



For The Attention of Martin Foerder
Project Director
Bilfinger Berger Siemens CAF Consortium
9 Lochside Avenue
Edinburgh Park
Edinburgh EH12 9DJ

Our Ref: INF CORR 6397

Date: 7th October 2010

Dear Sirs

**Edinburgh Tram Project – Infraco Contract
Progress of the Infraco Works - INTCs 213, 495, 594, 471, 494 and 154**

We acknowledge receipt of your letter dated 23 September 2010 (reference: 25.1.201/MRH/6799), in which you refer us to your letter dated 2 September 2010 (reference: 25.1.201/WIM/6597). We have previously replied to your letter 6597, with our letter dated 8 September 2010 (reference: INF CORR 5994).

The INTCs relevant for this letter are INTCs 213, 495, 594, 471 and 494. We assume that you mean our letter dated 17 September 2010 with reference INF CORR 6065 (rather than 6067), in which case INTC 154 is also relevant for this letter. (If you do not mean INF CORR 6065, please inform us).

In respect of INTC 594, your letter dated 28 September 2010 (reference: 25.1.201/GA/6835) is also relevant, to which we will also reply separately (for ease of administration), in similar terms to this letter.

In respect of INTC 154, your letter dated 24 September 2010 (reference: 25.1.201/GA/6812) is also relevant, to which we have also replied to separately (for ease of administration), in similar terms to this letter (our letter of today's date, with reference INF CORR 6320).

We acknowledge that you consider that complying with our instructions to carry out the works which are the subject of INTCs 213, 495, 594, 471, 494 and 154 amount to Notified Departures.

We maintain that, as of the date of this letter, you have not demonstrated that the facts and circumstances amount to Notified Departures for any of these INTCs.

We acknowledge that we have received Estimates from you in respect of each of INTCs 213, 495, 594, 471, 494 and 154. The review of these Estimates, and the pursuit of information from you to demonstrate whether or not the facts and circumstances amount to Notified Departures for each INTC, are subject of separate correspondence between us.

Citypoint Offices, 65 Haymarket Terrace, Edinburgh, EH12 5HD
Tel: +44 (0) 131 623 8600 Email: info@edinburghtrams.com Fax: +44 (0) 131 623 8601 Web: www.edinburghtrams.com

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Direct dial: +44 (0) [REDACTED]
e-mail: steven.belli@tie.ltd.uk
web: www.tie.ltd.uk

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In these circumstances, the provisions of clause 80.20 apply. You are obliged to comply with our instructions to carry out the works. Clauses 80.15 and 80.16 are deemed to apply *mutatis mutandis* to the work carried out by you in complying with our instruction.

Please confirm, within 5 Business Days from the date of this letter, that you are complying with our instructions and carrying out the works which are the subject of INTCs 213, 495, 594, 471, 494 and 154.

Finally, we note that INTCs 213, 495, 594, 471, 494 and 154 are included on the list enclosed with your letter dated 29 September 2010 (reference: 25.1.201/KDR/6880) in respect of your ceasing the works. Please advise how you will recover any time lost in completing the works as a result of your breach.

Yours faithfully



Steven Bell
Project Director – Edinburgh Tram