

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

Our Ref: INF CORR 6386

Date: 7th October 2010

Dear Sirs.

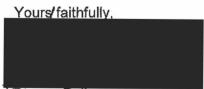
Edinburgh Tram Network - Infraco Remedial Termination Notice - Infraco Default (a) : Clause 60 Rectification Plan

We write with regard to your rectification plan submitted on 24th September 2010 (Ref 25.1.201/KDR/6805).

Your proposed rectification plan is not acceptable as it does not comprise a comprehensive rectification plan which sets out how you intend to remedy the Infraco Default subject of the Remediable Termination Notice.

Without prejudice to our rights pursuant to Clause 118, our decision is inter alia in recognition of the following:

- The programmes provided do not comply with the Employer's Requirements, Section 12, and you have not provided any information about how you intend to rectify this.
- The progress updates provided do not comply with the Employer's Requirements, Section 12, and you have not provided any information about how you intend to rectify this.
- The Revision 3A programme has been rejected by tie (INF CORR 5092) over four months ago, and
- You have not provided any information on any reasonable steps you intend to take to mitigate the effects of any delay to the progress of the Infraco Works and to apply measures to limit the over-run to the Programme.



Steven Bell

Project Director - Edinburgh Tram

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