Mandy Wilson

From:	Gill Lindsay
Sent:	13 May 2008 00:00
To:	Fitchie, Andrew; Gill Lindsay
Cc:	Graeme Bissett; Susan Clark
Subject:	RE: CPS

Andrew
Following our call today I advised Donald that it is proposed that the agreed
contractual protections will not be provided at close as expected but would be subject
to suspensive conditions. I agree with Donald that this is not desirable and if this
is a final current position then BBS should be warranting that they will provide
within less timescales. They were part of the evaluation, business case and Council
decision. There is concern here that the position is weakened and there will be
little effective remedy. There is also a lack of clarity on why this position exists.
Can you confirm pl and insert your advice in DLA letter for completeness pl. If this
is due to changes re CAF can position pre CAF be obtained for close.

Gill

-----Original Message-----
From: "Fitchie, Andrew" <Andrew.Fitchie@dlapiper.com>
To: "Gill Lindsay" <Gill.Lindsay@edinburgh.gov.uk>
Cc: "Graeme Bissett" <Graeme.Bissett@tie.ltd.uk>; "Susan Clark"
<Susan.Clark@tie.ltd.uk>
Sent: 12/05/08 23:47
Subject: CPS

Gill

I understand that there is some feedback on CPs. This a somewhat a peripheral issue -
which is in fact a safeguard for CEC as opposed to a threat. The Contract provides
that the Inraco needs to use reasonable endeavours to satisfy any. 3 months a sunset
date at which tie could terminate if there is a failure to satisfy CPs. The CPs are at
present:

execution of the novation agreements
production of the bonds
delivery of the PCGs and supporting legal opinions

It would not, in my view, be the exercise of ''reasonable endeavours''
should BBS take a week at the outside, let alone 12 weeks to satisfy these CPs. tie
would , in any event, be exerting contractual pressure through BBS's inability to get
paid, long before 3 months came into play. Perhaps you could clarify if there is a
residual concern.

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P Please consider the environment before printing my email

DLA Piper

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