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**From:** Fitchie, Andrew [Andrew.Fitchie@dlapiper.com]  
**Sent:** 14 June 2010 16:05  
**To:** Richard Jeffrey; rush\_aj@[REDACTED]  
**Cc:** David\_Mackay  
**Subject:** RE: advice please  
**Attachments:** 24216623\_3\_UKMATTERS(Strategic Options - Paper on termination 22.04.09).DOC;  
28674380\_1\_UKMATTERS(Advice Note - Effects of Termination 22.02.10).DOC

**Legally privileged and FOISA exempt**


Understood in terms of advice on contractual mechanics - thoughts on this are already contained in the strawman.

Recovery of costs from BSC will depend entirely upon the merits of the termination and, in terms of immediate cash flow, **tie's** decision on the use of the 'on demand' bonds. I will provide you with an outline heads of claim' which **tie** would have entitlement to recover if the termination was found to be with cause. Scenario C in the attached strategic options paper sets this out for you.

Please also see the attached two earlier DLA Piper advice notes April 2009 and February 2010 on the immediate effect of **tie** terminating (assuming that no rectification plan were submitted (or **tie** has not terminated for a Prohibited Act). These are still instructive, I think, as outlines for your thinking about post Carlisle.

kind regards

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**From:** Richard Jeffrey [<mailto:Richard.Jeffrey@tie.ltd.uk>]  
**Sent:** 14 June 2010 15:35  
**To:** rush\_aj@[REDACTED] Fitchie, Andrew  
**Cc:** David\_Mackay  
**Subject:** advice please

We need to start to give serious thought to how we can terminate the BSC contract, but save the project, e.g. can we step into sub-contracts and keep the job moving? What costs can we seek to recover from BSC ? etc.

I will need a convincing story for the meeting with Swinney on Monday.

Regards

Richard

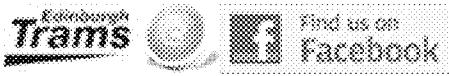
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