From: Alan Coyle

Sent: 26 February 2009 16:02

To: Donald McGougan; Dave Anderson; Marshall Poulton

Cc: Max Thomson; Ailie Wilson; Colin MacKenzie

Subject: Grant Award Conditions

Attachments: Edinburgh Tram Network CEC Obligations under grant 260209.doc; Grant Offer Draft

Schedule -FINAL Clean Copy.DOC

Dear All

I have attempted to pull out some text from the grant agreement that we need to be mindful of given the current contractual position with BB.

The document highlights clauses from the grant agreement schedule which are areas of concern. I've highlighted my comments in yellow.

In particular the clauses 13.5 and 13.8 highlight that the Council could potentially have to repay the grant in the event of default. Default could be construed as the Council threatening to cancel the project.

Please let me know if there is anything additional you require.

Regards Alan

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