

**From:** [Colin Naish](#)  
**To:** [David Goldstone](#); [REDACTED] [@balfourbeatty.com](#)  
**Cc:** [REDACTED] [@balfourbeatty.com](#)  
**Subject:** Re: Second Supplementary Agreement to Tier 1 Contract (PHM 250416) (4) - Comments - without prejudice and subject to contract  
**Date:** 30 April 2016 15:16:33

---

[REDACTED]

I think part of the challenge here is that we are both, rather naturally, reviewing the draft of the Supplemental Agreement from our own viewpoint and, in the process, unintentionally creating risks for the other party. I am sure your amendments don't seek to achieve this, but what they seem to do from E20's point of view is to create the following risks for E20 which are clearly unacceptable and contrary to our WPSTC agreement:

1. No absolute obligation on Balfour Beatty to deliver a licencable venue for the concert and no exposure to damages if Balfour Beatty do not
2. Contract completion being achieved based on the stadium being able to host the Newham Run, an event which has the lowest threshold of licensing requirements of all the events to be held (eg lowest attendance, most compliant crowd, lowest utilisation of hospitality etc) irrespective of whether Balfour Beatty have produced all the paperwork required for completion (O&M manuals, training, as built drawings, etc) and no damages if Balfour Beatty don't. Payment of the completion incentive to Balfour Beatty would be made irrespective of what level of completion had actually been achieved.
3. Completion of the power upgrades when E20 are a number of games into the football season and no damages if Balfour Beatty do not achieve this.
4. Balfour Beatty retain the ability to raise further claims between now and completion when the agreement was to represent a full and final settlement of the whole contract.

So in order to get to an acceptable form of Supplemental Agreement that is in line with the principles of the WPSTC settlement we reached, any amendments you propose to the draft must be made in a way that does not transfer these risks to E20.

Can I ask that you please revisit your amendments so they achieve what you need them to, but without inadvertently resulting in the risk transfer to E20 as we see it above.

Colin Naish  
 Executive Director of Stadium  
 Queen Elizabeth Olympic Park

London Legacy Development Corporation  
 Level 10  
 1 Stratford Place, Montfichet Road  
 London  
 E20 1EJ  
 DDI: 020 3288 [REDACTED]  
 Mobile: [REDACTED]  
 Email: [colinnaish@londonlegacy.co.uk](mailto:colinnaish@londonlegacy.co.uk)  
 Website: [www.QueenElizabethOlympicPark.co.uk](http://www.QueenElizabethOlympicPark.co.uk)

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----- Reply message -----

**From:** "David Goldstone" <[DavidGoldstone@londonlegacy.co.uk](mailto:DavidGoldstone@londonlegacy.co.uk)>  
**To:** [REDACTED] <[REDACTED]@balfourbeatty.com>  
**Cc:** "Colin Naish" <[ColinNaish@londonlegacy.co.uk](mailto:ColinNaish@londonlegacy.co.uk)>, [REDACTED] <[REDACTED]@balfourbeatty.com>  
**Subject:** Second Supplementary Agreement to Tier 1 Contract (PHM 250416) (4) - Comments - without prejudice and subject to contract  
**Date:** Sat, Apr 30, 2016 12:04

■

We have an agreement with you, subject to contract, which we are just trying to get documented, so that it reflects what we have agreed.

You have identified some issues to resolve, which we are both trying to resolve in the spirit of that agreement. As you know, I only became aware of them yesterday afternoon.

As you also know I have been through seeking and securing the approval of our Board, and the mayor of London, for this agreement, I would be astonished if you had stopped your teams working in these circumstances.

Colin and I have been working through the points overnight, and, as I said yesterday, will come back to you as soon as we can

David  
Sent from my HTC

----- Reply message -----

From: ■ <■@balfourbeatty.com>  
To: "David Goldstone" <DavidGoldstone@londonlegacy.co.uk>  
Cc: "Colin Naish" <ColinNaish@londonlegacy.co.uk>, ■ <■@balfourbeatty.com>  
Subject: Second Supplementary Agreement to Tier 1 Contract (PHM 250416) (4) - Comments - without prejudice and subject to contract  
Date: Sat, Apr 30, 2016 11:09

David,

I still haven't had a response?

We are keeping the site working today, again in good faith.

■  
■  
m: ■ | e: ■@balfourbeatty.com  
[5 Churchill Place, Canary Wharf, London, E14 5HU](#)

On 29 Apr 2016, at 18:39, David Goldstone <[DavidGoldstone@londonlegacy.co.uk](mailto:DavidGoldstone@londonlegacy.co.uk)> wrote:

Thanks ■

As we have said, we can't get into your arrangements with your sub contractors, but I genuinely believe that we reached an agreement that was acceptable to both of us - and that I have now taken through Board and mayoral approvals - and so I remain absolutely confident that we can settle this on the terms we agreed.

Colin and I do just need to consider your earlier response to my email to you, and will come back to you as soon as we can

David  
Sent from my iPad

On 29 Apr 2016, at 17:42, ■ <■@balfourbeatty.com> wrote:

David,

I have just spoken to ■ who is currently travelling, but will take a call if necessary.

He has completely endorsed our stance as expressed in my email response to you 20

minutes ago.

I need your agreement ASAP, clearly It is not fair too the supply chain and their people to be left without a firm commitment to working or not for the bank holiday weekend. They will only work with a guarantee that the dispute is settled.

We hope that you appreciate that we and our supply chain have accelerated at risk for 2 weeks already, in good faith.

We await your urgent response.

█

█

m: █ e: █ [@balfourbeatty.com](mailto:█@balfourbeatty.com)  
[5 Churchill Place, Canary Wharf, London, E14 5HU](https://www.balfourbeatty.com/locations/canary-wharf)

On 29 Apr 2016, at 17:13, █ <█@balfourbeatty.com> wrote:

David,

Thank you for your note, there are some matters on which we can compromise and some that we can't.

The time does not allow for all matters that will be needed for Completion as defined under the Contract to be finished, we were very clear in all our responses on this matter. It was said in our meeting for instance that you would pay the full amount for those matters that were entirely complete, and that there would be works after Completion that would be finally paid once those activities are achieved. We have no issue with that in principle, therefore there needs to be a different test for completion, and as with previous agreements the real test is that there is licensable venue for athletics and the actual taking place of the Newham run has to signify Completion and the payment of the incentive.

On the new dates that have become known to you since our agreement, we are prepared to work with you on these new dates, and be flexible where possible. This will need a cooperative approach from both, and an agreement as to how this will work together by the end of Tuesday next week. Clearly we cannot be penalised for not meeting these new dates, and the agreement must reflect the ones we agreed, but we can add these dates into the agreement also, and state the efforts and compromises that we will all make to try to achieve.

On Liquidated damages for delay the correct way is to value them at £0, and we can agree to that. As to other rights, clearly delay must be excluded, but as to your example of damages for future breach of Contract by either party, this and other similar rights can be specifically written into the agreement, one for the lawyers. Clearly any rights can only be in respect of future matters, as all in the past would be settled between us if we have this agreement.

Thank you for your clarification on claims and delays to date and their effects from now to Completion, and we agree that we would settle these as part of this agreement. However on any new Compensation Events, (which we do not want as we have significant accelerative work to do), the drafting removed that right and obligation to compensation. We are pleased that this can be reinstated.

There are clearly other drafting changes that we made to the agreement other than these specific major issues that Mr Naish raised, and we therefore assume that these are agreed in principle, subject to final agreement in drafting.

Please can you consider the above and respond as soon as possible.

I am speaking to █ on this now, and will hold off discussing this coming weekend with our team and the Supply chain until I have had your response.

Regards,

■  
■  
■  
m: ■ e: ■@balfourbeatty.com  
5 Churchill Place, Canary Wharf, London, E14 5HU

On 29 Apr 2016, at 16:06, David Goldstone  
<[DavidGoldstone@londonlegacy.co.uk](mailto:DavidGoldstone@londonlegacy.co.uk)> wrote:

■  
Colin and I have discussed. We think there may be some misunderstanding between us

Let me deal with completion first. It was absolutely clear in the agreement we reached at our without prejudice meeting that completion was to be defined as it is in the contract, by the project manager's certification. We discussed the fact, and agreed explicitly that it cannot be defined by the ability to hold an athletics event. ■, I hope you will confirm that that was the nature of our agreement. We did however, as you say, agree that there will be some specific works – eg power upgrade and acoustic testing – that will be completed later [ the words we used were that they would be treated akin to known defects]. We are happy for that to be reflected in the agreement (provided of course that the timescales for completion of those works is suitable).

In relation to the dates, Colin's proposal to you reflected the operator's agreement with the concert promoter for exclusive use, the dates of which were unknown to us when we met. If this presents difficulties to you, we will seek to get agreement from the operator and promoter to secure a non-exclusive use period, within those dates, and where possible secure access to areas necessary for you to continue commissioning works. So I hope this is capable of acceptable compromise, recognising the necessary constraints in relation to the field of play for the event (and that any change to the agreement with the concert promoter will require their agreement).

On damages, we agreed to drop LADs, as part of the overall settlement. There was no mention, and therefore cannot have been any agreement, to drop the contractual rights to other damages, for example, damages from a breach of contract.

In relation to payment for additional works, the intention that I believe we agreed was that we were reaching a full and final settlement in relation to the whole of the works, disruption, delays etc up to completion of all works [ as defined above], without us being subject to further claims or compensation events in that regard. However, whilst we do not anticipate instructing any new works, we do accept, that if we were to do so for unforeseen reasons, we would have to compensate you in accordance with the contract. If you feel that the current drafting does not achieve that, please let us know. The 'partnership' clause in the draft supplementary agreement is intended to provide assurance in this respect.

I hope that, on the basis of the above clarifications, you will continue the works planned for this weekend, in the spirit of our agreement, whilst we finalise the contractual drafting to put it into effect

**David Goldstone CBE**

## Chief Executive

London Legacy Development Corporation  
Level 10  
1 Stratford Place, Montfichet Road  
London  
E20 1EJ  
Direct: 020 3288 [REDACTED]

Email: [davidgoldstone@londonlegacy.co.uk](mailto:davidgoldstone@londonlegacy.co.uk)  
Website: [www.QueenElizabethOlympicPark.co.uk](http://www.QueenElizabethOlympicPark.co.uk)  
<image001.gif>

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**From:** [REDACTED] [[mailto:\[REDACTED\]@balfourbeatty.com](mailto:[REDACTED]@balfourbeatty.com)]  
**Sent:** 29 April 2016 12:29  
**To:** Colin Naish  
**Cc:** David Goldstone; [REDACTED]  
**Subject:** Re: Second Supplementary Agreement to Tier 1 Contract (PHM 250416) (4) - Comments

Colin,

I have copied in David and [REDACTED] into this, as this needs elevating immediately.

I cannot believe that you are cutting across the fundamental agreements that we made by your note yesterday afternoon.

Essentially, you are attempting to,

1. Bring in new earlier dates, some of which are not achievable.
2. Bring in a full Completion test in early July, when all the discussion has been that there will be numerous outstanding works after then, and that the test of Completion will be the first athletics event occurring in a licensed venue.
3. Keeping the opportunity to raise damages for not achieving the above.
4. Leave you the opportunity to raise unlimited additional works with no payment.

If you read these three together, this appears to be a serious attempt to put Balfour Beatty at huge additional risk, and looks like a clear attempt to achieve the events and to then retrospectively take money from us.

This is totally against the content and spirit of the agreement that we made last week.

We have arranged for the following Contractors to carry out significant acceleration works over the bank holiday weekend at significant additional cost,

Imtech  
Protech  
Mondo  
Hewitt's  
Euroflow  
M&H  
Honeywell

If you do not withdraw these demands and return to our draft and the spirit of the agreement, we will be forced to cancel this

weekend works and return to the dispute.

The call at 4pm is too late for a discussion on this and I request that you revert by return.

[REDACTED]

[REDACTED]

m: [REDACTED] e: [REDACTED]@balfourbeatty.com  
5 Churchill Place, Canary Wharf, London, E14 5HU

On 28 Apr 2016, at 15:59, Colin Naish  
<[ColinNaish@londonlegacy.co.uk](mailto:ColinNaish@londonlegacy.co.uk)> wrote:

Without prejudice and subject to contract

[REDACTED]

Thanks for your email.

Your proposed amendments to the drafting of the Second Supplementary Agreement have cut across three of the settlement principles we all agreed when we were together with David, [REDACTED] on Monday 18 April 2016:

1. Full and final settlement – this agreement is to settle all matters through to contract completion, your amendments make claims settlement limited to events/circumstances occurring on or before 19 April 2016 and the CE regime expressly preserved, e.g. in relation to the Concert and Power Upgrade Works;
2. Completion – the contract position of the Project Manager certifying completion when completion in accordance with the Contract terms is actually achieved was to remain, your amendments revert to defining completion more narrowly as being achieved when the stadium is sufficiently complete to be capable of being licensed for the Newham Run and also defer “outstanding works” beyond completion;
3. LADs – E20 agreed to drop LADs, your amendments go further than this resulting in a waiver of all damages for delay, liquidated or not

In terms of dates, there are two areas that are unacceptable:

1. Power Upgrades - the completion date for the Power Upgrades work must be ahead of WHUFC's first game on 7 August 2016 at the latest and not extend out to 6 September 2016 as you are proposing
2. Concert – the handover period must be consistent with the concert exclusive use period in the ACDC venue hire agreement, which is 28 May 2016 through to 8 June 2016 and apply to the whole venue, your amendments hand over just the field of play on 28 May 2016 through to 6 June 2016 and precludes works only on the actual event day

Before we engage on exchanging further mark-ups and addressing further points of detail/drafting, I suggest we need to address these matters of principle first which will then enable us to get to an agreed form of Second Supplementary Agreement as quickly as possible.

**Colin Naish**  
**Executive Director of Stadium**  
**Queen Elizabeth Olympic Park**

London Legacy Development Corporation  
Level 10  
1 Stratford Place, Montfichet Road  
London  
E20 1EJ

DDI: 020 3288 [REDACTED]  
Mobile: [REDACTED]  
Email: [colinnaish@londonlegacy.co.uk](mailto:colinnaish@londonlegacy.co.uk)  
Website: [www.QueenElizabethOlympicPark.co.uk](http://www.QueenElizabethOlympicPark.co.uk)  
<image001.png>

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---

**From:** [REDACTED] [\[mailto:\[REDACTED\]@balfourbeatty.com\]](mailto:[REDACTED]@balfourbeatty.com)  
**Sent:** 27 April 2016 15:59  
**To:** Colin Naish  
**Cc:** [REDACTED]  
**Subject:** Second Supplementary Agreement to Tier 1 Contract (PHM 250416) (4) - Comments

Colin,

Please find attached our amendments to the Supplementary Agreement.

Apologies, due to the document being copied between Windows devices and apple devices some of the tracked changes are not entirely clear.

There are two appendices as part of the SA which I will send to you immediately after this.

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**From:** [REDACTED]  
**To:** [David Goldstone](mailto:David.Goldstone@londonlegacy.co.uk)  
**Cc:** [Colin Naish](mailto:Colin.Naish@balfourbeatty.com); [REDACTED]  
**Subject:** Re: Second Supplementary Agreement to Tier 1 Contract (PHM 250416) (4) - Comments  
**Date:** 29 April 2016 15:15:09

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Thank you David, that is all that we want.

I will send a copy of our response to the proposed heads of terms which was the last correspondence before, and the basis of, our discussions last Monday, which clarifies exactly what we were agreeing to.

[REDACTED]

[REDACTED]

m: [REDACTED] | e: [REDACTED]@balfourbeatty.com  
[5 Churchill Place, Canary Wharf, London, E14 5HU](http://www.balfourbeatty.com)

On 29 Apr 2016, at 14:54, David Goldstone <[DavidGoldstone@londonlegacy.co.uk](mailto:DavidGoldstone@londonlegacy.co.uk)> wrote:

We are not in any sense trying to cut across the agreement that we reached, or indeed achieve any of the other assertions you make. We are trying to capture what was agreed in an agreement.

Colin and I will discuss the points at issue very soon, and one of us will come back to you.

We will be sticking faithfully to what we agreed at our meeting

**David Goldstone CBE**  
**Chief Executive**

London Legacy Development Corporation  
Level 10  
1 Stratford Place, Montfichet Road  
London  
E20 1EJ  
Direct: 020 3288 [REDACTED]

Email: [davidgoldstone@londonlegacy.co.uk](mailto:davidgoldstone@londonlegacy.co.uk)  
Website: [www.QueenElizabethOlympicPark.co.uk](http://www.QueenElizabethOlympicPark.co.uk)  
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**Sent:** 29 April 2016 12:29  
**To:** Colin Naish  
**Cc:** David Goldstone; [REDACTED]  
**Subject:** Re: Second Supplementary Agreement to Tier 1 Contract (PHM 250416) (4) -



Comments

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Protech  
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The call at 4pm is too late for a discussion on this and I request that you revert by return.

[REDACTED]

[REDACTED]

m: [REDACTED] | e: [REDACTED]@balfourbeatty.com  
[5 Churchill Place, Canary Wharf, London, E14 5HU](https://www.balfourbeatty.com)

On 28 Apr 2016, at 15:59, Colin Naish <[ColinNaish@londonlegacy.co.uk](mailto:ColinNaish@londonlegacy.co.uk)> wrote:

Without prejudice and subject to contract

[REDACTED]

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**Colin Naish**  
**Executive Director of Stadium**  
**Queen Elizabeth Olympic Park**

London Legacy Development Corporation  
Level 10  
1 Stratford Place, Montfichet Road  
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DDI: 020 3288 [REDACTED]  
Mobile: [REDACTED]  
Email: [colinnaish@londonlegacy.co.uk](mailto:colinnaish@londonlegacy.co.uk)  
Website: [www.QueenElizabethOlympicPark.co.uk](http://www.QueenElizabethOlympicPark.co.uk)  
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**From:** [REDACTED] [[mailto:\[REDACTED\]@balfourbeatty.com](mailto:[REDACTED]@balfourbeatty.com)]  
**Sent:** 27 April 2016 15:59  
**To:** Colin Naish  
**Cc:** [REDACTED]  
**Subject:** Second Supplementary Agreement to Tier 1 Contract (PHM 250416) (4)

- Comments

Colin,

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**From:** [David Edmonds](#)  
**To:** [REDACTED]@balfourbeatty.com  
**Subject:** FW: Stadium  
**Date:** 15 April 2016 17:51:59  
**Attachments:** [image004.png](#)  
[image005.png](#)  
[image006.png](#)  
[image008.png](#)  
[image001.png](#)

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[REDACTED]  
We discussed by telephone earlier in the week the issues over the completion of the Olympic Stadium transformation, one of the highest profile building projects in the UK. Since then there have been a series of exchanges between Chief Executives. I understand that David Goldstone is seeing [REDACTED] on Monday morning. I enclose a copy of the email that David sent earlier today.

Our hope is that there can be a settlement on Monday – some of the consequences of not reaching one are set out in David's penultimate paragraph.

I am happy to expand on that email and I can telephone you over the weekend – finding slots that work with the time difference gives me a three hour slot (UK times) from 13.00 on Saturday; or any time from 08.00 on Sunday. If you would like to take up that offer, let me know, and the time that suits.

David

**David Edmonds CBE**  
**Chairman**  
**Queen Elizabeth Olympic Park**

London Legacy Development Corporation  
Level 10  
1 Stratford Place, Montfichet Road  
London  
E20 1EJ

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DDI: +44 (0)20 3288 [REDACTED]  
Email: [REDACTED]@londonlegacy.co.uk  
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**From:** [REDACTED]  
**Sent:** 15 April 2016 15:41  
**To:** David Edmonds  
**Subject:** FW: Stadium

**From:** [REDACTED] **On Behalf Of** David Goldstone  
**Sent:** 15 April 2016 15:40  
**To:** [REDACTED]  
**Subject:** RE: Stadium

[REDACTED]  
Further to your mail below and our subsequent telephone discussions, I set out our response to your price and terms.

Your financial offer of [REDACTED] is unacceptable; it appears simply to remove the [REDACTED] incentives (for which there was no entitlement) and [REDACTED] of risk (which I see as having been transferred back to E20 through your amendments to our T&Cs) from your original [REDACTED] claim. There are still significant unsubstantiated costs in the [REDACTED] which do not fall to E20 under the terms of the contract between us.

Your amendments to the T&Cs are unacceptable; they bring forward contract completion ahead of actual completion of works, bring forward payment ahead of contract completion, transfer risk back to E20 for which we paid a premium under the base contract to transfer to BB in the first place, do not deliver a full and final settlement and threaten WH's first game (when you have previously stated it to be achievable). In short, they do not maintain the principles of the contract we have between us, which is what E20's T&Cs aimed to do.

The [REDACTED] offered by E20 under our T&Cs gives Balfour Beatty certainty of a fixed sum, payable on completion, rather than the alternative which is an uncertain sum to be determined by an adjudicator at some date in the future. It also prevents the reputational damage that late delivery would bring.

The highest number discussed with Board Members that can be justified (based on our assessment of contract entitlement and concert cancellation costs) is [REDACTED], but on our T&Cs. We must return to a much lower number if the concert is cancelled.

We agreed to meet on Monday to agree the T&Cs and risk apportionment, on which a settlement figure could be agreed on a full and final basis that gives E20 delivery certainty. It remains in both of our interests to achieve this, but if we can't, we are left with little choice but to cancel the concert, award an extension of time under the contract, instruct acceleration under the contract, and resolve the costs through the protracted dispute resolution process the contract gives us.

I hope we can reach a mutually acceptable position on Monday.

Yours sincerely,

David

**David Goldstone CBE**  
**Chief Executive**

London Legacy Development Corporation  
Level 10  
1 Stratford Place, Montfichet Road  
London  
E20 1EJ  
Direct: 020 3288 [REDACTED]

Email: [davidgoldstone@londonlegacy.co.uk](mailto:davidgoldstone@londonlegacy.co.uk)  
Website: [www.QueenElizabethOlympicPark.co.uk](http://www.QueenElizabethOlympicPark.co.uk)



**The north of Queen Elizabeth Olympic Park is now open – for more information visit [www.QueenElizabethOlympicPark.co.uk](http://www.QueenElizabethOlympicPark.co.uk)**



Please consider the environment before printing this e-mail or its attachments

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**From:** [REDACTED] [[mailto:\[REDACTED\]@balfourbeatty.com](mailto:[REDACTED]@balfourbeatty.com)]  
**Sent:** 14 April 2016 17:47  
**To:** David Goldstone  
**Subject:** RE: Stadium  
**Importance:** High

David,

Further to your email, in order to expedite this process, I have Board approval for the attached offer both in terms and quantum. You will appreciate the further concession on the price in light of the attached terms. I think we need to draw a line under this at this point and receive your approval if we are to have any chance of delivering on the ACDC concert, subsequent athletic events or West Ham inaugural game – all of which are at risk at this time. I think we have done everything we can and we need to get our teams back on delivery with a sense of urgency.

I look forward to your favourable response.

Best regards [REDACTED]

[Redacted]

[Redacted] | Balfour Beatty

T: [Redacted] | M: [Redacted] | E: [Redacted] [@balfourbeatty.com](mailto:[Redacted]@balfourbeatty.com)

The Curve, Axis Business Park, Hurricane Way, Langley SL3 8AG

PA: [Redacted] | T: [Redacted] | M: [Redacted] | E: [Redacted] [@balfourbeatty.com](mailto:[Redacted]@balfourbeatty.com)

[www.balfourbeatty.com](http://www.balfourbeatty.com) |  [@balfourbeatty](https://twitter.com/balfourbeatty) |  LinkedIn

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David,

We will not be able to get you something in response to your letter until about 5.00pm. As you can imagine, this is quite complicated and the whole team have been working on it all morning.

I am now tied up in a meeting with BIS until 5.00pm, so I will look to phone you at 5.30 when I get back to the office.

Regards [Redacted]

[Redacted]

[Redacted] | Balfour Beatty

T: [Redacted] | M: [Redacted] | E: [Redacted] [@balfourbeatty.com](mailto:[Redacted]@balfourbeatty.com)

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**From:** David Goldstone [<mailto:DavidGoldstone@londonlegacy.co.uk>]

**Sent:** 13 April 2016 18:32

**To:** [Redacted]

**Subject:** Re: Stadium

Thanks [Redacted]

Ok, we will wait until tomorrow to hear from you.

I am progressing our discussions with full understanding of my chairman , so whilst we note the need for a formal approval, if we get to the point where you and I agree, I will not say to you that a position is agreed unless I know I can deliver board support. If you remain at a level that the board won't support, I will make that clear to you too . I recall , by the way, that you said something similar about needing board authority this morning?

I had assumed that once we agreed principles, we would both act accordingly in good faith, but that nonetheless it

would be a captured into a supplemental agreement to the main contract, as other significant changes have been. If that isn't your understanding please let me know. If your understanding is the same, we are happy to get a draft agreement prepared, but wanted to share the headlines quickly, as we discussed this morning, in the interests of time

I will ask Colin to check the total values you refer to. I don't have that detail to hand . He will reply to you and [REDACTED]

Is your 4th paragraph saying that you are not making any further movement? If so that is extremely disappointing and not what we agreed this morning, when you agreed to come back to me with a counter proposal " within a couple of hours" . Considering the extent to which we heard last Friday from [REDACTED] and [REDACTED] that the [REDACTED] included costs unverified, subcontractors claims just passed on etc, to only remove the incentive would be very disappointing . I would be grateful if you could confirm if your response will include a lower proposed settlement figure, as we discussed and in the spirit of all of the sentiments we discussed .

As you know however, with the contract that the company entered into, an out turn loss was a risk that you ( corporately ) took. It is a risk inherent to the contract you signed and not my responsibility

I look forward to hearing back from you

Thanks again  
David

Sent from my iPad

On 13 Apr 2016, at 17:59, [REDACTED] <[\[REDACTED\]@balfourbeatty.com](mailto:[REDACTED]@balfourbeatty.com)> wrote:

David,

I note that an email has been sent with proposed terms at 4.23pm this afternoon. I have asked my team to go away and make a full response. In the circumstances that will now be tomorrow lunchtime.

One point that immediately springs to my mind from the drafting is that no agreement can be subject to various Boards approval, or can wait for a drawn out legal agreement, we do not have the time for these niceties if we want to make the events happen, you and I need to be empowered to reach an agreement.

On the subject of the value, to be clear our starting point is [REDACTED] as the amount currently agreed. I believe that this includes circa [REDACTED] that you achieve from another budget.

I believe that when we spoke earlier I said that I could compromise on the [REDACTED], (excluding the [REDACTED] variations), and that this could include the incentives and potentially the risk pot. That would therefore bring down my offer to circa [REDACTED] (plus variations), less any savings to the [REDACTED] risk pot provided by your terms, which could be up to [REDACTED] if the terms substantially reduce the risk to us.

This would put me into a significant loss on the project.

Therefore I need a material improvement in the offer so I can consider it with my teams view of the terms tomorrow.

Apologies for my confusion in getting back to you to confirm the numbers discussed this morning.

[REDACTED]

[REDACTED]

[REDACTED] | Balfour Beatty

T: [REDACTED] | M: [REDACTED] | E: [REDACTED] <[\[REDACTED\]@balfourbeatty.com](mailto:[REDACTED]@balfourbeatty.com)>

The Curve, Axis Business Park, Hurricane Way, Langley SL3 8AG

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**From:** David Goldstone [<mailto:DavidGoldstone@londonlegacy.co.uk>]

**Sent:** 13 April 2016 15:56

**To:** [REDACTED]

**Subject:** Re: Stadium

They are doing it as quickly as they can. It will be with you soon

I haven't heard back from you on a potential settlement value ?

David

Sent from my HTC

----- Reply message -----

From: [REDACTED] <[\[REDACTED\]@balfourbeatty.com](mailto:[REDACTED]@balfourbeatty.com)>  
To: "David Goldstone" <[DavidGoldstone@londonlegacy.co.uk](mailto:DavidGoldstone@londonlegacy.co.uk)>  
Subject: Stadium  
Date: Wed, Apr 13, 2016 15:44

David, neither [REDACTED] have still not received anything from Colin et al

[REDACTED]

[REDACTED] | Balfour Beatty

T: [REDACTED] | M: [REDACTED] | E: [REDACTED] <[\[REDACTED\]@balfourbeatty.com](mailto:[REDACTED]@balfourbeatty.com)>

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**From:** David Goldstone [<mailto:DavidGoldstone@londonlegacy.co.uk>]

**Sent:** 13 April 2016 13:13

**To:** [REDACTED]

**Subject:** Re: Stadium

[REDACTED]

Just to avoid any confusion - Colin will send over a summary headline heads of terms for a potential agreement .

It will reflect the number we discussed

You will come back to me in a couple of hours or so with your response

All best

David

Sent from my iPad

On 13 Apr 2016, at 12:29, [REDACTED] <[\[REDACTED\]@balfourbeatty.com](mailto:[REDACTED]@balfourbeatty.com)> wrote:

Best No for call [REDACTED]

[REDACTED]

[REDACTED] | Balfour Beatty

T: [REDACTED] | M: [REDACTED] | E: [REDACTED] <[\[REDACTED\]@balfourbeatty.com](mailto:[REDACTED]@balfourbeatty.com)>

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**From:** David Goldstone [<mailto:DavidGoldstone@londonlegacy.co.uk>]

**Sent:** 13 April 2016 10:04

**To:** [REDACTED]

**Subject:** Re: Stadium

OK there was a bit of genuine confusion then - I thought your suggestion of us speaking yesterday overtook the need for letters! Apologies if that was my misunderstanding

Nonetheless we can discuss both numbers and conditions etc at 12.30. - and we have given some thought to conditions , so if we can get to the same place in our call today I am sure we can get terms of agreement settled v quickly

Speak to you later

David



Sent from my HTC

----- Reply message -----

From: [REDACTED] <[\[REDACTED\]@balfourbeatty.com](mailto:[REDACTED]@balfourbeatty.com)>  
To: "David Goldstone" <[DavidGoldstone@londonlegacy.co.uk](mailto:DavidGoldstone@londonlegacy.co.uk)>  
Subject: Stadium  
Date: Wed, Apr 13, 2016 09:46

David following on from our meeting last Friday and [REDACTED] discussion with [REDACTED] yesterday we were lead to believe that we would receive a draft letter in response to our without prejudice offer in advance of our call today.

Clearly the letter would update and inform today's conversation and at a minimum include the items agreed on Friday and the further advances made by the teams since then.

[REDACTED] did not make much progress yesterday as [REDACTED] was not authorised to update the numbers in light of the above therefore it would be good to understand where you are on the financials and any conditionality when we talk at 12:30.

[REDACTED]

[REDACTED] | Balfour Beatty

T: [REDACTED] | M: [REDACTED] | E: [REDACTED] <[\[REDACTED\]@balfourbeatty.com](mailto:[REDACTED]@balfourbeatty.com)>

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**From:** David Goldstone [<mailto:DavidGoldstone@londonlegacy.co.uk>]  
**Sent:** 13 April 2016 08:18  
**To:** [REDACTED]  
**Subject:** Stadium

[REDACTED]

There appears to be some confusion between our teams after our call yesterday. I think we were clear - we needed to know outcome from the discussions teams had had yesterday, and whether it had moved shared understanding of the numbers forward. We would then discuss potential parameters for settlement at 12.30. [REDACTED] apparently thinks we asked him and [REDACTED] to try to negotiate settlement terms, which obviously would be very different. [REDACTED] isn't empowered to do that

I understand that in fact they had met and discussed and moved things forward a bit yesterday. but that this had happened by the time we spoke.

I understand the position as far as [REDACTED] is concerned and am ready to speak at 12.30

You might just want to get the same understanding From [REDACTED] then let's speak at 12.30 as planned

David  
Sent from my HTC

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