

LETTER FROM THE CHAIRMAN

DEBT FREE DIRECT GROUP PLC (the “Company”) (Incorporated and registered in England and Wales with No. 4425339)

Directors:

J M Blackburn (*Chairman*)
A Redmond (*Chief Executive Officer*)
P A Latham (*Finance Director*)
D J Oakley (*Insolvency Director*)
C Mindenhall (*Non-executive Director*)
S Gilbert (*Non-executive Director*)
Lord Hoyle of Warrington (*Senior Non-executive Director*)

Registered Office:

Eversheds House
70 Great Bridgewater Street
Manchester
M1 5ES

28 November 2007

Dear Shareholder

Introduction

On 27 November 2007 your board announced a proposal to change the name of the Company.

This proposal is conditional upon the approval of shareholders in general meeting. The purpose of this document is to provide details of this proposal and to seek the approval of shareholders.

Change of name

The directors consider that it is appropriate to change the name of the Company to Fairpoint Group plc. The directors believe that this more accurately reflects the strategy of the group to provide a broad range of ethical advice and products to financially stressed consumers.

Set out at the end of this document is a notice convening an Extraordinary General Meeting of the Company to be held at Fairclough House, Church Street, Adlington, Lancashire, PR7 4EX at 11.00 am on 21 December 2007 at which the resolution will be proposed to change the name of the Company to Fairpoint Group plc. Following the change of name, share certificates in the present name of the Company will remain valid.

Action to be taken

You will find enclosed with this document a form of proxy for use at the Extraordinary General Meeting. Whether or not you propose to attend the Extraordinary General Meeting in person, you are asked to complete the form of proxy and return it to the Company's registrars, Capita Registrars, Proxies Department, The Registry, 34 Beckenham Road, Beckenham, BR3 4TU, so as to arrive as soon as possible, but in any event so as to be received not later than 11.00 am on 19 December 2007. Completion and return of a form of proxy will not preclude you from attending and voting at the Extraordinary General Meeting in person if you wish.

If you are in any doubt as to what action you should take, you are recommended to seek your own personal financial advice from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under the Financial Services and Markets Act 2000 immediately.

Recommendation

The board considers the resolution to be proposed at the Extraordinary General Meeting of the Company to be in the best interests of the Company and its shareholders as a whole. The directors unanimously recommend that shareholders vote in favour of the resolution set out in the notice of Extraordinary General Meeting at the end of this document, as they intend to do in respect of their own beneficial holdings which amount to 8,830,637 Ordinary Shares representing 21 per cent. of the existing issued ordinary share capital of the Company as at 27 November 2007.

Yours sincerely

J M Blackburn
Chairman

DEBT FREE DIRECT GROUP PLC
(Registered in England No. 4425339)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting of the Company will be held at Fairclough House, Church Street, Adlington, Lancashire, PR7 4EX at 11.00 am on 21 December 2007 for the purpose of considering and, if thought fit, passing the following resolution, which will be proposed as a Special Resolution:

SPECIAL RESOLUTION

THAT, the name of the Company be changed to “Fairpoint Group plc”.

Dated: 28 November 2007

Registered Office:
Eversheds House,
70 Great Bridgewater Street,
Manchester, M1 5ES

By order of the board
Paul Latham
Secretary

Notes:

1. Any member entitled to attend and vote at the above meeting is entitled to appoint one or more proxies (who need not be a member of the Company) to attend and to vote instead of the member. Completion and return of a form of proxy will not preclude a member from attending and voting at the meeting in person, should he subsequently decide to do so.
2. In order to be valid, any form of proxy and a power of attorney or other authority under which it is signed, or a notarially certified or office copy of such power or authority, in order to be valid, must reach the Company’s Registrars, Capita Registrars, Proxies Department, The Registry, 34 Beckenham Road, Beckenham, BR3 4TU, not less than 48 hours (excluding any part of a day which is a non-working day) before the time of the meeting or of any adjournment of the meeting.
3. As permitted by regulation 41 of the Uncertificated Securities Regulations 2001, shareholders who hold their shares in uncertificated form must be entered on the Company’s share register at 11.00 am on 19 December 2007 in order to be entitled to attend and vote at the meeting. Such shareholders may only cast votes in respect of shares held at such time. Changes to entries on the relevant register after that time shall be disregarded in determining the rights of any person to attend or vote at the meeting.

DEBT FREE DIRECT GROUP PLC (the “Company”)

Extraordinary General Meeting

FORM OF PROXY

I/We
of

(Please insert full name(s) and address(es) in block letters – see Note 1 below)

being (a) member(s) of the above-named Company, hereby appoint the Chairman of the meeting or
.....
of

(See Note 3 below)

as my/our proxy or proxies to vote for me/us and on my/our behalf at the extraordinary general meeting of the holders of shares in the Company to be held on 21 December 2007 at 11.00 am and at any adjournment of that meeting and to vote at that meeting as indicated below.

Please indicate how you wish your proxy or proxies to vote by inserting “X” in the box below. Where no “X” is inserted, and on any other resolutions proposed at the meeting, your proxy will vote or abstain from voting as he/she thinks fit.

The vote withheld option is provided to enable you to abstain on any particular resolution. However it should be noted that a “vote withheld” is not a vote in law and will not be counted in the calculation of the proportion of votes “For” and “Against” a resolution.

RESOLUTIONS	FOR	AGAINST	VOTE WITHHELD	DISCRETIONARY
That the name of the company be changed to Fairpoint Group plc				

Dated

Number of share(s)

Signature(s)

or Common Seal

Notes:

1. All members are entitled to attend and vote at the meeting, whether or not they have returned a form of proxy.
2. If any other proxy is preferred, delete the words “the Chairman of the Meeting or;” insert the full name of the proxy or proxies you wish to appoint and initial the alteration. If you are appointing more than one proxy you must indicate the number of shares in respect of which you are making this appointment, you should include the number in the box provided for your first named proxy and attach an additional sheet including name, number of shares and address for additional proxies. If you provide the name of more than one proxy but fail to complete the number of shares in respect of which they are being appointed, the appointment will only be effective to appoint the first named person in respect of your entire shareholding.
3. A proxy need not be a member of the Company but must attend the meeting in person.
4. In the case of a corporation this form of proxy must be executed under its common seal or under the hand of an officer or attorney duly authorised in writing. In the case of an individual, the form of proxy must be signed by the individual or his attorney.
5. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the votes of the other joint holders and for this purpose seniority shall be determined by the offer in which the names stand in the register of members.
6. If you want your proxy to vote in a certain way on the resolutions, please insert “X” in the relevant box.
7. The vote withheld option is provided to enable you to abstain on any particular resolution. However, it should be noted that a “vote withheld” is not a vote in law and will not be counted in the calculation of the proportion of votes “For” and “Against” a resolution.
8. If you select ‘discretionary’ or fail to select any of the options, your proxy can vote as he or she chooses or can decide not to vote. Your proxy can also do this on any other resolution that is put to the meeting.
9. If this form of proxy is returned duly signed but without any indication as to how the person appointed proxy shall vote, he will exercise his discretion as to how he votes and whether or not he abstains from voting.
10. To be effective, this form of proxy, duly executed together with the power of attorney or other authority (if any) under which it is signed (or a notorially certified copy thereof) must be lodged at the Company Registrars not less than 48 hours (excluding any part of a day which is a non-working day) before the time appointed for the holding of the meeting or adjourned meeting.
11. Any alterations made in this form of proxy should be initialled.
12. Appointment of a proxy will not preclude a member from attending and voting in person should he subsequently decide to do so.
13. Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, only those shareholders registered in the register of members of the Company at 11.00 am on 19 December 2007 or, if the meeting is adjourned, shareholders on the Company’s register of members not later than 48 hours before the time fixed for the adjourned meeting, shall be entitled to attend and vote at the meeting.
14. If two or more valid forms of proxy are delivered in respect of the same share, the one which was delivered last (regardless of its date or the date of its execution) will be valid.

BUSINESS REPLY SERVICE
Licence No. MB 122

**Capita Registrars
Proxies Department
PO Box 25
Beckenham
BR3 4BR**

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