

SIEMENS



Our ref:

25.1.201/KDR/6735

17 September 2010

tie limited CityPoInt 65 Haymarket Terrace Edinburgh EH12 5HD Bijfinger Berger-Siemens- CAF Consortium

BSC Consortium Office 9 Lochside Avenue Edinburgh Park Edinburgh EH12 9DJ United Kingdom

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For the attention of Steven Bell - Project Tram Director

Dear Sirs,

Edinburgh Tram Network Infraco Infraco Contract: Notice of Dispute – Disputed Payment for Princes Street Works

We write in respect to the works carried out on Princes Street having regard to the Supplemental Agreement in relation to Princes Street Works dated 29 May 2009 ("the PSSA")

On 20 August 2010 we submitted our application for payment in respect of the Princes Street Works carried out to 14 August 2010 in the sum of £12,447,726.00 (excluding Value Added Tax). The tie Representative has certified the amount due to Infraco in the sum of £9,428,815.00 (excluding Value Added Tax). There is accordingly a dispute as to the amount properly due ("the Dispute").

We hereby give notice pursuant to Clause 7 of the PSSA and paragraph 9.1 of Schedule Part 9 of the Infraco Contract and hereby initiate the Internal Dispute Resolution Procedure in respect of this Dispute.

In accordance with Clause 111.1.2.2 this letter is being faxed to tie at the required address, and tie's Representative is requested to attend a meeting to resolve this dispute at the Infraco offices on 22 September 2010 at 8am in accordance with paragraph 9 of Schedule Part 9 to the Infraco Contract.

Yours faithfully,



M Foerder

Project Director

Bilfinger Berger Siemens CAF Consortium

cc: R. Walker, M. Flynn, A. Campos, M. Berrozpe, A. Urriza, D. Gough, A. Brandenburger

Billinger Berger Civil UK Limited Registered Office: 7400 Deresbury Park, Warrington, Cheehire, WA4 488. Registered in England & Wates Company No: 2418986 Stemens ptc. Registered Office: Sir William Stemens Square Frintey Camberlay Surrey GU16 9QD Registered in England & Wates Company No: 727817 Constructiones Y Auxiliar de Ferrocardies S.A. Registered Office Jose Maria (turnioz 26, 20200 Beasain, Cipuzkoa, Registered in Spain, CIF: A-20001020

