



SIEMENS



Our ref: **25.1.201/KDR/6735**

17 September 2010

tie limited
CityPoint
65 Haymarket Terrace
Edinburgh
EH12 5HD

**Bilfinger Berger-Siemens- CAF
Consortium**

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

Phone: +44 (0) 131 452 2800
Fax: +44 (0) 131 452 2990

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