

MINUTE OF AGREEMENT

Between

Carillion Utility Services Limited (formerly called Alfred McAlpine Infrastructure Services Limited) a company incorporated under the Companies Acts with registration number 00728599 and having its registered office at 24 Birch Street, Wolverhampton (the "MUDFA Contractor")

And

tie Limited a company incorporated under the Companies Acts with registration number SC230949 and having its registered office at City Chambers, High Street, Edinburgh, Midlothian EH1 1YJ ("tie")

WHEREAS

- A. tie and the MUDFA Contractor (collectively referred to as the "Parties") entered into a Multi-Utilities Diversion Framework Agreement dated 4 October 2006 (reference number 11162343-2.doc) to carry out and complete the MUDFA Works relating to Edinburgh Tram Network (the "MUDFA Agreement");
- B. the Parties varied the MUDFA Agreement inter alia to allow (i) the MUDFA Contractor to be relieved of its obligations to complete the MUDFA Works, and (ii) a new contractor to carry out and complete the remaining MUDFA Works by Minute of Agreement dated 4 December 2009 (the "Exit Agreement") (the MUDFA Agreement as varied by the Exit Agreement is hereinafter referred to as the "Revised MUDFA Agreement");
- C. Disputes have arisen between the parties in relation to:-
 - (i) the sums to which the MUDFA Contractor is entitled for the work executed by it under and in terms of the Revised MUDFA Agreement; and
 - (ii) claims by tie against the MUDFA Contractor in relation to the carrying out of the MUDFA Works ("the Disputes")
- D. Following mediation the Parties have reached agreement in order to resolve the Disputes and wish to record that agreement.

Accordingly the Parties do hereby agree as follows:

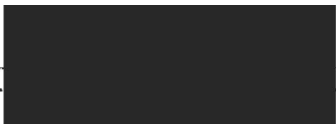


1. tie will pay to the MUDFA Contractor, in addition to the sums paid to date, a further sum of FIVE MILLION EIGHT HUNDRED AND TWENTY FOUR THOUSAND POUNDS (£5,824,000) STERLING plus any applicable VAT thereon (the "Settlement Sum").

2. The Settlement Sum will be paid by tie to the MUDFA Contractor on or before 22 November 2010, failing which tie will pay interest on the Settlement Sum at the rate of 8 per cent per annum from 22 November 2010 until payment.
3. Said Settlement Sum is paid in full and final settlement of any and all claims of any nature whatsoever made by the MUDFA Contractor or now or hereafter available to the MUDFA Contractor against tie arising out of or in connection with the Revised MUDFA Agreement (including without prejudice to the foregoing generality any claim for damages for breach of contract), and the MUDFA Contractor hereby undertakes to take no further action or proceedings whatsoever against tie in connection with any such claims.
4. Subject to clause 5 hereof, tie hereby waive any and all claims of any nature whatsoever made by it or available to it against the MUDFA Contractor arising out of or in connection with the Revised MUDFA Agreement (including without prejudice to the foregoing generality any claim for damages for breach of contract) and tie hereby undertakes to take no further action or proceedings whatsoever against the MUDFA Contractor in connection with any such claims.
5. Notwithstanding the terms of clause 4 hereof
 - 5.1 this Agreement does not settle and tie shall not be deemed to have waived any liability or obligation of the MUDFA Contractor to tie arising out of or in respect of any defects in the MUDFA Works save for claims in respect of any such defects notified by tie to the MUDFA Contractor or known to tie prior to the date of this Agreement
 - 5.2 the MUDFA Contractor hereby undertakes to provide tie with:
 - 5.2.1 any outstanding collateral warranties in accordance with clause 12 of the Exit Agreement; and
 - 5.2.2 any Retention Bond in accordance with clause 15 of the Exit Agreement
6. Each of tie and the MUDFA Contractor agree that their respective directors, officers, employees and agents shall keep strictly confidential between each of tie and the MUDFA Contractor the terms of this Agreement and shall not disclose to any third party the terms of this Agreement.
7. Notwithstanding the terms of clause 6 hereof each of tie and the MUDFA Contractor:
 - 7.1 may comply with such disclosure as is required by law or any order of a court of competent jurisdiction, or any requirement of any relevant regulatory or governmental body or authority. For the avoidance of doubt, such disclosure includes disclosure for the purposes of each Parties' banking requirements;
 - 7.2 may agree to waive as appropriate the provisions of this confidentiality clause, such agreement to be in writing by an authorised person from the other Party; and
 - 7.3 shall be entitled to disclose this Agreement to their auditors, tax advisors and legal advisors on terms that they keep the existence and terms of this Agreement strictly confidential.



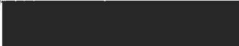
8. Each Party shall pay its own costs in relation to this Agreement, the Disputes and the mediation between the Parties held on 9th and 10th November 2010.
9. This Agreement and the operation of the same is subject to ratification by the board of tie and the signatory of it on behalf of tie shall have no personal liability under or in respect of the same or his signature of the same.
10. This Agreement shall be governed by and construed in accordance with Scots Law and subject to the exclusive jurisdiction of the commercial court of the Court of Session, Scotland.

IN WITNESS WHEREOF these presents consisting of this and the preceding 2 pages are executed as follows:

SUBSCRIBED for and on behalf of tie Limited by

	
SIGNED	WITNESS
	D
.....
STEVEN JOHN BELL	DENNIS MURRAY
FULL NAME	FULL NAME
AT.....ON.....	AT. EDINBURGH ON 10 th NOVEMBER 2010
.....
.....	CITY POINT
.....	69 HAYMARKET TERRACE
.....	EDINBURGH EH12 5HD.
ADDRESS	ADDRESS OF WITNESS

SUBSCRIBED for and on behalf of Carillion Utility Services Limited by


SIGNED	WITNESS
	
.....
FULL NAME	FULL NAME
STEPHEN KENNEDY	KATHERINE EVANS.
AT.....ON.....	AT.....ON.....
EDINBURGH 10 November 2010	Edinburgh 10 November 2010

.....
.....
ADDRESS c/o RAVENSON PLC BIRCH STREET WOLVERHAMPTON.	ADDRESS OF WITNESS c/o Cavillion plc 24 Birch Street Wolverhampton WV1 4HY