



Scott Wilson Railways
Associate Director
Merchant Exchange
Skeldergate
York
YO1 6DG

FAO: Mr Mark Jackson

Dear Sirs

Appointment of Advisors for Technical Support Services, Edinburgh Tram Project

On behalf of and as authorised by tie Limited (tie), a company incorporated under the Companies Act (registered number 230949) and having its Registered Office at City Chambers, High Street, Edinburgh EH1 1YJ, subject to the terms of this letter, I hereby accept the terms of your Formal Offer (as defined below) and appoint you to execute work required in connection with the provision of Technical Support Services for the above project.

This appointment is subject to your express acceptance of the terms of the Agreement for the provision of Technical Support Services (the "Agreement") and your execution of the Agreement in accordance with the terms of this letter.

You are to provide satisfactory evidence that all the necessary insurance arrangements as required by the Agreement have been effected and we request confirmation from your Insurance Broker within 10 days of today's date. This letter is in response to your formal offer to provide Technical Support Services to tie Limited in respect of the Edinburgh Tram Network, dated 13th May 2005, as the same has been amended by e-mail correspondence from Mark Jackson to Gerry Henderson dated 24th June 2005 and 27th June 2005 (the "Formal Offer").

In addition we hereby accept your offer of potential additional discounts should any resource grade be required for one calendar year or more, as further described in the attachment to your e-mail of 24th June, 2005, point Q1.7 (replicated in the undernote to this letter). For the avoidance of doubt, our acceptance of your Formal Offer is conditional upon these discounts being provided, with the qualification that the discount will apply to the full-time use of a resource grade for one calendar year or more. A resource grade shall be deemed to have been continuously utilised for a calendar year where such resource grade has been utilised for 45 weeks out of any continuous 52 week period.

tie limited

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Our Ref: 40.02.03.02
GH/MH/CN

Date: 25th July 2005

delivering transport projects

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It is also a condition of our acceptance of your Formal Offer that any publicity announcement connected with this appointment be agreed with tie before release to the media or to any source (including your internal website) available to third parties. In this regard, we draw your attention to the confidentiality obligations under the tender conditions and the Agreement.

The formal signing of the contract shall take place on Monday 25th July, 2005 in our offices and we look forward to working with you and integrating your staff into our tram team. For the avoidance of doubt, if there is any discrepancy between the Agreement and the Formal Offer, the Agreement shall take precedence.

If you have any comments or require any further information please do not hesitate to contact me.

Yours faithfully



Michael Howell
Chief Executive

For and on behalf of tie Limited



The terms of the foregoing letter are accepted on behalf of Scott Wilson Railways Limited by

Full Name: KEITH WALLACE

Date: 25/7/05

Undernote referred to:

"We offer a 5% discount on applicable rates for any Scott Wilson staff that are co-located for continuous full-time periods of one year or more, such discounts to be applied to charges throughout the continuous period. Such staff hours are to be removed from the calculation of the tendered "call-off value discounts" for the purposes of application of those discounts, i.e they are stand-alone discounts for the applicable period."