

BBSME c/o Bilfinger Berger Lochside House 3 Lochside Way Edinburgh Park Edinburgh EH12 9DT Our Ref: 40,03,04,11/80/AH

Date: 3rd October 2006

Dear Sirs

INVITATION TO NEGOTIATE ("ITN") FOR THE PROCUREMENT OF AN INFRASTRUCTURE CONTRACTOR ("THE INFRACO") IN RESPECT OF THE EDINBURGH TRAM NETWORK

I am pleased to invite you to participate in the above procurement, in accordance with the documents enclosed with this letter.

If for any reason you consider that you have not received any of the documents identified in the ITN as being included, please contact Bob Dawson, Head of Procurement at tie by e-mail to "Bob.Dawson@tie.ltd.uk" immediately and he will arrange for replacements to be despatched to you.

Any queries from Tenderers should be submitted in accordance with Clause 5.7 of the iTN.

You will note that tie will be holding meetings to enable Tenderers to seek clarification on any aspect. In particular Tenderers will be required to have examined the draft infraco Contract and respond to tie by Monday 23<sup>rd</sup> October 2006 with comments on any significant issues and a full mark-up of Contract, clearly showing additions and deletions.

The Tender Submission date is 10.00am on Tuesday 9<sup>th</sup> January 2007. Eight unpriced copies of the Tender Submission, two priced copies incorporating full buildups to pricing, together with an "electronic" copy of all must be addressed for the attention of Andie Harper at tie Limited, Verity House, 19 Haymarket Yards, Edinburgh, EH12 5BH.

Eschiolist

Direct dist: He e-mail:Andie:Harpendie: iig us web: www.tili.iig.uk We are currently checking the Employers Requirments against the Contract Terms and Conditions and volume 1 of the ITN for consistency of terminology. Consequently we expect to re issue an updated version before the end of October. We do not expect that this process will change the technical aspects of Employers Requements.

Bids will be evaluated during early 2007 in accordance with the indicative programme. Further clarification meetings will be scheduled and negotiations held, following which it is anticipated that two Preferred Tenderers will be selected leading to the selection of a single Preferred Bidder.

Please acknowledge receipt of the ITN and confirm your intention to participate in this procurement process and return a compliant Standard Tenter and Mandatory Variants in accordance with this ITN by returning a signed copy of this letter by 10 October 2006. Please retain the duplicate copy for your records.

Yours faithfully



Andie Harper Tram Project Director

Encs.