



FAO: Alejandro Urriza

Construccions y Auxiliar de Ferroceriles SA
Padilla 17-6
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Spain

Our Ref: PRO.TRAMCO.628

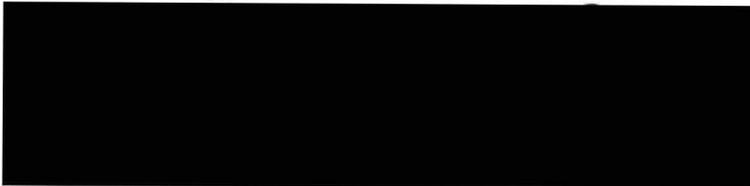
Date: 18 March 2008

Dear Sirs

**TRAMCO PROCUREMENT – TRAM SUPPLY AGREEMENT, TRAM MAINTENANCE AGREEMENT
EDINBURGH TRAM NETWORK**

We write to inform you of our intention to conclude the process with the award of the above Contracts to Construccions y Auxiliar de Ferroceriles (“CAF”) following successful close out of financial, commercial, legal and technical discussions, novation commitments and facilitated negotiations as provided for in the ITN documentation and the formal OJEU Notice for the tram supply and tram maintenance procurement for the Edinburgh Tram Project. This letter is subject to (1) contract, (2) the finalisation of all documentation and supporting security package, and (3) completion of the required novations including CAF.

Yours faithfully,



**Willie Gallagher
Executive Chairman**

delivering transport projects

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