From: Martin Foerder - Bilfinger Construction UK

Sent: 02 November 2012 11:12

To: Kevin Russell - Bilfinger Construction UK

Subject: FW: SDS Contra Charges

fyi

Best regards / Mit freundlichen Grüßen

Martin Foerder Project Director

Construction

Bilfinger Construction UK Limited Edinburgh Tram Network 9 Lochside Avenue Edinburgh Park Edinburgh EH12 9DJ

Tel Fax Mobile martin.foerder@bilfinger.co.uk
www.construction.bilfinger.co.uk

Bilfinger Construction UK Limited

Executive Board: David Darcy, Matthew Hicks

Registered Office: Braywick Gate, Braywick Road, Maidenhead, Berkshire SL6 1DA

Company Registration No. 2418086 Registered in England and Wales

From: Reynolds, Steve [mailto:ReynoldsS@pbworld.com]

Sent: 02 November 2012 11:00

To: Simon Nesbitt - Bilfinger Construction UK

Cc: Brady, Martin; axel.eickhorn@siemens.com; Alfred Brandenburger; Mark Miller - Bilfinger Construction UK; Martin

Foerder - Bilfinger Construction UK **Subject:** RE: SDS Contra Charges

Simon

Further to my email yesterday, as promised I have now reviewed the position and am content to confirm that the requests set out in our letter reference ULE90130-SW-LET-02486 stand.

I note your point that this represents a different approach to that agreed. However, I would suggest that the thrust of some of the discussions to date cannot be reconciled with the spirit of the earlier Phoenix Agreement. We are very concerned that, having provided BBS with unstinting support to facilitate the Phoenix settlement, we are now becoming embroiled in a lengthy debate on matters for which little supporting evidence has been provided. We are also concerned that the exercise to address contra charges appears not to have taken account of the very real savings which BBS has secured in other areas as a direct result of the work carried out by PB. By way of example, we

are all familiar with the trackform topic and the reputational risk to BBS which has now been mitigated in large part, it can be argued, by the effort which PB put in well beyond its own contractual obligations.

In light of these comments can I suggest that the most constructive approach would be to convene the meeting which I offered with Jason Chandler and myself with your team in Edinburgh? I can confirm our intent that we reach an amicable resolution of this matter and I can also confirm that any reasonable case for contra charges will, of course, be considered in good faith.

If you would like to discuss this matter by phone please let me know. With regard to a meeting, Jason and I can be available on 13 November at a time to suit you. Please let me know your preference.

On the subject of the next Commercial meeting I can be available any day during w/c 21 November with the exception of Tuesday 22^{nd} , or, alternatively, on Monday 26^{th} .

Thank-you & regards - Steve

From: Simon Nesbitt - Bilfinger Construction UK [mailto:Simon.Nesbitt@bilfinger.co.uk]

Sent: 01 November 2012 13:31

To: Reynolds, Steve

Cc: Brady, Martin; 'Eickhorn, Axel (axel.eickhorn@siemens.com)'; Alfred Brandenburger; Mark Miller - Bilfinger

Construction UK; Martin Foerder - Bilfinger Construction UK

Subject: SDS Contra Charges

Steve

I refer to the most recent meeting with SDS regarding the current list of Contra Charges and your letter ULE90130-SW-LET-02486 requesting formal submissions of estimates and substantiation of each Contra Charge by BBS. We note that this is a different approach to that agreed at our previous Commercial meetings. We would request confirmation from yourself that this is the approach that SDS wish to adopt.

We had understood from previous discussions that there was an agreement between us that we were to discuss each of the contra charges in an informal manner and agree the principle or otherwise for each item, with any communications via email. This would then allow for a discussion between yourself and Martin Foerder with the aim to come to an agreement on the overall list at the next Commercial meeting (originally due to be held end October 2012).

We would appreciate your confirmation on the above and also for you to advise your availability w/c 19 Nov and 26 Nov 12 for the next Commercial meeting.

Regards,

Simon Nesbitt Design Manager

Construction

Bilfinger Construction UK Limited Edinburgh Tram Network 9 Lochside Avenue Edinburgh Park Edinburgh EH12 9DJ



www.construction.bilfinger.co.uk

Biltinger Construction UK Limited
Executive Board: David Darcy, Matthew Hicks Registered Office: Braywick Gate, Braywick Road, Maidenhead, Berkshire SL6 1DA Company Registration No. 2418086 Registered in England and Wales

This email and any files transmitted with it are confidential and
intended solely for the use of the individual or entity to whom they
are addressed. If you have received this email in error please notify
the system manager.
Bilfinger Berger confirms that this email message has been swept by
MIMEsweeper for SMTP for the presence of computer viruses.
www.bilfinger.co.uk

NOTICE: This communication and any attachments ("this message") may contain confidential information for the sole use of the intended recipient(s). Any unauthorized use, disclosure, viewing, copying, alteration, dissemination or distribution of, or reliance on this message is strictly prohibited. If you have received this message in error, or you are not an authorized recipient, please notify the sender immediately by replying to this message, delete this message and all copies from your e-mail system and destroy any printed copies.