

Mr. Richard Jeffrey

tie Limited

City Point

65 Haymarket Terrace

EDINBURGH

EH12 5HD

1 November 2010

Dear Richard,

EDINBURGH TRAMS – STAFFING ARRANGEMENTS

Following the secondment of Alan Coyle to tie limited to take up the post of Head of Corporate Finance and Governance discussions have been held with Alan regarding the back-up staffing arrangements for some of his previous responsibilities.

It is proposed that Ailie Wilson, subject to your agreement, will undertake a range of additional tasks which have been agreed with Alan. For undertaking these new tasks Ailie will receive a non-pensionable supplement to her salary of £7,500 per annum which will be payable by tie limited.

The implementation of these new arrangements will result in the robust and comprehensive provision of financial services at a substantially reduced cost of the previous structure.

The arrangement will be subject to a review every six months and will be effective from 1st November, 2010.

The formal arrangements for the secondment will be confirmed in conjunction with both our Human Resources teams.

DONALD MCGOUGAN

Director of Finance