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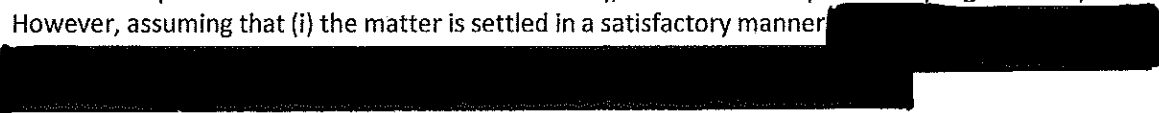
1 May 2019

Dear Mary

I refer to my letter of 2 April 2019.

As you and your team are aware, CMAL's (i) refusal to enter into negotiations or mediation on the claim lodged by us in December 2018 and (ii) continued request for changes on the design of the two vessels, has had and continues to have, a material impact on the delivery dates. Notwithstanding this, we understand your need for an update on expected delivery programme and delivery dates.

In the absence of having visibility on the detailed process and timeline to deal with the claim (which has been requested from the Scottish Government), it is difficult to provide a programme update. However, assuming that (i) the matter is settled in a satisfactory manner



Also attached to this letter is a breakdown showing how the amounts of the outstanding loan has been and will be applied.

Yours sincerely

Gerry Marshall CEO



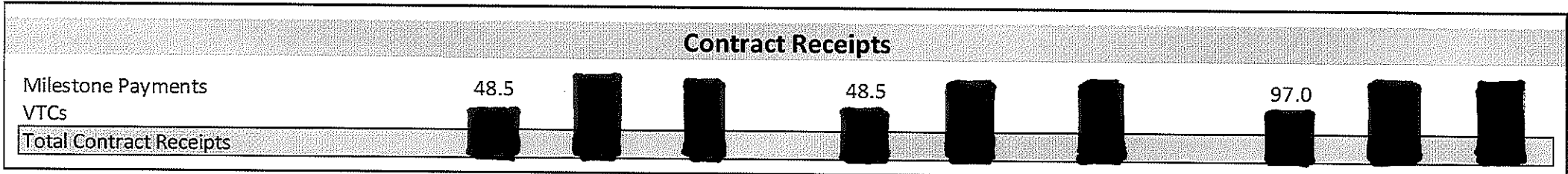
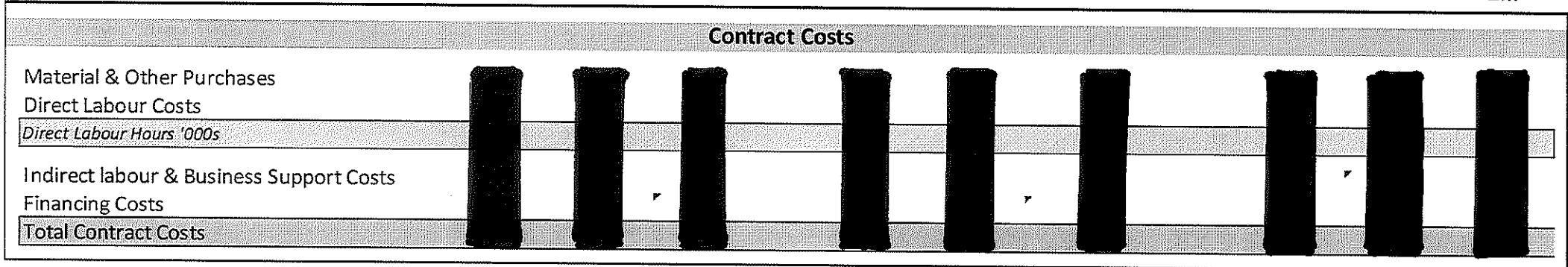
**Ferguson Marine Engineering Limited**  
Registered in Scotland No: SC485060  
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# FMEL Contract Summary - March 2019



## Net Contract Position @ March 2019

801			802			Total		
Total £m	To Date £m	Balance £m	Total £m	To Date £m	Balance £m	Total £m	To Date £m	Balance £m



<b>Net Contract Position</b>			
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<b>Loans drawn at end of March 2019</b>	<b>40.0</b>
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