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**From:** Anthony Rush [rush\_aj@██████████]  
**Sent:** 17 February 2011 17:33  
**To:** 'Nigel Robson'; Gregor Roberts; Dennis Murray; 'BrandonNolan'; 'Jim Molyneux'; 'Colin Smith'; Richard Jeffrey  
**Subject:** RE: Conference call - Financials for Monday

Nigel,

I agree that it is too soon to "rush" or even "crawl" to judgements. The only hard factual numbers we have are costs to date, infraco's Claims to date and their last Carlisle Submission.

I think that Dennis is referring to the on demand performance bond which we can call if Infraco are in Breach. I will think about it but at first glance it seems to me to be inconsistent with an agreed separation to call the bond.

Jim can't make the concall but he is trying to give us comment on Dennis's paper tomorrow morning – he is travelling just now.

Tony

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**From:** Nigel Robson [mailto:robson.nigel@██████████]  
**Sent:** 17 February 2011 16:55  
**To:** Gregor Roberts; 'Anthony Rush'; Dennis Murray; BrandonNolan; Jim Molyneux; Colin Smith; Richard Jeffrey  
**Subject:** Conference call - Financials for Monday

All,

We have an hour for the conference call tomorrow to deal with the 'deckchair' figures. Can I suggest that we limit ourselves to:

- 1 - we ensure that there is a clear understanding of the methodology and of the figures themselves.
- 2 - query/challenge the figures which look wrong
- 3 - highlight any omissions/judgements which would significantly influence the figures or collections
- 4 - agree any further work or presentational adjustments in advance of Monday

I am keen that we do not rush to judgements or positions at this stage. This is 'work in progress', and we have had nothing yet from the Infraco side. There is also an analysis of the DM figures and paper circulated yesterday which may inform these figures.

If you have queries or questions in advance then please email Dennis/Gregor so that they can pick up as much as possible pre con call.

Dennis/Gregor - initial queries/thoughts:

- 1 Please explain the interaction of the £33m premium (124 - 91) with the £11m deduction (residual amount of prelims not yet earned?) and the £14.3m Advanced Purchases (presumably Siemens kit?)
- 2 Am I correct that the QS figures "to go" are based on the CS BoQs, but the rates are from the Infraco contract - and what treatment for escalation?
- 3 What allowance/variance has been made for time to completion depending upon which outcome is adopted, and are there revenue considerations?
- 4 Do we need to factor Princes St remedials into the equations as a cost - or is it covered?
- 5 Separation would involve a premium to settle the historic claims and demobilisation/sub con costs. Are the sums of £11m added back in, and £10m settlement intended to cover these, and are they enough?
- 6 Please explain the £10m credit on the Bond?
- 7 How confident are we in relation to the extent of the notified value of claims, ie what is still to emerge?
- 8 The Siemens kit is a big 'swing' item at £14.3m? Does this relate to Airport/St Andrews Sq., or is it also for the work beyond St A Sq.? In a Project Separation scenario if they don't co-operate is there another figure we should factor in?

Regards,

Nigel