MULTI-UTILITY DIVERSION FRAMEWORK AGREEMENT (MUDFA) Agreement Between

Tie Limited (Contract Number XXX)

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Alfred McAlpine Infrastructure Services (Contract Number A150)

Commercial Proposals for Construction Services following Pre-Construction Services Delays

- The parties (MUDFA Contractor and tie) agree that as a consequence of delays
 in the release to the MUDFA Contractor of the tie approved designs and
 associated data during Pre-Construction Services (PCS) for the MUDFA utility
 diversions a proportionate delay to the Construction Services (CS) Programme
 under the MUDFA Agreement is necessitated.
- 2. The MUDFA Agreement anticipates and accommodates a delay to completion of the Pre-Construction Services (PCS), and, at Clause 8.6, sets out the procedure to be adopted by the parties in the event that PCS requires to be extended until such time as the PCS are deemed substantially complete (i.e. utility design and associated data) and that some or all of the Construction Services (CS) and Construction Works are commenced.
- 3. At a meeting held in the MUDFA site offices conference room on Thursday 15th March 2007 the parties agreed as a consequences of late designs and associated data that a phased transition (with consequential stepped increases in resources from both tie and MUDFA Contractor) is now needed rather that the distinct completion of the PCS phase and commencement of CS Phase. This will provide the opportunity to complete PCS in parallel with CS as design detail and definition are made available.
- 4. As requested by tie Limited in their letters Ref DEL.MUDFA.274.RD.GB and DEL.MUDFA.352 dated 3rd and 13th April 2007 respectively AMIS provided their revised Construction Programme at Revision 05 under cover of letter dated 18th April 2007, reference AMIS/tie/Letter/AM/Projects/176. This letter included assumptions pertaining to utility designs and technical details.

This programme has been accepted and will now be updated to include the preconstruction services and preparatory activities in advance of planned Work Section activities.

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- 5. In relation to this agreement the following commercial arrangements are adopted.
 - That the MUDFA Contractor proposes their Contract Preliminaries on a time based schedule of direct and indirect resources (Organisation Breakdown Structure - OBS) required to meet the obligations of the programme prepared in accordance with point 4 above.
 - That the rates used to price the Contract Preliminaries derived in item (i) above are either those used in the PCS to arrive at the Schedule 4 Appendix A prices in the MUDFA Agreement (PCS Pricing Matrix), for named individuals, or those used to calculate the Contract Preliminaries at Schedule 4 Appendix C, as appropriate, together with subsequently agreed changes (i.e. Star Rates) for specific individuals.
 - iii) That the Contract Preliminaries derived in (ii) above are re-measured and paid based upon actual resources deployed.
 - iv) That any changes proposed to the level of resources, derived from (i) above included as the Contract Preliminaries are advised by the MUDFA Contractor prior to implementation for review and approval by tie acting reasonably.
 - v) That separately priced Work Sector Specific Preliminaries (using the rates used to arrive at the Schedule 4, Appendix C Work Sector Preliminaries) are submitted by the MUDFA Contractor under the Contract Work Order procedure for any physical works to be carried out, and changes managed in accordance with Clause 46.
 - vi) That the Work Sector Specific Preliminaries derived in (v) above and changes are re-measured and paid based upon actual resources deployed.
 - vii) That the rates and prices used to calculate the Schedule 4 Appendix D Bills of Quantity totals are used to price and to value the physical works,

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subject to addition / omission / alteration of the MUDFA Contractors clarifications in respect of the CARP submission (Part 6, Pricing Requirements – Addendum to Preambles). The valuation rules for Changes are set out in Clause 46 of the MUDFA Agreement and shall be applied as appropriate.

- viii) That physical works performed and related changes are re-measured in accordance with the procedures established within the MUDFA Agreement.
- ix) That the overhead and profit percentages contained within Schedule 4 Appendix B of the MUDFA Agreement are applied to the net rates and prices described above.
- 6. The acceptance by the MUDFA Contractor and tie of the need to vary the MUDFA Agreement to accommodate the above as a result of late designs and associated data is required to be recorded by means of a Memorandum of Agreement to be formally executed by both parties in June 2007.
- 7. The parties will jointly review the Pre-Construction Services deliverables already formally issued (Excluding the Initial and Final Buildability Reports) in accordance with a jointly agreed timetable, for tie approval.

Agreement Jointly Executed by Parties:		
tie Limited	2007	
Alfred McAlpine Infrastructure Service	2007.	

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