

Mr Steven Beattie  
MUDFA Project Director  
Carillion Utility Services  
Western Harbour  
Leith Docks  
EDINBURGH  
EH6 6QF

Our Ref: DEL.MUDFA.19772.GB

Date: 8<sup>th</sup> February 2010

Dear Steven,

**EDINBURGH TRAM PROJECT – MUDFA  
Office Demobilisation – Hand Over Documentation**

We refer to your letter of the 4<sup>th</sup> February 2010, reference CUS/tie/letter/TL/projects/3088 regarding the above subject matter. Your understanding to the Minute of Agreement, specifically Clause 5.3, is somewhat erroneous.

The clause does not expressly include the timeframe for demobilisation, as you state, but does confirm amongst other points, the agreed period in which **tie** have agreed to pay an additional sum of monies to cover the prelims up to the end of January 2010. This in no way can be construed or confused as the agreed period for demobilisation and does not preclude Carillion from their contractual obligations in the completion of the outstanding remedials.

Carillion are still yet to complete all the handover documentation and remediating telecom defects remains as a considerable obstacle to the subsequent cabling operations, which are in delay.

These works are currently non-compliant and accordingly all remediation is at your cost.

We are therefore somewhat surprised that Carillion should chose to demobilise, in advance of completion of their works, thereby compromising the programme end date and introducing additional unnecessary exposure to further costs.

Notwithstanding the aforementioned, we would confirm, that following a review of the handover documentation programme this week, completion of the packs is now scheduled for the beginning of March, approximately 1 week later, due to the turmoil caused by your premature relocation.

We trust you shall endeavour to recover this lost time over the prevailing period in February.

Yours sincerely

**Graeme Barclay**  
**Construction Director – MUDFA**