

Edward Mountain MSP
Convener of the Rural Economy and Connectivity Committee
The Scottish parliament
Edinburgh
EH99 1SP

Dear Mr Mountain

As you will recall, I appeared before the RECC on 29 January 2020 and answered questions in relation to the award of a tender by Caledonian Maritime Assets Limited (CMAL) in favour of Ferguson Marine Engineering Limited in respect of the construction of the two ferries 801 and 802. During that questioning, the following exchange occurred:-

Mike Rumbles: "In my first question, I invited comment but did not get an answer. Six other yards put in tenders and Ferguson's, with the highest specification and highest price, got the contract. Do you have any idea why that happened?"

Roy Pedersen: "I do not know the answer, but three things spring to mind. One is incompetence; another is vested interest; and the final one is corruption. If someone else can think of other answers, they can give them".

On 23 March, I received a letter from Mr Simon Catto, a partner with Messrs Addleshaw Goddard LLP, on instruction from CMAL, who believed that my response to Mr Rumbles' question was defamatory and that they had been instructed to demand certain actions of me. These actions were firstly, a letter for my signature drafted by Mr Catto's firm to you as convener of the RECC to "accept that there was no factual or legal basis for me to allege either incompetence or corruption on the part of their clients" and that the "allegation" be withdrawn. Secondly I was to write an apology to Messrs CMAL in respect of my comments. It was pointed out that if I failed to comply, Messrs Addleshaw Goddard expected to be instructed by their clients to raise an action against me in the Court of Session.

Subsequently made it clear to Mr Catto by email that, in my response to Mr Rumbles' question, I had stated clearly that I did not know the answer to his question, but ventured a few speculative and general hypotheses – certainly not allegations. As I understood it, Mr Rumbles had not received an answer he sought and he was asking for ideas. I offered him some and invited others to provide more if they could. A second equally pertinent point,

however, is that the gist of my comments were not directed at any individual or entity. They were, as I have indicated, speculative, general and theoretical in nature. It is, therefore, unfortunate that it was assumed, wrongly, that my comments were "allegations" directed at CMAL. I can confirm that they were not.

While, in the circumstances described above, I believe that there is no basis for legal action against me, I am happy, in the interest of bringing this matter to a harmonious conclusion, to acquiesce to Mr Catto's request that I advise you in the form of the wording as drafted by his firm, albeit very slightly amended, as set out below:

Upon reflection, I now accept that I knew of no factual or legal basis for me to suppose incompetence, vested interest or corruption in respect of the award of the tender. I will issue an unequivocal apology to Caledonian Maritime Assets Limited and its Directors for misunderstandings that arose and would ask that this letter be placed in front of the RECC in order that the evidence I gave may be clarified.

Please acknowledge receipt of this letter.

Yours sincerely

Roy Pedersen