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(Halisheria)

Bilfinger Berger-Siemens- CAF Consortium

BSC Consortium Office 9 Lochside Avenue Edinburah Park Edinburah EH12 9DJ United Kingdom

Fax

Phone: +44 (0) 131 452 2800 +44 (0) 131 452 2990

tie limited CityPoint 65 Haymarket Terrace

Edinburgh EH12 5HD

For the attention of Steven Bell, Tram Project Director

Dear Sirs.

Edinburgh Tram Network Infraco **OLE Building Fixings-INTC-0244** Siemens Progress of Works - Notice of Postponement in Sections 1A to 1C

As reported to tie in BSC's monthly reports since early 2010, BSC has chosen to progress the installation of Building Fixings for the OLE in a number of onstreet sections. This was in an effort to mitigate the overall project delay, by ensuring Building Fixings would be installed and tested sufficiently ahead of any subsequent activities. To this respect and as the Infraco Member executing these works, Siemens committed to gradually continuing to install the building fixings as long as they would not incur the risk of any cost increase, through inefficiency or else.

To date, 41 OLE Building Fixings have been installed. There are 73 OLE Building Fixings that were still planned to be installed. However, most of them are in Sections 1A to 1C, in areas which may be subject to re-phasing, and/or restricted access by works by others e.g. MUDFA.

In view of the above, Siemens has now chosen to postpone installation of the OLE Building Fixings at this time in Sections 1A to 1C, in an effort to mitigate costs. In the re-phasing we would like to avoid unnecessary disruption to building owners and minimise the probability of any abortive works. We will still continue with installation of the 32 OLE Building Fixings in Section 1D i.e. between Haymarket and Princes Street.

It is our opinion that the further installation of the OLE Building Fixings at this juncture in Sections 1A to 1C will not have any direct impact on any subsequent works in these areas or the Programme in general. Should tie require BSC to progress the works for OLE Building Fixings in those Sections, then we would respectfully request a meeting with tie for payment considerations.

We also remind tie that, due to the relatively small scope involved, the works in question are being carried out by Siemens "in good will", in advance of signing the corresponding subcontract with Border Rail, presently still objected by tie. We kindly request tie to approve said Subcontract so that we may proceed with its signature.





SIEMENS



Yours faithfully,



Bilfinger Berger Siemens CAF Consortium MFO/SMO/MBE/LSM/ABR

- cc: Gary Bromley Patrick Scully Michael Wilken
 - Kevin Russell Stefan Rotthaus **Document Control**
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