



Our reference WATTE/358022-19

24 February 2020

Rural Economy and Connectivity Committee
FAO: Clerk to the Committee, Steve Farrell

by email only: rec.committee@parliament.scot

Dear Mr Farrell

Inquiry into construction and procurement of ferry vessels in Scotland

I write on behalf of my client CMAL, in response to your letter to Kevin Hobbs dated 20 February 2020.

As requested, please now find enclosed the 'pre-contract documentation' referred to in Mr Hobbs' letter to the Committee dated 14 February 2020 – namely a two page PDF entitled "CMAL Proposed Billings Schedule" below Ferguson Marine branding, comprising one page per vessel then referred to as "100M FERRY VESSEL 1" and "100M FERRY VESSEL 2" respectively.

You will see the document is time-stamped in its footer, showing the date and time in the format "8/28/2015 10:58 AM".

I confirm that this document was issued to me (acting on behalf of CMAL) by Brodies LLP (acting on behalf of Ferguson Marine Engineering Limited ("FMEL")). I received this document by email on Friday 28 August 2015 at 11:45hrs and shared with my client at 11:50hrs that day.

Having been received from FMEL's lawyers, we considered this document as being sent officially and was the conclusion of the parties' negotiation on price. The price offered by FMEL in this way did not subsequently change and is the price shown in the NEWBUILDCON agreements signed for each vessel on 16 October 2015.

Yours sincerely

A handwritten signature in black ink, appearing to read 'E. Watt'.

Addleshaw Goddard LLP

Direct line 0131 222 9843
Email ed.watt@addleshawgoddard.com

Enclosure: "CMAL PROPOSED BILLINGS SCHEDULE – 100M FERRY VESSEL 1"
"CMAL PROPOSED BILLINGS SCHEDULE – 100M FERRY VESSEL 2"

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CMAL PROPOSED BILLINGS SCHEDULE – 100M FERRY VESSEL 1

Stage Date		Milestone	Proposed Amount	Percentage
1	30 Sept 2015	On Order	£2,400,000	4.948%
2	30 Oct 2015	Procurement Deposits Long Lead Items (1)	£3,650,000	7.526%
3	30 Nov 2015	Cutting of Steel	£4,850,000	10.000%
4	31 Dec 2015	Procurement Deposits Long Lead Items (2)	£6,000,000	12.373%
5	31 Mar 2016	10% Fabrication	£2,400,000	4.948%
6	31 May 2016	25% Fabrication	£4,850,000	10.000%
7	30 Jul 2016	35% Fabrication	£4,850,000	10.000%
8	30 Sep 2016	50% Fabrication	£4,850,000	10.000%
9	31 Oct 2016	Major Equipment and Lock Out Items Installations	£1,375,000	2.835%
10	30 Nov 2016	75% Fabrication	£1,200,000	2.474%
11	30 Dec 2016	100% Fabrication	£1,200,000	2.474%
12	28 Feb 2017	Berth Join Up	£1,200,000	2.474%
13	31 Mar 2017	Hull Inspection Prior to Paint	£1,200,000	2.474%
14	31 July 2017	Launch	£1,200,000	2.474%
15	28 Feb 2018	Delivery	£7,275,000	15.000%
		TOTAL	£48,500,000	100.000%



CMAL PROPOSED BILLINGS SCHEDULE – 100M FERRY VESSEL 2

Stage	Date	Milestone	Proposed Amount	Percentage
1	30 Sept 2015	On Order	£2,400,000	4.948%
2	30 Oct 2015	Procurement Deposits Long Lead Items (1)	£3,650,000	7.526%
3	30 Nov 2015	Cutting of Steel	£4,850,000	10.000%
4	31 Dec 2015	Procurement Deposits Long Lead Items (2)	£6,000,000	12.373%
5	31 Mar 2016	10% Fabrication	£2,400,000	4.948%
6	31 May 2016	25% Fabrication	£4,850,000	10.000%
7	30 Jul 2016	35% Fabrication	£4,850,000	10.000%
8	30 Sep 2016	50% Fabrication	£4,850,000	10.000%
9	31 Oct 2016	Major Equipment and Lock Out Items Installations	£1,375,000	2.835%
10	30 Nov 2016	75% Fabrication	£1,200,000	2.474%
11	30 Dec 2016	100% Fabrication	£1,200,000	2.474%
12	28 Feb 2017	Berth Join Up	£1,200,000	2.474%
13	31 Mar 2017	Hull Inspection Prior to Paint	£1,200,000	2.474%
14	29 Sep 2017	Launch	£1,200,000	2.474%
15	30 Apr 2018	Delivery	£7,275,000	15.000%
		TOTAL	£48,500,000	100.000%