

tie Limited

Minutes of Meeting with CEC re: Legal Agreements

Date: 30.05.07

Time: 11am

Venue: The MacAdam Room, City Point

In attendance Alan Squair, Duncan Fraser, Barry Cross, Andrew Fitchie, Shannon Rousson, Nick Smith

Apologies

Circulation All

ACTION BY

1. BAA and Legal Representation on lease

- Contractually D&W are procured by CEC and DLA by tie.
- CEC would need to ensure that their interests were being protected.
- Protocol between DLA and D&W and tie/ CEC to be documented and sent to CEC by end of week.
- Will be discussed with D&W next week and response by CEC by 08.06.07.
- CEC to confirm to Barry that they will not serve a CPO notice meantime to EAL.

SC/AF 01.06.07

CEC 08.06.07
CEC 01.06.07

2. Use of Tram Utility Agreements for EARL

- Copy CEC paper that went to TPB on joint working. Once CEC have reviewed they will confirm use of Tram Agreements for EARL. CEC to respond

Barry 30.05.07
CEC 08.06.07

3. Background to the Utility Diversion Agreements and generally 3rd party agreements in ETB.

Three areas of contention:

1. Input from CEC
2. Differences between utility agreement and 3rd party agreements
3. How is CEC engaged and what are SP and Telewest looking for

CEC worry about SU conflict of interest in terms of priorities and concern about SU's part to play in project. Need to find practical solutions to this.

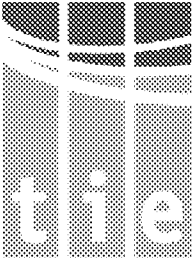
Some of SU's were objectors to the Bill and insisted that CEC were party to the agreement – three in total (SW, SGN and Ntl).

There are then five who we have got signed up to MUDFA (Easynet, BT, Forth Ports, Cable and Wireless and Thus).

There are now two outstanding who are looking for CEC input – Scottish Power and Telewest.

CEC keen to know what mechanisms we have in place to ensure SU's turn up when they are required.

SP looking for CEC to be joint and severally liable.



Need to be clear about slip of responsibility between SU's and AMIS.

AMIS have onerous indemnities they give to **tie**. However this is capped to £3m or 7.5% of works.

CEC

CEC to look at how they would cover off these indemnities if they came back to them.

Letter of comfort given to AMIS for MUDFA.

Donald McGougan from CEC is not resisting this approach.

If CEC become a party, they will be covered by the indemnities by AMIS.

CEC need an understanding of risks they will have to own and manage. Need to outline:

1. What is covered by MUDFA contract?
2. What is covered by OCIP?

**John 08.06.07 SP/
Telewest
14.06.07 for others**

tie to request SU's if they would live with a financial covenant as opposed to being party to the agreement wait until CEC have made decision.

CEC to look at what their decision making is and timescales

Alan 01.06.07