and wide-ranging investigation into our client's affairs, including its use of marketing advisers. Against that backdrop, we confirm that our client would not dispute that paragraph 8 should properly be interpreted as meaning that the SFO will not prosecute our client's group in relation to matters which were the subject of its investigations or of which the SFO was otherwise aware before the date of the settlement.

We confirm that we would not object to you sending a copy of this letter to the groups that currently seek to challenge paragraph 8.

Yours faithfully



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