From: Richard Jeffrey [Richard.Jeffrey@tie.ltd.uk]

Sent: 10 November 2010 18:39

To: Alastair Maclean; rush_aj@ k; Brandon Nolan; Hazel Moffat

Subject: Legal strategy - prepared in anticipation of litigation, strictly private and confidential.

Dear all,

I would like to take some time to stand back from the detail and discuss the overall legal strategy, both ours and theirs.

I suggest the 4 of you and me are best placed to do this in the first instance, that may lead us to check certain ideas or theories with Counsel.

The things running around in my head are,

- Some of their behaviour seems careless, or even bizarre, is there another more sinister and altogether more clever explanation for their behaviour?
- What do we know of what really happened/ was said around time of contract signature. We have already had an unpleasant surprise when investigating pricing assumption 3.4.1.1, what else is lurking out there? How significant is it?
 - What difference does it make if some of their allegations about agreements around the time of contract are true?
 - What evidence might they have to back any of this up?
- Are we agreed that their recompense in terms of tie default is limited?
 - o If so are they aware of this?
 - o If so, what is the 'best' outcome for them?
- What might be their overall objective?
 - o To keep us locked into a contract until we pay them to go away?
- Where do we think they are going on judicial review and how can we counteract this strategy?

Can we try to arrange a time on Friday morning to discuss this (this allows time to formulate questions for QC on Monday if required). By telephone is fine with me to avoid travelling time etc.

Any thoughts

Regards

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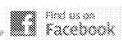
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