From: Richard Jeffrey

Sent: 25 February 2010 15:27

To: Julie Thompson

Subject: RE: Message from Richard Jeffrey - COMMERCIALLY CONFIDENTIAL & FOISA

EXEMPT - From Brian Cox

Sensitivity: Confidential

Julie, please copy original message to nick smith and alan coyle.

R

Sent from my Windows Mobile® phone.

From: Julie Thompson < Julie.Thompson@tie.ltd.uk>

Sent: 25 February 2010 14:54

To: Richard Jeffrey < Richard.Jeffrey@tie.ltd.uk>

Subject: FW: Message from Richard Jeffrey - COMMERCIALLY CONFIDENTIAL & FOISA EXEMPT - From Brian Cox

FYI

From: Brian Cox [mailto:briancox@

Sent: 25 February 2010 14:53

To: Julie Thompson

Subject: RE: Message from Richard Jeffrey - COMMERCIALLY CONFIDENTIAL & FOISA EXEMPT

Sensitivity: Confidential

Richard

Many thanks: let's hope all this leads where we want to go – my fingers will be kept firmly crossed for the duration!

Regards.

Brian

From: Julie Thompson [mailto:Julie.Thompson@tie.ltd.uk]

Sent: 25 February 2010 13:57

To: Brian Cox; Strachan, Peter; Scales, Neil; Kenneth.Hogg@scotland.gsi.gov.uk; 'david_mackay@scotland.gsi.gov.uk; 'dav

Steven Bell; Stewart McGarrity; Alastair Richards; Campbell, Bill; 'Dave Anderson';

Marshall.poulton@edinburgh.gov.uk; Donald McGougan

Cc: Tom Aitchison; Jenny Dawe

Subject: Message from Richard Jeffrey - COMMERCIALLY CONFIDENTIAL & FOISA EXEMPT

Importance: High Sensitivity: Confidential

Dear Board member,

This note is sent to you in your capacity as a member of the TPB, and is accordingly commercially confidential.

Just a quick note to update you on the preparations for the TPB board meeting on 10th March.

I believe our strategy of bringing things to a head is working. At my last meeting with Bilfinger Berger they said, unprompted, "If this was a marriage we would be asking for a divorce". In addition, there is a critical meeting with the consortium on Tuesday next week, and David and I are having dinner with Siemens at Board level on Wednesday and now Kenneth Reid, a main board director of Bilfinger Berger parent company, has asked to see David for a chat on Friday next week (they specifically wanted the chat before our board).

We are working on three broad options, each of which has several sub-options. (I intend to present 2 or 3 worked up options to the board on the 10^{th} , not all 20 or so options we have considered). The three main categories of option are;

- 1) Termination of the whole Infraco contract. Sub options include where and when to terminate, if and how to re-procure the project and different options depending on the grounds for termination and the strength of our legal case.
- 2) BSC complete part of the works, then, by negotiation, BB exit the project and we find a way, working with Siemens to complete the project. Sub-options include where and when BB exit, and many different options as to how we complete the works with Siemens.
- 3) BSC complete the project, different sub option include with or without amendments to the contract.

For the chosen options we will consider pros and cons of each option, looking at issues such as cost, time, risk, certainty, control, trust, politics, stakeholder support, etc

I would stress that whilst I hope we can reach consensus around the way forward, any option other than simply carrying on with the existing contract and the existing consortium will still be subject to further discussions/negotiations with BSC, so we will not be able to announce to the world on the 11th march that 'things are now different'.

If you have any queries on this please do get in touch.

Regards

Richard

Richard Jeffrey Chief Executive

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