From: Steven Bell

Sent: 08 May 2008 21:08

To: Fitchie, Andrew; Geoff Gilbert; Dennis Murray; Jim McEwan; Graeme Bissett (external

contact); Alastair Richards - TEL; Susan Clark

Subject: FW: BBS Consortium Letter

Attachments: 080508 Updated.doc

Importance: High

Sensitivity: Confidential

Strictly Confidential

For your information

Steven Bell

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From: Steven Bell Sent: 08 May 2008 21:06

To: Joachim Enenkel (joachim.enenkel@bilfinger.de); stefan.hofsaess@siemens.com

Cc: Willie Gallagher

Subject: BBS Consortium Letter

Importance: High Sensitivity: Confidential

SENT ON BEHALF OF WILLIE GALLAGHER

Please find attached an updated set of Conditions 1 to 7 following my letter of 6 May 2008.

This revised set of conditions lays out the product of extensive discussions with Richard Walker, Scott McFadzen and Michael Flynn over the last 24 hours.

Your representatives have advised **tie** that they have not yet accepted the general comments regarding closing out the Contract Conditions suite as noted in the first paragraph of Condition Three. The three specific items highlighted in this Condition have been resolved with an agreed approach in all cases.

Michael Flynn has also advised that Herbert Fettig is arriving in Edinburgh at 1100 on Friday morning to conclude an approach to address the indemnity requirements in Condition Four.

For clarification, the costs referred to in Condition Seven do not include tie or CEC costs.

Your representatives have also advised that final two paragraphs to the Conditions are not yet agreed.

In making this updated proposal, **tie** must receive value for money and the full set of conditions 1 to 7 are a package, are not separable and are integral to the Infraco Contract itself.

It is essential that tie receive a response to this updated set of conditions by 1200 on Friday 9 May as I am required to brief the First Minister's Office on the expected conclusion of the ETN Procurement.

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