
From: Fitchie, Andrew
Sent: 21 January 2008 15:12
To: Geoff Gilbert
Cc: Fitzgerald, Sharon; Hecht, Philip; Horsley, Chris
Subject: SDS

Geoff

On your comments this morning to Ian Laing's e mail: nothing you say contradicts the contractual objective.

1. The focus of Ian's comments is on where SDS has reached under its programme and the risks to BBS on that. As you say, provided that the parties are able to settle an agreed programme to finalise design and consents delivery, BBS do not risk inheriting delay without remedy. The SDS contract already contains the mechanisms to control SDS against programme performance, but if this requires minor adjustment to satisfy PM, then this could be agreed in the novation agreement. SDS will resist.

2. If BBS wish to insert incentivisation into the SDS Contract, this can be accommodated. I assume that they would also require to negotiate a downside for SDS -which is again likely to be resisted by PB.

3. I expect further discussion from PM around the theme of BBS requiring protection from the result of inferior design work having been done by SDS during **tie's** time as Client and this not being spotted by BBS during their design due diligence, leaving them with a deficient design/"non consentable" product which was not in fact finalised before novation. Other than this, I would see discussion revolving round the PM comments in the draft plan, but not, with a fair wind, new points.

Kind regards

Andrew Fitchie
Partner, Finance & Projects
DLA Piper Scotland LLP
T: +44 ([REDACTED])
M: +44 ([REDACTED])
F: +44 (0)131 242 5562

 Please consider the environment before printing my email