From: John Casserly Sent: 14 June 2007 17:46

To: Geoff Gilbert; Susan Clark; Graeme Barclay; Gourlay, Keith;

steve.hudson@alfredmcalpineplc.com; andrew.malkin@alfredmcalpineplc.com

Subject: FW: MUDFA Ägreement Attachments: MUDFA Agreement.pdf

Further to Steve's e-mail of 30th May please find attached, for your information, a copy of AMIS proposed amendments to the Commercial Proposal For Period From PCS To Construction issued by tie 29th May.

There are a number of differences between the two papers, the majority being the actual wording used to establish the same point which we need to discuss/agree and I think we can do this quickly between myself and Keith if we reestablish the principles we discussed and agreed previously.

There are however some fundamental issues within the AMIS proposals which are at variance/could be construed differently to the principles I believe we previously agreed. The areas in question are as follows:

- 5 ii) Contract Preliminaries AMIS have not taken account of the agreement that Pre Construction Services Rates for named individual only will be used during the 'transition period' (AMIS have removed any reference to a transition period) with construction rates for all other resources. At the end of the 'transition period' and commencement of construction Contract Construction Services Rates will apply to all resources ie PCS rates will no longer apply.
- 5ii) Star rates were discussed previously and it was agreed that AMIS would prepare and submit detailed substantiation and justification under the Contract for 'star rates' for certain individuals which would be considered by tie if the proposed 'star rates' are sufficiently justified and substantiated in accordance with the Contract then they would be confirmed/dealt with as a change in accordance with clause 46.
- 5 iii) AMIS proposal for re-measurement of Contract Preliminaries takes no account of any prolongation due to a default by the Contractor and are in affect cost reimbursable which is not in accordance with the Contract or the principles of the agreement.
- 5 vi) AMIS proposal for re-measurement of Work Sector Specific Preliminaries takes no account of any prolongation due to a default by the Contractor and are in affect cost reimbursable which is not in accordance with the Contract or the principles of the agreement
- 5 vii) Rates and prices to be used will be those contained within the Contract and any subsequent changes valued in accordance with Clause 46.

Regards

John

From: Tara Edgar

Sent: 12 June 2007 12:15

To: John Casserly

Subject: MUDFA Agreement

Tara Edgar

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