

Elizabeth Line 2 Concession Agreement

Dated 19 December 2024

- (1) Rail for London Limited**
- (2) GTS Rail Operations Limited**

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This Agreement is dated 19 December 2024

Between:

- (1) **Rail for London Limited**, whose registered office is at 5 Endeavour Square, London E20 1JN and registered number is 05965930 ("**RfL**"); and
- (2) **GTS Rail Operations Limited**, whose registered office is at 3rd Floor, 41-51 Grey Street, Newcastle Upon Tyne, United Kingdom, NE1 6EE and registered number is 14942823 (the "**Operator**").

Whereas:

- (A) RfL wishes to appoint an operator, and the Operator wishes to be appointed, to provide railway passenger services on the Elizabeth Line Route and RfL expects its operator and the Operator is willing, on the terms of this Agreement, actively to seek, in all reasonable business ways, greatly improved performance over the Concession Period from its employees, its Train Fleet and other assets, and from the Infrastructure Managers and its other suppliers and the resources that are available to it.
- (B) The following provisions of this Agreement are intended to reflect and give effect to the matters referred to in Recital (A).

1 Interpretation

- 1.1 This Agreement and the Conditions Precedent Agreement, together constitute a single agreement.
- 1.2 In this Agreement, except to the extent the context otherwise requires:
 - 1.2.1 words and expressions defined in Part I of the Act have the same meanings when used herein provided that, except to the extent expressly stated, 'railway' shall not have the wider meaning given to it by Section 81(2) of the Act;
 - 1.2.2 words and expressions defined in the Interpretation Act 1978 have the same meanings when used in this Agreement;
 - 1.2.3 the words "**include**", "**including**" and "**in particular**" are to be construed without limitation;
 - 1.2.4 references to any person include its successors, transferees or assignees;
 - 1.2.5 the words "**subsidiary**", "**wholly owned subsidiary**" and "**parent undertaking**" have the same meaning in this Agreement as in Sections 1159 and 1162 of the Companies Act 2006;
 - 1.2.6 references to documents "**in the agreed terms**" are references to documents initialled by or on behalf of RfL and the Operator;
 - 1.2.7 references in any of the agreements comprising this Agreement to Recitals, clauses, Schedules, Parts, paragraphs and Appendices are to Recitals, clauses, Schedules, Parts of Schedules, paragraphs of Schedules and Appendices of Schedules of that agreement, unless expressly specified to the

contrary, and the Schedules and Appendices form part of the agreement in which they appear;

- 1.2.8 references in any Schedule in any of the agreements comprising this Agreement to a Part, paragraph or Appendix are references to a Part, paragraph or Appendix of that Schedule (or the relevant Part of a Schedule), unless expressly specified to the contrary;
- 1.2.9 headings and references to headings shall be disregarded in construing this Agreement;
- 1.2.10 references to any enactment include any subordinate legislation made from time to time under such enactment and are to be construed as references to that enactment as for the time being amended or modified or to any enactment for the time being replacing or amending it and references to any subordinate legislation are to be construed as references to that legislation as for the time being amended or modified or to any legislation for the time being replacing or amending it;
- 1.2.11 references to an agreement or any other document shall be construed as referring to that agreement or document as from time to time supplemented, varied, replaced, amended, assigned or novated;
- 1.2.12 references to any particular provisions of any agreement or any other document shall be construed to include any other provisions of, or incorporated in, that agreement or other document which RfL reasonably considers have an equivalent effect or are intended to fulfil the same function;
- 1.2.13 words importing the masculine gender include the feminine and vice-versa, and words in the singular include the plural and vice-versa;
- 1.2.14 wherever provision is made for the giving or issuing of any notice, endorsement, consent, approval, waiver, certificate or determination by any person, unless otherwise specified, such notice, endorsement, consent, approval, waiver, certificate or determination shall be in writing and the words "**notify**", "**endorse**", "**consent**", "**approve**", "**waive**", "**certify**" or "**determine**" and other cognate expressions shall be construed accordingly;
- 1.2.15 unless expressly stated, "**writing**" includes by email;
- 1.2.16 references to materials, information, data and other records shall be to materials, information, data and other records whether stored in electronic, written or other form;
- 1.2.17 references to the Operator bidding or making an access proposal for Train Slots or a Timetable shall mean the final action incumbent on the Operator under the Relevant Network Code to confirm to the relevant Infrastructure Manager its interests in the Train Slots to which that confirmation relates, and "**bid**" or "**access proposal**" shall be construed accordingly;
- 1.2.18 references to the period of validity of any Fare are references to its period of validity excluding any rights of any purchaser thereof to extend such period under TfL's fares policy, or the terms and conditions attaching to such Fare

(including any applicable conditions of carriage or conditions of travel) in the event of the cancellation or delay of any of the railway passenger services for which such Fare is valid;

- 1.2.19 references to stations at which any train calls include stations at which such train commences or terminates its journey;
- 1.2.20 references to "**railway passenger services**" are to be construed subject to section 40 of the Railways Act 2005;
- 1.2.21 references to the provision of railway passenger services include the organisation of the relevant train movements and making the necessary arrangements with the relevant Infrastructure Manager or any other relevant Facility Owner;
- 1.2.22 references in lower case letters to terms defined in Clause 2 (*Definitions*) shall be construed, where relevant, as being references to the terms defined as such in the franchise agreement or relevant agreement made under section 30 of the Act or section 6 of the Railways Act 2005 with any other Train Operator;
- 1.2.23 amendments to or variations of contracts or arrangements include assignments, novations or other transfers of rights and/or obligations (in whole or in part) under such contracts or arrangements;
- 1.2.24 references to sums of money being expended by the Operator shall be to such sums exclusive of Value Added Tax;
- 1.2.25 unless otherwise stated in this Agreement, the costs of performing an obligation under this Agreement shall be borne by the party required to perform such obligation;
- 1.2.26 wherever provision is made for the Operator to "**procure**" or "**ensure**" the delivery of an obligation under this Agreement, unless otherwise specified, that provision shall be construed as a primary obligation on the Operator to deliver that obligation;
- 1.2.27 the words "**shall not be liable**" are to be construed as meaning that no contravention of this Agreement and no Event of Default shall arise as a result of the occurrence of the matter to which such words relate;
- 1.2.28 references to a "**contravention of this Agreement**" (and cognate expressions) are to be construed as meaning a breach of this Agreement; and
- 1.2.29 any dates relating to any Concession Years specified in any table in this Agreement that occur after the Initial Expiry Date are illustrative only.

2 Definitions

In this Agreement, except to the extent the context otherwise requires, the following words and expressions have the following meanings:

"**1954 Act**" means the Landlord and Tenant Act 1954.

"345 Rail Leasing" means 345 Rail Leasing Limited whose registered office is at 3rd Floor (South), 200 Aldersgate Street, London, EC1A 4HD and whose registered number is 11770286.

"Acceptable Bank" means a Bank domiciled in the United Kingdom or the European Union, in either case with a subsidiary or branch or office located in London, and which RfL has given its prior written consent to.

"Acceptance" has the meaning given to it in the RSPA.

"Accepted" has the meaning given to it in the RSPA.

"Access Agreement" has the meaning given to the term "access agreement" in section 83(1) of the Act.

"Access Charge Adjustment" means the adjustment to any Concession Payment to be made as a component of any Pass Through Adjustment in accordance with paragraph 3.4 (*Pass Through Adjustments – Calculation of Access Charge Adjustments*) of Schedule 11.1 (*Concession Payments*).

"Access Proposal" means a written proposal to a relevant Infrastructure Manager under the terms of a Relevant Network Code to exercise Timetable Development Rights during any Timetable Planning Period so as to secure a Timetable that enables the operation of railway passenger services that comply with the applicable Service Level Commitment.

"Account Charge" means a charge over the funds held in the Revenue Account from time to time, created by the Operator over the Revenue Account in favour of RfL as security for the Operator's obligations under Schedule 3.3 (*Ticket and Non-Ticket Revenue*).

"Act" means the Railways Act 1993.

"Actual Passenger Demand" means information relating to the number of passengers travelling:

- (a) on each Passenger Service;
- (b) on each Service Group; and/or
- (c) at any Elizabeth Line Station or between any Elizabeth Line Stations,

in each case by reference to particular times of the day, week or year.

"Actual Profit" shall be derived from the following formula:

$$AP = EBIT + MC + AFF + IASNC - IASCC$$

where:

"AP" is the Actual Profit;

"EBIT" is earnings before interest and tax as identified in the relevant Annual Audited Accounts for the relevant Concession Year and

before any adjustment in recognition of any Profit Share Payment or Profit Share Reconciliation Payment in accordance with Schedule 11.4 (*Profit Share*);

"MC" is the management charge, if any, paid by the Operator to any Parent or any Affiliate of the Operator in relation to the management services provided by any Parent to the Operator in relation to the concession (including amortisation in relation to capitalised bid costs and charges for group services but excluding matters that are otherwise considered an Inter-Group Company Adjustment in "IA" below);

"AFF" is calculated as follows:

$$\text{AFF} = \text{TAS} - \text{AFA}$$

where:

"TAS" is the aggregate of any payments made by the Operator to any Affiliate of the Operator in that Concession Year (excluding any amounts falling within the definition of "IA" below and excluding any amounts paid to an Affiliate of the Operator pursuant to any contract entered into between the Operator and that Affiliate for the provision of alternative bus and/or licensed taxi services pursuant to paragraph 7.2 (*Alternative Transport Arrangements – Requirement to Provide Alternative Transport*) of Schedule 1.3 (*Managing Changes to the Passenger Services*) where such contract has been awarded pursuant to a competitive procurement approved in advance by RfL);

"AFA" is the amount specified in that Concession Year (or its component parts) in Column 2 and the relevant row of the Table set out in Appendix 2 (*Components of AFA*) to Schedule 11.4 (*Profit Share*) and indexed by CPI in accordance with paragraph 3 (*Indexation by Reference to CPI*) of Schedule 11.2 (*Annual Concession Payments and Indexation*) (provided that if such Concession Year has fewer days than the number of days in the relevant year shown in Column 1 of the table set out in Appendix 2 (*Components of AFA*) to Schedule 11.4 (*Profit Share*) then the figure for such Concession Year shall be taken from the relevant row or rows of Column 2 of such table and shall be prorated accordingly),

provided that where "TAS – AFA" is a negative number, "AFF" shall be deemed to be zero;

"IA" is the inter-group company adjustment, if any, in relation to that Concession Year, which is the sum of the amounts by which the price of relevant contracts or arrangements with a Parent or any Affiliate exceeds the price of those contracts or arrangements, had they been concluded on arm's length terms in accordance with paragraph 10.1

(*Arm's Length Dealings*) of Schedule 20 (*Other Provisions*) where it has been determined that those contracts are not on such terms, plus ten per cent. (10%);

"IASNC" is the value of any non-cash entries included within EBIT (including interest on the net defined benefit liability or asset actuarial gains and losses) in respect of the Concession Section and any other pension scheme(s) to the extent connected with the concession (excluding accruals or prepayments of any contributions payable by the Operator into: (i) the Concession Section; and (ii) any other pension scheme(s) to the extent connected with the concession, in each case as required under such schemes' rules and schedule of contributions). Where IASNC is a net cost it should be treated as a positive value; where IASNC is a net income it should be treated as a negative value; and

"IASCC" is the value of cash contributions payable by the Operator, not included within EBIT, into: (i) the Concession Section; and (ii) any other pension scheme(s) to the extent connected with the concession, in each case as required under such schemes' rules and schedule of contribution.

"Actuarial Dispute" has the meaning given to it in paragraph 9 (*Independent Actuary*) of Schedule 15.5 (*Pensions*).

"Additional Services" has the meaning given to it in the RSPA, which shall include the Rolling Stock Provider carrying out rectification work under the RSPA in relation to damage to the exterior of a Class 345 Unit or an Optional Unit caused by overhanging vegetation or to grab poles caused by passenger usage.

"Additional Services Adjustment" has the meaning given to it in paragraph 2.4 (*Maintenance, Repair and Cleaning of the Train Fleet – Additional Services*) of Schedule 5.2 (*Operation and Maintenance*).

"Administration Fee" has the meaning given to it in paragraph 11.4 (*Change of Control*) of Schedule 20 (*Other Provisions*).

"Advertising Area" means any area within an Operator Leased Station the subject of an agreement entitling a third party to place advertisements within the area, or such other area as may be nominated by the Advertising Concessionaire pursuant to paragraph 5.2 (*Advertising*) of Part 1 (*Commercial Agreements*) of Schedule 4.3 (*Retail and Commercial Arrangements*).

"Advertising Concession Agreement" means an advertising concession agreement granted in favour of RfL (or, at RfL's request, another member of the TfL Group) in the agreed terms marked **"ACA"** in respect of all Advertising Areas.

"Advertising Concessionaire" has the meaning given to it in paragraph 5.1 (*Advertising*) of Part 1 (*Commercial Agreements*) of Schedule 4.3 (*Retail and Commercial Arrangements*).

"Affected Customer Satisfaction Surveys" has the meaning given to it in paragraph 5.2 (*Performance against CSS Default Benchmarks - Performance Worse than any CSS Default Benchmark*) of Schedule 8.3 (*Customer Satisfaction Regime*).

"Affiliate" means, in respect of any person, any person by which that person is Controlled or which is Controlled by that person, or any person which is Controlled by any other Affiliate of that person, including in the case of the Operator, each Member and each Parent.

"Agreement" means this Elizabeth Line 2 Concession Agreement, together with the Conditions Precedent Agreement.

"Agreed DVS Plan" means the draft DVS Plan as updated and approved in accordance with paragraph 22 (*Direct Vision Standard*) of Schedule 15.3 (*Responsible Procurement*).

"Agreed Modern Slavery Action Plan" means the Operator's modern slavery and ethical sourcing plan as approved by RfL in accordance with paragraph 16.3.1 (*Ethical Sourcing*) of Schedule 15.3 (*Responsible Procurement*).

"Agreed SLNT Plan" means the Operator's strategic labour needs and training plan as approved by RfL in accordance with paragraph 9.2.1 (*Strategic Labour Needs and Training Plan*) of Schedule 15.3 (*Responsible Procurement*).

"Alternative Services" means the provision by the Operator of rail replacement bus services pursuant to paragraph 7.2 (*Alternative Transport Arrangements - Requirement to Provide Alternative Transport*) of Schedule 1.3 (*Managing Changes to the Passenger Services*).

"Alternative Timetable Adjustment" means any adjustment to be made to any Concession Payment pursuant to paragraph 1.1 (*Concession Payments*) of Schedule 11.1 (*Concession Payments*), calculated in accordance with paragraph 9.1 (*Alternative Timetable Adjustments*) of Schedule 1.3 (*Managing Changes to the Passenger Services*).

"Alternative Timetable Guidance" means the guidance in relation to the preparation and implementation of alternative timetables in the agreed terms marked **"ATG"**.

"Alternative Timetable Shortfall Payment" has the meaning given to it in paragraph 6.7 (*Alternative Timetable Arrangements – After Implementation of the Operator's Alternative Timetable*) of Schedule 1.3 (*Managing Changes to the Passenger Services*).

"Alternative Scheme" means a Committed Obligation proposed by the Operator in place of a Specimen Scheme in accordance with paragraph 8 (*Specimen Schemes*) of Schedule 10.2 (*Miscellaneous Provisions and Late/Non Completion of Committed Obligations*).

"Annual Audited Accounts" means the accounts of the Operator which:

- (a) comply with paragraph 4.7 (*Accounting and Financial Information – Accounting Standards and Practices*) of Schedule 16.1 (*Records, Plans and Reporting*); and

- (b) are delivered to RfL by the Operator in accordance with paragraph 4.8 (*Accounting and Financial Information*) of Schedule 16.1 (*Records, Plans and Reporting*) and certified by the Operator's auditors as true and fair.

"Annual Carbon Reduction Plan" means, with respect to:

- (a) the Concession Year starting on the Start Date, the Initial Annual Carbon Reduction Plan; and
- (b) each subsequent Concession Year, the Annual Carbon Reduction Plan prepared by the Operator and as updated in accordance with paragraphs 6.7 (*Annual Carbon Reduction Plan - Preparation of Subsequent Annual Carbon Reduction Plans*) to 6.11 (*Annual Carbon Reduction Plan - Preparation of Subsequent Annual Carbon Reduction Plans*) of Schedule 15.4 (*Environment*).

"Annual Concession Payment" means, in relation to any Concession Year, or where an extension is required pursuant to paragraph 1.3 (*Continuation of Term – Up to two-year Continuation at RfL's Discretion*) of Schedule 19 (*Continuation of Elizabeth Line Concession – Continuation for Additional Seven Reporting Periods*), the amount determined in accordance with Schedule 11.2 (*Annual Concession Payments and Indexation*).

"Annual Cumulative Profit Share Amount" has the meaning given to it in paragraph 3 (*Annual Cumulative Profit Share Amount Calculation*) of Schedule 11.4 (*Profit Share*).

"Annual Enforcement Plan" has the meaning given to it in paragraph 3.1.12 (*Annual Security Plan*) of Schedule 6.1 (*Security*).

"Annual Environmental Management Plan" means, with respect to:

- (a) the Concession Year starting on the Start Date, the Initial Annual Environmental Management Plan;
- (b) each subsequent Concession Year, the Annual Environmental Management Plan prepared by the Operator and as updated in accordance with paragraph 5.6 (*Annual Environmental Management Plan - Preparation of Subsequent Annual Environmental Management Plans*) to 5.10 (*Annual Environmental Management Plan - Preparation of Subsequent Annual Environmental Management Plans*) of Schedule 15.4 (*Environment*).

"Annual Management Accounts" means the management accounts of the Operator which:

- (a) comply with paragraph 4.7 (*Accounting and Financial Information - Accounting Standards and Practices*) of Schedule 16.1 (*Records, Plans and Reporting*); and
- (b) are delivered to RfL by the Operator in accordance with paragraph 4.5 (*Accounting and Financial Information – Annual Financial Information*) of Schedule 16.1 (*Records, Plans and Reporting*).

"Annual Revenue Protection Plan" means, with respect to:

- (a) the Concession Year starting on the Start Date, the Initial Annual Revenue Protection Plan; and
- (b) each subsequent Concession Year, the Annual Revenue Protection Plan prepared by the Operator and as updated in accordance with paragraph 3.3 (*Revenue Collection and Payments into the Revenue Account – Disputes as to Amounts Owing to the Operator*) of Schedule 3.3 (*Ticket and Non-Ticket Revenue*).

"Annual Security Plan" has the meaning given to it in paragraph 3.1 (*Annual Security Plan*) of Schedule 6.1 (*Security*).

"Applicable Requirements" means, depending on the context, all or any Laws and standards at any time or from time to time in force in the United Kingdom and which are or may become applicable to this Agreement, the other Transaction Documents, any agreement or document referred to in this Agreement or the other Transaction Documents or the carrying out of the Concession Services, including Railway Industry Standards, the requirements of the ORR, Health and Safety at Work etc. Act 1974 and the Safety Regulations.

"Applicable Timetable" means, in relation to each day during the Concession Period, the Passenger Services scheduled to be operated on that day through specification in the Timetable or as notified to the Operator by any Infrastructure Manager from time to time prior to 2200 on the previous day.

"Approved Code of Practice" means the document titled "Approved Code of Practice: Contingency Planning for Train Service Recovery – Service Recovery 2007" issued by ATOC and as amended from time to time.

"Approved Performance Incident Mitigation Plan" has the meaning given to it in paragraph 5.3.1 (*Approved Performance Incident Mitigation Plans*) of Schedule 7.4 (*General Operating Performance Provisions*).

"Approved Progressive Driver Training" means an ongoing programme of Driver training to ensure that they have the appropriate knowledge, skills, and attitude to operate safely on urban roads. This includes training specific for the urban environment (including on-road experience from a cyclist's perspective), which is required to be completed at least once every five (5) years.

"ARP Reporting Template" has the meaning given to it in paragraph 5.3.2 (*Approved Performance Incident Mitigation Plans*) of Schedule 7.4 (*General Operating Performance Provisions*).

"ATOC" means the Association of Train Operating Companies.

"ATOC Staff Travel Scheme" means the staff travel scheme dated 23 July 1995 between the participants named therein.

"Availability Adjustments" means the adjustment to the Concession Payment for any Reporting Period calculated in accordance with paragraph 2.1 (*Availability and Cancellation Adjustment Calculations – Availability Adjustment Calculations*) of Schedule 7.1 (*Operating Performance Regime*) and made in accordance with

paragraph 2.1 (*Performance Adjustments – Calculation of Performance Adjustments*) of Schedule 11.1 (*Concession Payments*).

"Available" has the meaning given to it in the RSPA in respect of a Unit.

"BAME" means a black, Asian and minority ethnic owned business which is fifty-one per cent. (51%) or more owned by members of one or more black, Asian or minority ethnic groups.

"Bank" means a person which has a permission under Part IV of the Financial Services and Markets Act 2000 to carry on one or more of the regulated activities provided thereunder.

"Bank Holiday" means any day other than a Saturday or Sunday on which Banks in the City of London are not open for business.

"Base Station Value" means, in relation to any Missed Station Stop:

- (a) for all westbound Diagram Legs on any week day, Saturday or Sunday, the value for the station that constituted that Missed Station Stop in the relevant Time Band, set out in Tables A (*Westbound Weekday Services*), B (*Westbound Saturday Services*) and C (*Westbound Sunday Services*) respectively in Appendix 1 (*Base Station Value Tables*) to Schedule 7.1 (*Operating Performance Regime*); and
- (b) for all eastbound Diagram Legs on any week day, Saturday or Sunday, the value for the station that constituted that Missed Station Stop in the relevant Time Band, set out in Tables D (*Eastbound Weekday Services*), E (*Eastbound Saturday Services*) and F (*Eastbound Sunday Services*) respectively in Appendix 1 (*Base Station Values Tables*) to Schedule 7.1 (*Operating Performance Regime*).

"Base Station Value Tables" means all of the Tables A (*Westbound Weekday Services*) to F (*Eastbound Sunday Services*) inclusive in Appendix 1 (*Base Station Value Tables*) to Schedule 7.1 (*Operating Performance Regime*).

"Blockades and Speed Restrictions Document" means the details of planned blockades and permanent speed restrictions in connection with High Speed 2 and the construction of Old Oak Common Station in the agreed terms marked **"BSRD"**.

"Bond Provider" means any person or persons who may provide or be an obligor under a Performance Bond from time to time who shall be an Acceptable Bank that has the Required Rating.

"Brand Licence" means a licence between the Secretary of State (or any company wholly owned by the Secretary of State) and the Operator or between TfL (or any company wholly owned by TfL) and the Operator in respect of any registered or unregistered trade marks.

"British Transport Police Agreement" means the agreement between the British Railways Board and the Operator in respect of the provision of police services by the BTP.

"BTP" means the British Transport Police Authority established by Section 18(1) of the Railways and Transport Safety Act 2003 and having duties and obligations as set out in that act.

"Business Action Plan" means an action plan produced by the Operator in relation to the delivery of any outcome anticipated by its Business Plan, in accordance with paragraph 3.9 (*Business Plans – Provisions relating to Business Plans*) of Schedule 16.1 (*Records, Plans and Reporting*).

"Business Day" means a day (other than a Saturday or Sunday or Bank Holiday) on which Banks in the City of London are open for business.

"Business Plan" means the Initial Business Plan or any Updated Business Plan, as the context requires, to be delivered in accordance with paragraphs 3.1 (*Business Plans – Initial Business Plan*) to 3.5 (*Business Plans – Material Changes to the Business Outlook or Prospective Financial Results*) (inclusive) of Schedule 16.1 (*Records, Plans and Reporting*).

"Cancellation" means in relation to a Unit that is to operate a Diagram Leg set out in the Train Plan, that such Unit Misses One or More Station Stops on that Diagram Leg.

"Cancellation Adjustment" means the adjustment to the Concession Payment for any Reporting Period calculated in accordance with paragraph 2.5 (*Availability and Cancellation Adjustment Calculations – Cancellation Adjustment Calculations*) of Schedule 7.1 (*Operating Performance Regime*) and made in accordance with paragraph 2.1 (*Performance Adjustments – Calculation of Performance Adjustments*) of Schedule 11.1 (*Concession Payments*).

"Capacity Deductions" means a deduction comprising part of any Availability Adjustment or Cancellation Adjustment that is to be made to any Concession Payment in respect of the Operator's performance in calling at stations, calculated in accordance with paragraphs 2.2 (*Availability and Cancellation Adjustment Calculations – Availability Adjustment Calculations*) and 2.6 (*Availability and Cancellation Adjustment Calculations – Cancellation Adjustment Calculations*) respectively of Schedule 7.1 (*Operating Performance Regime*).

"Capital Expenditure" has the meaning given to it in paragraph 2.4 (*Capital Expenditure - Meaning of Capital Expenditure*) of Schedule 13.4 (*Variations*).

"Car Park Area" has the meaning given to it in paragraph 1.1 (*Car Parks at Operator Managed Stations*) of Part 1 (*Commercial Agreements*) of Schedule 4.3 (*Retail and Commercial Arrangements*).

"Car Parking Agreement" means a car parking agreement granted in favour of such member of the TfL Group nominated by RfL in the agreed terms marked **"CPA"**.

"Car Park Underlease" means an underlease in respect of the Ilford Northern Car Park made between: (1) RfL; and (2) the Operator in the agreed terms marked **"CPU"**.

"Car-derived van" means a vehicle based on a car, but with an interior that has been altered for the purpose of carrying larger amounts of goods and/or equipment.

"Carriage of Bicycles Policy" has the meaning given to it in paragraph 13.1 (*Bicycles – Bicycles on Trains*) of Schedule 2.2 (*List of Concession Services*).

"Category N2 HGV" means a vehicle designed and constructed for the carriage of goods having a MAM exceeding three thousand five hundred (3,500) kilograms but not exceeding twelve thousand (12,000) kilograms.

"Category N3 HGV" means a vehicle designed and constructed for the carriage of goods and having a MAM exceeding twelve thousand (12,000) kilograms.

"CCOS" means the Crossrail central operating section authorised under the Crossrail Act 2008, being the railway between the boundary of the Crossrail central operating section and the railway operated by Network Rail:

- (a) to the west of Royal Oak portal;
- (b) to the east of Pudding Mill Lane portal; and
- (c) to the east of Abbey Wood sidings.

"CCOS Access Charge Adjustment" shall mean the aggregate of the CCOS Track Access Adjustment (if any) and the CCOS Station Adjustment (if any).

"CCOS Agreements" has the meaning given to it in paragraph 3.1.1 (*Charge for Access to CCOS and RfL(I) Stations*) of Schedule 11.3 (*Pass Through Access Charge Adjustments*).

"CCOS Stations" means:

- (a) Abbey Wood station;
- (b) the LUL Stations (excluding Stratford Underground); and
- (c) the RfL(I) Stations.

"CCOS TAA" means any Track Access Agreement between the Operator as train operator and RfL(I) as infrastructure manager in respect of the Operator's access to the CCOS.

"CCOS TAA Performance Regime" has the meaning given to it in paragraph 3.2 (*Payments to and from RfL(I) – Payments in relation to RfL(I)'s Performance*) of Schedule 7.2 (*Performance Payments Under Track Access Agreements*).

"CCOS Station Adjustment" means the adjustment, if any, to Concession Payments to reflect the payment of charges under the Station Access Agreement or Station Agreement in respect of CCOS Stations (except for Abbey Wood station), determined in accordance with paragraphs 3.7 (*Charge for Access to CCOS and RfL(I) Stations – RfL(I) Station and LUL Station Adjustments*) and 3.8 (*Charge for Access to CCOS and RfL(I) Stations – RfL(I) Station and LUL Station Adjustments*) of Schedule 11.3 (*Pass Through Access Charge Adjustments*).

"CCOS Track Access Adjustment" means the adjustment, if any, to Concession Payments to reflect the payment of charges to RfL(I) under the CCOS TAA, determined in accordance with paragraphs 3.5 (*Charge for Access to CCOS and RfL(I) Stations –*

CCOS Track Access Adjustments) and 3.6 (Charge for Access to CCOS and RfL(I) Stations - CCOS Track Access Adjustments) of Schedule 11.3 (Pass Through Access Charge Adjustments).

"CEDR" has the meaning given to it in paragraph 2.5 (*Disputes under this Agreement – Principles of Mediation*) of Schedule 20 (*Other Provisions*).

"Certificate of Commencement" means the certificate to be issued by RfL pursuant to the Conditions Precedent Agreement.

"Change" means if and whenever any of the following occurs:

- (a) a Change of Law (excluding any Change of Law to the extent that it results in an adjustment to the Concession Payments pursuant to Schedule 11.3 (*Pass Through Access Charge Adjustments*));
- (b) a Charge Variation;
- (c) a change to the Service Level Commitment previously in force by the issue of a new Service Level Commitment in accordance with paragraph 3.1 (*Service Level Development – General*) or paragraph 3.10 (*Service Level Development - Operator Right to Propose Changes to the Service Level Commitment*) of Schedule 1.1 (*Timetable and Service Development*) but excluding:
 - (i) the implementation of any Service Modification;
 - (ii) an amendment to a Service Level Commitment to include up to an additional ten (10) Station Stops per Service Level Commitment; and
 - (iii) the issue of SLC2 if such Service Level Commitment applies with effect from Passenger Change Date occurring in [REDACTED];
- (d) the Operator is required to take any action pursuant to paragraph 12.1.1 (*Provisions relating to Access Agreements and Property Leases*) and/or 12.1.2 (*Provisions relating to Access Agreements and Property Leases*) of Schedule 1.1 (*Timetable and Service Development*);
- (e) the Operator operates less distance (measured in miles) than the distance (measured in miles) specified in the Train Plan as a consequence of a Restriction of Use that lasts sixty (60) consecutive hours or more;
- (f) a change effected pursuant to paragraph 4 (*RfL Proposals to Change the Applicable Timetable*) to Schedule 1.3 (*Managing Changes to the Passenger Services*) that requires the Operator to run additional distance (measured in miles) that is in excess of either of the thresholds specified in that paragraph;
- (g) RfL changes the Alternative Timetable Guidance which requires the Operator to take action pursuant to paragraph 5.2 (*Response to Disruption*) of Schedule 1.3 (*Managing Changes to the Passenger Services*) that would not have been required by the form of the Alternative Timetable Guidance published at the date of this Agreement with the effect that the Operator incurs additional costs;

- (h) the imposition, subject to paragraph 2.5 (*Physical Alterations and Accessibility of Operator Managed Stations - Increased Access Charges at Operator Access Stations*) of Schedule 4.4 (*Persons with Disabilities and Disability Discrimination*), of any increased access charges in respect of Equality Act Requirements at Operator Access Stations;
- (i) TfL approves an amendment or proposed amendment to an Inter-Operator Scheme, to the extent (and only to the extent) that the Operator makes a saving as a consequence of such amendment or proposed amendment;
- (j) not used;
- (k) the Rolling Stock Provider makes changes under the terms of the RSPA to the CTOC Area and the walkways to and from the CTOC Area, such that it has a material adverse impact on the safety, walking times and/or welfare of the Concession Employees that utilise the CTOC Area and those walkways;
- (l) a Variation (as defined therein) is made to the Class 345 Lease and/or the Optional Unit Lease, provided that if that Variation has the effect of changing the amount of rental that is payable thereunder, it shall be a Qualifying Change;
- (m) RfL agrees to the implementation of a Modification that has a material adverse or material beneficial effect on the cost to the Operator of operating the Class 345 Units and/or the Optional Units;
- (n) the RSPA is terminated;
- (o) there is a change in the scope of the agency that RfL determines or RfL and the Operator agree, in each case under the terms of the RSPA Agency Agreement, that either increases or decreases the costs that the Operator will incur in exercising the rights and performing the obligations under the RSPA that RfL has appointed the Operator to act as agent in respect of;
- (p) the Network Rail TAA is granted on terms which are substantially different from the terms of track access agreements entered into on model terms published by the ORR;
- (q) any of the CCOS TAA or the HAL TAA is granted on terms which are substantially different from the terms of the template track access agreement published by RfL(I) or HAL (as the case may be) from time to time;
- (r) RfL notifies the Operator pursuant to paragraph 9.1 (*Changing the Key Performance Indicators*) of Schedule 8.1 (*KPI Regime*) of its intention to amend the requirements of any Key Performance Indicator;
- (s) RfL changes any of:
 - (i) the MSS Methodology and/or MSS Questionnaire;
 - (ii) the CSS Methodology and/or CSS Questionnaire; and/or
 - (iii) the QPR Methodology and/or Station & Staff Information Survey,

such that in any such case, that change has a material adverse impact on the Operator's ability to comply with the terms of (as appropriate) the MSS Regime, the Customer Satisfaction Regime or the Quality Performance Regime;

- (t) RfL changes the Ticketless Travel Survey Methodology which has a material adverse impact on the Operator's ability to comply with the Ticketless Travel Incentive Regime;
- (u) RfL and the Operator agree or RfL serves written notice on the Operator, exercising RfL's right to call the Priced Option:
 - (i) on different terms from those specified in respect of that Priced Option in Schedule 12.1 (*Priced Option: Ticket Retailing Modernisation Programme*); and/or
 - (ii) at any time after the last date for exercise of such Priced Option,

in each case, only to the extent specified in paragraph 2.2.2 (*Terms on which Priced Options may be Called*) of Schedule 12.2 (*Calling and Implementing the Priced Option*);
- (v) RfL and the Operator agree or RfL serves written notice on the Operator, exercising RfL's right to call any Service Modification on different terms from those specified in respect of that Service Modification in Appendix 1 (*List of Anticipated Service Modifications*) to Schedule 12.4 (*Anticipated Service Modifications*), only to the extent specified in paragraph 1.2.2 (*Calling a Service Modification – Service Modification to be implemented on different terms*) of Schedule 12.4 (*Anticipated Service Modifications*);
- (w) a Variation to the terms of this Agreement pursuant to paragraph 1 (*Variations to this Agreement*) of Schedule 13.4 (*Variations*);
- (x) either:
 - (i) RfL, in its absolute discretion, elects at any time within two (2) months of the occurrence of a Force Majeure Event that such event shall be treated as a Change; or
 - (ii) a Force Majeure Event that continues with the effect of preventing the Operator from delivering, wholly or mainly, the Passenger Services for more than two (2) consecutive months;
- (y) any of the following events occurs:
 - (i) a programme of Mandatory Modifications commences;
 - (ii) any Units are damaged by fire, vandalism, sabotage or a collision and are beyond repair or beyond economic repair; or
 - (iii) a government authority prevents the operation of the Units on the grounds of safety,

and in each case, the greater of two (2) Units and ten per cent. (10%) of all Units used by the Operator in the provision of Passenger Services in relation to any Service Group are unavailable for use in the provision of the Passenger Services as a result of the occurrence of such event;

- (z) the Operator operates less distance (measured in miles) than the distance (measured in miles) specified in the Train Plan as a consequence of a request by the Operator to RfL (which RfL approves);
- (aa) the CP7 Mid Control Period Review;
- (bb) someone other than the Operator is designated as the Operator of an Essential Service (OEM) in respect of the operation of the Passenger Services or one or more Operator Managed Stations;
- (cc) there is a change in the number of Optional Units within the Optional Unit Fleet;
- (dd) the aggregate of the Qualifying Expenditure (as defined in the relevant Station Access Agreement) component of the access charge borne by the Operator (having taken into account any contributions towards such Qualifying Expenditure from other train operators) in respect of Old Oak Common Station is more or less than [REDACTED] per Concession Year (indexed by CPI in accordance with paragraph 3 (*Indexation by Reference to CPI*) of Schedule 11.2 (*Annual Concession Payments and Indexation*) and prorated by reference to the actual number of days in a Concession Year where such Concession Year has fewer than three hundred and sixty-five (365) days (or three hundred and sixty-six (366) days in a leap year));
- (ee) the aggregate of the Long Term Charge (as defined in the relevant Station Access Agreement) component of the access charge borne by the Operator (having taken into account any contributions towards such Long Term Charge from other train operators) in respect of Old Oak Common Station is more or less than [REDACTED] per Concession Year (indexed by CPI in accordance with paragraph 3 (*Indexation by Reference to CPI*) of Schedule 11.2 (*Annual Concession Payments and Indexation*) and prorated by reference to the actual number of days in a Concession Year where such Concession Year has fewer than three hundred and sixty-five (365) days (or three hundred and sixty-six (366) days in a leap year));
- (ff) the aggregate of the Long Term Charge (as defined in the relevant Station Access Agreement) component of the access charge borne by the Operator (having taken into account any contributions towards such Long Term Charge from other train operators) in respect of Shenfield Station is more or less than [REDACTED] per Concession Year (indexed by CPI in accordance with paragraph 3 (*Indexation by Reference to CPI*) of Schedule 11.2 (*Annual Concession Payments and Indexation*) and prorated by reference to the actual number of days in a Concession Year where such Concession Year has fewer than three hundred and sixty-five (365) days (or three hundred and sixty-six (366) days in a leap year));

- (gg) any two (2) or more of the foregoing that RfL groups together in accordance with any procedures issued by it pursuant to paragraph 1.4 (*Variations to this Agreement - Representations*) of Schedule 13.4 (*Variations*).

"Change of Control" has the meaning given to it in paragraph 11.1 (*Change of Control*) of Schedule 20 (*Other Provisions*).

"Change of Law" means the coming into effect after the date of this Agreement of Legislation or any applicable judgment of a court of Law which changes a binding precedent, in each case the terms of which apply only to the railway industry, a particular section of the railway industry or the provision of services to the railway industry (including such Legislation made under the Health and Safety at Work etc. Act 1974) and not to other transport modes or to industries other than the railway industry, and without limitation excluding:

- (a) any changes in Taxation;
- (b) any changes which were foreseeable at the date of this Agreement, and for this purpose, but without limitation, there shall be regarded as foreseeable any Legislation which on the date of this Agreement has been published:
 - (i) in a draft parliamentary bill as part of a government departmental consultation paper;
 - (ii) in a parliamentary bill;
 - (iii) in a draft statutory instrument; or
 - (iv) as a proposal in the Official Journal of the European Communities except to the extent that such proposal is intended to apply solely within member states other than the United Kingdom,

to the extent that the same is subsequently enacted in substantially the same form as the form in which it was previously so published. In relation to the application of this paragraph (b) each TSI shall be considered separately; and

- (c) any Legislation which is made with the intention or effect of specifically applying to (or disapplying in relation to) the railway industry any other Legislation which does not apply only to the railway industry.

"Charge Variation" means a variation:

- (a) to a Relevant Agreement; and
- (b) which is effected either:
 - (i) as a result of a Charging Review (including any variation effected in connection with an Incremental Output Statement Charge); or
 - (ii) as a result of the remapping of service groups and recalibration of performance regime benchmarks and payment rates, amongst other things, due to the transfer of responsibility for railway passenger service operation from any Train Operator to the Operator.

"Charging Review" means:

- (a) the exercise by the ORR of its powers under:
 - (i) Part 7 of Schedule 7 of the Track Access Agreement to which the Operator is a party with Network Rail on the Start Date or any Replacement Agreement which is or is deemed to be a Relevant Agreement in accordance with the definition of that term; or
 - (ii) Condition F11.4 of the Station Access Conditions and Condition 42.4 of the Independent Station Access Conditions and Condition F13.1.6 of the RfL Station Access Conditions;
- (b) the following by the ORR of the procedure in Schedule 4A of the Act;
- (c) the exercise by the ORR of any of its powers or the following of any other procedure, which, in RfL's reasonable opinion has an equivalent effect to or is intended to fulfil the same function as any of the powers referred to in paragraphs (a) or (b) in relation to any Relevant Agreement (including the HAL 2028 Charging Review but excluding any review undertaken by HAL where the HAL Exemption Order has been extended or renewed on equivalent terms). For this purpose, Relevant Agreement includes any Relevant Agreement which is not the subject of any previous Charging Review; or
- (d) any amendment to a Relevant Agreement, or entry into of a new Relevant Agreement which is approved by the ORR to the extent that that amendment or new Relevant Agreement relates to an Incremental Output Statement Charge or a scheme to which that charge relates.

"CID" means the Card Interface Device which enables passengers to top-up Oystercards with cash, permitting further journeys on the Passenger Services and other railway passenger services.

"CIS" means customer information system.

"Class 345 Fleet" means the rolling stock units specified in Table 1 (*Class 345 Fleet*) of the Appendix (*Trains Comprising the Train Fleet*) to Schedule 5.1 (*The Train Fleet*).

"Class 345 Lease" means the rolling stock lease between RfL as lessor and the Operator as lessee pursuant to which RfL leases the Class 345 Fleet to the Operator.

"Class 345 Unit" means a rolling stock unit comprising part of the Class 345 Fleet.

"Clearance Agreement" means the agreement between RSP and TTL dated 16 October 2009 and amended on 30 July 2014, as informed by two side letters between RSP and TTL dated 19 May 2015, together governing the settlement of PAYG and CPAY revenue and other money due to the participants under the PAYG Agreement and the CPAY Agreement.

"CLOCS Standard" means the Construction, Logistics and Community Safety standard, which aimed to eliminate risk of a collision between heavy goods vehicles servicing the construction sector and vulnerable road users by ensuring effective

practice in the management of operations, vehicles, drivers and construction sites, further information of which can be found at www.clocs.org.uk.

"Closed Scheme Employees" has the meaning given to it in paragraph 3.1 (*Closed Schemes*) of Schedule 15.5 (*Pensions*).

"Closed Schemes" has the meaning given to it in paragraph 3.2 (*Closed Schemes*) of Schedule 15.5 (*Pensions*).

"Closure" means a closure under Part 4 of the Railways Act 2005 of any of the Passenger Services or of any network on which the Passenger Services may be operated or of any of the Elizabeth Line Stations or of any part of such network or Elizabeth Line Station.

"Collateral Agreement" means an agreement which is required to be entered into by the Operator with any Infrastructure Manager or any other Train Operator as a condition to any Access Agreement or Depot Usage Agreement or Station Agreement of which the Operator is the beneficiary.

"Collision Report" means a report detailing all collisions during the previous twelve (12) months involving injuries to persons and fatalities.

"Commercially Sensitive Information" means the information listed in Appendix 1 (*Commercially Sensitive Information*) to Schedule 16.2 (*Confidentiality, Freedom of Information Act and Data Protection Requirements*).

"Committed Obligation" means any of the Operator's obligations listed in Schedule 10.1 (*List of Committed Obligations and Committed Obligation Payments*).

"Committed Obligation Payment" means a payment to be made by the Operator to RfL pursuant to Schedule 10.2 (*Miscellaneous Provisions and Late/Non Completion of Committed Obligations*).

"Committed Obligation Payment Adjustment" means the adjustment to any Concession Payment to be made as part of a Performance Adjustment and calculated in accordance with paragraphs 11 (*Committed Obligation Payments*) and 12 (*Committed Obligation Payment Adjustments*) of Schedule 10.2 (*Miscellaneous Provisions and Late/Non Completion of Committed Obligations*).

"Common Station Amenities" has the meaning given to it in, as appropriate, the Station Access Conditions, the RfL Station Access Conditions, the RfL(I) Station Access Conditions, the HAL Station Access Conditions or the Independent Station Access Conditions.

"Common Station Services" has the meaning given to it in, as appropriate, the Station Access Conditions, the RfL Station Access Conditions, the RfL(I) Station Access Conditions, the HAL Station Access Conditions or the Independent Station Access Conditions.

"Competent Authority" has the meaning given to it in the RSPA.

"Comptroller and Auditor General" means the head of the National Audit Office from time to time as defined in the National Audit Act 1983, and includes any successor to all or any of their functions.

"Computer System" means computer hardware and computer software, including licensed third party software and data protocols.

"Concession" means the undertaking comprising the provision of the Concession Services subject to the terms and conditions of the Agreement.

"Concession Agreement Information" means:

- (a) this Agreement in its entirety (including agreed changes to this Agreement from time to time);
- (b) any TfL's Performance Statistics;
- (c) the results, on a Service Group, Elizabeth Line Station or other comparable basis, of any calculation of passenger numbers under paragraph 6 (*Passenger Numbers Information*) of Schedule 1.1 (*Timetable and Service Development*);
- (d) such information as RfL may consider reasonably necessary to publish in connection with the performance of its functions in relation to any Closure or proposed Closure;
- (e) the results of any Customer Satisfaction Survey or National Passenger Survey;
- (f) the amount of any Concession Payments payable under this Agreement and the aggregate amount of Concession Payments paid in each year under this Agreement;
- (g) data extracted from the invoices submitted pursuant to paragraph 4.6 (*Payment of Concession Payments - Method and Timing of Payment and Invoices*) of Schedule 11.1 (*Concession Payments*) which shall consist of the Operator's name, the expenditure account code, the expenditure account code description, the SAP document number, the clearing date and the invoice amount;
- (h) such information as RfL may reasonably require to publish in connection with the Priced Option;
- (i) the results of any assessment or inspection under Schedule 15 (*Concession Management Provisions*);
- (j) the results of any monitoring or measurement of the performance of the Operator in the provision of the Concession Services (including any environmental, sustainability, responsible procurement or other information provided under Schedule 15 (*Concession Management Provisions*));
- (k) details of the Operator's plans and performance in respect of safety;
- (l) any reports and accounts delivered to it under Schedule 16.1 (*Records, Plans and Reporting*);

- (m) such information as RfL may reasonably require to include in its annual report in respect of the Operator, provided that, in preparing that report, RfL shall have regard to the need for excluding, so far as is practicable, the matters specified in paragraphs (a) and (b) of Section 71(2) of the Act for this purpose, taking references in those paragraphs to the ORR as references to RfL;
- (n) such information as RfL may reasonably require to publish at or around the expiry or possible termination of the Concession Period in order to secure continuity of the provision and operation of the Concession Services;
- (o) such information as may reasonably be required in connection with the retendering or re-letting of the Elizabeth Line Route train operating concession or any part thereof or the retendering or re-letting of any other railway passenger services, provided that such information may only be published during the period of, or during the period leading up to, such retendering or re-letting; and
- (p) any other information provided by the Operator under or in relation to this Agreement,

in each case, in an unredacted form (unless otherwise agreed by RfL in writing in accordance with paragraph 1.3 (*Confidentiality - RfL Obligations as to Confidentiality*) of Schedule 16.2 (*Confidentiality, Freedom of Information Act and Data Protection Requirements*)).

"Concession Assets" means the property, rights and liabilities designated as such pursuant to paragraph 1 (*Concession Assets*) of Schedule 18.2 (*Restrictions on Dealings with Concession Assets*) but excluding such property, rights or liabilities as shall, in accordance with the terms of this Agreement, cease to be so designated.

"Concession Employee" means:

- (a) any employee of the Operator from time to time including any person whose contract of employment may be transferred to the Operator prior to the commencement of the Concession Period or during its term by virtue of the operation of Law (including TUPE) or in respect of whom liabilities arising from a contract of employment or employment relationship may be so transferred; and
- (b) any other person employed by the Operator or any of its Affiliates or any subcontractor or delegate of any of the Concession Services whose contract of employment may be transferred to a Successor Operator following the expiry of the Concession Period by virtue of the operation of Law (including TUPE) or in respect of whom liabilities arising from a contract of employment or employment relationship may be so transferred.

"Concession Manager" means the person appointed by RfL to undertake the responsibilities of such person set out in paragraph 3.1 (*RfL's Concession Manager*) of Schedule 15.1 (*Personnel, Communication and Access*).

"Concession Payment" means, in relation to any Reporting Period, the amount determined in accordance with paragraph 1.1 (*Concession Payments*) of Schedule 11.1 (*Concession Payments*).

"Concession Performance Meeting" means a meeting between RfL and the Operator to be held in each Reporting Period in accordance with paragraph 5 (*Concession Performance Meetings*) of Schedule 15.1 (*Personnel, Communication and Access*).

"Concession Period" means the period commencing on the Start Date and ending on the Expiry Date or, if earlier, the date of termination of this Agreement pursuant to the Conditions Precedent Agreement or Schedule 17 (*Remedies, Termination and Expiry*).

"Concession Personnel" means any person employed or engaged by the Operator or any of its Affiliates or Subcontractors in the performance of any of the Concession Services.

"Concession Section" means the MTR Elizabeth Line Shared Cost Section of the Railways Pension Scheme to be established and administered by the Operator as a single-employer section on a Shared Costs Arrangement basis in accordance with the provisions of the Protection Order for the purposes of this Agreement.

"Concession Services" means the services listed in Schedule 2.2 (*List of Concession Services*) as the Operator may provide or operate from time to time, including any of such services as the Operator may delegate or subcontract or otherwise secure through any other person from time to time in accordance with this Agreement.

"Concession Year" means any period of twelve (12) months during the Concession Period, beginning on 1 April and ending on 31 March, except that the first and last Concession Years may be for a period of less than twelve (12) months and the first Concession Year shall begin on the Start Date and the last Concession Year shall end on the last day of the Concession Period and, where appropriate, shall include any extension pursuant to paragraph 1.4 (*Continuation of Term – Continuation for Additional Seven Reporting Periods*) of Schedule 19 (*Continuation of Elizabeth Line Concession*), upon notice of which pursuant to that paragraph 1.4, the parties shall allocate the Reporting Periods that are the subject of that extension to, as appropriate, the last Concession Year scheduled to occur before the extension and the next Concession Year.

"Conditions Change Proposal" means any proposal to change the Station Access Conditions, the RfL Station Access Conditions, the RfL(I) Station Access Conditions, the Independent Station Access Conditions or the Depot Access Conditions, or any annex incorporated into any such document (or any equivalent process in relation to Old Oak Common Depot or under the HAL Station Access Conditions).

"Conditions Precedent Agreement" means the agreement between RfL and the Operator dated on or about the date of this Agreement, specifying the conditions to be satisfied or waived by RfL prior to the issue of a Certificate of Commencement.

"Confidential Information" means all information (whether written or verbal) that by its nature may reasonably be regarded as confidential to RfL or any other member

of the TfL Group, whether commercial, financial, technical or otherwise, and including information which relates to the business affairs, customers, suppliers, products, software, telecommunications, networks, trade secrets, know-how or personnel of RfL or any other member of the TfL Group.

"Connection" means a connection (however described) between any of the Passenger Services provided by the Operator and any other railway passenger service provided by it or any other Train Operator or any bus, ferry or shipping service and cognate phrases shall be construed accordingly.

"Consultation" has the meaning given to it in paragraph 10.1 (*Industry Consultations Relevant to the Concession and Participation in Industry Groups - Consultations*) of Schedule 16.1 (*Records, Plans and Reporting*).

"Contingency Plan" means a contingency plan (as defined in Condition H of the Network Code) or any equivalent in any other Relevant Network Code implemented by and at the instigation of Network Rail and/or the relevant Infrastructure Manager or any plan implemented by and at the instigation of LUL that has substantially the same effect as such a contingency plan, or such other contingency or recovery plan as RfL may agree from time to time.

"Contract Information" means:

- (a) this Agreement and the Transaction Documents in their entirety (including any changes to such agreements from time to time);
- (b) data extracted from invoices submitted in accordance with paragraph 4 (*Payment of Concession Payments*) of Schedule 11.1 (*Concession Payments*); and
- (c) any other document, contract or data relating to this Agreement or the Transaction Documents which is required to be published pursuant to the Transparency Commitment from time to time.

"Contract Manager" means a person appointed by the Operator to undertake the responsibilities of such person set out in paragraph 1.1 (*Operator's Contract Manager*) of Schedule 15.1 (*Personnel, Communication and Access*).

"Control" means, in respect of a person, that another person (whether alone or with others and whether directly or indirectly and whether by the ownership of share capital, the possession of voting power, contract or otherwise):

- (a) has the power to appoint and/or remove all of the majority of the members of the board of directors or other governing body of that person or of any other person which Controls that person; or
- (b) controls or has the power to control the affairs and policies of that person or of any other person which Controls that person;
- (c) is the parent undertaking of that person or of any other person which Controls that person; or
- (d) possesses or is, or will be at a future date, entitled to acquire:

- (i) twenty-five per cent. (25%) or more of the share capital or issued share capital of, or of the voting power in, that person or any other person which Controls that person;
- (ii) such part of the issued share capital of that person or any other person which controls that person as would, if the whole of the income of such person were distributed, entitle it to receive twenty-five per cent. (25%) or more of the amount so distributed; or
- (iii) such rights as would, in the event of the winding-up of that person or any other person which controls that person or in any other circumstances, entitle it to receive twenty-five per cent. (25%) or more of the assets of such person which would then be available for distribution.

"Cooperation Personal Data" means any Personal Data processed for the joint purposes of the parties.

"Corrective Action Notice" means a notice issued by RfL to the Operator pursuant to Schedule 17.3 (*Other RfL Remedies*), specifying:

- (a) the Relevant Term that RfL is satisfied that the Operator is contravening or likely to contravene;
- (b) the action that RfL reasonably requires the Operator to take or procure and/or the outputs RfL reasonably requires to see delivered to facilitate or secure compliance with the Relevant Term; and
- (c) the time period within which RfL requires the Operator to take that action or see those outputs delivered.

"CPAY" means contactless payment technology to allow passengers to pay directly for the journeys they make, including on the Passenger Services.

"CPAY Agreement" means the agreement dated 30 July 2014, as amended on 30 July 2015, between TTL and certain Train Operators governing the use of CPAY.

[REDACTED]

"CPI Index" means:

- (a) the CPI Index 00: All Items published by the Office for National Statistics; or
- (b) on modification, cessation of or failure to publish the index referred to in paragraph (a), an appropriate equivalent index agreed by the parties at the time, or failing agreement, determined in accordance with paragraph 2 (*Disputes under this Agreement*) of Schedule 20 (*Other Provisions*), which in each case, puts the parties in no better or worse position that they would have been in had the index not been modified, ceased or unpublished; or
- (c) if the CPI Index referred to in paragraph (a) or (b) is re-based, then:
 - (i) CPI₀ (as defined in paragraph 3.2 (*Indexation by Reference to CPI*) of Schedule 11.2 (*Annual Concession Payments and Indexation*))

shall be re-based to correspond to such re-basing of the CPI Index;
and

- (ii) the value to be indexed shall be re-based to correspond to such re-basing of the CPI Index,

and as at the Start Date, the CPI Index with respect to February 2024 is one hundred and thirty-two point three (132.3).

"CP7 Mid Control Period Review" means the ORR's review and resetting of the benchmarks and payment rates in Schedule 8 of the Network Rail TAA, which, as at the date of this Agreement, is expected to be implemented with effect from the third (3rd) year of Control Period 7 on 1 April 2026.

"Creating" has the meaning given to it in the Ticketing and Settlement Agreement and cognate expressions shall be construed accordingly.

"CSS Adjustment" means the adjustment to the Concession Payment for any Reporting Period calculated in accordance with paragraph 3.5 (*Performance against the Relevant CSS Benchmarks - CSS Adjustments*) of Schedule 8.3 (*Customer Satisfaction Regime*) and made in accordance with paragraph 2.4 (*Performance Adjustments - Calculation of Quality Performance Adjustments*) of Schedule 11.1 (*Concession Payments*).

"CSS Default Benchmark" means any of the CSS Headline Default Benchmark, the CSS Information Default Benchmark or the CSS Security Default Benchmark.

"CSS Headline Default Benchmark" means the relevant benchmark in relation to the CSS Headline Measure as set out in the table in the Appendix (*CSS Benchmarks*) to Schedule 8.3 (*Customer Satisfaction Regime*).

"CSS Headline Measure" means the level of overall customer satisfaction with the journeys provided by the Operator, as measured during the carrying out of any Customer Satisfaction Survey.

"CSS Headline Remedial Plan Benchmark" means the relevant benchmark in relation to the CSS Headline Measure as set out in the table in the Appendix (*CSS Benchmarks*) to Schedule 8.3 (*Customer Satisfaction Regime*).

"CSS Headline Target Benchmark" means the relevant benchmark in relation to the CSS Headline Measure set out in the table in the Appendix (*CSS Benchmarks*) to Schedule 8.3 (*Customer Satisfaction Regime*).

"CSS Headline Upper Benchmark" means the relevant benchmark in relation to the CSS Headline Measure as set out in the table in the Appendix (*CSS Benchmarks*) to Schedule 8.3 (*Customer Satisfaction Regime*).

"CSS Information Default Benchmark" means the relevant benchmark in relation to the CSS Information Measure as set out in the table in the Appendix (*CSS Benchmarks*) to Schedule 8.3 (*Customer Satisfaction Regime*).

"CSS Information Measure" means the level of customer satisfaction with the Operator's provision of service information, as measured during the carrying out of any Customer Satisfaction Survey.

"CSS Information Remedial Plan Benchmark" means the relevant benchmark in relation to the CSS Information Measure as set out in the table in the Appendix (*CSS Benchmarks*) to Schedule 8.3 (*Customer Satisfaction Regime*).

"CSS Information Target Benchmark" means the relevant benchmark in relation to the CSS Information Measure as set out in the table in the Appendix (*CSS Benchmarks*) to Schedule 8.3 (*Customer Satisfaction Regime*).

"CSS Information Upper Benchmark" means the relevant benchmark in relation to the CSS Information Measure as set out in the table in the Appendix (*CSS Benchmarks*) to Schedule 8.3 (*Customer Satisfaction Regime*).

"CSS MAA Score" has the meaning given to it in paragraph 3.1 (*Performance against the Relevant CSS Benchmarks – Calculating the Operator's Performance against the Relevant CSS Target Benchmark*) of Schedule 8.3 (*Customer Satisfaction Regime*).

"CSS Methodology" means, as at the date of this Agreement, the Customer Satisfaction Survey methodology in the agreed terms marked **"CSSM"**.

"CSS Questionnaire" means, as at the date of this Agreement, the Customer Satisfaction Survey questionnaire in the agreed terms marked **"CSSQ"**.

"CSS Remedial Plan Benchmark" means any of the CSS Headline Remedial Plan Benchmark, the CSS Information Remedial Plan Benchmark or the CSS Security Remedial Plan Benchmark.

"CSS Score" has the meaning given to it in paragraph 2.4 (*Surveys and Methodologies – Each Customer Satisfaction Survey to produce a CSS Score*) of Schedule 8.3 (*Customer Satisfaction Regime*).

"CSS Security Default Benchmark" means the relevant benchmark in relation to the CSS Security Measure as set out in the Appendix (*CSS Benchmarks*) to Schedule 8.3 (*Customer Satisfaction Regime*).

"CSS Security Measure" means the level of customer satisfaction with personal safety at stations at which the Passenger Services call and on trains providing the Passenger Services, as measured during the carrying out of any Customer Satisfaction Survey.

"CSS Security Remedial Plan Benchmark" means the relevant benchmark in relation to the CSS Security Measure as set out in the Appendix (*CSS Benchmarks*) to Schedule 8.3 (*Customer Satisfaction Regime*).

"CSS Security Target Benchmark" means the relevant benchmark in relation to the CSS Security Measure as set out in the Appendix (*CSS Benchmarks*) to Schedule 8.3 (*Customer Satisfaction Regime*).

"CSS Security Upper Benchmark" means the relevant benchmark in relation to the CSS Security Measure as set out in the Appendix (*CSS Benchmarks*) to Schedule 8.3 (*Customer Satisfaction Regime*).

"CSS Target Benchmark" means any of the CSS Headline Target Benchmark, CSS Information Target Benchmark or the CSS Security Target Benchmark.

"CSS Upper Benchmark" means any of the CSS Headline Upper Benchmark, CSS Information Upper Benchmark or the CSS Security Upper Benchmark.

"CTOC Area" has the meaning given to it in the RSPA.

"Current Assets" means the current assets of the Operator, calculated in accordance with international accounting standards.

"Current Liabilities" means the current liabilities of the Operator, calculated in accordance with international accounting standards.

"Customer Satisfaction Regime" means the regime set out in Schedule 8.3 (*Customer Satisfaction Regime*) pursuant to which customer perception of the services provided by the Operator is monitored and incentivised.

"Customer Satisfaction Survey" means a passenger satisfaction survey in respect of the Concession Services, which may be carried out by RfL or its nominee in accordance with the CSS Methodology and CSS Questionnaire.

"Data Controller" has the meaning given to it in the Data Protection Legislation.

"Data Processor" has the meaning given to it in the Data Protection Legislation.

"Data Protection Impact Assessment" means an assessment by the Data Controller of the impact of the envisaged Processing on the protection of Personal Data.

"Data Protection Legislation" means, in each case to the extent applicable to the parties and as amended, superseded, replaced or updated from time to time:

- (a) the UK GDPR;
- (b) the Data Protection Act 2018;
- (c) the Privacy and Electronic Communications (EC Directive) Regulations 2003;
- (d) any statutory codes of practice issued by the Information Commissioner's Office or any other applicable regulator; and
- (e) any other applicable data protection and privacy laws.

"Data Subject" has the meaning given to it in the Data Protection Legislation.

"Default KPI Benchmark" has the meaning given to it in paragraph 7 (*Performance against Default KPI Benchmarks*) of Schedule 8.1 (*KPI Regime*).

"Default Operating Performance Threshold" means the number relating to that Default Operating Performance Threshold set out in Column 3 of the Operating Performance Thresholds Table.

"Delay Adjustment" means the adjustment to the Concession Payment for any Reporting Period calculated in accordance with paragraph 4.1 (*Delay Adjustment Calculations*) of Schedule 7.1 (*Operating Performance Regime*) and made in accordance with paragraph 2.1 (*Performance Adjustments – Calculation of Performance Adjustments*) of Schedule 11.1 (*Concession Payments*).

"Delay Code of Practice" means the Delay Compensation Code of Practice published by the ORR.

"Delay Deduction" means a deduction comprising part of any Delay Adjustment that is to be made to any Concession Payment in respect of the Operator's performance in delivering timely Passenger Services, calculated in accordance with paragraph 4.2 (*Delay Adjustment Calculations*) of Schedule 7.1 (*Operating Performance Regime*).

"Delay Incident" means a planned or unplanned incident that has given rise to Minutes Lateness.

"Delivery and Servicing Vehicles" means an HGV, a Van or a Car-derived Van.

"Depot" means a depot in respect of which the Operator has entered into and remains a party to a Depot Lease.

"Depot Access Agreement" means, in relation to any depot, an Access Agreement between the Facility Owner and an access beneficiary, incorporating by reference the Depot Access Conditions, which permits that access beneficiary to stable trains and/or use the maintenance and/or cleaning facilities at that depot.

"Depot Access Conditions" means the document known as the National Depot Access Conditions and the depot annexes as each is modified in respect of the relevant train depot from time to time with the approval of the ORR.

"Depot Change Proposal" means any proposal for change to a Depot (including any annex including the particulars of such Depot) made in accordance with the Depot Access Conditions or any equivalent process in relation to Old Oak Common Depot.

"Depot Lease" means:

- (a) any lease of a depot to which the Operator is a party as at the Start Date; or
- (b) any other lease of a depot in relation to which the Operator becomes the Facility Owner at any time during the Concession Period.

"Depot Usage Agreement" means an agreement between a Facility Owner and an access beneficiary in relation to a train depot that is outside the scope of the Act and which permits that access beneficiary to use the maintenance and/or cleaning facilities at that depot.

"Devolved Stations" means:

- (a) Abbey Wood;
- (b) Brentwood;
- (c) Chadwell Heath;

- (d) Forest Gate;
- (e) Gidea Park;
- (f) Goodmayes;
- (g) Harold Wood;
- (h) Ilford;
- (i) Manor Park;
- (j) Maryland;
- (k) Romford; and
- (l) Seven Kings.

"Designated Employer" has the meaning given to it in the Pension Trust.

"DfT Security Guidance" means any guidance issued by the Secretary of State or the Department for Transport (or related government authority) relating to railway security on the railway including 'Reducing Security Vulnerabilities at Rail, Bus and Coach Stations and Security in the Design of Stations'.

"Diagram" means the description of each railway service to be operated by the Operator, as specified in the Train Plan.

"Diagram Leg" means that element of a Diagram that relates to a single journey between an originating point and a terminating point as identified in the Train Plan.

"Direct Agreement" means any agreement made, or to be made, from time to time between RfL and the counterparty of a Key Contract in relation to such Key Contract, including any agreement entered into by RfL under Schedule 18.1 (*Continuity of Services*) substantially in the agreed terms marked **"DA"**.

"Direct Subcontractor" means any contractor or supplier (whether a third party or Affiliate) appointed by the Operator to provide goods or services in connection with the Operator's rights and/or obligations under this Agreement.

"Direct Vision Standard" or **"DVS"** means a performance-based assessment and rating tool, as updated from time to time that measures how much direct vision a Driver has from a Category N2 HGV cab in relation to other road users. Further information can be found at: www.tfl.gov.uk.

"Disabled Person" is a reference to a person who has a disability under the Equality Act.

"Discount Card" has the meaning given to it in the Ticketing and Settlement Agreement.

"Discount Fare Scheme" means:

- (a) the ATOC Disabled Person's Railcard Scheme dated 23 July 1995 between the participants named therein;

- (b) the ATOC Young Person's Railcard Scheme dated 23 July 1995 between the participants named therein;
- (c) the ATOC Senior Railcard Scheme dated 23 July 1995 between the participants named therein;
- (d) the Network Railcard Scheme dated 23 July 1995 between the participants named therein;
- (e) the Family Railcard Scheme dated 23 July 1995 between the participants named therein;
- (f) the Armed Forces Scheme dated 23 July 1995 between the participants named therein; and
- (g) any other discount fare scheme designated as such by RfL in accordance with paragraph 4.2 (*Discount Fare Schemes*) of Schedule 3.5 (*Transport, Travel and Other Fares Related Schemes*),

in each case until such time as RfL may de-designate any such scheme in accordance with paragraph 4.3 (*Discount Fare Schemes*) of Schedule 3.5 (*Transport, Travel and Other Fares Related Schemes*).

"Dispute" means a dispute or difference between the parties arising out of relating to this Agreement.

"Dispute Notice" has the meaning given to it in paragraph 2.4 (*Disputes under this Agreement – Escalation Procedure*) of Schedule 20 (*Other Provisions*).

"Dispute Resolution Rules" means the procedures for the resolution of disputes known as "The Railway Industry Dispute Resolution Rules", as amended from time to time in accordance with the terms thereof.

"Disputes Secretary" means the person appointed as Disputes Secretary from time to time in accordance with the Dispute Resolution Rules.

"Diversity Infraction" means any breach by the Operator of its obligations specified in paragraphs 4 (*Equality and Diversity Statutory Duties*) to 6 (*Diversity Monitoring and Reporting*) (inclusive) of Schedule 15.3 (*Responsible Procurement*) and/or any failure by a Direct Subcontractor to adopt and implement a Strategic Equality and Diversity Plan as described in paragraph 4 (*Equality, Diversity and Inclusion – EDI Action Plan*) of Schedule 15.3 (*Responsible Procurement*).

"DOO CCTV System" has the meaning given to it in the RSPA.

"Driver" means any employee of the Operator or its Direct Subcontractors or Indirect Subcontractors (including an agency or contracted driver) who operates Delivery and Servicing Vehicles on behalf of the Operator while delivering the Concession Services.

"DVLA" means the Driver and Vehicle Licensing Agency.

"DVS Plan" means a plan that sets out and proposes how the Operator shall ensure that all Category N3 HGVs used in the provision of the Concession Services achieve a minimum of three (3) star Direct Vision Standard rating.

"East Anglia Train Operator" means the Train Operator responsible for operating Greater Anglia railway services (or any successor thereto) being, as at the date of this Agreement, Abellio East Anglia Limited whose registered office is at 2nd Floor St Andrew's House 18-20 St Andrew Street, London EC4A 3AG, and whose registered number is 07861414.

"Eastern Section" means that part of the Elizabeth Line Route between:

- (a) Pudding Mill Lane Junction Connection Point and Stratford;
- (b) Pudding Mill Lane Junction Connection Point to Liverpool Street (Main Line) (via the "Electric" Lines);
- (c) Stratford and Shenfield (via the "Electric" Lines);
- (d) Ilford and Ilford Depot;
- (e) Ilford Depot and Seven Kings;
- (f) Ilford Stabling Sidings and Seven Kings;
- (g) Gidea Park Country End Junction and Gidea Park Stabling Sidings;
- (h) Gidea Park and Gidea Park Stabling Sidings;
- (i) Gidea Park and Gidea Park Turnback Siding;
- (j) Shenfield and the Shenfield Eastern Sidings; and
- (k) Liverpool Street (Main Line) and Shenfield (via the Main Lines).

"Eastern Section Stations" means the Elizabeth Line Stations specified in paragraph 2.2 (*Elizabeth Line Stations by Section – Eastern Section Stations*) of Schedule 4.1 (*Property Leasing and Access*).

"EDI Action Plan" means the strategic equality, diversity and inclusion action plan as agreed between the parties in accordance with paragraphs 5.2 (*Equality, Diversity and Inclusion – Agreed EDI Action Plan*) of Schedule 15.3 (*Responsible Procurement*).

"EDI Policy" means a written policy setting out how the Operator will promote equality, diversity and inclusion.

"Electronic Library" has the meaning given to it in paragraph 9.4 (*Maintenance and Standard of Information – Electronic Library*) of Schedule 16.1 (*Records, Plans and Reporting*).

"Elizabeth Line" means the rights granted by RfL to the Operator under this Agreement to operate railway passenger services on the Routes specified in this Agreement during the Concession Agreement.

"Elizabeth Line Making Rail Accessible Policy" means the policy published by TfL in relation to making journeys accessible entitled the 'Elizabeth Line Making Rail Accessible Policy' as such policy is published from time to time.

"Elizabeth Line Operating Brand" means the Elizabeth Line Route branding specified by RfL.

"Elizabeth Line Route" means the railway route from Reading station and Heathrow Airport through central London to Shenfield station and Abbey Wood station.

"Elizabeth Line Stations" has the meaning given to it in paragraph 1 (*Elizabeth Line Stations*) of Schedule 4.1 (*Property Leasing and Access*).

"Elizabeth Line Webpage" means the webpage that comprises part of TfL's website to provide passengers with an electronic means of obtaining information relating to the Elizabeth Line and the Passenger Services, amongst other things.

"Enforcement Policies" has the meaning given to it in paragraph 6.1.6 (*Revenue Collection and Protection – General Obligations*) of Schedule 3.3 (*Ticket and Non-Ticket Revenue*).

"Enforcement Policy" means TfL's policy relating to revenue protection enforcement measures.

"Enforcement Services Protocol" has the meaning given to it in paragraph 9.2 (*Enforcement*) of Schedule 6.1 (*Security*).

"Environmental Management System" has the meaning given to it in paragraph 3 (*Environmental Management System*) of Schedule 15.4 (*Environment*).

"Environmental Report" has the meaning given to it in paragraph 7 (*Annual Environmental Reporting*) of Schedule 15.4 (*Environment*).

"Equality Act" means the Equality Act 2010.

"Equality Act Claim" has the meaning given to it in paragraph 3.1 (*Dealing with Claims relating to Operator Managed Stations - Notice of Equality Act Claims*) of Schedule 4.4 (*Persons with Disabilities and Disability Discrimination*).

"Equality Act Requirements" means the duties of a provider of services under sections 20(3), 20(5) and sections 20(9)(a) and (b) in relation to section 20(4), in each case of the Equality Act.

"Equality Statement" means a short written statement setting out how the Operator will embed equality, diversity and inclusion in its performance of this Agreement.

"Escrow Documents" has the meaning given to it in paragraph 1.1 (*Operator's Obligations*) of Schedule 13.2 (*Identity of the Suite of Models*).

"Escrow Documents Letter" means a letter to be provided by the Operator to RfL with the Escrow Documents to be Placed in Escrow in the agreed terms marked **"EDL"**.

"Estimated Revisions" has the meaning given to it in paragraph 2.1 (*Estimated Financial Consequences*) of Schedule 13.1 (*Financial Consequences of Change*).

"ESUB" means an electronic status update board that provides information in relation to the Passenger Services and other information.

"Ethical Sourcing Action Plan" has the meaning given to it in paragraph 16.5 (*Ethical Sourcing*) of Schedule 15.3 (*Responsible Procurement*).

"Ethical Sourcing Principles" has the meaning given to it in paragraph 16.1.1 (*Ethical Sourcing*) of Schedule 15.3 (*Responsible Procurement*).

"Ethnicity" means an individual's identification with a group sharing any or all of the following: country of origin, cultural origins or practice, language, nationality, religion, skin colour.

"ETI Base Code" means the code of labour practice specified by the Ethical Training Initiative and as at the date of this Agreement, as set out at: <http://www.ethicaltrade.org/resources/key-eti-resources/eti-base-code>.

"EU SCCs" means the Standard Contractual Clauses annexed to European Commission Decision (2021/914/EU), as amended or replaced from time to time.

"Evening Peak" means, in relation to any Passenger Service, the period between 1600 and 1859 during a Business Day or such other continuous evening three (3) hour period as RfL may specify from time to time.

"Event of Default" means any of the events set out in paragraph 2 (*Events of Default*) of Schedule 17.5 (*Events of Default, Termination Event and Voluntary Termination*).

"Event of Default Step-in Date" means the date specified in any Event of Default Step-in Notice on which RfL or its nominee will step-in and assume the Operator's role in performing the Concession Services and/or the Operator's obligations under this Agreement.

"Event of Default Step-in Notice" means a notice issued by RfL pursuant to paragraph 4.1 (*RfL Step-in Following Event of Default - Notice of Step-in*) of Schedule 17.3 (*Other RfL Remedies*) in relation to the occurrence of an Event of Default in the form set out in Appendix 1 (*Form of Event of Default Step-in Notice*) to Schedule 17.3 (*Other RfL Remedies*).

"Event of Default Step-in Period" means the period between the Event of Default Step-in Date and the related Event of Default Step-out Date.

"Event of Default Step-out Date" means the date specified in any Event of Default Step-out Notice on which RfL or its nominee will step-out and no longer assume the Operator's role in performing the Concession Services and/or the Operator's obligations under this Agreement.

"Event of Default Step-out Notice" means a notice issued by RfL pursuant to paragraph 4.10 (*RfL Step-In Following Event of Default - Notice of Step-out*) of Schedule 17.3 (*Other RfL Remedies*) in the form set out in Appendix 2 (*Form of Event of Default Step-Out Notice*) to Schedule 17.3 (*Other RfL Remedies*).

"Excess Headway" means, in relation to a Unit on a Diagram Leg, the Minutes Headway in excess of the Scheduled Headway that are recorded by the Relevant Headway Recording Point and reported by the Network Monitoring System.

"Excusing Causes (Schedule 7)" means any of the events described as such in paragraph 4.7 (*Excusing Causes (Schedule 7)*) of Schedule 7.4 (*General Operating Performance Provisions*) where the conditions specified in paragraph 4.8 (*Excusing Causes (Schedule 7)*) of Schedule 7.4 (*General Operating Performance Provisions*) are satisfied.

"Excusing Causes (Schedule 8)" means any of the events described as such in paragraph 1 (*Excusing Causes (Schedule 8)*) of Schedule 8.6 (*Excusing Causes (Schedule 8)*) where the conditions specified in paragraph 1.2 (*Excusing Causes (Schedule 8)*) of Schedule 8.6 (*Excusing Causes (Schedule 8)*) are satisfied.

"Exclusive Station Services" has the meaning given to it in, as appropriate, the Station Access Conditions, the RfL Station Access Conditions, the RfL(I) Station Access Conditions, the HAL Station Access Conditions, or the Independent Station Access Conditions.

"Exempt Diagram Leg" means:

- (a) (during the period commencing on the Start Date until (but excluding) the date on which SLC2 commences operation) the eastbound and westbound Diagram Leg of any Diagram Leg scheduled to operate only between Abbey Wood station and Paddington (CCOS) station (and not beyond); and
- (b) (from and including the date on which SLC2 commences operation and for the remainder of the Concession Period) the eastbound and westbound Diagram Leg of any Diagram Leg scheduled to operate only between Abbey Wood station and Old Oak Common Station (and not beyond).

"Expiry Date" means the later of:

- (a) the Initial Expiry Date;
- (b) any date occurring up to two (2) years after the Initial Expiry Date if RfL exercises its discretion to continue this Agreement pursuant to paragraph 1.1 (*Continuation of Term – Up to two-year Continuation at RfL's Discretion*) of Schedule 19 (*Continuation of Elizabeth Line Concession*); or
- (c) the date to which this Agreement is continued in accordance with paragraph 1.4 (*Continuation of Term – Continuation for Additional Seven Reporting Periods*) of Schedule 19 (*Continuation of Elizabeth Line Concession*).

"Facility Owner" means, in relation to a facility:

- (a) regulated under the Act, the meaning given to that term in Section 17(6) of the Act; and
- (b) not regulated under the Act:
 - (i) any person who has an interest in, or right over, that railway facility; and
 - (ii) whose permission to use that railway facility is needed by another before that other may use it.

"Fare" means the right, exercisable against one or more Train Operators, subject to any applicable rights or restrictions and the payment of the relevant price, to make one or more journeys on the network or to carry on such a journey an item of luggage or an animal (where this right does not arise under the relevant conditions of carriage except on the payment of a fee) and, where applicable, to obtain goods or services from a person.

"Fares Document" means the document or instructions issued by RfL to the Operator from time to time, setting out all TSA Fares that the Operator is required to Create and all Fares that the Operator is required to sell, together with the terms under which those obligations must be fulfilled, as the same may be amended from time to time in accordance with paragraph 2 (*Monitoring*) of Schedule 3.4 (*Fares Information and Monitoring*).

"Fares Setting Round" has the meaning given to it in the Ticketing and Settlement Agreement.

"Fault Management System" means a fault management system that allows for the electronic and manual reporting of faults in respect of certain facilities that are the subject of the KPI Regime and that has, as a minimum, the characteristics set out in paragraph 16.2 (*Fault Reporting - Fault Management System Requirements*) of Schedule 2.2 (*List of Concession Services*).

"Fault Tracking Database" has the meaning given to it in paragraph 16.4 (*Fault Reporting - Fault Tracking Database*) of Schedule 2.2 (*List of Concession Services*).

"FDE Minimum Rating" means a credit rating of BBB- from Standard and Poor's or Baa3 from Moody's.

"Finance Director" has the meaning given to it in paragraph 2.1.5 (*Key Personnel*) of Schedule 15.1 (*Personnel, Communication and Access*).

"Financial Conduct Authority" means the independent, non-governmental body given statutory powers by the Financial Services Act 2012.

"Financial Distress Event" means any of the events and/or circumstances as set out in paragraph 1.2 (*Financial Distress Events*) of Schedule 17.8 (*Financial Covenants*).

"Financial Distress Service Continuity Plan" means a plan setting out how the Operator will ensure the continued performance and delivery of the Concession Services in accordance with this Agreement in the event that a Financial Distress Event occurs, as updated in accordance with paragraph 2.6 (*Consequences of a Financial Distress Event*) of Schedule 17.8 (*Financial Covenants*).

"Financial Indebtedness" means any indebtedness for or in respect of:

- (a) moneys borrowed and debit balances at Banks and other financial institutions;
- (b) any acceptance credit (including any dematerialised equivalent);
- (c) any bond, note, debenture, loan stock or other similar instrument;
- (d) the amount of any liability in respect of any capital lease or hire purchase contract which would be treated as a finance or capital lease;

- (e) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis);
- (f) any derivative transaction protecting against or benefiting from fluctuations in any rate or price (and, except for non-payment of an amount, the then mark to market value of the derivative transaction will be used to calculate its amount);
- (g) any other transaction (including any forward sale or purchase agreement) which has the commercial effect of a borrowing;
- (h) shares which are expressed to be redeemable (other than at the option of the issuer);
- (i) any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing;
- (j) any counter-indemnity obligation in respect of a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a Bank or financial institution in respect of any underlying liability of any entity which is not the Operator and/or a Guarantor which liability would fall within one of the other paragraphs of this definition;
- (k) the acquisition cost of any asset or service to the extent payable after its acquisition or possession by the party liable where the deferred payment or service:
 - (i) is arranged primarily as a method of raising finance or financing the acquisition or supply of that asset; or
 - (ii) involves a period of more than six (6) months after the date of acquisition or supply; or
- (l) the amount of any liability in respect of any guarantee or indemnity for any of the items referred to in the above paragraphs.

"Financial Model" means the Operator's financial model deposited with RfL on the date of this Agreement in the agreed terms marked **"FM"** and as subsequently revised in each case in accordance with Schedule 13.2 (*Identity of the Suite of Models*).

"Financial Performance Measurement Period" has the meaning given to it in paragraph 3.2.2 (*Financial Ratio – Lock-up Period*) of Schedule 14 (*Financial Obligations and Credit Support*).

"Flow" has the meaning given to it in the Ticketing and Settlement Agreement.

"FOI Information Request" means a request under the FOI Legislation for information recorded in any form held by any member of the TfL Group or held by the Operator on behalf of any member of the TfL Group.

"FOI Legislation" means the Freedom of Information Act 2000, all regulations made under it and the Environmental Information Regulations 2004 and any amendment or re-enactment of any of them and any guidance or statutory codes of practice issued by the Information Commissioner, the Ministry of Justice or the Department for

Environment Food and Rural Affairs (including in each case its successors or assigns) in relation to such legislation.

"Force Majeure Event" means any of the events described as such in paragraph 1 (*Force Majeure Events*) of Schedule 17.6 (*Force Majeure*) where the conditions specified in paragraph 2 (*Conditions to Force Majeure Events*) of Schedule 17.6 (*Force Majeure*) are satisfied.

"FORS" means the Fleet Operator Recognition Scheme, which is an accreditation scheme for businesses operating commercial vehicles, including vans, HGV, coaches and P2Ws, which offers impartial, independent advice and guidance to motivate companies to improve their compliance with relevant laws and their environmental, social and economic performance.

"FORS Standard" means the standard setting out the accreditation requirements for the FORS, the requirements of which are more particularly described at: www.fors-online.org.uk.

"Freedom Pass Scheme" means the scheme that is the subject of the Freedom Pass Agreement, the terms of which offer free travel on Business Days to elderly and disabled residents on the Passenger Services, amongst other transport services.

"Free Trade Agreement" means an international free trade agreement (whether bilateral, plurilateral or multilateral) to which the United Kingdom is party, whether entered into before, on or after the date of this Agreement.

"Gidea Park Accommodation" means the accommodation for the Operator's drivers located at or adjacent to Maidenhead station.

"Gidea Park Underlease" means an underlease in respect of the Gidea Park Accommodation to be entered into between: (1) RfL; and (2) the Operator, in the agreed terms marked **"GPU"**.

"GLA Act" means the Greater London Authority Act 1999.

"Gold Accreditation" means the highest level of accreditation within the FORS Standard, the requirements of which are more particularly described at www.fors-online.org.uk.

"Good Industry Practice" means the exercise of that degree of skill, diligence, prudence, foresight and practice which would reasonably and ordinarily be expected from a skilled and experienced person:

- (a) engaged in the railway industry; and
- (b) (in the case of the Operator) who is an operator of services of a similar nature to the Concession Services.

"Good Work Standard" means the Mayor of London's accreditation to demonstrate fair and inclusive employment practices found at <https://www.london.gov.uk/programmes-strategies/business-and-economy/supporting-business/good-work-standard-gws/how-achieve-good-work-standard>.

"Great Western Train Operator" means the Train Operator responsible for operating Great Western or "GWR" railway services (or any successor thereto) being, as at the date of this Agreement, First Greater Western Limited whose registered office is at 1 Milford Street, Swindon, Wiltshire SN1 1HL, and whose registered number is 05113733.

"Greater London Authority" means the Greater London Authority, a body corporate established under the GLA Act.

"Guarantee" means the guarantee to be provided to RfL in the form set out in Appendix 2 (*Form of Guarantee*) to Schedule 14 (*Financial Obligations and Credit Support*).

"Guarantor" means any person who may provide or be an obligor under the Guarantee from time to time.

"HAL" means Heathrow Airport Limited whose registered address is The Compass Centre, Nelson Road, Hounslow, Middlesex, TW6 2GW and whose registered number is 01991017.

"HAL 2028 Charging Review" means the review by HAL, expected to take effect in 2028, of its track and station access charging arrangements connected with the expiry of the licence exemption and facility exemption granted under articles 2 and 3, respectively, of the HAL Exemption Order (and accordingly HAL becoming fully regulated under the licence and facility provisions of the Act).

"HAL Exemption Order" means The Railways (Heathrow Express) (Exemptions) Order 1994.

"HAL (Schedule 4) Payment" has the meaning given to it in paragraph 8.1.2 (*Restriction of Use Payments to and from Infrastructure Managers*) of Schedule 1.3 (*Managing Changes to the Passenger Services*).

"HAL (Schedule 8) Payment" means any payment made pursuant to any HAL TAA between the Operator and HAL:

- (a) by HAL to the Operator to compensate the Operator for HAL's performance of its rights and/or obligations under any such agreement; or
- (b) by the Operator to HAL to reward HAL for HAL's performance of its rights and/or obligations under any such agreement.

"HAL Station Access Conditions" means the document known as the Heathrow Station Access Conditions and the station annexes as each is modified in respect of the relevant Heathrow Station from time to time.

"HAL TAA" means any Track Access Agreement between the Operator as train operator and HAL as infrastructure manager in respect of the Operator's access to the Heathrow Spur.

"HAL TAA Performance Regime" has the meaning given to it in paragraph 2.2 (*Payments to and from HAL – Payments in relation to HAL's Performance*) of Schedule 7.2 (*Performance Payments under Track Access Agreements*).

"Handover Package" means a package containing the information and objects specified in Appendix 1 (*Form of Handover Package*) to Schedule 18.1 (*Continuity of Services*) and such other information and objects as RfL may reasonably specify from time to time.

"Headway Adjustment" means the adjustment to the Concession Payment for any Reporting Period calculated in accordance with paragraph 3.1 (*Headway Adjustment Calculations*) of Schedule 7.1 (*Operating Performance Regime*) and made in accordance with paragraph 2.1 (*Performance Adjustments – Calculation of Performance Adjustments*) of Schedule 11.1 (*Concession Payments*).

"Headway Deduction" means a deduction comprising part of any Headway Adjustment that is to be made to any Concession Payment in respect of the Operator's performance in delivering a regular pattern of service in the CCOS, calculated in accordance with paragraph 3.1 (*Headway Adjustment Calculations*) of Schedule 7.1 (*Operating Performance Regime*).

"Headway Incident" means a planned or unplanned incident which has given rise to Excess Headway.

"Heathrow Spur" means that part of the Elizabeth Line Route between Heathrow Airport Tunnel Junction (exclusive) and Heathrow Terminal 4 station and Heathrow Terminal 5 station.

"Heathrow Station" means:

- (a) Heathrow Terminal 4 station;
- (b) Heathrow Terminal 5 station; and
- (c) Heathrow Terminals 2 & 3 station.

"Help Point" means a two-way audio communication device positioned in highly visible locations at railway stations that allows customers to speak to another person to obtain real-time information about all passenger rail services and/or to notify that person of an emergency.

"HGV" means a vehicle with an MAM exceeding three thousand five hundred (3,500) kilograms.

"High Speed 2" means the high speed railway line and associated stations from London Euston station and Birmingham (via Old Oak Common Station) and which is scheduled to commence operations from 2029, with Old Oak Common Station scheduled to be available for the Passenger Services to call at such station from [REDACTED].

"HS2" means High Speed 2 (HS2) Limited whose registered address is at Two Snowhill, Snow Hill Queensway, Birmingham, B4 6GA and whose registered number is 06791686.

"Ilford Accommodation" means the Ilford driver's accommodation, Ilford Operations and Welfare Building, Ilford Depot, Ley Street, Ilford, Essex as more particularly described in the Ilford Accommodation Licence.

"Ilford Accommodation Licence" mean a licence to occupy in respect of the Ilford Accommodation to be entered into between (1) TfL and (2) the Operator in the agreed terms marked **"IAL"**.

"Ilford Depot" means Ilford Light Maintenance Depot.

"Ilford Northern Car Park" means the car park located in Ley Street, Ilford as more particularly described in the Car Park Underlease.

"Ilford Operations and Welfare Building" means the operations and welfare building used in connection with the Concession Services located at Ilford station.

"Ilford DAA" means the Depot Access Agreement between the East Anglia Train Operator as Facility Owner and the Operator as access beneficiary in relation to Ilford Depot.

"IM (Schedule 4) Payment" has the meaning given to it in paragraph 8.1 (*Restriction of use Payments to and from Infrastructure Managers*) of Schedule 1.3 (*Managing Changes to the Passenger Services*).

"Incremental Output Statement Charge" means the charge to which that description is commonly given in Relevant Agreements.

"Incumbent Operator" means MTR Corporation (Crossrail) Limited whose registered office is at Providence House, Providence Place, Islington, London N1 0NT and whose registered number is 08754715.

"Indefeasible Rights Employee" means a Concession Employee who has a right to continue to participate in the Railways Pension Scheme pursuant to the Protection Order.

"Indemnified Parties" means RfL, TfL, members of the TfL Group, each Unit Owner, any Financier (as defined in the Class 345 Lease or the Optional Unit Lease (as the case may be)) and, in each case, all or any of their Affiliates, servants, agents, officers, employees, contractors and sub-contractors.

"Independent Personal Data" means Personal Data and/or Sensitive Personal Data Processed by the Operator or RfL independently of each other as separate Controllers, pursuant to or in connection with this Agreement.

"Independent Station Access Conditions" means the document known as the Independent Station Access Conditions and the station annexes as each is modified in respect of the relevant Elizabeth Line Station from time to time with the approval of the ORR.

"Independent Timber Report" means an independent report by an individual or body:

- (a) whose organisation, systems and procedures conform to:
 - (i) ISO Guide 65:1996 (EN 45011:1998); and
 - (ii) general requirements for bodies operating product certification systems; and

- (b) who is accredited to audit against forest management standards by a national or international body whose organisation, systems and procedures conform to ISO Guide 61 General Requirements for Assessment and Accreditation of Certification Bodies.

"Indexation Base Month" means February 2024.

"Indirect Subcontractor" means any contractor or supplier (whether a third party or Affiliate) appointed by a Direct Subcontractor to provide goods or services in connection with the Operator's rights and/or obligations under this Agreement.

"Individual Station Charge Adjustment" has the meaning given to it in paragraph 2.1 (*Station Charge Adjustment*) of Schedule 11.3 (*Pass Through Access Charge Adjustments*).

"Industrial Action" has the meaning given to it in paragraph 1.2 (*Force Majeure Events*) of Schedule 17.6 (*Force Majeure*).

[REDACTED]

"Information" has the meaning given to it in paragraph 1.18 (*Confidentiality - Freedom of Information*) of Schedule 16.2 (*Confidentiality, Freedom of Information Act and Data Protection Requirements*).

"Infrastructure Manager" means, as the context requires, Network Rail, HAL or RfL(I).

"Initial Annual Carbon Reduction Plan" means the Operator's proposed carbon reduction plan as updated in accordance with paragraphs 6.4 (*Annual Carbon Reduction Plan - Preparation of Initial Annual Carbon Reduction Plan*) to 6.6 (*Annual Carbon Reduction Plan - Preparation of Initial Annual Carbon Reduction Plan*) (inclusive) of Schedule 15.4 (*Environment*).

"Initial Annual Revenue Protection Plan" means the Operator's proposed revenue protection plan as updated in accordance with paragraphs 8.4 (*Revenue Protection - Preparation of Initial Annual Revenue Protection Plan*) to 8.6 (*Revenue Protection - Preparation of Initial Annual Revenue Protection Plan*) (inclusive) of Schedule 3.3 (*Ticket and Non-Ticket Revenue*).

"Initial Business Plan" means the business plan in a form acceptable to RfL, including any adjusted version of such plan resubmitted to RfL in accordance with paragraph 3 (*Business Plans*) of Schedule 16.1 (*Records, Plans and Reporting*).

"Initial EDI Action Plan" means the initial strategic equality, diversity and inclusion action plan to be agreed between the parties in accordance with paragraphs 5.2 (*Equality, Diversity and Inclusion - Agreed EDI Action Plan*) and 5.3 (*Equality, Diversity and Inclusion - Agreed EDI Action Plan*) of Schedule 15.3 (*Responsible Procurement*).

"Initial Expiry Date" means 0159 on 30 May 2032.

"Initial Modern Slavery Action Plan" means the initial modern slavery action plan to be agreed between the parties in accordance with paragraphs 16.2 (*Ethical Sourcing*) and 16.3 (*Ethical Sourcing*) of Schedule 15.3 (*Responsible Procurement*).

"Initial Permanent Fare" has the meaning given to it in the Ticketing and Settlement Agreement.

"Initial SLNT Plan" means the initial strategic labour needs and training plan to be agreed between the parties in accordance with paragraph 9 (*Strategic Labour Needs and Training Plan*) of Schedule 15.3 (*Responsible Procurement*).

"Integrated Transport Schemes" means any schemes relating to the integration of any other form of transport with the Concession Services designated as such in accordance with paragraph 1.1 (*Integrated Transport Schemes*) of Schedule 3.5 (*Transport, Travel and Other Fares Related Schemes*).

"Inter-company Loan Facility Agreement" means the agreement dated on or about the date of this Agreement between RfL, the Operator and the Members under which the Members severally make available to the Operator a facility of no less than:

- (a) from the date of this Agreement until 31 March 2029 (each date inclusive), [REDACTED]; and
- (b) from and including 1 April 2029 and for the remainder of the Concession Period, an amount equal to the lower of:
 - (i) [REDACTED]; and
 - (ii) the aggregate of the amount of the loan facility which has been drawn down and not repaid by the Operator as at 31 March 2029 plus [REDACTED],

(the **"Inter-company Loan Facility"**) in each case in accordance with the terms of the Inter-company Loan Facility Agreement.

"Inter-company Loan Facility Guarantee" means the joint and several guarantee of the Inter-company Loan Facility Agreement dated on or about the date of this Agreement between the Parents, the Operator and RfL.

"Interest Rate" means a rate equivalent to one per cent. (1%) per annum above the base lending rate published by the Bank of England (or such other Bank as RfL may, after consultation with the Operator, determine from time to time) during any period in which an amount payable under this Agreement remains unpaid.

"Interim Performance Bond Expiry Date" has the meaning given to it in paragraph 2.3.2 (*Performance Bond and Guarantee – Replacement or renewal of Performance Bond*) of Schedule 14 (*Financial Obligations and Credit Support*).

"Interior Cleaning Standard" has the meaning given to it in paragraph 2.7 (*Interior Train Cleaning and Preparation*) of Schedule 5.2 (*Operation and Maintenance*).

"Inter-Operator Schemes" means:

- (a) the ATOC Staff Travel Scheme dated 23 July 1995 between the participants named therein;

- (b) the Ticketing and Settlement Agreement (including any ticketing schemes created in accordance with its terms that RfL requires the Operator to participate in);
- (c) the ATOC LRT Scheme dated 23 July 1995 between the participants named therein;
- (d) the Travelcard Agreement dated 15 October 1995 between London Regional Transport and the parties named therein;
- (e) the Amended and Restated (Sundry Travelcards) Agreement dated 31 October 2005 between the participants named therein;
- (f) the Through Ticketing (Non-Travelcard) Agreement dated 15 October 1995 between London Regional Transport and the parties named therein as amended by a letter agreement dated 1 December 2000;
- (g) the National Rail Enquiry Scheme dated 11 June 1996 between the participants named therein;
- (h) the Passenger Demand Forecasting Handbook Scheme dated 21 June 1999 between the participants named therein;
- (i) the Train Information Services Scheme between the participants named therein;
- (j) the Two Together Railcard Scheme dated 1 February 2014 between the participants named therein;
- (k) the Commercial Scheme dated 18 January 2016 between the participants named therein;
- (l) the International Products Scheme dated 23 July 1995 between the participants named therein;
- (m) the Engineering Scheme dated 24 April 1996 between the participants named therein;
- (n) the Operations Scheme dated 24 April 1996 between the participants named therein;
- (o) any other scheme, agreement and/or contract of a similar or equivalent nature as may from time to time during the Concession Period amend, replace or substitute, in whole or in part, any of such schemes, agreements and/or contracts; and
- (p) any Discount Fare Scheme.

"ITT Data Room" means the data room established by RfL in relation to the procurement process leading up to the award of this Agreement.

"Joint Performance Improvement Plan" has the meaning given to it in the Relevant Network Code or (where there is no such equivalent definition in the Relevant Network

Code) a plan which covers substantially the same matters as the plan referred to in the Network Code.

"Journey Time Metric" has the meaning given to it in paragraph 1 (*Journey Time Metric*) of Schedule 7.3 (*Journey Time Metric, On-Time Metric and Trips Operated Metric*).

"Key Contract" means any agreement, contract, licence or other arrangement to which the Operator is a party or under which the Operator is the beneficiary from time to time which is designated as such pursuant to Schedule 18.1 (*Continuity of Services*) but excluding any such agreement, contract, licence or other arrangement which ceases, in accordance with the terms of this Agreement, to be designated as a Key Contract.

"Key Performance Indicator" means, as the context requires, a qualitative or compliance measure of the Operator's service quality performance, specified in Appendix 1 (*Key Performance Indicators*) to Schedule 8.1 (*KPI Regime*).

"Key Personnel" has the meaning given to it in paragraph 2.1 (*Key Personnel*) of Schedule 15.1 (*Personnel, Communication and Access*).

"KPI Adjustment" means, for any Reporting Period, any adjustment so named and calculated in accordance with paragraph 5 (*Calculation of KPI Adjustments*) of Schedule 8.1 (*KPI Regime*).

"KPI Audit Programme" has the meaning given to it in paragraph 2.1 (*Auditing – KPI Audit Programme*) of Schedule 8.1 (*KPI Regime*).

"KPI Contingency Plan" means a contingency plan agreed between the Operator and RfL pursuant to paragraph 4.2 (*Payments – Failures to meet any Key Performance Indicator Standard*) of Schedule 8.1 (*KPI Regime*).

"KPI Incentive Payment" means, for any Reporting Period, any payment so named and calculated in accordance with paragraph 4.4 (*Payments – Material Inconsistencies*) of Schedule 8.1 (*KPI Regime*).

"KPI Measured Station" means:

- (a) an Operator Managed Station;
- (b) in relation to Key Performance Indicator 3 in Table 1 (*Staffing Levels for each KPI Measured Station*) in Appendix 1 (*Key Performance Indicators*) to Schedule 8.1 (*KPI Regime*), the LUL Stations; and
- (c) in relation to Concession Employees for the purposes of Key Performance Indicator 6 in Table 1 (*Staffing Levels for each KPI Measured Station*) in Appendix 1 (*Key Performance Indicators*) to Schedule 8.1 (*KPI Regime*), any Elizabeth Line Station,

to which the KPI Regime applies from the Start Date.

"KPI Regime" means the regime set out in Schedule 8.1 (*KPI Regime*) pursuant to which the Operator's performance against certain Key Performance Indicators is monitored and incentivised.

"KPI Remedial Plan Benchmark" has the meaning given to it in paragraph 6.1.1 (*Remedial Plans – Remedial Plans in respect of Contraventions*) of Schedule 8.1 (*KPI Regime*).

"Last Train" means for each destination Elizabeth Line Station, the last scheduled Passenger Service to depart from any Elizabeth Line Station on any day to that destination Elizabeth Line Station.

"Law" includes any enactment, subordinate legislation, rule, regulation, order, directive or other provision and any judicial or administrative interpretation or application thereof, which has, in each case, the force of law in the United Kingdom or any part of it (including the Act, the Transport Act, the Transport Safety Act 2003 and the Railways Act 2005).

"Lead Operator" has the meaning given to it in the Ticketing and Settlement Agreement.

"Lead Retailer" has the meaning given to it in the Ticketing and Settlement Agreement.

"Leased Stations (West)" means:

- (a) Acton Main Line station;
- (b) Burnham station;
- (c) Ealing Broadway station;
- (d) Hanwell station;
- (e) Hayes & Harlington station;
- (f) Iver station;
- (g) Langley station;
- (h) Southall station;
- (i) Taplow station;
- (j) West Drayton station; and
- (k) West Ealing station.

"Legal Timber" means timber in respect of which the organisation that felled the trees and/or provided the Timber from which the wood supplied for the purposes of this Agreement derived:

- (a) had legal rights to use the forest;
- (b) holds a register of all local and national laws and codes of practice relevant to forest operations; and

- (c) complied with all relevant local and national laws and codes of practice including environmental, labour and health and safety laws and paid all relevant royalties and taxes.

"LENNON" means the railway industry fares Computer System known as 'LENNON' (or any successor thereto).

"Licence Accessibility Organisations" has the meaning given to it in paragraph 1.1 (*Relationship with Other Obligations relating to Disabled Persons*) of Schedule 4.4 (*Persons with Disabilities and Disability Discrimination*).

"Licences" means such licences granted or to be granted under applicable Law as the Operator may be required from time to time to hold under the Act in order to provide or operate the Concession Services.

"Local Authority" means:

- (a) in England, a county council, a district council, a unitary authority, a passenger transport executive, a London borough council, the common council of the City of London, or a council which is established under the Local Government Act 1992 and which is either an authority responsible for expenditure on public passenger transport services within the meaning of section 88 of the Transport Act 1985 or a local authority for the purposes of section 93 of the Transport Act 1985;
- (b) in Wales, a county council, a district council or a council which is established under the Local Government Act 1972 or the Local Government (Wales) Act 1994;
- (c) in Scotland, the Strathclyde Passenger Transport Executive, or a district council or a unitary authority which is established under the Local Government (Scotland) Act 1973 or the Local Government, etc. (Scotland) Act 1994;
- (d) any other body or council replacing any of the above from time to time; and
- (e) any other body or instrument of local or regional government specified by RfL from time to time.

"Lock-up Period" means the relevant period referred to in paragraph 3.2 (*Financial Ratio – Lock-up Period*) of Schedule 14 (*Financial Obligations and Credit Support*) during which the restrictions referred to in paragraph 3.1 (*Financial Ratio – Lock-up Period*) of Schedule 14 apply.

"London Borough" means any of administrative areas of Greater London (plus the City of London), comprising one of thirty-three (33) boroughs.

"London Boroughs Concessionary Travel Scheme" means the agreements (Annual and Framework) dated 22 December 2004 between TfL and the Association of London Government Transport and Environment Committee relating to the provision of concessionary travel for elderly and disabled London residents, including any modifications, renewals or replacements thereto from time to time.

"London Living Wage" means the basic hourly wage determined by the Greater London Authority for employees working full time in connection with the Elizabeth Line within one (1) of the London Boroughs.

"Loss" means any claims, demands, damages, proceedings, losses, liabilities, suits, judgments, actions, costs, charges, expenses, taxes, penalties or fines howsoever arising (including arising under statute, contract or at common law) and **"Losses"** shall be construed accordingly.

"LUL" means London Underground Limited whose registered address is at 5 Endeavour Square, London, E20 1JN and whose registered number is 01900907.

"LUL CCOS SUA" means each Station Agreement between LUL and the Operator in respect of one or more of Bond Street station, Tottenham Court Road station, Farringdon station, Liverpool Street (CCOS) station and Whitechapel station.

"LUL Stations" means:

- (a) Bond Street station;
- (b) Farringdon station;
- (c) Liverpool Street (CCOS) station;
- (d) Stratford Underground station;
- (e) Tottenham Court Road station; and
- (f) Whitechapel station.

"Maidenhead Accommodation" means the accommodation for the Operator's drivers located at or adjacent to Maidenhead station.

"Maidenhead Underlease" means an underlease in respect of the Maidenhead Accommodation to be entered into between: (1) RfL; and (2) the Operator, in the agreed terms marked **"MHU"**.

"Maintenance Contract" means any contract or arrangement to which the Operator is a party, which includes the carrying out for the Operator of any maintenance work (including light maintenance services) or service provision in respect of rolling stock vehicles used by the Operator in the provision of the Passenger Services or for the enforcement of warranties or other rights against a manufacturer in respect of any such rolling stock vehicles.

"Maintenance Plan" has the meaning given to it in the RSPA.

"Major Flow Operator" has the meaning given to it in the Ticketing and Settlement Agreement.

"MAM" means the maximum authorised mass of a vehicle or trailer including the maximum load that can be carried safely while used on the road.

"Managed Station Area" means the premises comprising part or parts of an NR Managed Station to be occupied by the Operator on or after the Start Date and to be used for or in connection with the provision of the Concession Services.

"Management Accounts" has the meaning given to it in paragraph 4.1 (*Accounting and Financial Information – Accounting Records*) of Schedule 16.1 (*Records, Plans and Reporting*).

"Managing Director" means a person appointed by the Operator with executive powers to manage the day-to-day operations of the Operator's business and the Operator's performance of its obligations under the Transaction Documents.

"Mandatory Modification" means a modification or addition to any rolling stock vehicle which is required to be made under any applicable Law or any directive of the Rail Safety and Standards Board Limited or any government authority.

"Member" means each of:

- (a) Go-Ahead Holding Limited whose registered address is at 3rd Floor, 41-51 Grey Street, Newcastle Upon Tyne, Tyne & Wear, NE1 6EE and whose registered number is 06352308; and
- (b) SCTM Rail Holdings Limited whose registered address is Vintners' Place, 68 Upper Thames Street, London, EC4V 3BJ and whose registered number is 15245562.

"Meteorological Office" means the United Kingdom's national meteorological service, an executive agency of the Department for Science, Innovation and Technology of the United Kingdom of Great Britain and Northern Ireland whose principal office is at FitzRoy Road, Exeter, Devon EX1 3PB.

"Metric MAA Rate" has the meaning given to it in paragraph 2.1.2 (*Monitoring*) of Schedule 7.3 (*Journey Time Metric, On-Time Metric and Trips Operated Metric*).

"Metrobins Licence" means a licence to install and use newspaper receptacles at the Elizabeth Line Stations to be made between: (1) the Operator; and (2) RfL in the agreed terms marked **"MBL"**.

"Metropolitan and City Police Agreement" means the agreement between ATOC and the Metropolitan Police and the City of London Police in relation to free travel (for any purpose) by the officers of those constabularies on, amongst others, the Passenger Services.

"Mileage Reduction Amount" means the amount calculated in accordance with factor **"MRA₍₋₎"** in the definition of **"ROUP"** in paragraph 9.1 (*Alternative Timetable Adjustments*) of Schedule 1.3 (*Managing Changes to the Passenger Services*), in relation to a decrease in the distance (measured in miles) operated by the Operator from that specified in the relevant Train Plan.

"Minimum Records" means all information relating to the Operator's performance of and compliance with paragraph 5 (*Equality, Diversity and Inclusion*) of Schedule 15.3 (*Responsible Procurement*) and the adoption and implementation of an EDI Action Plan, by each Direct Subcontractor and, where applicable, subject to the provisions of

paragraph 5 (*Equality, Diversity and Inclusion*) of Schedule 15.3 (*Responsible Procurement*), Indirect Subcontractor, of the Operator.

"Minutes Headway" means, for a Unit operating a Diagram Leg of a Passenger Service, as measured at the Relevant Headway Recording Point, the minutes and seconds between that Unit and the immediately preceding Unit operating a Passenger Service and passing the same Relevant Headway Recording Point in the same direction.

"Minutes Lateness" means, in relation to a Unit that is operating a Diagram Leg on the NR Network or the Heathrow Spur, the number of minutes and seconds that that Unit is recorded at a Relevant Delay Recording Point for that Unit on that Diagram Leg, later than its scheduled time for that Relevant Delay Recording Point in the Working Timetable (adjusted with the relevant timing offset where the Relevant Delay Recording Point is not exactly located at the relevant terminating point) as a result of a planned or unplanned incident and which are reported by the Network Monitoring System.

"Missed Station Stop" means:

- (a) a Station Stop which a Unit is scheduled to make on a Diagram Leg which is not made by that Unit, except where that Station Stop is made by a Replacement Unit; and
- (b) a Unit departs more than thirty (30) seconds before its scheduled departure time (as specified in the Train Plan), other than a Unit that operates any Passenger Service solely between Abbey Wood station and Paddington (CCOS) station,

and **"Missed a Station Stop"**, and **"Misses One or More Station Stops"** shall be construed accordingly.

"Model Changes" has the meaning given to it in paragraph 2.2 (*Revised Inputs and Model Changes*) of Schedule 13.3 (*Runs of the Model Suite*).

"Model Suite Run Auditor" means an independent auditor appointed by RfL pursuant to paragraph 1.3.2 (*Run of the Model Suite*) of Schedule 13.3 (*Runs of the Model Suite*) with the approval (not to be unreasonably withheld or delayed) of the Operator for the purpose of auditing any Run of the Model Suite and its results.

"Modification" has the meaning given to it in the RSPA.

"Morning Peak" means, in relation to any Passenger Service, the period between 0700 and 0959 during a Business Day or such other continuous morning three (3) hour period as RfL may specify from time to time.

"MSS MAA Score" has the meaning given to it in paragraph 3.2 (*Performance against the MSS Benchmarks – Calculating the Operator's Performance against the MSS Benchmark*) of Schedule 8.2 (*MSS Regime*).

"MSS Methodology" means, as at the date of this Agreement, the Mystery Shopper Survey methodology in the agreed terms marked **"MSSM"**.

"MSS Questionnaire" means, as at the date of this Agreement, the Mystery Shopper Survey questionnaire in the agreed terms marked **"MSSQ"**.

"MSS Regime" means the regime set out in Schedule 8.2 (*MSS Regime*) pursuant to which the Operator's performance in relation to the customer environment at Operator Managed Stations and on Passenger Services is monitored and incentivised.

"MSS Rectification Plan Benchmark" means, in respect of the relevant Concession Year, the benchmark set out in Column 3 of the table in the Appendix (*MSS Benchmarks*) to Schedule 8.2 (*MSS Regime*).

"MSS Remedial Plan Benchmark" means, in respect of the relevant Concession Year, the benchmark set out in Column 2 of the table in the Appendix (*MSS Benchmarks*) to Schedule 8.2 (*MSS Regime*).

"MSS Score" has the meaning given to it in paragraph 3.1 (*Performance against the MSS Benchmarks – Each Mystery Shopper Survey to produce an MSS Score*) of Schedule 8.2 (*MSS Regime*).

"MSS Target Benchmark" means, in respect of the relevant Concession Year, the benchmark set out in Column 1 of the table in the Appendix (*MSS Benchmarks*) to Schedule 8.2 (*MSS Regime*).

"Mystery Shopper Surveys" means a mystery shopper survey in respect of the passenger experience of the Concession Services, which may be carried out by RfL or its nominee in accordance with the MSS Regime and the MSS Methodology.

"National Audit Office" means the independent Parliamentary body in the United Kingdom which is responsible for auditing central government department, government agencies and departmental public bodies.

"National Passenger Survey" means a passenger satisfaction survey in respect of the Concession Services which may be carried out from time to time by the Rail Passengers' Council.

"National Rail Conditions of Travel" means the rights, obligations and responsibilities of passengers which govern the use of the national rail network.

"National Rail Enquiry Scheme" means the rail information scheme run by ATOC, providing information to enquirers regarding rail journeys throughout the country.

"National Rail Timetable" means the passenger timetable published by Network Rail (currently twice per annum) specifying the timings and stopping patterns of all railway passenger services in Great Britain.

"Network Agreements" has the meaning given to it in paragraph 3.1(a)(i) of the Appendix (*Conditions Precedent*) to the Conditions Precedent Agreement.

"Network Change" has the meaning given to it in the Network Code in relation to any Network Rail TAA and the meaning given to that or the equivalent definition in the equivalent of the Network Code in relation to any other Track Access Agreement (and, in the case of the CCOS TAA, shall have the meaning given to "CCOS Network Change" in the CCOS Network Code).

"Network Code" means the document known as the Network Code published by Network Rail (as subsequently replaced or amended from time to time) or any equivalent code or agreement.

"Network & Information Systems (NIS) Directive" has the meaning given to it in Schedule 6.2 (*Cyber Security*).

"Network Monitoring System" means TRUST in relation to the NR Network and TRUST or a similar or equivalent network monitoring system operated by the relevant infrastructure controller for the remainder of the Elizabeth Line Route in respect of each of the CCOS and the Heathrow Spur.

"Network Rail" means in respect of:

- (a) the NR Network or any relevant facility:
 - (i) Network Rail Infrastructure Limited whose registered office is at Waterloo General Office, London SE1 8SW and whose registered number is 02904587; and
 - (ii) any successor in title to the NR Network or any relevant railway facility; or
- (b) any new or other sections of network or any relevant new or other railway facilities, the owner (if different).

"Network Rail (Schedule 4) Payment" has the meaning given to it in paragraph 8.1.1 (*Restriction of Use Payments to and from Infrastructure Managers*) of Schedule 1.3 (*Managing Changes to the Passenger Services*).

"Network Rail (Schedule 8) Payment" means any payment made pursuant to any Track Access Agreement between the Operator and Network Rail:

- (a) by Network Rail to the Operator to compensate the Operator for Network Rail's performance of its rights and/or obligations under any such agreement; or
- (b) by the Operator to Network Rail to reward Network Rail for Network Rail's performance of its rights and/or obligations under any such agreement.

"Network Rail TAA" means any Track Access Agreement between the Operator as train operator and Network Rail as infrastructure manager in respect of the Operator's access to the NR Network.

"New Insurance Arrangements" has the meaning given to it in paragraph 6.2.2 (*Rolling Stock Related Contracts and Insurance Arrangements*) of Schedule 18.1 (*Continuity of Services*).

"New Results" means, following a Run of the Model Suite in relation to any Change, the restated:

- (a) mileage adjustment rates in the Appendix (*Mileage Adjustment Rates*) to Schedule 1.3 (*Managing Changes to the Passenger Services*) for each Concession Year (or part thereof);

- (b) values of FXD, VCRPI, VCCPI, VCSCI and PCPI to be specified for each Concession Year (or part thereof) in Appendix 1 (*Annual Concession Payment Figures*) to Schedule 11.2 (*Annual Concession Payments and Indexation*);
- (c) assumed consumption of traction current for each Concession Year (or part thereof) specified in Appendix 2 (*Electricity Prices and Assumed Consumption*) to Schedule 11.2 (*Annual Concession Payments and Indexation*);
- (d) values of threshold profit set out in Appendix 1 (*Threshold Profit*) to Schedule 11.4 (*Profit Share*) for each Concession Year (or part thereof);
- (e) values of the components of AFA set out in Appendix 2 (*Components of AFA*) to Schedule 11.4 (*Profit Share*) for each Concession Year (or part thereof);
- (f) adjustments to the values of FXD, VCRPI, VCCPI, VCSCI and PCPI to be specified for each Concession Year (or part thereof) in paragraph 1 (*Priced Option: Concession Payments*) of Schedule 12.3 (*Adjustments to Concession Payments*);
- (g) milestone payments in respect of the Priced Option set out in Column 2 of the table in paragraph 2 (*Priced Option: Milestone Payments*) of Schedule 12.3 (*Adjustments to Concession Payments*);
- (h) values of FXD, VCRPI, VCCPI, VCSCI and PCPI to be specified for each Concession Year (or part thereof) in Table 1A, Table 1B and Table 1C in Appendix 2 (*Adjustments to Concession Payments and Assumed Traction Electricity Consumption*) to Schedule 12.4 (*Anticipated Service Modifications*);
- (i) increments or decrements to the assumed consumption of traction current for each Concession Year (or part thereof) specified in Column 7 of Table 1A, Table 1B and Table 1C in Appendix 2 (*Adjustments to Concession Payments and Assumed Traction Electricity Consumption*) Schedule 12.4 (*Anticipated Service Modifications*); and
- (j) values of the Service Modification Mobilisation Payment set out in Table 2A, Table 2B and Table 2C in Schedule 12.4 (*Anticipated Service Modifications*).

"Non-Operational Area" means an area at an Operator Managed Station not required by the Operator for the safe provision of the Passenger Services which:

- (a) includes an unused ticket office, core facility area or any other area identified in accordance with paragraph 2 (*Operator's Role in relation to Commercial Opportunities at Operator Managed Stations – Operator Leased Stations*) of Part 1 (*Commercial Agreements*) of Schedule 4.3 (*Retail and Commercial Arrangements*); and
- (b) excludes any area proximate to any vending machine or automated teller machine and any Retail Area.

"Non-Protected Employee" means any Operator Employee who is not a Protected Employee.

"Non-Ticket Revenue" means any non-Ticket Revenue derived from services or activities associated with the Elizabeth Line, including revenue derived from the operation of any car park (to the extent such matter is not addressed under the Car Parking Agreement) or revenue payable from access beneficiaries due to the presence of any ticket gate, in each case at any Operator Managed Station that in each case accrues to the Operator, toilet facilities, marketing, and other commercial revenue generated at Operator Managed Stations, but excluding revenue received by the Operator from other Train Operators in respect of access granted to Operator Managed Stations and revenue arising from the letting of the Operator Leased Station Areas.

"Northern Ireland Protocol" means the Protocol on Ireland/Northern Ireland forming part of the agreement on the withdrawal of the United Kingdom of Great Britain and Northern Ireland from the European Union and the European Atomic Energy Community.

"Notifiable Disruption" means planned or unplanned disruption to the Passenger Services operated on the Elizabeth Line Route, or railway passenger services on other parts of the network which are reasonably local to the Elizabeth Line Route that would prejudice the Operator's ability to deliver the Timetable Requirements where the Operator has:

- (a) ten (10) or more days' advance notice thereof; or
- (b) less than ten (10) days' advance notice thereof, but that disruption:
 - (i) lasts for a period in excess of three (3) consecutive hours;
 - (ii) to the extent not already provided for under paragraph (b)(i), lasts for a period that begins during one (1) Applicable Timetable and continues into the next Applicable Timetable; or
 - (iii) involves the cancellation of the Last Train resulting in any passenger affected by that cancellation having no reasonable expectation of the availability of reasonable alternative transportation to take them to their intended destination Elizabeth Line Station served by that Last Train or as near as reasonably practicable thereto provided that this limb (iii) shall not apply where such cancellation of the Last Train is due to any act, omission, neglect or failure of the Operator.

"Notifiable Disruption Template" means a template document addressing the matters set out in paragraph 6.1 (*Alternative Timetable Arrangements – Operator's Proposed Alternative Timetable Proposals*) of Schedule 1.3 (*Managing Changes to the Passenger Services*) in a form prepared by the Operator and approved by RfL.

"NR Access Option" means the access option between Network Rail and TfL, reserving an option for TfL or its nominee to access certain parts of the NR Network to operate railway passenger services on those parts of the NR Network.

"NR Managed Stations" means:

- (a) Liverpool Street (Main Line) station;
- (b) Paddington (Main Line) station;

- (c) Reading station; and
- (d) any other station used in connection with the provision of the Concession Services where Network Rail becomes the Facility Owner during the Concession Period.

"NR Network" means that part of the Elizabeth Line Route comprising:

- (a) the Eastern Section;
- (b) the Western Section; and
- (c) the railway to the east of Abbey Wood sidings,

of which Network Rail is the relevant Infrastructure Manager.

"NRTAA Performance Regime" has the meaning given to it in paragraph 1.2 (*Payments to and from Network Rail – Payments in relation to Network Rail's Performance*) of Schedule 7.2 (*Performance Payments under Track Access Agreements*).

"Occupational Agreement" means a licence to occupy, concession agreement or other temporary use agreement to be made between the Operator and a third party which:

- (a) does not purport to create any relationship of landlord and tenant between the parties to it;
- (b) is personal to the nominated third party and its group companies;
- (c) entitles the Operator or its agent to relocate or otherwise alter the area of occupation allowed to the nominated third party pursuant to the Occupational Agreement; and
- (d) entitles the nominated third party to such rights of access and egress over and through the relevant Operator Leased Station together with such rights to services and facilities as may be reasonably required by the nominated third party in order to properly use the area of occupation allowed to it by the Occupational Agreement.

"Off-Peak" means, in relation to any Passenger Service, the period of time outside of the Peak.

"Off-Peak Passenger Services" means Passenger Services other than Peak Passenger Services.

"Old Oak Common Depot" means the depot located at Old Oak Common at which the Rolling Stock Provider maintains the Train Fleet.

"Old Oak Common Station" means a station comprising fourteen (14) platforms to accommodate, *inter alia*, High Speed 2 and Elizabeth Line services and to be built near Willesden Junction in West London.

"Old Results" means the following:

- (a) as produced by a Run of the Model Suite in respect of the immediately preceding Change; or
 - (b) as at the date of this Agreement in respect of the first Change only,
- the:
- (i) mileage adjustment rates in the Appendix (*Mileage Adjustment Rates*) to Schedule 1.3 (*Managing Changes to the Passenger Services*) for each Concession Year (or part thereof);
 - (ii) values of FXD, VCRPI, VCCPI, VCSCI and PCPI to be specified for each Concession Year (or part thereof) in Appendix 1 (*Annual Concession Payment Figures*) to Schedule 11.2 (*Annual Concession Payments and Indexation*);
 - (iii) assumed consumption of traction current for each Concession Year (or part thereof) specified in Appendix 2 (*Assumed Traction Electricity Prices and Consumption*) to Schedule 11.2 (*Annual Concession Payments and Indexation*);
 - (iv) values of threshold profit set out in Appendix 1 (*Threshold Profit*) to Schedule 11.4 (*Profit Share*) for each Concession Year (or part thereof);
 - (v) values of the components of AFA set out in Appendix 2 (*Components of AFA*) to Schedule 11.4 (*Profit Share*) for each Concession Year (or part thereof);
 - (vi) adjustments to the values of FXD, VCRPI, VCCPI, VCSCI and PCPI to be specified for each Concession Year (or part thereof) in paragraph 1 (*Priced Option: Concession Payments*) of Schedule 12.3 (*Adjustments to Concession Payments*);
 - (vii) milestone payments in respect of the Priced Option set out in Column 2 of the table in paragraph 2 (*Priced Option: Milestone Payments*) of Schedule 12.3 (*Adjustments to Concession Payments*);
 - (viii) values of FXD, VCRPI, VCCPI, VCSCI and PCPI to be specified for each Concession Year (or part thereof) in Table 1A, Table 1B and Table 1C in Schedule 12.4 (*Anticipated Service Modifications*);
 - (ix) increments or decrements to the assumed consumption of traction current for each Concession Year (or part thereof) specified in Column 7 of Table 1A, Table 1B and Table 1C in Schedule 12.4 (*Anticipated Service Modifications*); and
 - (x) values of the Service Modification Mobilisation Payment set out in Table 2A, Table 2B and Table 2C in Schedule 12.4 (*Anticipated Service Modifications*).

"OLSA Tri-Partite Lease" means a tri-partite lease substantially in the form required by RfL in accordance with the terms of the Station Underlease made between RfL, the Operator and a tenant of an Operator Leased Station Area (where such area is in a Devolved Station) and the expiry date of such lease is after the Initial Expiry Date.

"ONSIP Adjustment" has the meaning given to it in paragraph 20.6 (*On-Station Improvement Projects and Adjustments*) of Schedule 2.2 (*List of Concession Services*).

"ONSIP Agreement" has the meaning given to it in paragraph 20.4 (*On-Station Improvement Projects and Adjustments*) of Schedule 2.2 (*List of Concession Services*).

"ONSIP Notification" has the meaning given to it in paragraph 20.1 (*On-Station Improvement Projects and Adjustments*) of Schedule 2.2 (*List of Concession Services*).

"ONSIP Proposal" has the meaning given to it in paragraph 20.2 (*On-Station Improvement Projects and Adjustments*) of Schedule 2.2 (*List of Concession Services*).

"On-Time Metric" means the percentage of recorded Station Stops where the Unit operating the relevant Passenger Service arrived less than one (1) minute later than the time set out in the public timetable published to customers.

"Operating Assets" has the meaning given to it in paragraph 4.1 (*Operating Assets*) of Schedule 2.1 (*Obligations in Relation to Concession Services*).

"Operating Performance Adjustment" means the adjustment to any Concession Payment to be made pursuant to paragraph 1.1 (*Concession Payments*) of Schedule 11.1 (*Concession Payments*) and in accordance with paragraph 2.1 (*Performance Adjustments – Calculation of Performance Adjustments*) of Schedule 11.1 (*Concession Payments*).

"Operating Performance Individual Incident Cap" means [REDACTED].

"Operating Performance Overall Cap" means the aggregate of [REDACTED] and the level of Operating Performance Adjustments assumed in the Financial Model for the relevant Thirteen Period Measurement Period.

"Operating Performance Reporting Period Cap" means the aggregate of [REDACTED] and the level of Operating Performance Adjustments assumed in the Financial Model for the relevant Reporting Period.

"Operating Performance Thresholds" means the Remedial Plan Operating Performance Thresholds and the Default Operating Performance Thresholds.

"Operating Performance Thresholds Table" means the table set out in Appendix 2 (*Operating Performance Thresholds Table*) to Schedule 7.1 (*Operating Performance Regime*).

"Operating Year" has the meaning given to it in paragraph 4.3 (*Consequences of calling a Service Modification - Financial Consequences where Passenger Services to operate later than anticipated*) of Schedule 12.4 (*Anticipated Service Modifications*).

"Operational Model" means the operational model of any of:

- (a) the performance model;
- (b) the cost models; and
- (c) any other relevant models that have generated input to the Financial Model,

in the agreed terms marked "**OM**".

"Operational Spare Units" means the two (2) or more Units (as agreed from time to time with RfL) which:

- (a) are operationally ready to provide the Passenger Services in the Timetable;
- (b) are not already assigned to the delivery of any Passenger Service in the Timetable; and
- (c) which will only be used to deliver such Passenger Services if a Unit scheduled to deliver such Passenger Services is unable to so deliver.

"Operator Access Stations" means:

- (a) the Heathrow Stations;
- (b) the LUL Stations;
- (c) the Other TOC Stations;
- (d) the NR Managed Stations; and
- (e) the RfL(I) Stations.

"Operator Access Stations (CCOS)" means:

- (a) Bond Street station;
- (b) Farringdon station;
- (c) Liverpool Street (CCOS) station;
- (d) Tottenham Court Road station; and
- (e) Whitechapel station.

"Operator Control Room" means the primary location staffed by Concession Employees or RfL(I) from where service delivery decisions for the Passenger Services are made and communicated.

"Operator Daily Performance Record" means a daily report detailing the Operator's performance in delivering the Passenger Services, including all Performance Failures, the reason for each such Performance Failure and an allocation of responsibility for each Performance Failure in the form prescribed by RfL from time to time.

"Operator Employee" means:

- (a) any employee of the Operator from time to time including any person whose contract of employment may be transferred to the Operator prior to the commencement of the Concession Period or during its term by virtue of the operation of Law (including TUPE) or in respect of whom liabilities arising from a contract of employment or employment relationship may be so transferred; and

- (b) any other person engaged by the Operator (for a period of at least six (6) months) in connection with the provision of Concession Services but employed by an agency or self-employed to fulfil an executive, managerial or customer-facing role in the Operator's organisation.

"Operator Leased Station Areas" has the meaning given to it in paragraph 2.1 (*Operator's Role in relation to Commercial Opportunities at Operator Managed Stations – Operator Leased Stations*) of Part 1 (*Commercial Agreements*) of Schedule 4.3 (*Retail and Commercial Arrangements*).

"Operator Leased Station Area Sublease" means a sublease of an Operator Leased Station Area to be entered into between the Operator and a tenant.

"Operator Leased Stations" means:

- (a) the Devolved Stations;
- (b) the Leased Stations (West); and
- (c) Stratford (NR).

"Operator Managed Stations" means the Operator Leased Stations and the RfL(I) Stations.

"Operator of an Essential Service (OES)" has the meaning given to it in the Network & Information Systems (NIS) Directive.

"Operator's Executive" means the senior executive team of the Operator from time to time, which at the date of this Agreement comprises the personnel set out in paragraph 2.1 (*Key Personnel*) of Schedule 15.1 (*Personnel, Communication and Access*), together with such other person(s) as RfL may designate as being required to be included within the senior executive team, having regard to the Operator's management structure from time to time.

"Operator's Ticketing and Scheme Liabilities" has the meaning given to it in paragraph 4.1 (*Payments from the Revenue Account to Third Parties*) of Schedule 3.3 (*Ticket and Non-Ticket Revenue*).

"Optional Unit" means a rolling stock unit comprising part of the Optional Unit Fleet.

"Optional Unit Fleet" means the rolling stock units specified in Table 2 (*Optional Unit Fleet*) of the Appendix (*Trains Comprising the Train Fleet*) to Schedule 5.1 (*The Train Fleet*).

"Optional Unit Lease" means the rolling stock lease between RfL as lessor and the Operator as lessee pursuant to which RfL leases the Optional Unit Fleet to the Operator.

"Optional Unit Operating Date" means the date on which the first Optional Unit achieves Qualified Provisional Acceptance or Provisional Acceptance (in each case as defined in the RSPA) in accordance with the terms of the RSPA.

"ORCATS" means the railway industry fares Computer System known as 'ORCATS' or the "operational research computerised allocation of tickets and services" system (or any successor thereto).

"**ORR**" means the Office of Rail and Road established by section 15 of the Railways and Transport Safety Act 2003 and having duties and obligations as set out in the Act.

"**Other Adjustment**" means, in relation to any Reporting Period, an adjustment to the Concession Payment that is to be made on the Payment Date for that Reporting Period by one party to the other that is equal to the net of payments that are expressly contemplated to be made between the parties in that Reporting Period under the terms of this Agreement and which is not the subject of any other adjustment to that Concession Payment specified in paragraph 1.1 (*Concession Payments*) of Schedule 11.1 (*Concession Payments*).

"**Other TOC Stations**" means:

- (a) Maidenhead station;
- (b) Shenfield station;
- (c) Slough station; and
- (d) Twyford station.

[REDACTED]

"**Overall Liability Cap**" means [REDACTED].

"**Oyster**" means the contactless smartcard ticketing system used by RfL comprising, amongst other things, Oystercards, smartcard readers at access-control ticket gates, bus boarding areas, passenger-operated retail machines, ticket office machines and elsewhere, the communications network, data storage and other systems that connect them together to form an integrated ticketing system.

"**Oystercard**" means the contactless smartcard issued by TfL to its customers onto which customers can load travel products for use on TfL-funded transport services, and variants of that card issued by TfL or other organisations that have this capability, including variants that are not in card-shaped form.

"**Pandemic**" means the outbreak of a contagious disease, sickness or illness which is declared a pandemic by the World Health Organisation and any of its subsequent consequences anywhere in the world.

"**Parent**" means each of:

- (a) The Go-Ahead Group Limited whose registered address is 3rd Floor, 41-51 Grey Street, Newcastle Upon Tyne, Tyne & Wear, NE1 6EE and whose registered number is 02100855;
- (b) Tokyo Metro Co., Ltd. (a company incorporated in Japan) whose registered address is 3-19-6, Higashi-ueno, Taito-ku, Tokyo, Japan and whose registered number is 4010501022810; and
- (c) Sumitomo Corporation (a company incorporated in Japan) whose registered address is 3-2 Otemachi 2-chome, Chiyoda-ku, Tokyo 100-8601, Japan and whose registered number is 0100-01-008692.

"Parties" or **"parties"** means the parties to this Agreement and **"party"** or **"Party"** means each of them or any of them as the context requires.

"Pass Through Adjustment" means in relation to any Reporting Period, an adjustment to the Concession Payment that is calculated in accordance with paragraph 3.1 (*Pass Through Adjustments – Calculation of Pass Through Adjustments*) of Schedule 11.1 (*Concession Payments*) to be made on the Payment Date for that Reporting Period and payable by one party to the other.

"Passenger Change Date" means a date upon which significant changes may be made to the relevant part of the Timetable in accordance with or by virtue of the Relevant Network Code.

"Passenger Contact Centre" has the meaning given to it in paragraph 15.1 (*Complaints, Customer Feedback and Queries – Passenger Contact Centre*) of Schedule 2.2 (*List of Concession Services*).

"Passenger Service" means the Operator's railway passenger services specified in any Timetable and/or in any Applicable Timetable, including those railway passenger services which the Operator may delegate or subcontract or otherwise secure through any other person from time to time in accordance with this Agreement.

"PAYG" means 'pay as you go', a means by which passengers can store value on Oystercards for future journeys on the Passenger Services and other railway passenger services and transport services.

"PAYG Agreement" means the agreement between TTL and certain Train Operators, among others, dated 16 October 2009, which governs all aspects of the way PAYG is accepted on railway passenger services, as well as revenue accounting and apportionment.

"Pay Gap" means the difference between the average pay of two (2) different groups of people, for example men and women, or groups from different ethnic backgrounds.

"Payment Date" means the date for the payment of Concession Payments in accordance with paragraph 4.3 (*Payment of Concession Payments – Payment Dates*) of Schedule 11.1 (*Concession Payments*).

[REDACTED]

"PCI DSS" means the payment card industry data security standard as stipulated by the PCI Security Standards Council from time to time.

"PCI Security Standards Council" means the forum responsible for the development, management, education and awareness of the certain payment card industry security standards.

"Peak" means the Morning Peak and the Evening Peak.

"Peak Passenger Service" means any Passenger Service operated in the Peak.

"Penalty Fare" means a penalty fare issued in accordance with schedule 17 of the GLA Act or such other regulation, order or instrument issued by TfL, the Mayor of

London or any other relevant authority but shall not include any maximum fares on contactless payment cards.

"Penalty Fares Provisions" has the meaning given to it in paragraph 9.2 (*Penalty Fares*) of Schedule 3.3 (*Ticket and Non-Ticket Revenue*).

"Pension Trust" means the pension trust governing the Railways Pension Scheme.

"Percentage Allocation" has the meaning given to it in the Ticketing and Settlement Agreement.

"People Plan" means the Operator's plan to deliver initiatives and other matters in relation to Concession Employees including:

- (a) the Strategic Labour Needs and Training Plan;
- (b) how it will engage with Concession Employees and trade unions; and
- (c) such other matters as RfL may reasonably specify from time to time.

"Performance Adjustment" means in relation to any Reporting Period, an adjustment to the Concession Payment that is calculated in accordance with paragraph 2.1 (*Performance Adjustments – Calculation of Performance Adjustments*) of Schedule 11.1 (*Concession Payments*) to be made on the Payment Date for that Reporting Period and payable by one party to the other.

"Performance Bond" means the on-demand bond issued by a Bond Provider with the Required Rating in the form set out in Appendix 1 (*Form of Performance Bond*) to Schedule 14 (*Financial Obligations and Credit Support*).

"Performance Bond Longstop Date" has the meaning given to it in paragraph 2.2.2 (*Performance Bond and Guarantee – Requirement to Procure a Performance Bond and Guarantee*) of Schedule 14 (*Financial Obligations and Credit Support*).

"Performance Failure" means the occurrence of:

- (a) a Unit that is Unavailable;
- (b) a Cancellation;
- (c) Relevant Excess Headway; or
- (d) Relevant Minutes Lateness.

"Performance Threshold" means any threshold or standard against which the Operator's performance is measured and which is specified in any of Schedule 7 (*Operating Performance*) to Schedule 9 (*Ticketless Travel Incentive Regime*) (inclusive).

"Periodic Concession Report" means the report produced by the Operator each Reporting Period pursuant to paragraph 2.2 (*Operating Information – Periodic Concession Report*) of Schedule 16.1 (*Records, Plans and Reports*) in relation to the Operator's operating and financial performance in the form of report specified by RfL from time to time.

"Periodic SLNT Report" means the report in the agreed terms marked **"SLNTR"**.

"Personal Data" means "personal data" as defined in the Data Protection Legislation.

"Personal Data Breach" means a "personal data breach" as defined in Article 4 of the UK GDPR.

"Placed in Escrow" means:

- (a) in respect of the Financial Model, delivery of the Financial Model:
 - (i) dated the date of this Agreement;
 - (ii) adjusted to the extent necessary to reflect any time elapsed between the actual Start Date and the date assumed to be the Start Date in the Initial Business Plan; and
 - (iii) audited following a Run of the Model Suite and updated with any Revised Inputs; and
 - (b) in respect of the Operational Models, delivery of:
 - (i) the Operational Models dated the date of this Agreement;
 - (ii) the Operational Models adjusted to the extent necessary to reflect any time elapsed between the actual Start Date and the date assumed to be the Start Date in the Initial Business Plan; and
 - (iii) the inputs to the Financial Model derived therefrom following an audit of a Run of the Model Suite; and
 - (c) in respect of the Record of Assumptions, delivery thereof,
- each in accordance with Schedule 13.2 (*Identity of the Suite of Models*).

"Plumstead Accommodation" means the driver accommodation located at Plumstead infrastructure maintenance facility.

"Plumstead Accommodation Licence" mean a licence to occupy in respect of the Plumstead Accommodation to be entered into between: (1) TfL; and (2) the Operator, in the agreed terms marked **"PAL"**.

"Policing Services Agreement (Standard)" means an agreement between the Operator and the BTP relating to the provision of standard, non-enhanced, policing services across the Elizabeth Line Route and on the Passenger Services.

"Possessions Strategy Notice" means a notice issued by any Infrastructure Manager which details that Infrastructure Manager's strategy in relation to a programme of Restrictions of Use extending over:

- (a) a period of more than one (1) calendar year; or
- (b) a period which contains two (2) or more Passenger Change Dates.

"Power of Attorney" means the power of attorney in the agreed terms marked **"POA"** granted by the Operator in favour of RfL.

"Pre-Handback Period" has the meaning given to it in paragraph 3.1 (*Concession Employees – Last Twelve (12) Month Period*) of Schedule 18.3 (*Transfer*).

"Previous Concession Agreement" means the concession agreement which terminates on or about the date and time which immediately precedes the Start Date to which the Incumbent Operator is a party and under which services equivalent to the Concession Services are provided by the Incumbent Operator.

"Priced Option" means the priced option set out in Schedule 12.1 (*Priced Option: Ticket Retailing Modernisation Programme*).

"Primary Concession Assets" means any property, rights and liabilities of the Operator listed in paragraph 2 (*Primary Concession Assets*) of Schedule 18.2 (*Restrictions on Dealings with Concession Assets*) but excluding such property, rights or liabilities as may, in accordance with the terms of this Agreement, cease to be so designated.

"Primary Delay" means:

- (a) the occurrence of a Unit that is Unavailable;
- (b) a Cancellation; and
- (c) in respect of Relevant Excess Headway and Relevant Minutes Lateness, a Headway Incident or a Delay Incident,

in any case which is allocated a delay code which does not start with the character "Y" in the Network Monitoring System, in line with the Delay Attribution Principles and Rules.

"Priority Date" has the meaning given to it in Part D of each Relevant Network Code.

"Processing" has the meaning given to it in the Data Protection Legislation and **"Process"**, **"Processed"** and **"Sub-Process"** are to be construed accordingly.

"Profit Share Payment" has the meaning given to it in paragraph 4.1.2 (*Profit Share and Profit Share Reconciliation Payments*) of Schedule 11.4 (*Profit Share*).

"Profit Share Reconciliation Payment" has the meaning given to it in paragraph 4.1.3 (*Profit Share and Profit Share Reconciliation Payments*) of Schedule 11.4 (*Profit Share*).

"Property Lease" means any Depot Lease, Managed Station Area Lease, any lease in respect of Shared Facilities, Station Lease or Station Underlease and any agreement or lease of a similar or equivalent nature (whether in respect of any such facility or otherwise) which the Operator may enter into with a person who has an interest in a network or a railway facility which is to be used for or in connection with the provision or operation of the Concession Services.

"Proposal for Change" has the meaning given to it in, as the context admits, the Station Access Conditions, the RfL Station Access Conditions, the RfL(I) Station Access

Conditions, the HAL Station Access Conditions, the Independent Station Access Conditions or the Depot Access Conditions and includes any Railtrack Change Proposal.

"Protected Employee" means any Concession Employee other than a person employed by an Affiliate or by any subcontractor or delegate of any of the Concession Services who is designated as an Indefeasible Rights Employee and/or Protected Person under the Protection Order but only for so long as they continue to be a Protected Employee.

"Protected Pension Rights" in respect of a Protected Person, has the meaning given to 'relevant pension rights' in Part 1 (General) of the Protection Order and in respect of an Indefeasible Rights Employee means the pension rights they have under the Railways Pension Scheme but only for so long as they continue to be an Indefeasible Rights Employee.

"Protected Person" means a Concession Employee who is a 'protected employee' as defined in the Protection Order where that protection has not ceased to have effect under Article 8 of the Protection Order and where such Concession Employee has not elected to waive that protection under Article 12 of the Protection Order.

"Protected Proposal" has the meaning given to it in paragraph 1.10 (*Variations to this Agreement – Operator Proposed Variations and Protected Proposals*) of Schedule 13.4 (*Variations*).

"Protection Order" means the Railway Pensions (Protection and Designation of Schemes) Order 1994 (SI No. 1433), as amended from time to time.

"Prudential Regulation Authority" means the independent, non-governmental body given statutory powers by the Financial Services Act 2012.

"Public Sector Operator" means any person (other than a franchisee or franchise operator or concession operator in relation to the services provided or operated under its franchise agreement or concession agreement to which TfL or any member of the TfL Group is a party (as the case may be)) who provides railway passenger services or operates any station or light maintenance depot pursuant to or under section 30 of the Act or section 6 of the Railways Act 2005 or who is appointed by TfL or any member of the TfL Group to provide such services or operate such facilities otherwise than pursuant to a concession agreement to which TfL or a member of the TfL Group is a party.

"QPR Alternative Services Measure" means the level of quality of provision of information and customer service provided by the Operator on Alternative Services, as measured during the carrying out of any Station & Staff Information Survey.

"QPR Alternative Services Remedial Plan Benchmark" means the relevant benchmark in relation to the QPR Alternative Services Measure as set out in Column 3 of the table in the Appendix (*Quality Performance Regime Benchmarks*) to Schedule 8.4 (*Quality Performance Regime*).

"QPR Alternative Services Target Benchmark" means the relevant benchmark in relation to the QPR Alternative Services Measure as set out in Column 2 of the table in

the Appendix (*Quality Performance Regime Benchmarks*) to Schedule 8.4 (*Quality Performance Regime*).

"QPR Alternative Services Upper Benchmark" means the relevant benchmark in relation to the QPR Alternative Services Measure as set out in Column 1 of the table in the Appendix (*Quality Performance Regime Benchmarks*) to Schedule 8.4 (*Quality Performance Regime*).

"QPR Headline Measure" means the level of quality of provision of information and customer service provided by the Operator at stations and on trains, as measured during the carrying out of any Station & Staff Information Survey.

"QPR Headline Remedial Plan Benchmark" means the relevant benchmark in relation to the QPR Headline Measure as set out in Column 3 of the table in the Appendix (*Quality Performance Regime Benchmarks*) to Schedule 8.4 (*Quality Performance Regime*).

"QPR Headline Target Benchmark" means the relevant benchmark in relation to the QPR Headline Measure as set out in Column 2 of the table in the Appendix (*Quality Performance Regime Benchmarks*) to Schedule 8.4 (*Quality Performance Regime*).

"QPR Headline Upper Benchmark" means the relevant benchmark in relation to the QPR Headline Measure as set out in Column 1 of the table in the Appendix (*Quality Performance Regime Benchmarks*) to Schedule 8.4 (*Quality Performance Regime*).

"QPR Methodology" means, as at the date of this Agreement, the Quality Performance Regime survey methodology in the agreed terms marked **"QPRM"**.

"QPR Performance Adjustment" means, in respect of any Reporting Period, any adjustment so named and calculated in accordance with paragraph 3.3 (*Performance against the QPR Target Benchmarks – Payment: QPR Score is more than the relevant QPR Target Benchmark*) of Schedule 8.4 (*Quality Performance Regime*).

"QPR Remedial Plan Benchmark" means any of the QPR Headline Remedial Plan Benchmark or the QPR Alternative Services Remedial Plan Benchmark.

"QPR Score" has the meaning given to it in paragraph 3.1 (*Performance against the QPR Target Benchmarks – Each Station & Staff Information Survey to produce a QPR Score*) of Schedule 8.4 (*Quality Performance Regime*).

"QPR Target Benchmark" means any of the QPR Headline Target Benchmark or the QPR Alternative Services Target Benchmark.

"QPR Upper Benchmark" means any of the QPR Headline Upper Benchmark or the QPR Alternative Services Upper Benchmark.

"Qualifying Change" means:

- (a) any Change specified in any of the following paragraphs of that definition:
 - (i) paragraph (e) (*Extended Restrictions of Use*) to (g) (*RfL changes to Alternative Timetable Guidance*) inclusive;

- (ii) paragraph (i) (*TfL approval of amendment to any Inter-Operator Scheme*);
 - (iii) paragraph (j) (*Station enhancement works*) and paragraph (k) (*Changes to CTOC Area*) inclusive;
 - (iv) paragraph (l) (*Variation of the Class 345 Lease or Optional Unit Lease*) where a Variation (as defined thereunder) of the Class 345 Lease or Optional Unit Lease has the effect of changing the amount of rental that is payable thereunder;
 - (v) paragraphs (m) (*Modifications to the Class 345 Units*) to (v) (*Service Modifications*) inclusive;
 - (vi) paragraph (x) (*Force Majeure Event*);
 - (vii) paragraph (dd) (*Old Oak Common Station Qualifying Expenditure*);
 - (viii) paragraph (ee) (*Old Oak Common Station Long Term Charge*); and
 - (ix) paragraph (ff) (*Shenfield Station Long Term Charge*);
- (b) any other Change or, subject to paragraph 3.3 (*Changes Beneath Threshold Amount*) of Schedule 13.1 (*Financial Consequences of Change*), two (2) or more Sub-Threshold Changes, which would (if it or they were subject to a Run of the Model Suite in accordance with Schedule 13 (*Changes and Variations*)) result in adjustments in Concession Payments over the remaining life of this Agreement that have a net present value as at the date of, as appropriate, that Change or the last in time of those Sub-Threshold Changes, in each case in excess of the Threshold Amount, and for the purposes of ascertaining a net present value of the amount of any adjustment in any Concession Payment, it shall be discounted at the prevailing discount rate of three point five per cent. (3.5%) per annum (in real terms) from the date of receipt of that adjusted Concession Payment to the date of, as appropriate, that Change or last in time of those Sub-Threshold Changes.

"Quality Performance Adjustment" means the adjustment to any Concession Payment for any Reporting Period to be calculated in accordance paragraphs 3.3 (*Performance against the QPR Target Benchmarks – Payment: QPR Score is more than the relevant QPR Target Benchmark*) or 3.4 (*Performance against the QPR Target Benchmarks – Payment: QPR Score is less than the relevant QPR Target Benchmark*) of Schedule 8.4 (*Quality Performance Regime*) and made in accordance with paragraph 2.4 (*Performance Adjustments – Calculation of Quality Performance Adjustments*) of Schedule 11.1 (*Concession Payments*).

"Quality Performance Regime" means the regime set out in Schedule 8.4 (*Quality Performance Regime*) pursuant to which the Operator's performance in respect of the provision of customer service at Elizabeth Line Stations, on trains and on replacement bus services is monitored and incentivised.

"Quarter" has the meaning given to it in paragraph 4.4 (*Accounting and Financial Information*) of Schedule 16.1 (*Records, Plans and Reporting*) and **"Quarterly"** shall be construed accordingly.

"Rail Customer Experience Survey" means a passenger satisfaction survey carried out from time to time by or on behalf of Great British Railways Transition Team (or any successor) to measure levels of customer satisfaction with the provision of rail passenger services in England.

"Rail Passengers' Council" means the passengers' council established under section 19 of the Railways Act 2005.

"Rail Product" has the meaning given to it in the Ticketing and Settlement Agreement.

"Rail Replacement Guidance" means the guidance in relation to the provision of alternative bus services and/or licensed taxi services where Notifiable Disruption occurs in the agreed terms marked **"RRG"**.

"Railtrack Change Proposal" has the meaning given to it in, as appropriate, the Station Access Conditions or the Independent Station Access Conditions.

"Railway Group Standard" has the meaning given to it in the Relevant Network Code.

"Railway Industry Standards" has the meaning given to it in paragraph 6.1 (*Development of Railway Industry Standards*) of Schedule 15.1 (*Personnel, Communication and Access*).

"Railways Pension Scheme" means the Railways Pension Scheme established by the Protection Order.

"RCC" means the Route Control Centre.

"RDG" means Rail Delivery Group Limited, whose registered office is at First Floor North, 1 Puddle Dock, London, EC4V 3DS and whose registered number is 08176197.

"Reconciliation Amount" has the meaning given to it in paragraph 7.3 (*Estimated Revisions*) of Schedule 13.3 (*Runs of the Model Suite*).

"Record of Assumptions" means a document prepared by the Operator in the agreed terms marked **"ROA"**, or as may be revised in accordance with Schedule 13 (*Changes and Variations*) and Placed in Escrow providing:

- (a) detailed assumptions, explanations of assumptions and parameters underlying the Suite of Models;
- (b) details of how Concession Payments have been calculated (including by reference to a defined annual profit margin);
- (c) a description of the functionality, operation and structure of the Suite of Models; and
- (d) a description of each input cell, its requirements and its inter-relationship with the Suite of Models.

"Recurrent Performance Failure" means two (2) or more Performance Failures:

- (a) that occur at the same time of day or on the same day of the week;
- (b) that occur on the same (or reasonably proximate) part of the Elizabeth Line Route;
- (c) that occur in relation to the same Passenger Service or a similar group of Passenger Services; or
- (d) of the same kind that occur for the same reason,

in each case for reasons attributable to the Operator and which, having regard to the nature of those Performance Failures and the period of time between their occurrence, could reasonably be said to be recurrent.

"Recycled Timber" each means recovered wood that has been reclaimed or re-used and that has been in previous use and is no longer used for the purpose for which the trees from which it derives were originally felled. The terms **"recycled"** and **"reclaimed"** are interchangeable and include, but are not limited to, the following categories: pre-consumer recycled wood and wood fibre or industrial by-products but excluding sawmill co-products (on the basis that sawmill co-products are deemed to fall within the category of Virgin Timber), post-consumer recycled wood and wood fibre and drift wood. Recycled Timber must be capable of being evidenced as such to RfL's satisfaction in order to satisfy this definition.

"Red Warning" means where the Meteorological Office issues a warning through its National Severe Weather Warning Service that dangerous weather is expected and (among other things) it is very likely that there will be a risk to life with substantial disruption to travel, energy supplies and possibly widespread damage to property and infrastructure and individuals should avoid travelling where possible (as such red warning classification may be amended, supplemented or replaced by the Meteorological Office from time to time).

"Reference Operating Year" has the meaning given to it in paragraph 4.2 (*Consequences of calling a Service Modification - Financial consequences where Passenger Services to operate later than anticipated*) of Schedule 12.4 (*Anticipated Service Modifications*).

"Regulation 1370" means Regulation (EC) No 1370/2007 of 23 October 2007 on public passenger transport services by rail and by road as incorporated into domestic law by the European Union (Withdrawal) Act 2018 and as amended by Regulation (EC) No 1370/2007 (Public Service Obligations in Transport) (Amendment) (EU Exit) Regulations 2020.

"Relevant Agreement" means any Property Lease or Access Agreement in relation to any stations or network which may be used from time to time by the Operator in connection with the Concession Services, as replaced or amended from time to time. If and to the extent that:

- (a) following the effective date of any Charge Variation, the Operator enters into any Replacement Agreement;

- (b) the effect of that Charge Variation is reflected in the terms of the Replacement Agreement; and
- (c) RfL has consented to such Replacement Agreement being entered into and constituting a Replacement Agreement for the purposes of this definition,

then the Replacement Agreement shall be deemed to be a Relevant Agreement.

"Relevant Approvals" has the meaning given to it in the RSPA.

"Relevant Approvals Management Plan (Train Works)" has the meaning given to it in the RSPA.

"Relevant Concession Year" has the meaning given to it in paragraph ([REDACTED]) of Appendix 5 ([REDACTED]) to Schedule 11.2 (*Annual Concession Payments and Indexation*).

"Relevant CSS Headline Default Benchmark" means in relation to any Survey Period, the CSS Headline Default Benchmark for the Concession Year in which that Survey Period falls.

"Relevant CSS Headline Remedial Plan Benchmark" means in relation to any Survey Period, the CSS Headline Remedial Plan Benchmark for the Concession Year in which that Survey Period falls.

"Relevant CSS Headline Target Benchmark" means in relation to any Survey Period, the CSS Headline Target Benchmark for the Concession Year in which that Survey Period falls.

"Relevant CSS Information Default Benchmark" means in relation to any Survey Period, the CSS Information Default Benchmark for the Concession Year in which that Survey Period falls.

"Relevant CSS Information Remedial Plan Benchmark" means in relation to any Survey Period, the CSS Information Remedial Plan Benchmark for the Concession Year in which that Survey Period falls.

"Relevant CSS Security Default Benchmark" means in relation to any Survey Period, the CSS Security Default Benchmark for the Concession Year in which that Survey Period falls.

"Relevant CSS Security Remedial Plan Benchmark" means in relation to any Survey Period, the CSS Security Remedial Plan Benchmark for the Concession Year in which that Survey Period falls.

"Relevant Customer Satisfaction Survey" has the meaning given to it in paragraph 3.1 (*Performance against the Relevant CSS Benchmarks – Calculating the Operator's Performance against the CSS Target Benchmark*) of Schedule 8.3 (*Customer Satisfaction Regime*).

"Relevant Day" has the meaning given to it in paragraph 5.1 (*Payments from the Revenue Account to RfL – Revenue Sweep*) of Schedule 3.3 (*Ticket and Non-Ticket Revenue*).

"Relevant Delay Recording Point" means the recording point (as defined in the relevant Track Access Agreement) which monitors the timing of trains, located at or most proximate to the terminating point or station (including any early termination point or station where a Unit is taken out of service early or the Diagram Leg is terminated early) for the relevant Diagram Leg.

"Relevant Excess Headway" means in relation to a Unit operating a Diagram Leg where the Minutes Headway exceeds the Threshold Headway, all of the Excess Headway (that is, all of the Minutes Headway in excess of the Scheduled Headway) that arises as a result of a Headway Incident.

"Relevant Headway Recording Point" means:

- (a) for all railway services operated by a Unit on any eastbound Diagram Leg, the Recording Point (as defined in the relevant Track Access Agreement) which monitors the arrival time of train at Whitechapel station; and
- (b) for all railway services delivered by a Unit on any westbound Diagram Leg, the Recording Point (as defined in the relevant Track Access Agreement) which monitors the arrival time of trains at Paddington (CCOS) station.

"Relevant Minutes Lateness" means in relation to a Unit delivering a Passenger Service, three (3) or more Minutes Lateness at the Relevant Delay Recording Point.

"Relevant MSS Remedial Plan Benchmark" means, in relation to any Survey Period, the MSS Remedial Plan Benchmark for the Concession Year in which that Survey Period falls.

"Relevant Mystery Shopper Survey" has the meaning given to it in paragraph 3.2 (*Performance against the MSS Benchmarks*) of Schedule 8.2 (*MSS Regime*).

"Relevant Network Code" means, in the case of:

- (a) the Network Rail TAA, the Network Code;
- (b) the HAL TAA, the Heathrow Airport Ltd Rail Network Code; and
- (c) the CCOS TAA, the CCOS Network Code.

"Relevant Protected Characteristic" has the meaning given to it in paragraph 4.2.1 (*Equality and Diversity Statutory Duties - Equality Act Duties*) of Schedule 15.3 (*Responsible Procurement*).

"Relevant QPR Remedial Plan Benchmark" means, in relation to any Survey Period, the QPR Remedial Plan Benchmark for that Survey Period.

"Relevant QPR Target Benchmark" means, in relation to any Survey Period, the QPR Target Benchmark for that Survey Period.

"Relevant SACs" means, in the case of:

- (a) the Devolved Stations, the RfL Station Access Conditions;
- (b) the Heathrow Stations, the HAL Station Access Conditions;

- (c) the Leased Stations (West) and the Other TOC Stations, the Station Access Conditions;
- (d) the NR Managed Stations, the Independent Station Access Conditions;
- (e) the RfL(I) Stations, the RfL(I) Station Access Conditions.

"Relevant Term" has the meaning given to it in paragraph 1.2.1 (*Remedial Plan Notices and Remedial Agreements - Contents of Remedial Plan Notices*) of Schedule 17.1 (*Remedial Plans and Remedial Agreements*).

"Relevant Ticketless Travel Survey" has the meaning given to it in paragraph 3 (*Performance against the Ticketless Travel Target*) of Schedule 9 (*Ticketless Travel Incentive Regime*).

"Remedial Agreement" has the meaning given to it in paragraph 2.1 (*Remedial Agreements*) of Schedule 17.1 (*Remedial Plans and Remedial Agreements*).

"Remedial Plan" has the meaning given to it in paragraph 1.2.2 (*Remedial Plan Notices and Remedial Agreements - Contents of Remedial Plan Notices*) of Schedule 17.1 (*Remedial Plans and Remedial Agreements*).

"Remedial Plan Annual Operating Performance Threshold" means the number relating to that Remedial Plan Annual Operating Performance Threshold set out in Column 2 of the Operating Performance Thresholds Table.

"Remedial Plan Notice" has the meaning given to it in paragraph 1.1 (*Remedial Plan Notices and Remedial Agreements - RfL Right to Issue a Remedial Plan Notice*) of Schedule 17.1 (*Remedial Plans and Remedial Agreements*).

"Remedial Plan Operating Performance Threshold" means, as the context requires, the Remedial Plan Reporting Period Operating Performance Threshold or the Remedial Plan Annual Operating Performance Threshold.

"Remedial Plan Passenger Assists Threshold" means a Successful Assists Rate of ninety-nine per cent. (99%) of all passenger assist requests.

"Remedial Plan Quality Benchmark" means any of the KPI Remedial Plan Benchmark, the Relevant MSS Remedial Plan Benchmark, the Relevant CSS Headline Remedial Plan Benchmark, the Relevant CSS Information Remedial Plan Benchmark, the Relevant CSS Security Remedial Plan Benchmark or the Relevant QPR Remedial Plan Benchmark.

"Remedial Plan Reporting Period Operating Performance Threshold" means the number relating to that Remedial Plan Reporting Period Operating Performance Threshold set out in Column 1 of the Operating Performance Thresholds Table.

"Remedial Spending Cap" has the meaning given to it in paragraph 5.1 (*Remedial Spending Cap*) of Schedule 17.2 (*Quality Regime Remedial Plans and Remedial Agreements*).

"Remedial Spending Cap Alternative Proposals" has the meaning given to it in paragraph 5.4 (*Remedial Spending Cap*) of Schedule 17.2 (*Quality Regime Remedial Plans and Remedial Agreements*).

"Replacement Agreement" means an agreement entered into as a replacement for any Relevant Agreement.

"Replacement Copy" has the meaning given to it in paragraph 2.2.2 (*RfL's Obligations*) of Schedule 13.2 (*Identity of the Suite of Models*).

"Replacement Unit" means a Unit that the Operator makes available on any day in a Reporting Period to replace any Unit that is Unavailable or suffers a Cancellation.

"Reporting Period" means a period of twenty-eight (28) days, provided that:

- (a) the first such period during the Concession Period shall exclude any days up to but not including the Start Date;
- (b) the first and last such period in any Concession Year may be varied by up to seven (7) days by notice from RfL to the Operator;
- (c) each such period shall start on the day following the last day of the preceding such period; and
- (d) the last such period during the Concession Period shall end at the end of the Concession Period.

"Required Rating" means a long-term credit rating of:

- (a) in relation to the Performance Bond as at the date of this Agreement and upon the replacement of any Performance Bond (including where any Performance Bond is replaced pursuant to paragraph 2.3 (*Performance Bond and Guarantee – Replacement or Renewal of Performance Bond*) of Schedule 14 (*Financial Obligations and Credit Support*)), A+ or better from Standard & Poor's or A1 or better from Moody's; and
- (b) no less than A or better from Standard & Poor's or A2 or better from Moody's during the term of any Performance Bond.

"Responsibility Factor" means:

- (a) in relation to Primary Delay and the applicable Responsible Party set out in Column 1 (*Responsible entity*) of the Responsibility Factor Table - Primary:
 - (i) in respect of any Unit being Unavailable, the responsibility factor set out in Column 2 (*Availability Adjustments*) for that Responsible Party in the Responsibility Factor Table - Primary;
 - (ii) in respect of any Cancellation that occurs, the responsibility factor set out in Column 3 (*Cancellation Adjustments*) for that Responsible Party in the Responsibility Factor Table - Primary;
 - (iii) in respect of any Relevant Excess Headway that occurs, the responsibility factor set out in Column 4 (*Headway Adjustments*) for that Responsible Party in the Responsibility Factor Table - Primary; and

- (iv) in respect of any Relevant Minutes Lateness that occur, the responsibility factor set out in Column 5 (*Delay Adjustments*) for that Responsible Party in the Responsibility Factor Table – Primary; and
- (b) in relation to Secondary Delay and the applicable Responsible Party set out in Column 1 (*Responsible entity*) of the Responsibility Factor Table – Secondary:
 - (i) in respect of any Unit being Unavailable, the responsibility factor set out in Column 2 (*Availability Adjustments*) for that Responsible Party in the Responsibility Factor Table – Secondary;
 - (ii) in respect of any Cancellation that occurs, the responsibility factor set out in Column 3 (*Cancellation Adjustments*) for that Responsible Party in the Responsibility Factor Table – Secondary;
 - (iii) in respect of any Relevant Excess Headway that occurs, the responsibility factor set out in Column 4 (*Headway Adjustments*) for that Responsible Party in the Responsibility Factor Table – Secondary; and
 - (iv) in respect of any Relevant Minutes Lateness that occur, the responsibility factor set out in Column 5 (*Delay Adjustments*) for that Responsible Party in the Responsibility Factor Table – Secondary.

"Responsibility Factor Table - Primary" means the table set out in Part 1 (*Primary Delay*) of Appendix 3 to Schedule 7.1 (*Responsibility Factors Table*).

"Responsibility Factor Table - Secondary" means the table set out in Part 2 (*Secondary Delay*) of Appendix 3 to Schedule 7.1 (*Responsibility Factors Table*).

"Responsible Party" means, where:

- (a) a Unit is Unavailable;
- (b) a Cancellation occurs;
- (c) any Relevant Excess Headway occurs;
- (d) any Relevant Minutes Lateness occurs;

the person to whom reasons are attributed for such occurrence.

"Restricted Countries" means, for the purpose of the Data Protection Legislation, any country outside of the United Kingdom which is not subject to an adequacy decision pursuant to Article 45 of the UK GDPR.

"Restriction of Use" has the meaning given to it in each Track Access Agreement to which the Operator is a party on the Start Date.

"Restriction of Use Payment" means any payment relating to any Restriction of Use imposed in any Reporting Period that comprises part of an Alternative Timetable Adjustment, calculated in accordance with paragraph 9.1 (*Alternative Timetable Adjustments*) of Schedule 1.3 (*Managing Changes to the Passenger Services*).

"Retail Area" means that part of an Operator Leased Station which:

- (a) at the date of grant of the relevant Station Lease is used in connection with retail activity made available only or principally to passengers alighting from or joining trains calling at such Operator Leased Station; or
- (b) is otherwise allocated for use as a retail area in accordance with paragraph 2.1 (*Operator's Role in relation to Commercial Opportunities at Operator Managed Stations – Operator Leased Stations*) of Part 1 (*Commercial Agreements*) of Schedule 4.3 (*Retail and Commercial Arrangements*).

"Retail Management Strategy" means the Operator's plan to deliver the matters contemplated in Part 2 (*Transfer of Retail Areas*) of Schedule 4.3 (*Retail and Commercial Agreements*) and such other matters as RfL may reasonably specify from time to time.

"Revenue Account" means the bank account held with a Bank to be notified to the Operator by the Start Date in the name of the Operator or such other bank account as the Operator may notify RfL of from time to time, into which the Operator is required to:

- (a) pay Ticket Revenue, other revenue from the sale of tickets and other amounts; and
- (b) make payments to permitted third parties,

in each case, pursuant to paragraph 1 (*Acknowledgement*) of Schedule 3.3 (*Ticket and Non-Ticket Revenue*).

"Revenue Collection IT" means the hardware, processes and technology within TVM systems and associated interfaces including communications links within the control of the Operator.

"Revenue Inspection Device" means a mobile ticket inspection device, together with associated equipment.

"Revenue Protection Exercises" means any fare evasion deterrent activity or intervention.

"Revenue Sweep" has the meaning given to it in paragraph 5.2 (*Payments from the Revenue Account to RfL – Revenue Sweep*) of Schedule 3.3 (*Ticket and Non-Ticket Revenue*).

"Review Date" means:

- (a) as the context requires, 01 April 2025 or 29 April 2025; or
- (b) such later date as may be notified to the Operator by RfL pursuant to clause 5.2 or 5.3 (*Review Date*) of the Conditions Precedent Agreement.

"Revised Inputs" has the meaning given to it in paragraph 2.1 (*Revised Inputs and Model Changes*) of Schedule 13.3 (*Runs of the Model Suite*).

"RfL Accommodation" has the meaning given to it in paragraph 1.1 (*Accommodation for RfL Management Team*) of Schedule 15.2 (*Co-location*).

"RfL Failure" means a Performance Failure that is caused solely by:

- (a) the wilful misconduct of RfL in relation to the RSPA; or
- (b) the breach by RfL of clause 25.5(c) or 30.7 of the RSPA, except in each case where that breach is caused by the Operator.

"RfL(I)" means Rail for London (Infrastructure) Limited whose registered address is at 5 Endeavour Square, London, E20 1JN and whose registration number is 09366341, a wholly-owned subsidiary of TfL, which is the Infrastructure Manager of the CCOS.

"RfL(I) Stations" means:

- (a) Canary Wharf station;
- (b) Custom House station;
- (c) Paddington (CCOS) station; and
- (d) Woolwich station.

"RfL(I) SAA" means each Station Access Agreement between RfL(I) and the Operator in respect of one or more RfL(I) Stations.

"RfL(I) (Schedule 4) Payment" has the meaning given to it in paragraph 8.1.3 (*Restriction of use Payments to and from Infrastructure Managers*) of Schedule 1.3 (*Managing Changes to the Passenger Services*).

"RfL(I) (Schedule 8) Payment" means any payment made pursuant to any Track Access Agreement between the Operator and RfL(I):

- (a) by RfL(I) to the Operator to compensate the Operator for RfL(I)'s performance of its rights and/or obligations under any such agreement; or
- (b) by the Operator to RfL(I) to reward RfL(I) for RfL(I)'s performance of its rights and/or obligations under any such agreement.

"RfL(I) Station Areas" has the meaning given to it in paragraph 2.2 (*Operator's Role in relation to Commercial Opportunities at Operator Managed Stations - RfL(I) Stations*) of Part 1 (*Commercial Agreements*) of Schedule 4.3 (*Retail and Commercial Arrangements*).

"RfL Personal Data" means Personal Data and/or Sensitive Personal Data Processed by the Operator as Data Processor or any Sub-Processor on behalf of RfL, pursuant to or in connection with this Agreement.

"RfL Station Access Conditions" means the document known as the RfL Station Access Conditions and the station annexes as each is modified in respect of the relevant Elizabeth Line Station from time to time with the approval of the ORR.

"RfL(I) Station Access Conditions" means the document known as the RfL(I) Station Access Conditions and the station annexes as each is modified in respect of the relevant Elizabeth Line Station from time to time with the approval of the ORR.

"RIDDOR" means the Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 2013.

"Rolling Stock Lease" means any agreement for the leasing of rolling stock vehicles to which the Operator is a party as at the Start Date and any agreement of a similar or equivalent nature (including any agreement or arrangement for the subleasing, hiring, licensing or other use of rolling stock vehicles) to which the Operator is a party from time to time during the Concession Period whether in addition to, or replacement or substitution for, in whole or in part, any such agreement.

"Rolling Stock Provider" means Alstom Engineering and Services Limited whose registered office is at Litchurch Lane, Derby DE24 8UD and whose registered number is 02235994.

"Rolling Stock Related Contract" means any Rolling Stock Lease, Maintenance Contract or Technical Support Contract.

"Route" means any route specified in the Service Level Commitment which the Operator has permission to operate the Passenger Services over pursuant to any Track Access Agreement.

"RPI Index" means:

- (a) the RPO2 Retail Prices Index (RPI All Items) published by the Office for National Statistics; or
- (b) on modification, cessation of or failure to publish the index referred to in paragraph (a), an appropriate equivalent index agreed by the parties at the time, or failing agreement, determined in accordance with paragraph 2 (*Disputes under this Agreement*) of Schedule 20 (*Other Provisions*), which in each case, puts the parties in no better or worse position than they would have been in had the index not been modified, ceased or unpublished;
- (c) if the RPI Index referred to in paragraph (a) or (b) is re-based, then:
 - (i) RPI₀ (as defined in paragraph 2.2 (*Indexation by Reference to RPI*) of Schedule 11.2 (*Annual Concession Payments and Indexation*)) shall be re-based to correspond to such re-basing of the RPI Index; and
 - (ii) the value to be indexed shall be re-based to correspond to such re-basing of the RPI Index,

and as at the Start Date, the RPI Index with respect to February 2024 is three hundred and eighty-one point zero (381.0).

"RSP" means Rail Settlement Plan Limited whose registered office is at First Floor North, 1 Puddle Dock, London, EC4V 3DS and whose registered number is 03069042.

"RSPA" means the Rolling Stock and Depot Service Provision Agreement between RfL and the Rolling Stock Provider in relation to the Class 345 Fleet and Old Oak Common Depot dated 18 February 2014, as amended.

"RSPA Agency Agreement" means the agreement entered into or (as the context may require) to be entered into between the Operator, the Rolling Stock Provider and RfL pursuant to which RfL appoints the Operator as its agent for the purpose of performing certain of RfL's obligations, and exercising certain of RfL's rights, under the RSPA in the agreed terms marked **"AA"**.

"Rules" means, in respect of a Relevant Network:

- (a) the rules regulating, for that Relevant Network, the standard timings and other matters necessary to enable trains to be included or scheduled into the Working Timetable, commonly referred to as "Timetable Planning Rules" in the Relevant Network Code (or any equivalent); and
- (b) the rules governing, for that Relevant Network, the location, number and timing of Restrictions of Use and alternative train routes, commonly referred to as the "Engineering Access Statement" in the Relevant Network Code (or any equivalent).

"Run of the Model Suite" means an operation of the Suite of Models with the Revised Inputs and which complies with the requirements of Schedule 13.3 (*Runs of the Model Suite*).

"Safeguarding on Rail Scheme" means the scheme for the accreditation of organisations in relation to the protection of children and adults at risk on rail transport developed by the Department for Transport and the BTP (as amended or replaced from time to time).

"Safety Authorisation" means the authorisation granted by the ORR under the Safety Regulations, authorising the Operator's Safety Management System and the provisions adopted by the Operator to meet the requirements that are necessary to ensure safe design, maintenance and operation of the relevant infrastructure on the Elizabeth Line Route.

"Safety Certificate" means the certificate issued by the ORR under the Safety Regulations, certifying its acceptance of the Operator's Safety Management System and the provisions adopted by the Operator to meet the requirements that are necessary to ensure safe operation on the Elizabeth Line Route.

"Safety Management System" has the meaning given to it in the Safety Regulations.

"Safety Regulations" means The Railways and Other Guided Transport Systems (Safety) Regulations 2006, as amended.

"Safety Strategy" means the Operator's plan to deliver the safe performance of the Concession Services, including in accordance with the Safety Regulations, Safety Authorisation, Safety Certificate and Safety Management System and such other matters as RfL may reasonably specify from time to time.

"SAR MAA Rate" has the meaning given to it in paragraph 5.3 (*Passenger Assistance*) of Schedule 4.4 (*Persons with Disabilities and Disability Discrimination*).

"Scheduled Headway" means the relevant Minutes Headway as scheduled in the Working Timetable at the Relevant Headway Recording Point (or if a working time is not included in the Working Timetable for the Relevant Headway Recording Point, the nearest appropriate proximate location to the Relevant Headway Recording Point with a working time included in the Working Timetable) for the relevant Passenger Service.

"Scheduled Station Stop Times" means the scheduled times for each Station Stop to occur on any Diagram Leg, as specified in the Working Timetable.

"Season Ticket Fare" means a Fare which entitles the purchaser to make, without further restriction except as to class of accommodation, either:

- (a) an unlimited number of journeys in any direction during the period for which, and between the stations and/or the zones for which, such Fare is valid; or
- (b) in the case of a "flexi season ticket" eight (8) days in any twenty-eight (28) day period of an unlimited number of journeys in any direction and between the stations and/or the zones for which such Fare is valid.

"Secondary Delay" means:

- (a) the occurrence of a Unit that is Unavailable;
- (b) a Cancellation; and
- (c) in respect of Relevant Excess Headway and Relevant Minutes Lateness, a Headway Incident or a Delay Incident,

in any case which is allocated a delay code which starts with the character "Y" in the Network Monitoring System, in line with the Delay Attribution Principles and Rules.

"Seconds Lateness" means, in relation to a Unit that is operating a Diagram Leg on the CCOS, the number of seconds of journey time on the CCOS that Unit on that Diagram Leg exceeds the expected journey time of that Unit on that Diagram Leg on the CCOS set out in the Applicable Timetable (as recorded by a Relevant Delay Recording Point) as a result of a planned or unplanned incident and which are reported by the Network Monitoring System.

"Secretary of State" means the Secretary of State for Transport.

"Secure Station" means a station granted secure station accreditation under the Secure Station Scheme administered by the Department for Transport and the BTP.

"Security Coordinator" means the individual appointed by the Operator in accordance with paragraph 2.4 (*Security*) of Schedule 6.1 (*Security*).

"Security Interest" means any mortgage, pledge, lien, hypothecation, security interest or other charge or encumbrance or any other agreement or arrangement having substantially the same economic effect.

"Senior Personnel" means, in relation to each party, the person appointed to act on its behalf in the capacity of senior personnel in connection with this Agreement:

- (a) as notified by each party to the other on or prior to the Start Date; and
 - (b) as may be replaced by a party from time to time by notice to the other party,
- together, in either case, with the contact details of the person so appointed to act as senior personnel.

"Sensitive Personal Data" means sensitive or special categories of Personal Data (as defined in the Data Protection Legislation) which is Processed pursuant to or in connection with this Agreement.

"Sentinel" means the Network Rail sponsored scheme to manage and maintain individual rail workers' competence, medical records and authority to work.

"Service Group" has the meaning given to it in any Track Access Agreement, or as specified by RfL from time to time.

"Service Level Commitment" means the service level commitment more particularly described in paragraph 1 (*Service Level Commitment – Purpose and Responsibility*) of Schedule 1.1 (*Timetable and Service Development*), including any other service level commitment developed in accordance with Schedule 1.1 (*Timetable and Service Development*) or issued pursuant to Schedule 12.4 (*Anticipated Service Modifications*) and:

- (a) the service level commitment to apply as at the Start Date, in the agreed terms marked **"SLC1"**; and
- (b) the service level commitment to apply as at the Passenger Change Date occurring in [REDACTED], in the agreed terms marked **"SLC2"**.

"Service Modification" means a modification to the Passenger Services as set out in Appendix 1 (*List of Anticipated Service Modifications*) to Schedule 12.4 (*Anticipated Service Modifications*).

"Service Recovery Plan" means, in the event of a prevention or restriction of access to the track or a section of the track (howsoever caused) which results in any Cancellation, a plan implemented by the Operator:

- (a) to minimise the disruption arising from such prevention or restriction of access by operating, during such period of disruption, the best possible level of service given such disruption, including by:
 - (i) keeping service intervals to reasonable durations;
 - (ii) keeping extended journey times to reasonable durations; and
 - (iii) managing any resulting overcrowding;
- (b) to:

- (i) return the level of service to that level specified in the Timetable as soon as reasonably practicable; and
- (ii) prior to the attainment of the level of service specified in paragraph (b)(i), operate any reduced level of service agreed with the relevant Infrastructure Manager for the purpose of minimising such disruption pursuant to paragraph (a);
- (c) in accordance with the principles of service recovery set out in the Approved Code of Practice or any document of a similar or equivalent nature; and
- (d) where the particulars of such plan in relation to the requirements of paragraphs (a) and (b) have been:
 - (i) agreed at an initial and, where required, subsequent telephone conference between the Operator, the relevant Infrastructure Manager and any other affected Train Operator; and
 - (ii) on each occasion, recorded in an official control log by the relevant region control manager or equivalent officer of the relevant Infrastructure Manager,

and prevention or restriction of access to the track or a section of the track shall have the meaning given to that term in paragraph 1.1.1(a) (*Force Majeure Events*) of Schedule 17.6 (*Force Majeure*).

"Settlement Proposal" has the meaning given to it in paragraph 3.4 (*Dealing with Claims relating to Operator Managed Stations - Settling Equality Act Claims*) of Schedule 4.4 (*Persons with Disabilities and Disability Discrimination*).

"Shared Costs Arrangement" has the meaning given to it in the Protection Order.

"Shared Facilities" means those facilities in respect of which the Operator and any Infrastructure Manager carry out their respective activities concurrently.

"Shared Facility Agreements" means any agreement between the Operator and any Infrastructure Manager in respect of the Shared Facilities.

"Silver Accreditation" means the minimum level of accreditation within the FORS Standard acceptable for this Agreement, the requirements of which are more particularly described at: www.fors-online.org.uk.

"Simulator" means the train simulator procured under the terms of the RSPA.

"SME" means:

- (a) a "Small Enterprise" being a business which has both the following:
 - (i) zero (0) to forty-nine (49) full time equivalent employees; and
 - (ii) either:
 - (A) turnover per annum of no more than five million six hundred thousand pounds sterling (£5,600,000) net (or six million

- seven hundred and twenty thousand pounds sterling (£6,720,000) gross) in the last financial year; or
- (B) balance sheet total of no more than two million eight hundred thousand pounds sterling (£2,800,000) net (three million three hundred and sixty thousand pounds sterling (£3,360,000) gross); and/or
- (b) a "Medium Enterprise" being a business which has both the following:
- (i) fifty (50) to two hundred and forty-nine (249) full time equivalent employees; and
- (ii) either:
- (A) turnover per annum or no more than twenty-two million eight hundred thousand pounds sterling (£22,800,000) net (or twenty seven million three hundred and sixty thousand pounds sterling (£27,360,000) gross); or
- (B) balance sheet total of no more than eleven million four hundred thousand pounds sterling (£11,400,000) net (or thirteen million six hundred and eighty thousand (£13,680,000) gross).

"Spares" means parts and components of rolling stock vehicles which are available for the purpose of carrying out maintenance services on rolling stock vehicles.

"Special Event" means an event that occurs once in a specified period or on an irregular basis in a calendar year, in respect of which altered or additional Passenger Services and Station Services are in each case to be provided in accordance with either paragraph 3.5 (*Service Level Development – Operator Right to Propose Changes to the Service Level Commitment*) of Schedule 1.1 (*Timetable and Service Development*) or paragraph 4 (*RfL Proposals to Change the Applicable Timetable*) of Schedule 1.3 (*Managing Changes to the Passenger Services*).

"Special Event Amount" means the amount calculated in accordance with factor **"SEA"** in the definition of **"SEP"** in paragraph 9.1 (*Alternative Timetable Adjustments*) of Schedule 1.3 (*Managing Changes to the Passenger Services*) in relation to an increase in the distance (measured in miles) operated by the Operator from that specified in the relevant Train Plan.

"Special Event Payment" means any payment that comprises part of an Alternative Timetable Adjustment, calculated in accordance with paragraph 9.1 (*Alternative Timetable Adjustments*) of Schedule 1.3 (*Managing Changes to the Passenger Services*).

"Specimen Scheme" means those Committed Obligations marked "Y" in Column 7 of the Table set out in Schedule 10.1 (*List of Committed Obligations and Committed Obligation Payments*).

"Specimen Scheme Output" means, for each Specimen Scheme, the output intended to be achieved by that Specimen Scheme, as set out in the relevant Committed

Obligation in Schedule 10.1 (*List of Committed Obligations and Committed Obligation Payments*).

[REDACTED]

"Staff Payment Adjustment" means an agreement between the Operator and any relevant union to increase(s) in base pay for any category of Concession Employees.

"Stakeholder" means the Rail Passenger's Council, London Travel Watch and any relevant Local Authority.

"Start Date" means the time and date stated in the Certificate of Commencement as being the time at and date on which the Operator is to commence operating the Concession Services, which shall either be:

- (a) 0200 on 25 May 2025; or
- (b) such later time and date as may be notified to the Operator by RfL pursuant to clauses 5.2 or 5.3 (*Review Date*) of the Conditions Precedent Agreement.

"Start Date Transfer Agreement" means the agreement entered into on or before the Start Date between the Operator and the Incumbent Operator substantially in the agreed terms marked **"SDTA"** setting out the terms applicable to the transfer by the Incumbent Operator to the Operator of certain property, rights and liabilities.

"Station & Staff Information Survey" means a survey in respect of the passenger experience at Elizabeth Line Stations, on trains and on replacement bus services, which may be carried out by RfL or its nominee pursuant to the Quality Performance Regime and in accordance with the QPR Methodology in the agreed terms marked **"SIS"**.

"Station Access Agreement" means, in relation to any Elizabeth Line Station, an Access Agreement between the Facility Owner and that access beneficiary, incorporating by reference, as appropriate, the Station Access Conditions, the RfL Station Access Conditions, the RfL(I) Station Access Conditions, the HAL Station Access Conditions or the Independent Station Access Conditions, which permits that access beneficiary to use that Elizabeth Line Station and specified amenities and receive certain services.

"Station Access Conditions" means the document known as the National Station Access Conditions and the station annexes as each is modified in respect of the relevant Elizabeth Line Station from time to time with the approval of the ORR.

"Station Agreement" means an agreement in the agreed terms **"SUA"** between a Facility Owner and an access beneficiary in relation to an Elizabeth Line Station that is outside the scope of the Act and which permits that access beneficiary to use that Elizabeth Line Station and specified amenities and receive certain services.

"Station Call" means the stopping of a Passenger Service at a station to allow passengers to board or alight that service, which shall include the originating station of that service.

"Station Change Proposal" means any proposal for change to an Elizabeth Line Station (including any annex including the particulars of such Elizabeth Line Station)

made in accordance with, as appropriate, the Station Access Conditions, the RfL Station Access Conditions, the RfL(I) Station Access Conditions, the HAL Station Access Conditions or the Independent Station Access Conditions.

"Station Charge Adjustment" means any adjustment to Concession Payments to reflect any adjustment to payments under an Access Agreement, determined in accordance with paragraph 2 (*Station Charge Adjustment*) of Schedule 11.3 (*Pass Through Access Charge Adjustments*).

"Station Lease" means:

- (a) any lease of a station that the Operator is a party to as at the Start Date; or
- (b) a lease of any other station in relation to which the Operator becomes the Facility Owner at any time during the Concession Period.

"Station Operating Day" means, in relation to:

- (a) any Operated Managed Station on any day, the period between fifteen (15) minutes prior to the first service operated by any Train Operator which is scheduled to stop at that Operator Managed Station and fifteen (15) minutes after the last service operated any Train Operator actually stops at that Operator Managed Station; and
- (b) any other Elizabeth Line Station on any day, the period between fifteen (15) minutes prior to the first Station Call at that Elizabeth Line Station and fifteen (15) minutes after the last Station Call at that Elizabeth Line Station.

"Station Property Owner" means, as the context requires, Network Rail, RfL(I), RfL, HAL or other relevant owner of a station.

"Station Service" means any service specified in paragraph 2 (*Station Services*) of Schedule 2.2 (*List of Concession Services*) which may be provided by the Operator at the Operator Managed Stations.

"Stations Operator Agreement" means an agreement between RfL(I) and the Operator in respect of the operation and management of the RfL(I) Stations, in the agreed terms marked **"SOA"**.

"Station Stop" means that a train door release command followed by a train door close command has, in each case, been properly registered by the TMS on the requisite side of that Unit at a relevant station on the Elizabeth Line Route.

"Station Stop Factors" means in the case of a Unit that is Unavailable or a Cancellation, the factors to be applied in accordance with the following to the Base Station Values of the Missed Station Stops that occur during the relevant Diagram Leg as a result of that Unit being Unavailable or that Cancellation:

- (a) if there is one Missed Station Stop, a factor of 35x to the Base Station Value of that Missed Station Stop;
- (b) if there are two (2) Missed Station Stops, whichever of the following factors would, when applied, produce the highest Total Station Value:

- (i) a factor of 35x and 15x to the lowest and second lowest Base Station Values respectively of those Missed Station Stops; or
 - (ii) assuming only the first Missed Station Stop occurred, a factor of 35x to the Base Station Value of the first Missed Station Stop; and
- (c) if there are more than two (2) Missed Station Stops, whichever of the following factors would, when applied, produce the highest Total Station Value:
 - (i) a factor of 35x, 15x and 1x to the lowest, second lowest and all subsequent Base Station Values respectively of those Missed Station Stops;
 - (ii) assuming only the first Missed Station Stop occurred, a factor of 35x to the Base Station Value of the first Missed Station Stop; or
 - (iii) assuming only the first two (2) Missed Station Stops occurred, a factor of 35x and 15x to the lowest and second lowest Base Station Values respectively of those Missed Station Stops.

"Station Sublease" means a lease or sublease of premises comprising part or parts of an Operator Leased Station exclusively occupied by another Train Operator.

"Station Underlease" means:

- (a) any lease of a Devolved Station that the Operator is a party to as at the Start Date; or
- (b) any lease of any other Devolved Station in relation to which the Operator becomes the Facility Owner at any time during the Concession Period,

in each case in the agreed terms marked **"SUL"**.

"Station Underlease Side Letter" means the side letter to be entered into between: (1) RfL; and (2) the Operator in the agreed terms marked **"SUSL"**.

"Strategic Equality and Diversity Plan" means the strategic equality and diversity plan to be settled in accordance with paragraph 5.4 (*Equality, Diversity and Inclusion – EDI Action Plan*) of Schedule 15.3 (*Responsible Procurement*).

"Strategic Labour Needs and Training Co-ordinator" has the meaning given to it in paragraph 10 (*Strategic Labour Needs and Training Co-ordinator*) of Schedule 15.3 (*Responsible Procurement*).

"Strategic Labour Needs and Training Plan" means the strategic labour needs plan to be approved by RfL in accordance with paragraph 9.3 (*Strategic Labour Needs and Training Plan*) of Schedule 15.3 (*Responsible Procurement*).

"Subcontractor" means a Direct Subcontractor or an Indirect Subcontractor.

"Subject Request" means a request made by or on behalf of a Data Subject in accordance with rights granted pursuant to the Data Protection Legislation including the right:

- (a) to be informed;
- (b) of access;
- (c) to rectification;
- (d) to erasure;
- (e) to restrict processing;
- (f) to data portability;
- (g) to object; and
- (h) to automated decision making including profiling.

"Sub-Processor" means a third party Data Processor engaged by the Operator to Process RfL Personal Data.

"Subsidies Rules" has the meaning given to it in paragraph 12.1 (*Subsidy Control and State Aid*) of Schedule 20 (*Other Provisions*).

"Sub-Threshold Change" has the meaning given to it in paragraph 3.1 (*Changes Beneath Threshold Amount*) of Schedule 13.1 (*Financial Consequences of Change*).

"Successful Assists Rate" means, in respect of a Reporting Period, the proportion (expressed as a percentage) of passenger assist requests contemplated by paragraph 4.3 (*Additional Obligations relating to Persons with Disabilities*) of Schedule 4.4 (*Persons with Disabilities and Disability Discrimination*) which are successfully delivered by the Operator as contemplated by paragraph 5.1 (*Passenger Assistance*) of Schedule 4.4 (*Persons with Disabilities and Disability Discrimination*).

"Successive Station Stop Factor" means in relation to any calculation made pursuant to paragraph 2.2 (*Availability and Cancellation Adjustment Calculations – Availability Adjustment Calculations*) or 2.6 (*Availability and Cancellation Adjustment Calculations – Cancellation Adjustment Calculations*) of Schedule 7.1 (*Operating Performance Regime*), a factor of 5x to be applied to the Base Station Value (in addition to any Station Stop Factor applied) of any Missed Station Stop if the same prior scheduled Station Stop was also a Missed Station Stop, provided that the Successive Station Stop Factor shall be 1x where the temporary closure of any Elizabeth Line Station causes a Missed Station Stop and the same prior scheduled Station Stop to also be a Missed Station Stop.

"Successor Operator" means a Train Operator succeeding or intended by RfL to succeed (and whose identity is notified to the Operator by RfL) the Operator in the provision or operation of all or any of the Concession Services including, where the context so admits, the Operator where it is to continue to provide or operate the Concession Services following termination of this Agreement (and which shall include, if applicable, RfL or any member of the TfL Group in RfL's absolute discretion).

"Successor Operator Timetable" has the meaning given to it in paragraph 1.2.1 (*Ensuring Continuity of Services*) of Schedule 18.1 (*Continuity of Services*).

"Suite of Models" means the Financial Model and the Operational Models.

"Supervisory Authority" means the relevant government or regulatory body which, whether under statute, rule regulation, code of practice or otherwise, are entitled to regulate, investigate or influence the Processing of Personal Data by the parties under this Agreement.

"Supplemental Agreement" means a supplemental agreement between the Operator and a Successor Operator to be entered into pursuant to a Transfer Notice, being substantially in the form of Appendix 2 (*Form of Supplemental Agreement*) to Schedule 18.3 (*Transfer*), but subject to such amendments as RfL may reasonably make thereto as a result of any change of circumstances (including any Change of Law) affecting such supplemental agreement between the date of this Agreement and the date on which the relevant Transfer Notice is given and subject further to paragraph 6.2 (*Transfer of Primary Concession Assets – Supplemental Agreement*) of Schedule 18.3 (*Transfer*).

"Supporting Plans" has the meaning given to it in paragraph 3.2 (*Business Plans – Initial Business Plan*) of Schedule 16.1 (*Records, Plans and Reporting*).

"Survey Period" means any of the following periods:

- (a) the first (1st) to the third (3rd) Reporting Period (inclusive) of any Concession Year, where the first (1st) Reporting Period shall commence on the first day of that Concession Year;
- (b) the fourth (4th) to the sixth (6th) Reporting Period (inclusive) of any Concession Year;
- (c) the seventh (7th) to the tenth (10th) Reporting Period (inclusive) of any Concession Year; and
- (d) the eleventh (11th) to the thirteenth (13th) Reporting Period (inclusive) of any Concession Year, where the thirteenth (13th) Reporting Period shall end on the last day of that Concession Year.

"Sustainable Timber" means Timber, which in order to meet RfL's criteria for sustainable timber, must be:

- (a) Recycled Timber; or
- (b) Sustainably Sourced Timber; or
- (c) a combination of (a) and (b) above.

"Sustainably Sourced Timber" means Timber sourced from organisational, production and process methods that minimise harm to ecosystems, sustain forest productivity, ensure that both forest ecosystem and vitality and forest biodiversity is maintained. Timber must be accredited to meet the Forest Stewardship Council ("**FSC**") standard provided that where it is not practicable to use FSC standard accredited Timber, RfL will accept Timber accredited through other schemes approved by the Central Point of Expertise on Timber ("**CPET**") as listed below:

- (a) Canadian Standards Association ("**CSA**");
- (b) Programme for the Endorsement of Forest Certification ("**PEFC**");

(c) Sustainable Forestry Initiative ("**SFI**"),

or such other source as the Operator may demonstrate to RfL's satisfaction as being equivalent.

"**System Interface Committee**" means any committee of representatives of the railway industry (or elements thereof) established to consider system interface issues across the railway industry and which is designated as such by RfL.

"**Taxation**" means any kind of tax, duty, levy or other charge whether or not similar to any in force at the date of this Agreement and whether imposed by a local, governmental or other competent authority in the United Kingdom or elsewhere and "**Taxes**" shall be construed accordingly.

"**Technical Support Contract**" means a contract for technical support to which the Operator is a party, relating to the rolling stock vehicles used in the provision of the Passenger Services.

"**Term Commencement Date**" means the term commencement date of the Station Underlease.

"**Term Expiry Date**" means the date on which the Station Underlease comes to an end (howsoever determined).

"**Termination Event**" has the meaning given to it in paragraph 3 (*Termination Event*) of Schedule 17.5 (*Events of Default, Termination Event and Voluntary Termination*).

"**Termination Notice**" means a notice from RfL to the Operator terminating this Agreement following an Event of Default or a Termination Event in accordance with Schedule 17.4 (*Termination and Expiry*).

"**TfL**" means Transport for London, a statutory corporation established under the GLA Act.

"**TfL Corporate Environment Plan**" means the environmental plan as provided by RfL to the Operator from time to time.

"**TfL Direct Investment**" means any replacement with new or overhaul of infrastructure and/or equipment carried out in relation to the Elizabeth Line Route by or on behalf of any member of the TfL Group and any other capital investment made in the Elizabeth Line Route by or on behalf of any member of the TfL Group.

"**TfL Generic Operating Brand**" means the TfL branding specified by RfL.

"**TfL Group**" means TfL and all its subsidiaries from time to time.

"**TfL Network Map**" means the transport map of the lines, stations and services making up the TfL network, produced by TfL and as amended or replaced from time to time.

"**TfL Penalty Fares Policy**" means TfL's policy with regard to Penalty Fares.

"**TfL Penalty Fares Scheme**" means the penalty fares scheme applying to the Passenger Services, introduced or, as the context may require, to be introduced by TfL

on or before the Start Date pursuant to schedule 17 of the GLA Act as such scheme may be amended from time to time and notified to the Operator.

"TfL Staff Travel Scheme" means the scheme, the terms of which are notified to the Operator by TfL from time to time, operated by TfL for the purpose of offering free or concessionary travel on various transport services, including the Passenger Services, to employees of TfL, other nominated persons and the employees and other nominated persons of organisations nominated by TfL.

"TfL's WVA Strategy" means the pan-TfL Group approach that sets out commitments and actions to eradicate work-related violence and aggression towards employees of the TfL Group and its concessionaires and franchisees.

"TfL Uniform Specification" means the uniform specification for Concession Employees engaged in the provision of passenger-facing activities in the agreed terms marked **"TUS"**.

"TfL's Conditions of Carriage" means TfL's conditions of carriage between TfL and its passengers in relation to the Elizabeth Line, other rail services and other transport modes sponsored or funded by the TfL Group setting out passengers' rights and responsibilities, as set out on the TfL website and as amended or replaced from time to time (and which are independent of the National Rail Conditions of Travel).

"TfL's Customer Commitments" means TfL's customer commitments to its passengers in relation to the Elizabeth Line, other rail services and other transport modes sponsored or funded by the TfL Group as specifically set out on the TfL website and as amended or replaced from time to time.

"TfL's Performance Statistics" means the record of the Operator's performance against the standards specified by TfL for each Reporting Period, as published in accordance with paragraphs 2.5 (*Station Services*) and 9.1.5 (*Provision of Information at Elizabeth Line Stations – Provision of Information*) of Schedule 2.2 (*List of Concession Services*).

"TfL Policies" means any policies and regulations made by TfL in respect of the operation and management of the Operator Managed Stations or commercial opportunities at such Operator Managed Stations, such policies including those listed on <https://tfl.gov.uk/info-for/business-and-advertisers/commercial-properties> from time to time or such other webpage as RfL may notify to the Operator from time to time.

"Thirteen Period Measurement Period" means any period of thirteen (13) consecutive Reporting Periods, ending with the Reporting Period in which the Operator's performance is measured against any of the Operating Performance Thresholds.

"Threshold Amount" means, in relation to a Change, an amount, whether positive or negative, which is determined in accordance with the following formula:

$$TA = T \times CPI$$

where:

"**TA**" is the Threshold Amount;

"**T**" is [REDACTED]; and

"**CPI**" is ascertained in accordance with paragraph 3 (*Indexation by Reference to CPI*) of Schedule 11.2 (*Annual Concession Payments and Indexation*).

"**Threshold Headway**" means Minutes Headway equal to one hundred and forty per cent. (140%) of the relevant Scheduled Headway, rounded down to the nearest second of Minutes Headway.

"**Through Ticketing (Non-Travelcard) Agreement**" means the agreement of that name referred to in paragraph (f) of the definition of Inter-Operator Scheme.

"**Ticket**" means any ticket, permit or travelcard including Oyster cards or any other smartcard, device or other media which may be issued by or on behalf of RfL or other members of the TfL Group or accepted by such persons from time to time for travel on the Passenger Services.

"**Ticket Equipment**" means ticket gatelines, passenger validators, remote ticketing devices, CIDs, Revenue Inspection Devices, TOMs, TVMs, contactless payment devices and all associated electrical equipment, telephone and data communication lines and equipment.

"**Ticket Retailing Modernisation Programme**" has the meaning given to it in paragraph 1.2.1 (*Description, Objective and Specification*) of Schedule 12.1 (*Priced Option: Ticket Retailing Modernisation Programme*).

"**Ticket Revenue**" means any revenue:

- (a) owed to the Operator under the terms of the Ticketing and Settlement Agreement, excluding commission owed in respect of sales of TSA Fares for travel on railway passenger services other than the Passenger Services; and
- (b) owed to RfL in respect of journeys made by the passengers travelling on the Passenger Services, including revenue derived from use of Oyster, PAYG and CPAY products (in each case to the extent not already forming part of the revenue referred to in paragraph (a)).

"**Ticketing and Account Liabilities Adjustment**" has the meaning given to it in paragraph 5.4 (*Payments from the Revenue Account to RfL – Ticketing and Account Liabilities Adjustment*) of Schedule 3.3 (*Ticket and Non-Ticket Revenue*).

"**Ticketing and Settlement Agreement**" means the Ticketing and Settlement Agreement dated 23 July 1995 between RSP, the Operator and the other Train Operators named therein, as amended from time to time with the approval of the Secretary of State.

"**Ticketless Travel Adjustment**" means, in respect of any Survey Period, any payment to be made to the Operator, or vice versa, pursuant to paragraph 4.2 (*Ticketless Travel Adjustment*) of Schedule 9 (*Ticketless Travel Incentive Regime*).

"Ticketless Travel Default Benchmark" means, as a consequence of passengers travelling without a valid ticket on Passenger Services, a Ticketless Travel Rate of six per cent. (6%) in respect of each Concession Year.

"Ticketless Travel MAA Rate" has the meaning given to in paragraph 3 (*Performance against the Ticketless Travel Target*) of Schedule 9 (*Ticketless Travel Incentive Regime*).

"Ticketless Travel Rate" means the proportion (expressed as a percentage) of passenger journeys on Passenger Services that are undertaken without the correct ticket, determined following the carrying out of a Ticketless Travel Survey.

"Ticketless Travel Remedial Plan Benchmark" means, as a consequence of passengers travelling without a valid ticket on Passenger Services, a Ticketless Travel Rate of four per cent. (4%) in respect of each Concession Year.

"Ticketless Travel Survey" means the survey carried out by RfL or its nominee in any Survey Period to determine the proportion of passengers travelling without a correct ticket and so the Relevant Ticketless Travel Rate for such period.

"Ticketless Travel Survey Methodology" means, as at the date of this Agreement, the agreed methodology for carrying out Ticketless Travel Surveys and calculating the Ticketless Travel Rate in the agreed terms marked **"TTSM"**.

"Ticketless Travel Target" means, as a consequence of passengers travelling without the correct ticket on Passenger Services, a Ticketless Travel Rate of:

- (a) in respect of each Concession Year commencing before 1 April 2029, two point two five per cent. (2.25%); and
- (b) in respect of each Concession Year commencing on or after 1 April 2029, two per cent. (2.00%),

in each case measured by any Ticketless Travel Surveys carried out during any consecutive period of thirteen (13) Reporting Periods during the Concession Period (measured as a moving annual average across all such surveys).

"Timber" means wood from trees that have been felled for that purpose, but excludes any item where the manufacturing processes applied to it has obscured the wood element (by way of example only, paper would not be treated as timber). Where the term **"Timber"** is used as a generic term in this Agreement then it shall include both Virgin Timber and Recycled Timber.

"Time Band" means any of the time bands set out in the relevant rows of Tables A to F inclusive of Appendix 1 (*Base Station Value Tables*) to Schedule 7.1 (*Operating Performance Regime*) and all Station Stops on a particular Diagram Leg will be allocated to a particular Time Band according to that Diagram Leg's Scheduled Station Stop Time at Tottenham Court Road station or, where the relevant Diagram Leg was not due to stop at Tottenham Court Road station, at its final scheduled Station Stop Time.

"Timetable" means the passenger timetable which reflects the aggregate of the working timetables issued by each Infrastructure Manager at the conclusion of its timetable development process, containing the departure and arrival times of:

- (a) all Passenger Services which call at Elizabeth Line Stations; and
- (b) principal Connections at those stations and other stations.

"Timetable Change" means:

- (a) any change to the Timetable which come into effect on a Passenger Change Date; or
- (b) any significant alteration to the Passenger Services between any two Passenger Change Dates, including weekend engineering works.

"Timetable Development Rights" means all or any of the rights of the Operator under any Track Access Agreement to:

- (a) operate Passenger Services and ancillary movements by virtue of that Track Access Agreement;
- (b) deliver any required notification and/or declaration to any Infrastructure Manager in respect of its intention to exercise any rights;
- (c) make or refrain from making any bids for Train Slots, in each case before any relevant Priority Dates provided for in, and in accordance with, the Relevant Network Code where relevant;
- (d) surrender any Train Slots allocated to the Operator by any Infrastructure Manager in accordance with that Track Access Agreement;
- (e) object to, make representations, appeal or withhold consent in respect of any actual or proposed act or omission by any Infrastructure Manager; and
- (f) seek from any Infrastructure Manager additional benefits as a condition to granting any consent to any actual or proposed act or omission by that Infrastructure Manager.

"Timetable Planning Period" means the period prescribed in the Relevant Network Code, during which the relevant Infrastructure Manager establishes that part of the working timetable which specifies the Passenger Services that are to operate on the part of the Elizabeth Line Route that such Infrastructure Manager operates or procures the operation of.

"Timetable Requirements" means the requirements to deliver the Timetable with the passenger carrying capacity stipulated in the relevant Train Plan.

"TMS" has the meaning given to it in the RSPA.

"TOM" means a ticket office ticket vending machine.

"Total Station Values" means in relation to a Unit that Misses a Station Stop, the value for that Missed Station Stop calculated in accordance with the following:

$$TSV = BSV \times SSF \times SSSF$$

where:

"TSV" means the Total Station Value for any such Missed Station Stop;

"BSV" means the Base Station Value for any such Missed Station Stop;

"SSF" means the Station Stop Factor applicable to that Missed Station Stop; and

"SSSF" means the Successive Station Stop Factor applicable to that Missed Station Stop.

"Track Access Adjustment" means any adjustment to Concession Payments to reflect any adjustment to payments under a Track Access Agreement, determined in accordance with paragraph 1 (*Track Access Adjustments*) of Schedule 11.3 (*Pass Through Access Charge Adjustments*).

"Track Access Agreement" means each Access Agreement between any Infrastructure Manager and the Operator which permits the Operator to provide the Passenger Services on track operated by that Infrastructure Manager incorporating by reference, where relevant, the Relevant Network Code.

"Track Access Agreement Performance Adjustment" means the adjustment to any Concession Payment to be made as part of a Pass Through Adjustment pursuant to paragraph 3.1 (*Pass Through Adjustments – Calculation of Pass Through Adjustments*) of Schedule 11.1 (*Concession Payments*) and calculated in accordance with paragraph 3.3 (*Pass Through Adjustments – Calculation of Track Access Agreement Performance Adjustments*) of Schedule 11.1 (*Concession Payments*).

"Traction Electricity Adjustment" means the adjustment to any Concession Payment for any Reporting Period to be calculated in accordance with paragraph 3.5 (*Pass Through Adjustments – Calculation of TEA Adjustments*) of Schedule 11.1 (*Concession Payments*) and made in accordance with paragraph 3.5 (*Pass Through Adjustments – Calculation of TEA Adjustments*) of Schedule 11.1 (*Concession Payments*).

"Train Fleet" means the rolling stock vehicles specified in or required by the Appendix (*Trains Comprising the Train Fleet*) to Schedule 5.1 (*The Train Fleet*) and any other rolling stock vehicles RfL consents to in accordance with paragraph 2 (*Changes to the Train Fleet*) of Schedule 5.1 (*The Train Fleet*) from time to time.

"Train Operator" means any of:

- (a) a franchisee or franchise operator either of which operate railway passenger services pursuant to a franchise agreement or national rail contract or equivalent;
- (b) a concession operator which operates railway passenger services pursuant to a concession agreement to which RfL (or any other member of the TfL Group) is a party; or
- (c) a Public Sector Operator.

"Train Plan" means the plan of the Operator for the operation of trains and train formations under the Timetable developed in accordance with Schedule 1.1 (*Timetable and Service Development*) and in a form approved by RfL.

"Train Plan Parameters" has the meaning given to it in the RSPA.

"Train Slots" has the meaning given to it in the Relevant Network Code.

"Train Technical Requirements" has the meaning given to it in the RSPA.

"Transaction Documents" means this Agreement (including the agreed form documents set out in Schedule 21 (*List of Documents in the Agreed Terms*)), the Conditions Precedent Agreement (and any document referred to in the Conditions Precedent Agreement), the RSPA Agency Agreement, the Class 345 Lease and the Optional Unit Lease.

"Transfer Date" means the date on which the employment of any Transferring Employee transfers to the Operator by operation of TUPE.

"Transfer Notice" means a transfer notice given by RfL pursuant to paragraph 6 (*Transfer of Primary Concession Assets*) of Schedule 18.3 (*Transfer*) requiring the Operator to transfer to a Successor Operator the Primary Concession Assets specified in such Transfer Notice on the expiry of the Concession Period, such notice being substantially in the form of Appendix 1 (*Form of Transfer Notice*) to Schedule 18.3 (*Transfer*), but subject to such amendments as RfL may make thereto as a result of any change of circumstances between the date of this Agreement and the date on which such notice is given.

"Transparency Commitment" means the transparency commitment of members of the TfL Group stipulated by the UK government in May 2010 in accordance with which RfL must publish its contracts, tender documents and data from invoices received, as the same may be amended from time to time.

"Transport Act" means the Transport Act 2000.

"Travelcard Agreement" means the agreement of that name referred to in paragraph (d) of the definition of Inter-Operator Scheme.

"Trips Operated Metric" means the percentage of Diagram Legs set out in the Applicable Timetable which were actually operated in their entirety (including all planned Station Stops) by the Operator.

"TRUST" means the operating system owned by Network Rail for recording train running performance.

"Trustee" means the trustee of the Railways Pension Scheme from time to time.

"TSA Fare" means a Fare that may be Created under the terms of the Ticketing and Settlement Agreement.

"TSI" means any Technical Standard for Interoperability with which the Operator is required to comply.

"TTL" means Transport Trading Limited, whose registered office is at 5 Endeavour Square, London E20 1JN and whose registered number is 03914810.

"TUPE" means the Transfer of Undertakings (Protection of Employment) Regulations 2006.

"Turnaround Period" means the period specified in the Train Plan between the completion of a Passenger Service in accordance with the Timetable and the commencement of the next Passenger Service in accordance with the Timetable on the same day using some or all of the same rolling stock vehicles.

"Turnover" means, in relation to any period, the aggregate revenue (excluding any applicable Value Added Tax) accruing to the Operator from the carrying out of the Concession Services and the receipt of Concession Payments during such period.

"TVM" means ticket vending machine.

"UK Addendum" means the International Data Transfer Addendum to the EU Standard Contractual Clauses issued by the Information Commissioner's Office under section 119A(1) of the Data Protection Act 2018 and effective from 21 March 2022, as amended or updated by the Information Commissioner's Office from time to time.

"UK GDPR" has the meaning given to it in section 3(10) (as supplemented by section 205(4)) of the Data Protection Act 2018.

"Unavailable" means in respect of a Class 345 Unit or any Optional Unit that is Accepted, that such Class 345 Unit or Optional Unit is not Available and **"Unavailability"** shall be construed accordingly.

"Unit" means a Class 345 Unit or an Optional Unit.

"Unit Owner" means:

- (a) in respect of each Class 345 Unit, 345 Rail Leasing or such other person or persons identified by RfL from time to time; and
- (b) in respect of each Optional Unit, such person or persons identified by RfL from time to time.

"Updated Business Plan" means the revised business plan to be provided prior to the start of each Concession Year (other than the first Concession Year) in accordance with paragraph 3.4 (*Business Plans – Updated Business Plans*) of Schedule 16.1 (*Records, Plans and Reporting*).

"Updated Supporting Plans" means the revised Supporting Plans to be provided prior to the start of each Concession Year (other than the first Concession Year) in accordance with paragraph 3.4 (*Business Plans – Updated Business Plans*) of Schedule 16.1 (*Records, Plans and Reporting*).

"Usage Agreement" means a Depot Usage Agreement or a Station Agreement.

"Value Added Tax" means value added tax as provided for in the Value Added Tax Act 1994.

"Van" means a vehicle with a MAM not exceeding three thousand, five hundred (3,500) kilograms.

"Variation" means a variation to the terms of this Agreement pursuant to paragraph 1 (*Variations to this Agreement*) of Schedule 13.4 (*Variations*).

"Virgin Timber" means Timber supplied or used in connection with the performance of this Agreement that is not Recycled Timber.

"WEE Equipment" means any equipment which falls within the scope of the WEEE Regulations.

"WEEE Regulations" means Waste Electrical and Electronic Equipment Regulations 2006 (as amended by the Waste Electrical and Electronic Equipment (Amendment) Regulations 2007).

"Western Section" means that part of the Elizabeth Line Route between:

- (a) Reading and Heathrow Airport Junction (via the Relief Lines);
- (b) Heathrow Tunnel Junction and Heathrow Airport Junction (via the Airport Line and Elizabeth Line Airport Line);
- (c) Heathrow Airport Junction and Ladbroke Grove (via the Relief Lines);
- (d) Ladbroke Grove and Paddington (Main Line) (via Lines 1 to 6);
- (e) Ladbroke Grove and Westbourne Park Junction Connection Point;
- (f) Maidenhead and the Maidenhead Turnback Siding;
- (g) Maidenhead and the Maidenhead Stabling Siding;
- (h) Old Oak Common Depot and either Ladbroke Grove or Westbourne Park Junction Connection Point (via Depot Lines 1 and 2, the Engine and Carriage Road, the Washer By-pass road or the Back Line);
- (i) Reading and Heathrow Airport Junction (via the Main Lines); and
- (j) Heathrow Airport Junction and Ladbroke Grove (via the Main Lines).

"Western Section Stations" means the Elizabeth Line Stations specified in paragraph 2.4 (*Elizabeth Line Stations by Section – Western Section Stations*) of Schedule 4.1 (*Property Leasing and Access*).

"Working Timetable" has the meaning given to it in the Relevant Network Code.

"WRRR Self-certification Report" has the meaning given to it in paragraph 23 (*Self-Certification of Compliance*) of Schedule 15.3 (*Responsible Procurement*).

"WVA" means work-related violence and aggression.

"WVA Annual Plan" has the meaning given to it in paragraph 3.1.11 (*Annual Security Plan*) of Schedule 6.1 (*Security*).

"Young Person's Railcard" means a Discount Card issued under the Discount Fare Scheme referred to in paragraph (b) of the definition of Discount Fare Scheme.

"Zone" means a zone set out in the map in Schedule 2 of the Travelcard Agreement on the date such agreement came into effect.

3 Commencement

3.1 The provisions listed in Clauses 3.1.1 (*Commencement*) to 3.1.16 (*Commencement*) inclusive, together with such provisions of this Agreement as may be required to give effect to the same, shall take effect and be binding upon the parties immediately upon signature of this Agreement (or as otherwise indicated):

3.1.1 Clauses 1 (*Interpretation*) to 10 (*Governing Law*) inclusive;

3.1.2 Schedule 1.1 (*Timetable and Service Development*);

3.1.3 in Schedule 3.1 (*Specification and Creation of Fares*):

(a) paragraph 1 (*RfL Specification of Fares*) provided that the relevant aspects of paragraph 1 shall only be operative from the date the Operator accedes to the Ticketing and Settlement Agreement in accordance with the terms thereof; and

(b) paragraph 3 (*Changes to the Fares Documents*);

3.1.4 in Schedule 3.3 (*Ticket and Non-Ticket Revenue*):

(a) paragraph 2 (*Revenue Account*);

(b) paragraph 6 (*Revenue Collection and Protection – General Obligations*) in relation to the development of the Enforcement Policies and co-operation referred to therein;

(c) paragraph 8 (*Revenue Protection*);

(d) paragraph 9.2 (*Penalty Fares*); and

(e) paragraph 11 (*Indemnity*);

3.1.5 paragraph 1 (*Integrated Transport Schemes*) of Schedule 3.5 (*Transport, Travel and Other Fares Related Schemes*);

3.1.6 Schedule 4.1 (*Property Leasing and Access*);

3.1.7 Schedule 4.3 (*Retail and Commercial Agreements*);

3.1.8 in Schedule 5.2 (*Operation and Maintenance*):

(a) paragraph 1 (*Leasing of the Class 345 Fleet, the Simulator and the Optional Unit Fleet*);

(b) paragraphs 2.1, 2.2 and 2.5 (*Maintenance, Repair and Cleaning of the Train Fleet*);

3.1.9 paragraph 3 (*Annual Security Plan*) of Schedule 6.1 (*Security*);

- 3.1.10 Schedule 6.2 (*Cyber Security*);
 - 3.1.11 paragraph 1.2 (*Base Station Values*) of Schedule 7.1 (*Operating Performance Regime*);
 - 3.1.12 paragraph 9.1 (*Changing the Key Performance Indicators*) of Schedule 8.1 (*KPI Regime*);
 - 3.1.13 those Committed Obligations listed in Schedule 10.1 (*List of Committed Obligations and Committed Obligation Payments*) which are to be delivered or partly delivered on or before the Start Date;
 - 3.1.14 Schedule 10.2 (*Miscellaneous Provisions and Late/Non-Completion of Committed Obligations*) insofar as that Schedule relates to the delivery of those Committed Obligations referred to in clause 3.1.13;
 - 3.1.15 paragraph 6.2 (*Value Added Tax*) of Schedule 11.1 (*Concession Payments*); and
 - 3.1.16 Schedule 12 (*Priced Option and Service Modifications*) to Schedule 21 (*List of Documents in the Agreed Terms*) inclusive.
- 3.2 The other provisions of this Agreement shall take effect and become binding upon the parties on the Start Date, as stated in the Certificate of Commencement issued pursuant to the Conditions Precedent Agreement.

4 Term

This Agreement shall terminate on the Expiry Date or on the date of any earlier termination pursuant to clause 5.2.1 (*Review Date*) or 5.3.1 (*Review Date*) of the Conditions Precedent Agreement or pursuant to Schedule 17 (*Remedies, Termination and Expiry*).

5 General Obligations

- 5.1 The Operator shall perform its obligations under this Agreement in accordance with their terms and with that degree of skill, diligence, efficiency, prudence and foresight which would be exercised by a skilled and experienced Train Operator of the Elizabeth Line.
- 5.2 Any obligation on the part of the Operator to use all reasonable endeavours shall extend to consequent obligations adequately to plan and resource its activities, and to implement those plans and resources, with all due efficiency and economy.
- 5.3 The Operator shall co-operate with RfL and act reasonably and in good faith in and about the performance of its obligations and the exercise of its rights pursuant to this Agreement.
- 5.4 RfL shall act reasonably and in good faith in and about the performance of its obligations and the exercise of its rights pursuant to this Agreement.

6 Compliance with Laws

The Operator shall at all times during the Concession Period perform the Concession Services and all its other obligations under this Agreement in accordance with all applicable Laws.

7 Schedules

The provisions of Schedule 1 (*Passenger Service Obligations*) to Schedule 20 (*Other Provisions*) inclusive shall apply.

8 Documents in the Agreed Terms

The parties hereby acknowledge that the list of documents in the agreed terms is set out in Schedule 21 (*List of Documents in the Agreed Terms*).

9 Entire Agreement

9.1 This Agreement and the other Transaction Documents contain the entire agreement between the parties in relation to the subject matter of this Agreement and supersede all prior agreements and arrangements between the parties other than any confidentiality agreements or undertakings which the Operator may have entered into with RfL or another member of the TfL Group in connection with its proposal to secure the provision of the Concession Services under this Agreement.

9.2 The Operator hereby acknowledges that it is not entering into this Agreement or the other Transaction Documents in reliance on any warranties, representations or undertakings howsoever or to whomsoever made except in so far as such warranties, representations or undertakings are contained in this Agreement or any other Transaction Document.

9.3 The Operator hereby acknowledges and agrees with RfL (for itself and as trustee for each of the other persons referred to therein) to the disclaimer of liability which is contained in the section entitled 'Important Notice' contained in any document supplied by or on behalf of RfL or another member of the TfL Group in connection with this Agreement or any other Transaction Document, the process leading to the entering into of this Agreement or any other Transaction Document, or the Concession Services (including any 'Invitation to Tender' issued in connection therewith).

9.4 The Operator irrevocably and unconditionally waives any right which it may otherwise have to claim damages in respect of and/or to rescind this Agreement or the Conditions Precedent Agreement on the basis of any warranty, representation (whether negligent or otherwise, and whether made prior to and/or in this Agreement or the other Transaction Documents) or undertaking howsoever or to whomsoever made unless and to the extent that such warranty, representation or undertaking was made fraudulently.

10 Governing Law and Jurisdiction

10.1 This Agreement and any non-contractual obligations arising out of or in relation to this Agreement are governed by English law.

10.2 Save as expressly provided otherwise in this Agreement, the English courts shall have exclusive jurisdiction in relation to all disputes arising out of or in connection with this Agreement, including disputes arising out of or in connection with:

10.2.1 the creation, validity, effect, interpretation, performance or non-performance of, or legal relationships established by, this Agreement; and

10.2.2 any non-contractual obligations arising out of or in connection with this Agreement,

and each party irrevocably submits to the jurisdiction of the English courts and waives any objection to the exercise of such jurisdiction.

In witness whereof the parties hereto have executed this Agreement the day and year first before written.

Signed for and on behalf of **Rail for** [REDACTED]
London Limited:

Director/Authorised
Signatory

.....
signature

[REDACTED]

.....
print name

in the presence of:

[REDACTED]

.....
Witness

signature of witness

[REDACTED]

.....
print name of witness

Signed for and on behalf of **GTS Rail** [REDACTED]
Operations Limited:

.....
Director

signature

[REDACTED]

.....
print name

[REDACTED]

.....
Director/
Secretary

signature

[REDACTED]

.....
print name

Schedule 1
Passenger Service Obligations

Schedule 1.1: Timetable and Service Development

Appendix: Passenger Service Development Additional Factors

Schedule 1.2: Passenger Service Operating Obligations

Schedule 1.3: Managing Changes to the Passenger Services

Appendix: Mileage Adjustment Rates

Schedule 1.1
Timetable and Service Development

1 Service Level Commitment – Purpose and Responsibility

- 1.1 A Service Level Commitment is the means by which RfL specifies the level, frequency, maximum journey times, stopping patterns, rolling stock class and formation of the railway passenger services that the Operator is to:
 - 1.1.1 seek Train Slots for from each Infrastructure Manager; and
 - 1.1.2 operate pursuant to the working timetable issued by the relevant Infrastructure Manager at the end of that Infrastructure Manager's timetable development process.
- 1.2 The Service Level Commitments as at the date of this Agreement are in the agreed terms marked "**SLC1**" and "**SLC2**".
- 1.3 A Service Level Commitment may be expressed in whole or in part at any level of generality or to any level of detail RfL considers appropriate.
- 1.4 With effect from:
 - 1.4.1 the Start Date, SLC1 shall apply; and
 - 1.4.2 the Passenger Change Date occurring in [REDACTED], SLC2 shall apply.

2 Train Plan – Purpose and Responsibility

- 2.1 A Train Plan is the means by which the Operator expresses its proposed allocation of the passenger carrying capacity of the Train Fleet to meet passenger demand for the railway passenger services it is to operate.
- 2.2 The Operator shall submit to RfL a Train Plan in respect of:
 - 2.2.1 each Service Level Commitment; and
 - 2.2.2 subsequently, each Timetable, in each case in accordance with this Schedule 1.1 (*Timetable and Service Development*).
- 2.3 In preparing any Train Plan, the Operator shall do so by reference to the timetable that it envisages operating in order to comply with the Service Level Commitment to which it relates, any Special Events in respect of which altered or additional Passenger Services are to be provided, and the Train Plan Parameters.
- 2.4 Each Train Plan is to set out for each railway passenger service in the Timetable to which it relates:
 - 2.4.1 its start point and departure time;
 - 2.4.2 its terminating point and arrival time;

- 2.4.3 the class of rolling stock vehicles that the allocated train is to have (if, for any reason, such class of rolling stock is not a Unit);
 - 2.4.4 the Unit configuration that the allocated train is to have (if, for any reason, such class of rolling stock is not a Unit); and
 - 2.4.5 its Actual Passenger Demand most recently determined and notified pursuant to paragraph 6.3 (*Passenger Numbers Information*).
- 2.5 A Train Plan shall be in any format that RfL may reasonably specify for this purpose.

3 **Service Level Development**

General

- 3.1 Without prejudice to the remaining provisions in this paragraph 3 (*Service Level Development*), RfL has the right to issue (including to update or amend) a Service Level Commitment at any time and without first consulting with the Operator.
- 3.2 The Operator agrees to co-operate with RfL to develop the Service Level Commitment in accordance with this Schedule 1.1 (*Timetable and Service Development*).

Business Cases for the Improvement of the Network

- 3.3 The Operator shall co-operate with RfL in the development of business plans and business cases connected with the improvement of the network (including any in respect of inter-modal schemes).
- 3.4 From time to time, RfL may issue a request to the Operator to undertake feasibility work to develop a concept train plan to meet RfL's service level aspirations for the Passenger Services (including for the purposes of developing any Service Level Commitment). The Operator shall undertake such feasibility work diligently, professionally and shall provide such feasibility work, together with its recommendations, to RfL within such reasonable timeframe specified by RfL in its request.

Operator Right to Propose Changes to the Service Level Commitment

- 3.5 The Operator may make a proposal to RfL for changes to the Service Level Commitment in respect of any future Passenger Change Date in relation to which:
 - 3.5.1 the Timetable Planning Process; and
 - 3.5.2 the process set out in paragraphs 3.6 (*Service Level Development – Operator Right to Propose Changes to the Service Level Commitment*) to 3.11 (*Service Level Development – Changes to Operating Performance Thresholds*),

in respect of such Passenger Change Date has not yet commenced. In making any such proposal, the Operator shall take into account each of the matters set out in paragraph 3.8 (*Service Level Development – Operator Right to Propose Changes to the Service Level Commitment*) as if they applied to such proposal. RfL shall consider any such proposal and, if it considers it appropriate to do so (in its absolute discretion) may choose to reflect any or all of such proposal in the draft Service Level Commitment issued pursuant to paragraph 3.6 (*Service Level Development – Operator Right to Propose Changes to the Service Level Commitment*).

- 3.6 As early as reasonably practicable prior to the start of each Timetable Planning Process of each Infrastructure Manager during the Concession Period, RfL shall provide to the Operator:
- 3.6.1 its Service Level Commitment for the Timetable to which such Timetable Planning Period relates;
 - 3.6.2 its requirements for the operation of any Passenger Services in relation to Special Events;
 - 3.6.3 its opinion of any changes that it reasonably considers are required to the existing or proposed Train Plan for the Timetable to which such Timetable Planning Period relates to optimise the deployment of the Train Fleet to best meet Actual Passenger Demand; and
 - 3.6.4 its opinion of any changes that are required to the Operating Performance Thresholds in order to hold constant the risk of the Operator performing worse than the Operating Performance Thresholds, provided that no such opinion shall be required in relation to the issue of SLC2 as the Operating Performance Thresholds shall not change in connection therewith.
- 3.7 If and to the extent that the Operator reasonably considers that any Service Level Commitment issued by RfL pursuant to paragraph 3.6 (*Service Level Development – Operator Right to Propose Changes to the Service Level Commitment*) contains insufficient information to enable it to perform its obligations under this Schedule 1.1 (*Timetable and Service Development*), it shall promptly notify RfL and RfL shall provide such further information as is reasonably required as soon as reasonably practicable thereafter.
- 3.8 As soon as reasonably practicable following receipt of RfL's Service Level Commitment in accordance with paragraph 3.6 (*Service Level Development – Operator Right to Propose Changes to the Service Level Commitment*) and in any event no later than sixty (60) Business Days before the start of each Timetable Planning Process of each Infrastructure Manager during the Concession Period, the Operator shall submit to RfL its informed opinion of the Service Level Commitment and recommendations thereon, taking into account:
- 3.8.1 the matters referred to in paragraph 5.1 (*Operator's Passenger Service Development Opinions - Requirements of Opinion*);

- 3.8.2 Actual Passenger Demand as calculated in accordance with paragraph 6.1 (*Passenger Numbers Information*);
- 3.8.3 the information to be provided in accordance with paragraph 7.1 (*Timetable, Train Plan and Performance Thresholds Consultation*);
- 3.8.4 any impact the operation of such Service Level Commitment may have on other users of the railway;
- 3.8.5 feedback from consultation with Stakeholders in accordance with paragraph 7.2 (*Timetable, Train Plan and Performance Thresholds Consultation*);
- 3.8.6 such feedback as the Operator has received from passengers in respect of the then current Timetable;
- 3.8.7 any notifications received from Infrastructure Managers in accordance with paragraph 8.3 (*Timetable Development Rights during a Timetable Planning Period - Notice of Infrastructure Manager Proposals*) to the extent that the same may impact on the Operator's ability to meet the proposed Service Level Commitment;
- 3.8.8 such changes as the Operator (acting reasonably, proactively and in its capacity as an experienced operator of passenger services equivalent to the Passenger Services) believes should be made to the Service Level Commitment either to:
 - (a) improve the Operator's performance and resilience in meeting the requirements of the Service Level Commitment and/or
 - (b) better meet the needs of passengers; and/or
 - (c) take into account such other matters as the Operator (in its informed opinion) believes would or would reasonably be impacted by that Service Level Commitment.
- 3.9 As soon as reasonably practicable following of receipt of the Operator's response in accordance with paragraph 3.8 (*Service Level Development – Operator Right to Propose Changes to the Service Level Commitment*), RfL and the Operator shall meet to discuss and consider the same and any potential changes to the Service Level Commitment.
- 3.10 As soon as reasonably practicable following the meeting pursuant to paragraph 3.9 (*Service Level Development – Operator Right to Propose Changes to the Service Level Commitment*) and in any event no later than ten (10) Business Days before the Priority Date for the Timetable Planning Period, RfL shall issue the Service Level Commitment that it requires the Operator to operate, such version to be (without prejudice to paragraph 9.4 (*Certification and Notification by the Operator of Timetable Bids*)) the applicable Service Level Commitment for the purposes of the remainder of this Schedule 1.1 (*Timetable and Service Development*) unless and until

revised in accordance with paragraph 8.13 (*Timetable Development Rights during a Timetable Planning Period - Issuing a Revised Service Level Commitment*).

Changes to Operating Performance Thresholds

3.11 Following the issue of RfL's required Service Level Commitment in accordance with paragraph 3.10 (*Service Level Development – Operator Right to Propose Changes to the Service Level Commitment*), RfL shall inform the Operator of the changes (if any) to the Operating Performance Thresholds that are to be made in order to hold constant the Operator's ability to perform in respect of the Operating Performance Thresholds and:

3.11.1 a Change shall occur; and

3.11.2 the parties shall make those changes to the Operating Performance Thresholds,

provided that no such Change shall occur, and no change shall be made to the Operating Performance Thresholds, in relation to the issue of SLC2.

4 Procedure

4.1 Without prejudice to paragraph 3 (*Service Level Development*), the Operator agrees that the effective operation of the remaining provisions of this Schedule 1.1 (*Timetable And Service Development*) and of provisions addressing the same or similar matters in other concession agreements for the provision of railway passenger services and other agreements for the procurement of public transport services, in each case to which RfL may be a party, or franchise agreements (as defined in section 23(3) of the Act and including any national rail contract or equivalent) entered into by the Secretary of State, will require certain procedural arrangements and timescales to be followed to a common timescale by RfL, the Operator and others.

4.2 The Operator agrees that RfL may stipulate any reasonable procedural arrangements and timescales that are to be followed by RfL and the Operator for these purposes (which shall be consistent with any relevant standard railway industry processes for timetable development) and that RfL may amend any such stipulation.

4.3 RfL agrees to consult the Operator as far as reasonably practicable prior to stipulating or amending any such procedural arrangements and timescales in accordance with paragraph 4.2 (*Procedure*).

4.4 Any stipulation by RfL pursuant to paragraph 4.2 (*Procedure*):

4.4.1 shall be at the reasonable discretion of RfL;

4.4.2 may contain procedural arrangements and timescales to be followed by the Operator in relation to other changes to the Concession Services (pursuant to paragraph 1 (*Variations to this Agreement*) of

Schedule 13.4 (*Variations*)) in conjunction with a Service Level Commitment; and

- 4.4.3 may provide for iterations of drafts of any Service Level Commitment, Train Plan or Timetable and for indicative Runs of the Model Suite in relation thereto.

5 **Operator's Passenger Service Development Opinions**

Requirements of Opinion

- 5.1 As and when required by RfL and within such timescales as RfL (acting reasonably) may specify, the Operator shall provide to RfL:
- 5.1.1 its informed opinion as to any changes to the Service Level Commitment which:
- (a) should be made in order to deliver an optimal range of railway passenger service patterns relative to Actual Passenger Demand; and
 - (b) could be implemented and operated without additional resources or an adjustment to the Concession Payments;
- 5.1.2 its informed opinion as to any changes to the Service Level Commitment which:
- (a) would deliver an optimal range of railway passenger service patterns in accordance with paragraph 5.1.1(a) (*Operator's Passenger Service Development Opinions – Requirements of Opinion*); and
 - (b) could only be implemented and operated with additional resources and/or an adjustment to the Concession Payments, together with an explanation as to:
 - (i) what additional resources and/or adjustments are necessary to make such changes; and
 - (ii) why such additional resources and/or adjustments are necessary;
- 5.1.3 its informed opinion as to any changes that RfL ought to make to the Operating Performance Thresholds in order to hold constant the Operator's ability to perform in respect of the Operating Performance Thresholds, provided that no such opinion shall be required in relation to the issue of SLC2 as the Operating Performance Thresholds shall not change in connection therewith; and
- 5.1.4 a draft of the Train Plan that it considers that each set of proposed changes would require.

Considerations

5.2 The Operator shall:

5.2.1 provide its opinion as to Service Level Commitment changes; and

5.2.2 prepare its draft Train Plan,

each with due regard to:

(a) the additional factors set out in the Appendix (*Passenger Service Development Additional Factors*) to this Schedule 1.1 (*Timetable and Service Development*); and

(b) any other constraints or considerations (including affordability constraints and value for money considerations) that RfL has notified to it.

Planning to Operate the Train Plan in the Peak

5.3 The Operator shall prepare its Train Plan so as to operate the Train Fleet in delivering Passenger Services during each Peak, save for any reasonable planning requirements for:

5.3.1 the allocation of Operational Spare Units; and

5.3.2 other rolling stock vehicles to be out of service due to maintenance requirements, Mandatory Modifications or any other reasons agreed with RfL (such agreement not to be unreasonably withheld).

Proposals to Address Shortfalls in Capacity

5.4 Without prejudice to paragraph 3.6 (*Service Level Development – Operator Right to Propose Changes to the Service Level Commitment*), as soon as reasonably practicable following the Operator becoming aware of any shortfall in capacity to address Actual Passenger Demand, the Operator shall propose to RfL:

5.4.1 such changes as the Operator reasonably believes are necessary to the Service Level Commitment; and/or

5.4.2 any other actions,

that it considers would most efficiently address the same.

5.5 As soon as reasonably practicable following receipt of the Operator's notice in accordance with paragraph 5.4 (*Operator's Passenger Service Development Opinions – Proposals to Address Shortfalls in Capacity*), RfL and the Operator shall meet to discuss and consider the same and (where applicable) any potential changes to the Service Level Commitment.

5.6 As soon as reasonably practicable following any meeting of RfL and the Operator pursuant to paragraph 5.5 (*Operator's Passenger Service*

Development Opinions – Proposals to Address Shortfalls in Capacity), RfL shall issue such changes (if any) as it believes are reasonably required to the Service Level Commitment. The issue of any such changes by RfL shall be without prejudice to the requirement for the Operator to comply with the provisions of this Schedule 1 (*Passenger Service Obligations*). At the next possible opportunity, the Operator use all reasonable endeavours to plan to operate the full Service Level Commitment (prior to RfL issuing such changes).

6 **Passenger Numbers Information**

- 6.1 The Operator shall, as and when reasonably requested by RfL, assist RfL to determine Actual Passenger Demand by:
 - 6.1.1 in the case of automatic passenger counts, cooperating with RfL and the Rolling Stock Provider in the carrying out of automatic passenger counts by making the Units accessible to RfL and the Rolling Stock Provider on reasonable notice in order that the automatic passenger counts may be downloaded and assisting them in the collation of data; and/or
 - 6.1.2 carrying out such manual passenger counts as RfL may require in relation to the Units and assisting RfL in the collation of data. Where RfL requires the Operator to undertake any manual passenger count in accordance with this paragraph 6.1.2 (*Passenger Numbers Information*) then RfL shall pay to the Operator an amount equal to the Operator's reasonable costs of undertaking the same subject to the Operator's provision of supporting evidence (to RfL's reasonable satisfaction) of such costs being incurred and the quantum of such costs. RfL shall make such payment as an Other Adjustment as part of the Concession Payment due immediately following receipt of such satisfactory supporting evidence.
- 6.2 The information specified in paragraph 6.1 (*Passenger Numbers Information*) shall be provided by the Operator:
 - 6.2.1 in such format and to such level of disaggregation as RfL may reasonably require in order to assist RfL's decision-making on future service level commitments, infrastructure, station and rolling stock vehicle investment, the best use of the network and the alleviation of overcrowding; and
 - 6.2.2 within fourteen (14) days of any request by RfL pursuant to paragraph 6.1 (*Passenger Numbers Information*).
- 6.3 RfL shall within one (1) Reporting Period notify the Operator of Actual Passenger Demand following its most recent determination.

7 Timetable, Train Plan and Performance Thresholds Consultation

- 7.1 The Operator shall, as and when required pursuant to paragraph 3.8 (*Service Level Development – Operator Right to Propose Changes to the Service Level Commitment*), or paragraph 4.2 (*Procedure*), provide RfL with:
- 7.1.1 a summary (in such form as RfL may specify) of any material changes that it would expect there to be to the Passenger Services from the current Timetable if RfL's Service Level Commitment and the Operator's proposed Train Plan for that Service Level Commitment were implemented; and
 - 7.1.2 its opinion of any changes that are required to the Operating Performance Thresholds in order to hold constant the Operator's ability to perform in respect of the Operating Performance Thresholds, provided that no such opinion shall be required in relation to the issue of SLC2 as the Operating Performance Thresholds shall not change in connection therewith.
- 7.2 The Operator shall provide all reasonable assistance to RfL in consulting Stakeholders in relation to any Service Level Commitment issued by RfL pursuant to paragraph 3 (*Service Level Development*), including:
- 7.2.1 as and when required by RfL, attending any consultation meetings with Stakeholders;
 - 7.2.2 promptly forwarding to RfL any correspondence the Operator has received from those Stakeholders in relation to that draft Service Level Commitment;
 - 7.2.3 as and when required by RfL, assisting RfL in relation to any enquiries made by Stakeholders in relation to that draft Service Level Commitment by providing information in order that RfL may respond to those enquiries; and
 - 7.2.4 as and when required by RfL, informing RfL of any material changes that the Operator would expect to make to such draft Service Level Commitment if the views of those Stakeholders were accommodated.

8 Timetable Development Rights during a Timetable Planning Period

Securing Timetable Development Rights

- 8.1 The Operator shall use all reasonable endeavours to amend and/or enter into such Access Agreements as may be necessary or desirable from time to time to obtain the timetable development rights that it requires to secure a Timetable that enables it to operate railway passenger services that comply with the Service Level Commitment.

Exercising Timetable Development Rights

- 8.2 The Operator shall exercise its Timetable Development Rights during any Timetable Planning Period so as to secure a Timetable that enables it to operate railway passenger services that comply with the Service Level Commitment in accordance with its obligations under paragraph 10 (*Obligations in Relation to Other Train Operators*).

Notice of Infrastructure Manager Proposals

- 8.3 The Operator shall notify RfL soon as reasonably practicable (and in any event within one (1) Reporting Period) after receiving any notification from any Infrastructure Manager (including pursuant to Part D or Part G of the Network Code or their equivalents in any other Relevant Network Code) during any Timetable Planning Period of any proposal to implement works during the term of the next Timetable which would require a Restriction of Use, or a programme of co-ordinated Restrictions of Use (including as a result of a Network Change and an extended programme of Restrictions of Use that is the subject of a Possessions Strategy Notice) or to change the Rules which would, in each case:
- 8.3.1 prevent any Passenger Service specified in the Service Level Commitment to be included in that Timetable; or
 - 8.3.2 require the rescheduling of any Passenger Service specified in the Service Level Commitment to be included in that Timetable.
- 8.4 The Operator shall explain in any notification it provides pursuant to paragraph 8.3 (*Timetable Development Rights during a Timetable Planning Period – Notice of Infrastructure Manager Proposals*) the way in which, in its opinion, any omission or rescheduling of any Passenger Service or change in the Rules will impact its ability to deliver the Timetable Requirements.
- 8.5 The Operator agrees to promptly supply to RfL upon request:
- 8.5.1 such details as RfL may reasonably require in the format required by RfL, of any proposed omission or rescheduling of Passenger Services or any change in the Rules, in each case made by any Infrastructure Manager; and
 - 8.5.2 copies of any notices, correspondence or other information exchanged between the relevant Infrastructure Manager and the Operator in respect of those matters.

Consultation

- 8.6 As soon as reasonably practicable after notifying RfL in accordance with paragraph 8.3 (*Timetable Development Rights during a Timetable Planning Period – Notice of Infrastructure Manager Proposals*), the Operator shall fully consult RfL for a reasonable period of time, providing RfL with its informed opinion of:

- 8.6.1 the likely impacts on the Passenger Services;
- 8.6.2 the likely impact on passengers (including passengers using other Passenger Services);
- 8.6.3 any additional measures that the Operator will need to put in place (including the requirement for alternative bus services and/or licensed taxi services) in connection therewith;
- 8.6.4 the Operator's estimate of the costs of putting in place and operating the additional measures contemplated by paragraph 8.6.3 (*Timetable Development Rights during a Timetable Planning Period – Consultation*) and the extent to which those costs will be recoverable in whole or in part from the relevant Infrastructure Manager; and
- 8.6.5 the basis on which a submission or counter-proposal could be made to the relevant Infrastructure Manager which would, as appropriate, avoid the omission or rescheduling of any Passenger Services that are specified in the Service Level Commitment or otherwise minimise the impacts on the Passenger Services of that Restriction of Use, programme or change in the Rules.

Counter Proposals

- 8.7 At any time during the consultation period referred to in paragraph 8.6 (*Timetable Development Rights during a Timetable Planning Period – Consultation*), RfL may direct the Operator to exercise its Timetable Development Rights to make a submission or counter-proposal to the relevant Infrastructure Manager with the purpose of seeking to:
 - 8.7.1 avoid the omission or rescheduling of any Passenger Services that are specified in the Service Level Commitment; or
 - 8.7.2 where those Timetable Development Rights do not allow for this, minimise the impacts of the relevant Restriction of Use, co-ordinated programme of Restrictions of Use or change in Rules notified pursuant to paragraph 8.3 (*Timetable Development Rights during a Timetable Planning Period – Notice of Infrastructure Manager Proposals*) and securing the optimum level, frequency, maximum journey times and stopping patterns of Passenger Services in the Timetable.
- 8.8 Where RfL directs the Operator to exercise its Timetable Development Rights to make a submission or counter-proposal pursuant to paragraph 8.7 (*Timetable Development Rights during a Timetable Planning Period – Counter Proposals*), the Operator shall exercise those Timetable Development Rights to make that submission or counter-proposal to the relevant Infrastructure Manager as soon as reasonably practicable thereafter and in any event within the timescales prescribed under the Relevant Network Code.

- 8.9 Where any Infrastructure Manager makes a decision to vary the Working Timetable, or issue a Possessions Strategy Notice, in each case which requires any Restriction of Use, or to change the Rules, that in each case is inconsistent with any submission or counter-proposal made by the Operator pursuant to paragraph 8.8 (*Timetable Development Rights during a Timetable Planning Period – Counter Proposals*), then the Operator shall notify RfL, including providing RfL with any written reasons for that rejection received from that Infrastructure Manager, as soon as reasonably practicable after such rejection (and in any event at within two (2) Business Days following receipt of such rejection) and RfL shall respond as soon as reasonably practicable and in any event prior to the expiry of the timescales prescribed under the Relevant Network Code for challenging such a decision of that Infrastructure Manager.

Appeals

- 8.10 Where an Infrastructure Manager's decision to vary the Working Timetable including by issuing a Possessions Strategy Notice or to change the Rules would, in each case, cause the omission or rescheduling of Passenger Services that are included in the Service Level Commitment:

8.10.1 RfL may, within the timescales permitted under the Relevant Network Code, require the Operator to appeal that variation or change in the Rules in accordance with the terms of the Relevant Network Code (including submitting its objection to any relevant dispute resolution arrangements or procedures and appealing against any award or determination under such arrangements or procedures, including to the ORR where relevant); and

8.10.2 the Operator shall duly appeal that variation in accordance with any such direction and the terms of the Relevant Network Code,

and for the purposes of this paragraph 8.10 (*Timetable Development Rights during a Timetable Planning Period – Appeals*), "**appeal**" includes having recourse to any formal appeal mechanism set out in the Relevant Network Code and/or any other applicable dispute resolution forum such as any relevant set of access dispute resolution rules incorporated into the Relevant Network Code. The Operator shall promptly (and in any event within two (2) Business Days) notify RfL of any updates or developments relating to such appeal and (when such appeal is finally determined or otherwise concluded) the outcome of such appeal.

No Liability

- 8.11 Subject to the Operator complying with its obligations under this paragraph 8 (*Timetable Development Rights during a Timetable Planning Period*), it shall not be liable for any failure to secure a Timetable that enables the Operator to operate railway passenger services that comply with the Service Level Commitment, to the extent that such failure is caused by:

8.11.1 the Operator's Timetable Development Rights being inadequate to enable it to secure the requisite Train Slots, provided that the

Operator has used all reasonable endeavours to obtain the requisite timetable development rights in accordance with paragraph 8.1 (*Timetable Development Rights during a Timetable Planning Period – Securing Timetable Development Rights*);

- 8.11.2 any Infrastructure Manager exercising its flexing rights from time to time under the relevant Track Access Agreement including under the Relevant Network Code in respect of such Train Slots;
 - 8.11.3 any Infrastructure Manager exercising its other rights from time to time under the relevant Track Access Agreement including under the Relevant Network Code; or
 - 8.11.4 the exercise by the ORR of its powers pursuant to Section 22C of the Act.
- 8.12 RfL shall, to the extent reasonably practicable, allow the Operator a reasonable opportunity to make representations to it concerning the exercise by the Operator of any of its rights referred to in this paragraph 8 (*Timetable Development Rights during a Timetable Planning Period*) before requiring the Operator to take any action referred to in this paragraph 8 (*Timetable Development Rights during a Timetable Planning Period*).

Issuing a Revised Service Level Commitment

- 8.13 If and to the extent that the Operator is not able to secure a Timetable enabling it to operate railway passenger services that comply with the Service Level Commitment as a result of it not being able to obtain the timetable development rights that it requires for that purpose, RfL shall issue to the Operator a Service Level Commitment in a form required by paragraph 8.13.1 (*Timetable Development Rights during a Timetable Planning Period – Issuing a Revised Service Level Commitment*), which shall operate between the parties only for the purpose referred to in paragraph 8.13.2 (*Timetable Development Rights during a Timetable Planning Period – Issuing a Revised Service Level Commitment*):
- 8.13.1 the Service Level Commitment issued pursuant to this paragraph 8.13 (*Timetable Development Rights during a Timetable Planning Period – Issuing a Revised Service Level Commitment*) shall be in a form that:
- (a) would enable the Operator to secure a Timetable in compliance with it by exercise of the Timetable Development Rights that the Operator does have or would have had the Operator properly performed its obligations under this Agreement; and
 - (b) in all other respects, is the same as the immediately preceding Service Level Commitment issued to the Operator by RfL; and

- 8.13.2 any Service Level Commitment issued pursuant to this paragraph 8.13 (*Timetable Development Rights during a Timetable Planning Period – Issuing a Revised Service Level Commitment*) shall, for the purpose of Schedule 13 (*Changes and Variations*) only, stand in place of the immediately preceding Service Level Commitment issued to the Operator by RfL.

Proposals Made by Third Parties

- 8.14 The provisions of this paragraph 8 (*Timetable Development Rights during a Timetable Planning Period*) shall also apply to any omission or rescheduling of Passenger Services that originates from any person other than any Infrastructure Manager, as those provisions apply to that person.

Changes to the Timetable Planning Period

- 8.15 The parties acknowledge and agree that:
- 8.15.1 as at the date of this Agreement, there is an aspiration for the railway industry to move towards there being more than two (2) Passenger Change Dates each year (and accordingly there being more than two (2) opportunities each year to make significant changes to the Timetable in accordance with the Relevant Network Code); and
- 8.15.2 during the Concession Period, there may be more than two (2) Timetable Planning Periods per year.

If there are any more than (2) Passenger Change Dates or any more than (2) Timetable Planning Periods in any year:

- (a) the Operator shall comply with its obligations in this Agreement in relation to each such Passenger Change Date and corresponding Timetable Planning Period; and
- (b) this shall not constitute a Change under this Agreement and the Operator shall not be entitled to any further payment in respect of the same.

9 **Certification and Notification by the Operator of Timetable Bids**

- 9.1 No later than eight (8) weeks immediately following the Priority Date in respect of each Passenger Change Date, the Operator shall submit the following information to RfL in relation to its proposed submissions to each Infrastructure Manager in respect of the immediately succeeding Priority Date:
- 9.1.1 the Operator's proposed submission to each Infrastructure Manager in respect of the Timetable to take effect on the Passenger Change Date to which the Priority Date applies, and its compliance with the applicable Service Level Commitment;

- 9.1.2 details of the Operator's proposals for any changes to the Timetable with effect from the Passenger Change Date to which the Priority Date applies and its rationale for such proposals;
- 9.1.3 the Operator's informed view of the impact of any changes to the Timetable with effect from the Passenger Change Date to which the Priority Date applies;
- 9.1.4 any recommendations the Operator has to optimise the relevant submission and any proposed changes to the Timetable with effect from the Passenger Change Date to which the Priority Date applies for RfL to consider (in RfL's absolute discretion),

and RfL and the Operator (each acting reasonably) shall seek to agree the proposed submission to each Infrastructure Manager at least four (4) weeks prior to the relevant Priority Date.

- 9.2 Before exercising any Timetable Development Right to bid for Train Slots, the Operator shall provide a certificate addressed to RfL:

- 9.2.1 confirming that its proposed exercise of that Timetable Development Right will be compliant with its obligation specified in paragraph 8.2 (*Timetable Development Rights during a Timetable Planning Period - Exercising Timetable Development Rights*); or

- 9.2.2 identifying:

- (a) where the Operator's proposed exercise of that Timetable Development Right will not be compliant with its obligation specified in paragraph 8.2 (*Timetable Development Rights during a Timetable Planning Period - Exercising Timetable Development Rights*); and
- (b) specifying what the Operator will do to ensure compliance with its obligation specified in paragraph 8.2 (*Timetable Development Rights during a Timetable Planning Period - Exercising Timetable Development Rights*) during the next Timetable Planning Period.

- 9.3 If requested by RfL, the Operator agrees to demonstrate to the reasonable satisfaction of RfL that the Operator's certificate referred to in paragraph 9.2 (*Certification and Notification by the Operator of Timetable Bids*) is a true and accurate confirmation of compliance with its obligation specified in paragraph 8.2 (*Timetable Development Rights during a Timetable Planning Period - Exercising Timetable Development Rights*). RfL agrees that the certificate will be acceptable if:

- 9.3.1 such certificate confirms that the Operator has used timetable assurance processes approved by RfL; and
- 9.3.2 the Operator has demonstrated its compliance with the Service Level Commitment by using such assurance processes.

- 9.4 Where the Operator issues a certificate in accordance with paragraph 9.2.2 (*Certification and Notification by the Operator of Timetable Bids*), then RfL shall not be required to issue a revised Service Level Commitment (and RfL may, in its absolute discretion, issue a derogation in respect of such Service Level Commitment) and:
- 9.4.1 the Operator shall promptly pay to RfL by way of an Other Adjustment an amount that is equal to the net savings that the Operator makes as a direct or indirect result of the Operator's proposed exercise of that Timetable Development Right not being compliant with its obligation specified in paragraph 8.2 (*Timetable Development Rights during a Timetable Planning Period - Exercising Timetable Development Rights*);
 - 9.4.2 where paragraph 9.4.1 (*Certification and Notification by the Operator of Timetable Bids*) applies, the Operator shall provide evidence to RfL on a transparent basis which demonstrates to RfL's reasonable satisfaction the amount of savings that the Operator makes as a direct or indirect result of the Operator's proposed exercise of that Timetable Development Right not being compliant with its obligation specified in paragraph 8.2 (*Timetable Development Rights during a Timetable Planning Period - Exercising Timetable Development Rights*); and
 - 9.4.3 in respect of any changes to the Operating Performance Thresholds that are to be made in order to hold constant the Operator's ability to perform in respect of the Operating Performance Thresholds, the parties shall make those changes to the Operating Performance Thresholds.

10 **Obligations in Relation to Other Train Operators**

- 10.1 Subject to the terms of the Licences and any applicable Law, the Operator shall co-operate with other Train Operators in respect of their timetable development rights where such other Train Operators provide railway passenger services meeting common or displaced passenger demand, with a view to ensuring that:
- 10.1.1 the levels of overcrowding over the Elizabeth Line Route or other relevant routes are minimised and not unduly concentrated on particular railway passenger services, particular sections of the Elizabeth Line Route or other relevant routes;
 - 10.1.2 the stopping patterns of such railway passenger services are placed at approximately evenly-spaced intervals throughout each relevant hour, taking into account the reasonable needs of passengers and the different types of railway passenger services provided by other Train Operators and the Operator; and
 - 10.1.3 a reasonable pattern of railway passenger service is provided on the relevant route to enable passengers to make Connections

(particularly where low frequency railway passenger services are operated or Last Trains are involved, taking account of seasonal fluctuations in passenger demand and the time needed to make any such Connection).

11 **Finalising the Train Plan**

- 11.1 The Operator shall submit its Train Plan to RfL as soon as reasonably practicable (and in any event within one (1) Reporting Period) after each Infrastructure Manager has published its Working Timetable on which the relevant part of the Timetable is to be based.
- 11.2 RfL may notify the Operator of:
 - 11.2.1 any respect in which it considers that the Train Plan does not comply with the requirements of this Schedule 1.1 (*Timetable and Service Development*); and
 - 11.2.2 any revisions that it requires to address such non-compliance, and the Operator shall revise the Train Plan in accordance with RfL's requirements.
- 11.3 If the Operator considers that any of the revisions that RfL requires pursuant to paragraph 11.2.2 (*Finalising the Train Plan*) are not required for the Train Plan to comply with this Schedule 1.1 (*Timetable and Service Development*), then:
 - 11.3.1 it shall nevertheless make such revisions;
 - 11.3.2 it may subsequently refer the question as to whether such revisions were so required for resolution in accordance with such dispute resolution procedure as the parties may agree or, in the absence of agreement, in accordance with the Dispute Resolution Rules; and
 - 11.3.3 following determination of any such dispute, the parties shall take such steps as are required to give effect to such determination.

12 **Provisions relating to Access Agreements and Property Leases**

- 12.1 Where RfL considers it requisite for the purposes of better securing the delivery of railway passenger services under this Agreement, or any other agreement to which RfL may be a party for the procurement of public transport services, or for the better achievement by it of any of its or any member of the TfL Group's respective duties, functions and powers in relation to railways, RfL may require the Operator:
 - 12.1.1 to exercise or refrain from exercising any or all of its rights under any Access Agreement or any Property Lease, or any related rights under such other agreements as RfL may specify; and/or

- 12.1.2 subject to the consent of the counterparty thereto, to assign, novate or surrender its rights under any Access Agreement or Property Lease.
- 12.2 Except to the extent that RfL otherwise indicates from time to time, the Operator shall notify RfL of its intention to enter into or amend any Access Agreement:
 - 12.2.1 where the approval of the ORR is required under the Act, not less than ten (10) Business Days before the submission to the ORR; and
 - 12.2.2 where no such approval is required, not less than ten (10) Business Days prior to entering into such amendment or Access Agreement.
- 12.3 The Operator shall comply with its obligations under any Access Agreement or any Property Lease to which it is a party from time to time:
 - 12.3.1 to notify or consult with RfL on any matter or proposal relating to that Access Agreement or Property Lease; and
 - 12.3.2 which are contingent on a particular course of action being taken by RfL or which are otherwise expressly included in that Access Agreement or Property Lease for the benefit of RfL.
- 12.4 If and to the extent that:
 - 12.4.1 RfL exercises its rights pursuant to paragraph 12.1 (*Provisions relating to Access Agreements and Property Leases*);
 - 12.4.2 the Operator's compliance with RfL's requirements pursuant to paragraph 12.1 (*Provisions relating to Access Agreements and Property Leases*) would lead to the unavoidable consequence of the Operator contravening any other term of this Agreement or the occurrence of an Event of Default; and
 - 12.4.3 the Operator duly complies with such requirements,no such contravention of this Agreement or Event of Default shall have occurred.

13 **RfL's Statement of Service Level Commitment Changes**

Any requirement for RfL to issue a Service Level Commitment may be satisfied by it issuing a draft or final statement of how the existing Service Level Commitment is to be changed.

14 **The Timetable and the Working Timetable**

- 14.1 Any specification of railway passenger services in a Service Level Commitment shall (unless RfL states to the contrary) be regarded as relating to how those services are to be provided for in the National Rail Timetable that Network Rail publishes for passengers (and which may include Network Rail publishing on behalf of other relevant Infrastructure Managers), and not

how they are to be provided for in the Working Timetables that the Infrastructure Managers issue to industry parties at the conclusion of their timetable development process.

- 14.2 Accordingly, the Operator's obligations specified in paragraph 8.2 (*Timetable Development Rights during a Timetable Planning Period - Exercising Timetable Development Rights*) shall be construed as an obligation to secure the requisite Train Slots in the Working Timetable to be issued by the relevant Infrastructure Manager (or Network Rail on behalf of such Infrastructure Manager) at the conclusion of its timetable development process that will permit the Operator to operate railway passenger services that comply with the Service Level Commitment provided for in the relevant Timetable.
- 14.3 The Operator shall ensure, for each period between two (2) consecutive Passenger Change Dates during the Concession Period, that the Timetable for such period is not materially different from the relevant Working Timetable issued by the relevant Infrastructure Manager at the conclusion of its timetable development process.

Appendix to Schedule 1.1
Passenger Service Development Additional Factors

- 1 The Operator, in formulating its service development opinion pursuant to paragraph 5.1 (*Operator's Passenger Service Development Opinions – Requirements of Opinion*) of Schedule 1.1 (*Timetable and Service Development*), in addition to having regard to the Mayor of London's transport strategy, any such other strategic documents issued by any relevant Infrastructure Manager from time to time, Network Rail's document 'Delivering A Better Railway For A Better Britain – Network Specification 2018 Western' and the opinions of any Stakeholder or other relevant person and any other constraints or considerations notified to it pursuant to paragraph 5.2.2(b) (*Operator's Passenger Service Development Opinions – Considerations*) of Schedule 1.1 (*Timetable and Service Development*), shall also have regard to:
 - 1.1 Actual Passenger Demand;
 - 1.2 the revenue and cost consequences of operating railway passenger services on the Elizabeth Line Route;
 - 1.3 opportunities to reduce the incidence of disruption caused by the Operator, any Infrastructure Manager, other Train Operators, freight operators and/or other industry parties;
 - 1.4 operating constraints and measures that might be taken to address such constraints;
 - 1.5 service calling patterns and journey times;
 - 1.6 changes in circumstances local to the stations at which the Passenger Services call which may affect Actual Passenger Demand;
 - 1.7 the effect of the Service Level Commitment on the railway passenger services operated by other Train Operators and/or freight operators;
 - 1.8 interchange and inter modal opportunities;
 - 1.9 Stakeholder aspirations (including such aspirations as are expressed or are likely to be expressed in any "**Local Transport Plans**");
 - 1.10 the long-term interests of passengers in using railway passenger services on the Elizabeth Line Route, and for the purposes of this paragraph 1.10, the Operator shall have regard to this additional factor as if it operated the Passenger Services in perpetuity, and not for the Concession Period only;
 - 1.11 the likelihood of Special Events generating sufficient passenger demand to support the provision of railway passenger services by the Operator to or from such Special Events;
 - 1.12 the impact of extended Restrictions of Use extending or other Restrictions of Use that may affect Actual Passenger Demand; and
 - 1.13 such other matters as RfL may notify to the Operator from time to time.

Schedule 1.2
Passenger Service Operating Obligations

1 Daily Operating Obligation

Obligation to Operate the Applicable Timetable

- 1.1 The Operator agrees to use all reasonable endeavours to operate on each day of the Concession Period those of its Passenger Services as are set out in the Applicable Timetable for that day, with at least the passenger carrying capacity specified in the Train Plan.

Obligation to Deploy the Train Fleet

- 1.2 The Operator agrees to use all reasonable endeavours to operate during the Peak the Train Fleet in delivering the Peak Passenger Services save where appropriate, for:

- 1.2.1 the deployment of Operational Spare Units; and
- 1.2.2 other rolling stock vehicles to be out of service due to maintenance requirements, Mandatory Modifications or for any other reason agreed with RfL (such agreement not to be unreasonably withheld).

- 1.3 The Operator shall not remove any rolling stock vehicle from service with a view to distorting the results of any audit carried out pursuant to Schedule 8.1 (*KPI Regime*).

2 Meeting Passenger Demand

The Applicable Train Plan

- 2.1 References in this Schedule 1.2 (*Passenger Service Operating Obligations*) to the "**Train Plan**" are to the Train Plan as issued by the Operator to RfL pursuant to paragraph 2.2 (*Train Plan – Purpose and Responsibility*) of Schedule 1.1 (*Timetable and Service Development*), and as amended:

- 2.1.1 to comply with any requirements of RfL pursuant to paragraph 11.2 (*Finalising the Train Plan*) of Schedule 1.1 (*Timetable and Service Development*); or
- 2.1.2 pursuant to the remainder of this paragraph 2 (*Meeting Passenger Demand*).

Amendments to the Train Plan

- 2.2 The Operator shall use all reasonable endeavours to propose to RfL from time to time any amendments that it considers should be made to the Train Plan to better match the passenger carrying capacity of the Train Fleet to Actual Passenger Demand, having regard to:

- 2.2.1 any foreseeable differences that there may be between the Timetable and any Applicable Timetable;

- 2.2.2 any material alteration in Actual Passenger Demand, subsequent to the issue of the Train Plan, that is:
- (a) observable from the most recent determination of Actual Passenger Demand in accordance with paragraph 6 (*Passenger Numbers Information*) of Schedule 1.1 (*Timetable and Service Development*); and/or
 - (b) attributable to seasonal or exceptional factors; and
- 2.2.3 the Train Plan Parameters.
- 2.3 The Operator shall amend the Train Plan in accordance with RfL's response to its proposal.
- 2.4 Where there are unforeseeable short-notice factors or exceptional factors affecting passenger demand to which the Operator reasonably considers that it should respond before it is able to make a proposal to RfL in accordance with paragraph 2.1 (*Meeting Passenger Demand - The Applicable Train Plan*), it may amend the Train Plan prior to the submission of its proposal, but shall notify RfL as soon as reasonably practicable afterwards and shall subsequently amend the Train Plan in accordance with RfL's response to such amendment.
- 2.5 The obligation to use all reasonable endeavours to propose amendments to the Train Plan to better match the passenger carrying capacity of the Train Fleet to Actual Passenger Demand is an obligation to use all reasonable endeavours to propose amendments which would either:
- 2.5.1 provide for passenger carrying capacity on each Passenger Service that is at least equal to the Actual Passenger Demand for that Passenger Service; or
 - 2.5.2 provide the best allocation of rolling stock vehicles to Passenger Services that is reasonably practicable so as to:
 - (a) minimise the amount by which Actual Passenger Demand exceeds the provision of passenger carrying capacity on the affected Passenger Services; and
 - (b) ensure, so far as is possible, that the excess of Actual Passenger Demand is not unduly concentrated on any particular part of the Elizabeth Line Route or Passenger Service.
- 2.6 If RfL does not consider that the Operator has exercised all reasonable endeavours to make proposals as required by paragraph 2.2 (*Meeting Passenger Demand – Amendments to the Train Plan*), RfL may require the Operator to amend the Train Plan in accordance with its requirements.

3 **Obligation to use All Reasonable Endeavours**

All Reasonable Endeavours

3.1 Any obligation in this Schedule 1.2 (*Passenger Service Operating Obligations*) on the part of the Operator to use all reasonable endeavours to operate railway passenger services shall include an obligation to:

- 3.1.1 ensure the provision of the Passenger Services as set out in the Applicable Timetable in ordinary operating conditions;
- 3.1.2 take reasonable measures to avoid and/or reduce the impact of any disruption to the Concession Services having regard to all the circumstances and the requirements of Schedule 1.3 (*Managing Changes to the Passenger Services*), including the reasonably foreseeable risks arising from the matters referred to in paragraph 3.2 (*Obligation to use All Reasonable Endeavours - Considerations in the Management of Disruption*); and
- 3.1.3 actively manage the performance by the Infrastructure Managers of their respective contractual relationships with the Operator (and provide appropriate management resources for this purpose) so as to secure the best performance reasonably obtainable from the Infrastructure Managers by these means (including taking the steps referred to in paragraph 3.4 (*Obligation to use All Reasonable Endeavours - Active Management of Infrastructure Managers*)), having regard to all the circumstances,

and at all times to do so:

- (a) in collaboration with RfL, taking into account such comments as RfL may have in respect of the same; and
- (b) where requested by RfL, promptly providing RfL with its informed opinion of a relevant Infrastructure Manager's management of the relevant parts of the Elizabeth Line Route, including any such Infrastructure Manager's asset management plan, possessions strategy and specific Restrictions of Use of any part of the Elizabeth Line Route, any temporary speed restrictions and remote condition monitoring.

Considerations in the Management of Disruption

3.2 The matters to which the Operator is to have regard pursuant to paragraph 3.1.2 (*Obligation to use All Reasonable Endeavours - All Reasonable Endeavours*) shall include:

- 3.2.1 variations in weather and operating conditions (including any Infrastructure Manager's infrastructure not being available for any reason), which may in either case include seasonal variations;
- 3.2.2 default by, or restrictions imposed by, suppliers to the Operator;

- 3.2.3 shortages of appropriately skilled or qualified Concession Employees;
 - 3.2.4 disputes with Concession Employees;
 - 3.2.5 the availability of the Train Fleet, having regard to maintenance requirements and any Mandatory Modifications;
 - 3.2.6 the Train Plan Parameters;
 - 3.2.7 establishing reasonable Turnaround Period allowances for enabling or disabling (as appropriate) any part of a train, the rostering of any train crew and the servicing or cleaning of any rolling stock vehicles consistently with the requirements of the KPI Regime; and
 - 3.2.8 failures of rolling stock vehicles in service and contingency arrangements (including Operational Spare Units and rescue traction).
- 3.3 For the purpose of taking measures in respect of any disruption to the Concession Services in accordance with paragraph 3.1.2 (*Obligation to use All Reasonable Endeavours - All Reasonable Endeavours*) and assessing the extent of any risk referred to in paragraph 3.1.2 (*Obligation to use All Reasonable Endeavours - All Reasonable Endeavours*) and any such risk's reasonable foreseeability, regard shall be had both:
- 3.3.1 to the historical levels of incidence of disruption in the operation of:
 - (a) the Concession Services;
 - (b) similar services both by the Operator and/or its predecessors; and
 - (c) other services of a type similar to the Concession Services; and
 - 3.3.2 to potential changes in circumstances which may affect those levels.

Active Management of Infrastructure Managers

- 3.4 The steps to which paragraph 3.1.3 (*Obligation to use All Reasonable Endeavours - All Reasonable Endeavours*) refers include:
- 3.4.1 co-operating with Infrastructure Managers in the development, agreement and implementation of:
 - (a) Joint Performance Improvement Plans; and
 - (b) recovery plans in response to failures to achieve the performance levels specified in any Joint Performance Improvement Plans,

and the Operator shall promptly provide copies of any such Joint Improvement Plans and recovery plans to RfL as and when the same are developed and take into account any comments that RfL may have in respect of the same;

3.4.2 co-operating with any Infrastructure Manager in adopting the principles set out in any Service Recovery Plans agreed between that Infrastructure Manager and the Operator from time to time and the Operator shall promptly provide copies of any such Service Recovery Plans to RfL as and when the same are developed and take into account any comments that RfL may have in respect of the same;

3.4.3 undertaking a weekly review (to which the Operator shall invite RfL and, if RfL accepts such invitation, procure such RfL representatives are permitted to attend such weekly review) of:

- (a) the ten (10) most common causes of Delay Incidents, Headway Incidents and other disruption to the Passenger Services; and
- (b) the ten (10) causes of delay to the Passenger Services with the longest duration (to the extent not already reviewed in accordance with paragraph 3.4.3(a) (*Obligation to use All Reasonable Endeavours - Active Management of Infrastructure Managers*)),

which have occurred during that week and which have been caused by the Operator, any other Train Operator or the relevant Infrastructure Manager and notifying RfL of the findings of such review promptly and in any event by the end of the following week;

3.4.4 undertaking with each Infrastructure Manager a review (to which the Operator shall invite RfL) of the time taken to recover the Passenger Services following the occurrence of any of the events specified in paragraphs 3.4.3(a) (*Obligation to use All Reasonable Endeavours - Active Management of Infrastructure Managers*) and 3.4.3(b) (*Obligation to use All Reasonable Endeavours - Active Management of Infrastructure Managers*) and seeking to identify and implement actions that reduce the delay effect of such events provided that the Operator shall:

- (a) consult RfL for a reasonable period prior to any such review; and
- (b) take into account RfL's comments in identifying and implementing such actions;

3.4.5 setting up and holding regular and effective performance review meetings with each Infrastructure Manager, evidenced by meeting minutes and the closure of actions agreed between the parties and

the Operator shall provide RfL with a copy of the minutes of any such meeting and the updated actions list as and when requested by RfL;

- 3.4.6 regularly monitoring (at least every Reporting Period) the delivery of local output commitments made by Infrastructure Managers and using reasonable endeavours to specify and develop such local output commitments subject to the Operator:
- (a) providing RfL with a copy of any report relating to such monitoring as and when requested by RfL provided that if such report identifies an adverse trend, then the Operator shall proactively provide RfL with a copy of the same and draw RfL's attention to such adverse trend; and
 - (b) taking into account RfL's comments when specifying, developing and agreeing local output commitments with each relevant Infrastructure Manager;
- 3.4.7 as and when required by each Infrastructure Manager, co-operating with that Infrastructure Manager in improving the accuracy of future timetables by providing access to trains, other facilities and/or information, provided that the Operator shall consult with RfL prior to any meeting or discussion with an Infrastructure Manager for this purpose and shall take RfL's comments into account when discussing and agreeing the same;
- 3.4.8 co-operating with each Infrastructure Manager in relation to other delay management initiatives, including the use of virtual general managers and, where appropriate, the establishment of integrated control centres, provided that the Operator shall consult with RfL prior to any meeting or discussion with an Infrastructure Manager for this purpose and shall take RfL's comments into account when discussing and agreeing the same with the applicable Infrastructure Manager;
- 3.4.9 regularly reviewing (at least every Reporting Period) the imposition and clearance of temporary speed restrictions and the Operator shall provide a report to RfL as and when requested by RfL provided that if such report identifies an adverse trend, then the Operator shall proactively provide RfL with a copy of the same and draw RfL's attention to such adverse trend;
- 3.4.10 regularly reviewing (at least every Reporting Period) the timely and efficient handover and hand-back of possessions provided that the Operator shall provide a report to RfL as and when requested by RfL provided that if such report identifies an adverse trend, then the Operator shall proactively provide RfL with a copy of the same and draw RfL's attention to such adverse trend;
- 3.4.11 where appropriate and where any Infrastructure Manager fails to perform its obligations under the relevant Track Access Agreement,

enforcing the Operator's rights under such Track Access Agreement, provided that the Operator shall consult with RfL prior to taking any such action to enforce its rights and shall take RfL's comments into account (and comply with any directions issued by RfL in connection therewith) when enforcing the same; and

3.4.12 procuring that a Concession Employee is located in the RCC at all times whilst the Passenger Services are being operated to fully and effectively represent the views of the Operator in decisions being taken by each Infrastructure Manager and to cooperate with each Infrastructure Manager in connection with the matters contemplated by this Agreement.

3.5 The Operator undertakes to reasonably co-operate with each Infrastructure Manager with regard to each such Infrastructure Manager's management of its own network, including the establishment of up-to-date Rules.

3.6 To the extent not already provided for in this Agreement, the Operator shall use all reasonable endeavours to ensure the performance by each Infrastructure Manager of each such Infrastructure Manager's respective obligations under any relevant agreement including, where appropriate or where requested by RfL, enforcing its rights against any such Infrastructure Manager under any such agreement.

3.7 When and to the extent reasonably requested by RfL, the Operator shall provide to RfL further evidence of the steps taken by it in order to comply with its obligations under this paragraph 3 (*Obligation to use All Reasonable Endeavours*) as RfL may request.

3.8 The Operator shall use all reasonable endeavours to develop and maintain throughout the Concession Period a collaborative and productive relationship with each Infrastructure Manager which recognises and takes into account the wider priorities and perspectives of RfL and other members of the TfL Group.

4 **Additional Railway Passenger Services**

The Operator agrees not to operate any railway passenger services other than those:

4.1 required or permitted pursuant to this Schedule 1.2 (*Passenger Service Operating Obligations*); or

4.2 operated on behalf of any other Train Operator where RfL has approved the sub-contracting of the operation of such railway passenger services to the Operator.

5 **Other Operators**

5.1 If:

5.1.1 a franchise agreement (as defined in section 23(3) of the Act and including any national rail contract or equivalent) terminates;

- 5.1.2 another concession agreement in respect of railway passenger services to which RfL (or any other member of the TfL Group) is a party terminates; or
- 5.1.3 a railway administration order is made in respect of a Train Operator that is a party to either of those agreements,

the Operator shall co-operate with any reasonable request of RfL to ensure that:

- (a) the services provided or operated by the relevant Train Operator may continue to be provided or operated by any successor Train Operator or the railway administrator; and
 - (b) the benefit of any arrangements between the Operator and the relevant Train Operator which were designated as a key contract under such franchise agreement or concession agreement or equivalent agreement immediately prior to its termination or to a railway administration order being made will continue to be provided to any successor Train Operator or to the railway administrator.
- 5.2 The benefit of any arrangements of the type referred to in paragraph 5.1.2 (*Other Operators*) shall be provided on substantially the same terms as previously obtained by the relevant Train Operator, subject to Clause 5 (*General Obligations*) and paragraph 5.3 (*Other Operators*), provided that RfL may exclude or modify any terms agreed or amended by such Train Operator in the twelve (12) months preceding the date on which such Train Operator's franchise agreement or concession agreement or equivalent agreement was terminated or the date on which the relevant railway administration order was made which were, in RfL's reasonable opinion, to the material detriment of such Train Operator's business. The benefit of such arrangements shall be provided for such period as RfL may reasonably require to allow the relevant Train Operator or railway administrator to renegotiate such arrangements or make alternative arrangements.
- 5.3 The Operator shall notify RfL of its intention to terminate any contract with any other Train Operator which is designated as a "Key Contract" under that Train Operator's franchise agreement or concession agreement or equivalent agreement in respect of railway passenger services to which RfL (or any other member of the TfL Group) is a party and shall give that Train Operator sufficient notice to enable it to make suitable alternative arrangements for its passengers without causing disruption to the railway passenger services provided by such Train Operator.
- 5.4 If a Train Operator's franchise agreement or concession agreement in respect of railway passenger services to which RfL (or any other member of the TfL Group) is a party terminates in contemplation of the entry into or entry into effect of a new franchise agreement or concession agreement (as the case may be) with the same Train Operator in respect of all or a material part of the relevant railway passenger services, the Operator shall waive any event

of default or other right it may have to terminate any agreement with such Train Operator arising out of such termination, provided that the entry into or entry into effect of such new franchise agreement or concession agreement takes place.

6 Royal Train

6.1 The Operator shall, if and to the extent requested by any person (including the operator of the royal train from time to time) and subject to the payment by such person of any reasonable costs of the Operator, co-operate in the provision by such person of railway passenger services for His Majesty King Charles III or any successor head of state or members of the family or representatives of either of them.

6.2 The provision of railway services for His Majesty King Charles III or any successor head of state or members of the family or representatives of either of them may include:

6.2.1 running a "sweeper" train in front of the royal train;

6.2.2 having spare locomotives on standby as rescue traction; and/or

carrying out security requirements or co-operating with other persons in ensuring that security requirements are carried out prior to calling at any station on the Elizabeth Line Route.

Schedule 1.3
Managing Changes to the Passenger Services

1 Infrastructure Manager Proposals to Change the Applicable Timetable

Notice of Infrastructure Manager Proposals

- 1.1 The Operator shall notify RfL as soon as reasonably practicable (and in any event no later than one (1) Business Day) after receiving any notification from any Infrastructure Manager (including pursuant to Part D or Part G of the Network Code or their equivalents in any other Relevant Network Code) outside any Timetable Planning Period of any proposal to implement works during the term of the current Timetable which require a Restriction of Use, or a programme of co-ordinated Restrictions of Use or to change the Rules which would, in each case cause:
- 1.1.1 the omission from the Applicable Timetable, of Passenger Services that are included in the Applicable Timetable; or
 - 1.1.2 the rescheduling in the Applicable Timetable, of Passenger Services from their scheduling in the Applicable Timetable.
- 1.2 The Operator shall explain in any notification it provides pursuant to paragraph 1.1 (*Infrastructure Manager Proposals to Change the Applicable Timetable – Notice of Infrastructure Manager Proposals*) the way in which, in its opinion, any omission, rescheduling of any Passenger Service or change in the Rules will impact its ability to deliver the Timetable Requirements.
- 1.3 The Operator agrees to promptly supply to RfL upon request:
- 1.3.1 such details as RfL may reasonably require in the format required by RfL, of any actual or proposed omission or rescheduling of Passenger Services or any change in the Rules in each case made by any Infrastructure Manager; and
 - 1.3.2 copies of any notices, correspondence or other information exchanged between the relevant Infrastructure Manager and the Operator in respect of those matters.

Consultation

- 1.4 As soon as reasonably practicable after notifying RfL of any proposal to impose any Restriction of Use, a programme of co-ordinated Restrictions of Use or any change to the Rules in accordance with paragraph 1.1 (*Infrastructure Manager Proposals to Change the Applicable Timetable – Notice of Infrastructure Manager Proposals*), the Operator shall fully consult RfL for a reasonable period of time, providing RfL with its informed opinion of:
- 1.4.1 the likely impacts on the Passenger Services;
 - 1.4.2 the likely impact on passengers (including passengers using other railway passenger services);

- 1.4.3 any additional measures that the Operator will need to put in place (including the requirement for alternative bus services and/or licensed taxi services) in connection therewith;
- 1.4.4 the Operator's estimate of the costs of putting in place and operating the additional measures contemplated by paragraph 1.4.3 (*Infrastructure Manager Proposals to Change the Applicable Timetable – Consultation*) and the extent to which those costs will be recoverable in whole or in part from the relevant Infrastructure Manager; and
- 1.4.5 the basis on which a submission or counter-proposal could be made to the relevant Infrastructure Manager which would, as appropriate, avoid the omission or rescheduling of any Passenger Services that are specified in the Applicable Timetable or otherwise minimise the impacts on the Passenger Services of that Restriction of Use, programme or change in the Rules.

Counter Proposals

- 1.5 At any time during the consultation period referred to in paragraph 1.4 (*Infrastructure Manager Proposals to Change the Applicable Timetable – Consultation*), RfL may direct the Operator to exercise its Timetable Development Rights to make a submission or counter-proposal to the relevant Infrastructure Manager with the purpose of seeking to:
 - 1.5.1 avoid the omission or rescheduling of any Passenger Services that are specified in the Applicable Timetable; or
 - 1.5.2 where those Timetable Development Rights do not allow for this, minimise the impacts of the relevant Restriction of Use, co-ordinated programme of Restrictions of Use or change in the Rules notified pursuant to paragraph 1.1 (*Infrastructure Manager Proposals to Change the Applicable Timetable – Notice of Infrastructure Manager Proposals*) and securing the optimum number, frequency and service pattern of Passenger Services in the Applicable Timetable.
- 1.6 Where RfL directs the Operator to exercise its Timetable Development Rights to make a submission or counter-proposal pursuant to paragraph 1.5 (*Infrastructure Manager Proposals to Change the Applicable Timetable – Counter Proposals*), the Operator shall exercise those Timetable Development Rights to make that submission or counter-proposal to the relevant Infrastructure Manager as soon as reasonably practicable thereafter and in any event and in any event within the timescales prescribed under the Relevant Network Code.
- 1.7 Where any Infrastructure Manager makes a decision to vary the Applicable Timetable which requires any Restriction of Use, or to change the Rules that, in each case, is inconsistent with any submission or counter-proposal made by the Operator pursuant to paragraph 1.5 (*Infrastructure Manager Proposals to Change the Applicable Timetable – Counter Proposals*), then the Operator shall notify RfL, including providing RfL with any written reasons for that

rejection received from that Infrastructure Manager, as soon as reasonably practicable after such rejection and shall fully consult with RfL on the same prior to the expiry of the timescales prescribed under the Relevant Network Code for challenging such a decision of that Infrastructure Manager.

Appeals

1.8 Where an Infrastructure Manager's decision to vary the Applicable Timetable or to change the Rules would, in each case, cause the omission or rescheduling of Passenger Services that are included in the Applicable Timetable:

1.8.1 RfL may, within the timescales permitted under the Relevant Network Code, require the Operator to appeal that aspect of that variation or change in the Rules in accordance with the terms of the Relevant Network Code (including submitting its objection to any relevant dispute resolution arrangements or procedures and appealing against any award or determination under such arrangements or procedures, including to the ORR where relevant); and

1.8.2 the Operator shall duly appeal that variation in accordance with any such direction and the terms of the Relevant Network Code,

and for the purposes of this paragraph 1.8 (*Infrastructure Manager Proposals to Change the Applicable Timetable – Appeals*), "**appeal**" includes having recourse to any formal appeal mechanism set out in the Relevant Network Code and/or any other applicable dispute resolution forum such as any relevant set of access dispute resolution rules incorporated into the Relevant Network Code. The Operator shall promptly (and in any event within two (2) Business Days) notify RfL of any updates or developments relating to such appeal and (when such appeal is finally determined or otherwise concluded) the outcome of such appeal.

Proposals made by Third Parties

1.9 The provisions of this paragraph 1 (*Infrastructure Manager Proposals to Change the Applicable Timetable*) shall apply to any actual or proposed omission or rescheduling of Passenger Services that originates from any person other than any Infrastructure Manager, as those provisions apply to that person.

Extended Restrictions of Use

1.10 It shall be a Qualifying Change where the Operator operates less distance (measured in miles) than the distance (measured in miles) specified in the Train Plan as a consequence of a Restriction of Use that lasts sixty (60) consecutive hours or more.

2 Co-operation with Restrictions of Use

2.1 The Operator shall co-operate with the relevant Infrastructure Manager, RfL and any other relevant party in connection with any Restriction of Use that is

not the subject of an appeal by the Operator pursuant to paragraph 1.8 (*Infrastructure Manager Proposals to Change the Applicable Timetable – Appeals*) or has been appealed by the Operator pursuant to paragraph 1.8 (*Infrastructure Manager Proposals to Change the Applicable Timetable – Appeals*) and that appeal has been unsuccessful. The Operator shall consult with RfL when co-operating with the relevant Infrastructure Manager and take RfL's comments into account when so doing.

2.2 The Operator shall co-operate with the relevant Infrastructure Manager in its endeavours to obtain all consents required for the carrying out of each Restriction of Use referred to in paragraph 2.1 (*Co-operation with Restrictions of Use*), including any required consent under the timetable planning section of the Relevant Network Code and under the network change section of the Relevant Network Code in respect of any related Network Change.

2.3 The Operator's obligations under paragraphs 2.1 (*Co-operation with Restrictions of Use*) and 2.2 (*Co-operation with Restrictions of Use*) shall not require it to take or omit to take, nor excuse it from taking or omitting to take, any action that would be prejudicial to:

2.3.1 proper performance of its obligations under this Agreement; or

2.3.2 the pursuit of reasonable profit from the proper performance of its obligations under this Agreement.

3 **Operator Proposals to Change the Applicable Timetable**

3.1 The Operator agrees not to propose to any Infrastructure Manager without RfL's prior consent:

3.1.1 the addition to the Applicable Timetable of any railway passenger services which are not included in the Timetable;

3.1.2 the omission from the Applicable Timetable of any Passenger Services included in the Timetable; or

3.1.3 the rescheduling in the Applicable Timetable of any Passenger Services from their scheduling in the Timetable.

3.2 The Operator shall not propose a Network Change to any Infrastructure Manager or any other third party without RfL's prior written consent.

4 **RfL Proposals to Change the Applicable Timetable**

The Operator agrees, as and when requested by RfL, to use all reasonable endeavours to obtain:

4.1 the addition to the Applicable Timetable of any railway passenger services that are not included in the Timetable, including in relation to railway passenger services that may be required to support any Special Event;

4.2 the omission from the Applicable Timetable of any Passenger Services that are included in the Timetable; and/or

- 4.3 the rescheduling in the Applicable Timetable of any Passenger Services from their scheduling in the Timetable, including in relation to railway passenger services that may be required to support any Special Event,

and:

- 4.3.1 where the Applicable Timetable is amended as a result the Operator shall, in each case, operate that amended Applicable Timetable; and
- 4.3.2 it shall be a Qualifying Change where RfL requests that the Operator seeks to obtain an addition to the Applicable Timetable which would have the effect of requiring the Operator to run an additional ten per cent. (10%) miles per day in any Reporting Period or an additional three per cent. (3%) miles per Reporting Period than, as appropriate, the total miles per day or total miles per Reporting Period specified in the relevant Train Plan; and
- 4.3.3 for the purposes of paragraph 4.3.2, miles operated by the Operator as a result of Special Events shall not be counted in determining whether or not a Qualifying Change has occurred.

5 **Response to Disruption**

- 5.1 The Operator shall promptly notify RfL where any Notifiable Disruption occurs and in any event in the case of an event falling within:

- 5.1.1 limb (a) of the definition of Notifiable Disruption, the next Business Day following receipt of notice of such Notifiable Disruption;
- 5.1.2 in the case of an event falling within limb (b) of the definition of Notifiable Disruption, within thirty (30) minutes of such Notifiable Disruption occurring,

and the notice shall inform RfL of:

- (a) the Operator's opinion of the impact of that Notifiable Disruption on the Timetable;
- (b) how the Operator plans to manage that Notifiable Disruption, including what alternative transport arrangements it plans to provide or procure the provision of pursuant to paragraph 5.4 (*Response to Disruption*) and how it plans to satisfy its other obligations in this paragraph 5 (*Response to Disruption*).

- 5.2 The Operator shall use all reasonable endeavours to act in accordance with the Rail Replacement Guidance in relation to disruption to railway passenger services as it may subsequently be amended by RfL from time to time.

- 5.3 The Operator shall co-operate with each Infrastructure Manager and other Train Operators to act in the overall interests of passengers using the railway passenger services referred to in paragraph 5.1 (*Response to Disruption*), including using all reasonable endeavours to ensure that any disruption notified pursuant to paragraph 5.1 (*Response to Disruption*) is not

concentrated on a particular part of the network, except where such concentration either:

- 5.3.1 would be in the overall interests of passengers using such Passenger Services or railway passenger services and would not result in disproportionate inconvenience to any group of passengers; or
 - 5.3.2 is reasonably necessary as a result of the cause or the location of Notifiable Disruption.
- 5.4 The Operator shall make the alternative transport arrangements specified in paragraph 7 (*Alternative Transport Arrangements*) in response to any planned or unplanned disruption which prevents the Operator from meeting the Timetable Requirements.

6 **Alternative Timetable Arrangements**

Operator's Proposed Alternative Timetable Proposals

- 6.1 Where the Operator has ten (10) or more Business Days' advance notice of any Notifiable Disruption, the Operator shall (and where that disruption is caused by Industrial Action by any of the employees, agents or subcontractors of the Operator (including any person with whom the Operator has a contract or arrangement for the lending, seconding hiring, contracting out or supervision by that person of train drivers, conductors, other train crew or station or depot staff used by the Operator in the provision of the Concession Services) may only at the request of RfL) as soon as reasonably practicable after that notice, submit to RfL:
- 6.1.1 a statement confirming the Operator's opinion of the impact of that disruption on the Timetable;
 - 6.1.2 an alternative timetable that:
 - (a) takes account of reasonable alternative routes;
 - (b) maximises the number of Station Stops;
 - (c) does not prioritise one part of the Elizabeth Line Route over another;
 - (d) subject to paragraph 5.2 (*Response to Disruption*), ensures the relevant minimum alternative service levels specified in the Rail Replacement Guidance are met; and
 - (e) where RfL requires in accordance with paragraph 7 (*Alternative Transport Arrangements*) provides for the alternative transport arrangements required pursuant to that paragraph 7 (*Alternative Transport Arrangements*);
 - 6.1.3 a statement confirming whether or not the minimum alternative service levels specified in the Alternative Timetable Guidance have been met, and:

- (a) where those levels have been exceeded, the extent to which that is the case; and
 - (b) where those levels have not been exceeded, the extent to which this is the case and the reasons why;
- 6.1.4 a statement confirming whether or not the requirements specified in the Rail Replacement Guidance have been met, and:
 - (a) where those requirements have been exceeded, the extent to which that is the case; and
 - (b) where those requirements have not been exceeded, the extent to which this is the case and the reasons why; and
- 6.1.5 a populated version of the Notifiable Disruption Template setting out the Operator's suggestions for the Passenger Services during the occurrence of Notifiable Disruption which takes into account the preceding sub-paragraphs of this paragraph 6.1 (*Alternative Timetable Arrangements – Operator's Proposed Alternative Timetable Proposals*) and consistent with the Alternative Transport Guidance and Rail Replacement Guidance.

RfL's Right to Produce its own Alternative Timetable Proposal

- 6.2 Where the Operator has submitted an alternative timetable pursuant to paragraph 6.1 (*Alternative Timetable Arrangements – Operator's Proposed Alternative Timetable Proposals*) and RfL is not satisfied that that alternative timetable meets the requirements of paragraph 6.1 (*Alternative Timetable Arrangements – Operator's Proposed Alternative Timetable Proposals*), then RfL may, whether before or after the implementation of the alternative timetable, elect to prepare its own alternative timetable that meets the requirements of paragraph 6.1 (*Alternative Timetable Arrangements – Operator's Proposed Alternative Timetable Proposals*).

Before Implementation of Operator's Alternative Timetable

- 6.3 As soon as reasonably practicable after receipt of any submission pursuant to paragraph 6.1 (*Alternative Timetable Arrangements – Operator's Proposed Alternative Timetable Proposals*), but in any event, no less than five (5) days before the date that any alternative timetable proposed by the Operator pursuant to paragraph 6.1 (*Alternative Timetable Arrangements – Operator's Proposed Alternative Timetable Proposals*) is to be first implemented, RfL shall confirm whether it has or has prepared its own timetable pursuant to paragraph 6.2 (*Alternative Timetable Arrangements – RfL's Right to Produce its own Alternative Timetable Proposal*), and if it has, provide the Operator with a copy of that alternative timetable.
- 6.4 Where RfL:
 - 6.4.1 confirms by the date specified in paragraph 6.3 (*Alternative Timetable Arrangements – Before Implementation of Operator's Alternative Timetable*):

- (a) that it is satisfied that an alternative timetable submitted by the Operator pursuant to paragraph 6.1 (*Alternative Timetable Arrangements – Operator's Proposed Alternative Timetable Proposals*) meets the requirements of paragraph 6.1 (*Alternative Timetable Arrangements – Operator's Proposed Alternative Timetable Proposals*) and so RfL will not prepare its own alternative timetable pursuant to paragraph 6.2 (*RfL's Right to Produce its own Alternative Timetable Proposal*); or
 - (b) that it will not prepare its own alternative timetable pursuant to paragraph 6.2 (*Alternative Timetable Arrangements – RfL's Right to Produce its own Alternative Timetable Proposal*) before the implementation of that alternative timetable submitted by the Operator; or
- 6.4.2 fails to confirm by the date specified in paragraph 6.3 (*Alternative Timetable Arrangements – Before Implementation of Operator's Alternative Timetable*) either of the scenarios specified in paragraph 6.4.1 (*Alternative Timetable Arrangements – Before Implementation of Operator's Alternative Timetable*),

then, in each case, the Operator shall implement its alternative timetable in accordance with its terms.

- 6.5 Where RfL confirms by the date specified in paragraph 6.3 (*Alternative Timetable Arrangements – Before Implementation of Operator's Alternative Timetable*) that it is not satisfied that an alternative timetable proposed by the Operator meets the requirements of paragraph 6.1 (*Alternative Timetable Arrangements – Operator's Proposed Alternative Timetable Proposals*) and it has prepared its own alternative timetable pursuant to paragraph 6.2 (*Alternative Timetable Arrangements – RfL's Right to Produce its own Alternative Timetable Proposal*), then:

- 6.5.1 RfL may direct the Operator to implement RfL's alternative timetable;
- 6.5.2 where RfL directs the Operator pursuant to paragraph 6.5.1 (*Alternative Timetable Arrangements – Before Implementation of Operator's Alternative Timetable*), the Operator shall implement RfL's alternative timetable in accordance with its terms; and
- 6.5.3 paragraph 6.7 (*Alternative Timetable Arrangements – After Implementation of the Operator's Alternative Timetable*) shall apply.

After Implementation of the Operator's Alternative Timetable

- 6.6 Where RfL does not elect to prepare its own alternative timetable pursuant to paragraph 6.2 (*Alternative Timetable Arrangements – RfL's Right to Produce its own Alternative Timetable Proposal*) before the implementation of the relevant alternative timetable proposed by the Operator pursuant to paragraph 6.1 (*Alternative Timetable Arrangements – Operator's Proposed*

Alternative Timetable Proposals), but instead elects pursuant to paragraph 6.2 (*Alternative Timetable Arrangements – RfL's Right to Produce its own Alternative Timetable Proposal*) to do so after that implementation and notifies the Operator of that fact, then paragraph 6.7 (*Alternative Timetable Arrangements – After Implementation of the Operator's Alternative Timetable*) shall apply.

- 6.7 Where this paragraph 6.7 (*Alternative Timetable Arrangements – After Implementation of the Operator's Alternative Timetable*) applies, if the number of Station Stops provided for in the Operator's alternative timetable submitted pursuant to paragraph 6.1 (*Alternative Timetable Arrangements – Operator's Proposed Alternative Timetable Proposals*) is less than the number of Station Stops provided for in the related alternative timetable prepared by RfL pursuant to paragraph 6.2 (*Alternative Timetable Arrangements – RfL's Right to Produce its own Alternative Timetable Proposal*), then the Operator shall pay RfL by way of an Alternative Timetable Adjustment in accordance with paragraph 9 (*Alternative Timetable Adjustments*) an amount (an "**Alternative Timetable Shortfall Payment**") equal to the aggregate of:

$$ATSP = \sum(BSV \times SSF)$$

where:

"**ATSP**" means the Alternative Timetable Shortfall Payment for any Reporting Period;

"**Σ**" means the summation of Station Stops provided for in RfL's alternative timetable that is in excess of the number of Station Stops in the Operator's alternative timetable;

"**BSV**" means the Base Station Value of a Station Stop that was included in RfL's alternative timetable but not in the Operator's alternative timetable; and

"**SSF**" means the Station Stop Factor that applies to that Station Stop.

7 **Alternative Transport Arrangements**

Objectives in Providing Alternative Transport

- 7.1 Any alternative transport arrangements to be provided or procured by the Operator pursuant to this paragraph 7 (*Alternative Transport Arrangements*) which prevents the Operator from meeting the Timetable Requirements shall, unless otherwise agreed by RfL:

7.1.1 enable passengers affected by any disruption to complete their intended journeys by transporting those passengers to, or as near as reasonably practicable to, the end of their intended journeys on the relevant Passenger Services;

7.1.2 have particular regard to the needs of any Disabled Persons and, where appropriate, making additional arrangements for such

Disabled Persons to complete their intended journey (including, if relevant, procuring transport via a licensed taxi which is accessible to that Disabled Person);

- 7.1.3 be:
- (a) of reasonable quality;
 - (b) of a reasonably similar frequency to the disrupted Passenger Services; and
 - (c) reasonably fit for the purpose of the journey to be undertaken;
- 7.1.4 subject to paragraph 5.2 (*Response to Disruption*) comply with any standards in the Rail Replacement Guidance issued by TfL from time to time in respect of such alternative transport arrangements;
- 7.1.5 include the provision in advance of adequate and prominent publicity of such alternative transport arrangements;
- 7.1.6 provide sufficient alternative transport capacity for the reasonably foreseeable demand for the disrupted Passenger Services;
- 7.1.7 take account of the wider TfL transport network and any restrictions in operation on that network that have been notified to the Operator by RfL; and
- 7.1.8 ensure, if any planned disruption overruns, that there is a reasonable contingency arrangement for such alternative transport arrangements to continue for the duration of such overrun.

Requirement to Provide Alternative Transport

- 7.2 Where Notifiable Disruption occurs in respect of which:
- 7.2.1 the Operator has ten (10) or more days' advance notice of that Notifiable Disruption:
- (a) as soon as soon as reasonably practicable after RfL issues a notice to the Operator requiring the Operator to procure alternative bus and/or licensed taxi services, the Operator shall procure such alternative services that meet the requirements of paragraph 7.1 (*Alternative Transport Arrangements – Objectives in Providing Alternative Transport*):
 - (i) via RfL's nominated bus procurement agent (notified by RfL to the Operator from time to time); unless
 - (ii) having carried out a competitive procurement in form and manner approved in advance by RfL, the Operator can demonstrate to RfL's reasonable

satisfaction that the Operator can procure cheaper alternative bus and/or licensed taxi services through a third party provider, in which case the Operator shall procure such alternative bus and/or licensed taxi services via that third party provider where RfL has provided its prior written consent (which RfL may give in its absolute discretion) to the same; and

(b) where:

- (i) the Operator procures alternative bus and/or licensed taxi services in accordance with paragraph 7.2.1(a)(i) (*Alternative Transport Arrangements – Requirement to Provide Alternative Transport*), then RfL shall pay RfL's nominated bus procurement agent directly; or
- (ii) the Operator procures a third party to provide alternative bus and/or licensed taxi services in accordance with paragraph 7.2.1(a)(ii) (*Alternative Transport Arrangements – Requirement to Provide Alternative Transport*), then RfL shall reimburse the Operator for the costs of the same by way of an Alternative Timetable Adjustment in accordance with paragraph 9 (*Alternative Timetable Adjustments*),

provided that where that Notifiable Disruption is caused in whole or in part by any Industrial Action by any of the employees, agents or subcontractors of the Operator (including any person with whom the Operator has a contract or arrangement for the lending, seconding hiring, contracting out or supervision by that person of train drivers, conductors, other train crew or station or depot staff used by the Operator in the provision of the Concession Services), then subject to paragraph ([REDACTED]) of Schedule 11.5 ([REDACTED]) RfL shall only be liable for fifty per cent. (50%) of the costs of those alternative bus or taxi services and the Operator shall be liable for the other fifty per cent. (50%);

7.2.2 the Operator has less than ten (10) days' advance notice of that Notifiable Disruption:

- (a) as soon as reasonably practicable after RfL issues a notice to the Operator requiring the procurement of alternative bus and/or licensed taxi services, the Operator shall procure such alternative bus and/or licensed taxi services that meet the requirements of paragraph 7.1 (*Alternative Transport Arrangements – Objectives in Providing Alternative Transport*) at its own cost, doing so:

- (i) via RfL's nominated bus procurement agent (notified by RfL to the Operator from time to time) where that agent has in place agreements to procure alternative bus and/or licensed taxi services that meet the requirements of paragraph 7.1 (*Alternative Transport Arrangements – Objectives in Providing Alternative Transport*) on short notice of the kind that is likely to be required as a consequence of the lack of notice of that disruption; or
- (ii) via a third party provider where:
 - (A) RfL's nominated agent does not have such agreements in place that meet the requirements of paragraph 7.1 (*Alternative Transport Arrangements – Objectives in Providing Alternative Transport*) on such short notice; and
 - (B) having previously carried out a competitive procurement in form and manner approved in advance by RfL, the Operator has demonstrated to RfL's reasonable satisfaction that it can procure cheaper alternative bus and/or licensed taxi services through a third party provider and RfL has consented (in RfL's absolute discretion) to the same; and
- (b) RfL shall reimburse the Operator for the reasonable costs it has incurred in procuring those alternative bus and/or licensed taxi services by way of an Alternative Timetable Adjustment in accordance with paragraph 9 (*Alternative Timetable Adjustments*),

provided that, where that Notifiable Disruption is caused in whole or in part by the Operator, RfL shall not be liable for any of the costs of those alternative bus or taxi services, and where caused by any Industrial Action by any of the employees, agents or subcontractors of the Operator (including any person with whom the Operator has a contract or arrangement for the lending, seconding hiring, contracting out or supervision by that person of train drivers, conductors, other train crew or station or depot staff used by the Operator in the provision of the Concession Services), then subject to paragraph ([REDACTED]) of Schedule 11.5 ([REDACTED]) RfL shall only be liable for fifty per cent. (50%) of the costs of those alternative bus or taxi services and the Operator shall be liable for the other fifty per cent. (50%).

- 7.3 Subject to the foregoing provisions of this paragraph 7 (*Alternative Transport Arrangements*) on which party is responsible for such costs, the Alternative Timetable Guidance and the Rail Replacement Guidance set out the maximum number and specification of alternative bus and/or licensed taxi services in relation to which RfL will bear the costs. The Operator shall be entitled to procure additional alternative bus and/or licensed taxi services in respect of any Notifiable Disruption, provided that the Operator shall be entirely responsible for the costs of any such additional alternative bus and/or licensed taxi services.
- 7.4 If planned or unplanned disruption occurs which has an impact on the Passenger Services or services operated by any other Train Operator, the Operator shall ensure that it acts reasonably and proportionately in the context of such disruption in agreeing any ticket acceptance arrangements with any such other Train Operator.

8 **Restriction of Use Payments to and from Infrastructure Managers**

- 8.1 The Operator shall in each Reporting Period pay to RfL by way of an Alternative Timetable Adjustment for that Reporting Period in accordance with paragraph 9 (*Alternative Timetable Adjustments*):
- 8.1.1 any payment made to the Operator under any Network Rail TAA in respect of any Restriction of Use caused by Network Rail (including any extended Restriction of Use required as part of a Network Change) (each a "**Network Rail (Schedule 4) Payment**");
 - 8.1.2 any payment made to the Operator under the HAL TAA in respect of any Restriction of Use caused by HAL (including any extended Restriction of Use required as part of a Network Change) (each a "**HAL (Schedule 4) Payment**"); and
 - 8.1.3 any payment made to the Operator under the CCOS TAA in respect of any Restriction of Use caused by RfL(I) (including any extended Restriction of Use required as part of a Network Change) (each a "**RfL(I) (Schedule 4) Payment**"),
- (each an "**IM (Schedule 4) Payment**") and, in each case, the Operator shall if RfL so directs, exercise its rights under the relevant Track Access Agreement to ensure that such IM (Schedule 4) Payment will, when paid to RfL pursuant to this paragraph 8.1 (*Restriction of Use Payments to and from Infrastructure Managers*), compensate RfL to the fullest extent possible for any adverse impacts on Ticket Revenue and Non-Ticket Revenue or additional costs incurred by RfL as a consequence of such Restriction of Use, including, where appropriate, seeking compensation for RfL's actual costs incurred.
- 8.2 Where the Operator operates less distance (measured in miles) than the distance (measured in miles) specified in the Train Plan as a consequence of a Restriction of Use that lasts sixty (60) consecutive hours or more such that a Change occurs, then any reasonable and proper costs incurred by the Operator in response to that Restriction of Use of the kind compensated for under the relevant Track Access Agreement and paid to RfL pursuant to

paragraph 8.1 (*Restriction of Use Payments to and from Infrastructure Managers*) as part of any IM (Schedule 4) Payment shall be paid by RfL to the Operator under the financial adjustment relating to that Change.

9 **Alternative Timetable Adjustments**

- 9.1 RfL shall calculate the Alternative Timetable Adjustment for any Reporting Period in accordance with the following:

$$ATA = SEP - ATSP + ATC - ROUP$$

where:

"ATA" means the Alternative Timetable Adjustment for that Reporting Period;

"SEP" means the Special Event Payment for that Reporting Period payable in relation to any Special Events in that Reporting Period in respect of which the Operator provides Passenger Services and Station Services, calculated in accordance with the following:

$$SEP = \sum SEA$$

where:

"SEP" means the Special Event Payment for that Reporting Period;

"Σ" means the summation of all amounts that are payable by RfL to the Operator in relation to the provision of all Passenger Services and Station Services provided by the Operator in relation to Special Events pursuant to paragraph 4 (*RfL Proposals to Change the Applicable Timetable*) that do not require the Operator to run additional distance (measured in miles) that is in excess of the thresholds specified in paragraph 4 (*RfL Proposals to Change the Applicable Timetable*);

"SEA" means the Special Event Amount for any Special Event occurring within that Reporting Period to be paid by RfL to the Operator in relation to the Passenger Services and Station Services provided by the Operator as a result of the operation of any Special Event pursuant to paragraph 4 (*RfL Proposals to Change the Applicable Timetable*) that does not require the Operator to run additional distance (measured in miles) that is in excess of the thresholds specified in paragraph 4 (*RfL Proposals to Change the Applicable Timetable*), calculated in accordance with the following:

$$SEA = (M_{(+)} \times MR_{(+)}) + OC$$

where:

"SEA" means the Special Event Amount payable in relation to those Passenger Services and Station Services in respect of the related Special Event;

"M₍₊₎" means the additional train distance (measured in miles) operated by the Operator as a result of operating the Passenger Services in respect of the related Special Event;

"MR₍₊₎" means the train distance rate (measured in pounds sterling per mile) which is specified in Column 3 of the table set out in the Appendix (*Mileage Adjustment Rates*) to this Schedule 1.3 (*Managing Changes to the Passenger Services*); and

"OC" means other additional costs agreed by RfL that are incurred by the Operator in relation to the provision of all those Passenger Services and all those Station Services, calculated by reference to the relevant unit rates specified in the Record of Assumptions;

"ATSP" means the Alternative Timetable Shortfall Payment for that Reporting Period, calculated in accordance with paragraph 6.7 (*Alternative Timetable Arrangements – After Implementation of the Operator's Alternative Timetable*);

"ATC" means, where the Operator provides or procures the provision of alternative transport in that Reporting Period pursuant to paragraph 7.2 (*Alternative Transport Arrangements – Requirement to Provide Alternative Transport*), the reasonable alternative transport costs incurred by the Operator in relation to the provision of that alternative transport;

"ROUP" means the Restriction of Use Payment for that Reporting Period payable in relation to any Restrictions of Use in that Reporting Period in respect of which the Operator does not provide anticipated Passenger Services and Station Services, calculated in accordance with the following:

$$\text{ROUP} = \Sigma(\text{IMSch4P} + \text{MRA}_{(-)})$$

where:

"ROUP" means the Restriction of Use Payment for that Reporting Period;

"Σ" means the summation of all amounts that are payable by the Operator to RfL in relation to all Restrictions of Use;

"IMSch4P" means the IM (Schedule 4) Payment to be paid by the Operator to RfL in respect of each Restriction of Use in that Reporting Period pursuant to paragraph 8

(Restriction of Use Payments to and from Infrastructure Managers); and

"MRA₍₋₎" means the Mileage Reduction Amount to be paid to RfL in relation to any Restriction of Use in that Reporting Period that lasts less than sixty (60) consecutive hours, calculated in accordance with the following:

$$MRA_{(-)} = M_{(-)} \times MR_{(-)}$$

where:

"MRA₍₋₎" means the Mileage Reduction Amount in relation to that Restriction of Use;

"M₍₋₎" means the distance (measured in miles) not operated by the Operator as a result of the imposition of that Restriction of Use; and

"MR₍₋₎" means the distance rate (measured in pounds sterling per mile) specified in Column 2 of the table set out in the Appendix (*Mileage Adjustment Rates*) to this Schedule 1.3 (*Managing Changes to the Passenger Services*).

9.2 The references to Mileage Reduction Amounts and Special Event Amounts, are references to amounts as at the Indexation Base Month and shall be indexed in accordance with paragraph 3 (*Indexation by Reference to CPI*) of Schedule 11.2 (*Annual Concession Payments and Indexation*).

9.3 Any Alternative Timetable Adjustment shall be made as part of a Pass Through Adjustment in accordance with paragraph 3.1 (*Pass Through Adjustments – Calculation of Pass Through Adjustments*) of Schedule 11.1 (*Concession Payments*).

10 **Closures of Railway Passenger Services or Railway Facilities**

10.1 Except to the extent that RfL agrees otherwise, the Operator shall not:

10.1.1 cease to operate;

10.1.2 cease to secure the operation of; or

10.1.3 propose to terminate the use of,

any Operator Managed Station (or any part of any Operator Managed Station) or any railway passenger service over a Route where such cessation or proposal might result in a Closure.

10.2 If any procedures are commenced under Part 4 of the Railways Act 2005 in relation to a Closure, the Operator shall and to the extent so requested by RfL, take such action as RfL may require in order to enable RfL to comply with

any duty imposed on it under Part 4 of the Railways Act 2005 in relation to such Closure.

Appendix
Mileage Adjustment Rates

Column 1 Concession Year	Column 2 Units (MR(-)) (£)	Column 3 Units (MR(+)) (£)
Year 1 25 May 2025 to 31 March 2026	[REDACTED]	[REDACTED]
Year 2 1 April 2026 to 31 March 2027	[REDACTED]	[REDACTED]
Year 3 1 April 2027 to 31 March 2028	[REDACTED]	[REDACTED]
Year 4 1 April 2028 to 31 March 2029	[REDACTED]	[REDACTED]
Year 5 1 April 2029 to 31 March 2030	[REDACTED]	[REDACTED]
Year 6 1 April 2030 to 31 March 2031	[REDACTED]	[REDACTED]
Year 7 1 April 2031 to 31 March 2032	[REDACTED]	[REDACTED]
Year 8 – Part (Core) 1 April 2032 to 29 May 2032	[REDACTED]	[REDACTED]
Year 8 – Part (Schedule 19 continuation or up to seven (7) Reporting Period extension) Potentially 30 May 2032 to 31 March 2033	[REDACTED]	[REDACTED]
Year 9 (Schedule 19 continuation)	[REDACTED]	[REDACTED]

Column 1 Concession Year	Column 2 Units (MR(-)) (£)	Column 3 Units (MR(+)) (£)
Potentially 1 April 2033 to 31 March 2034		
Year 10 – Part (Schedule 19 continuation or up to 7 Reporting Period extension) Potentially 1 April 2034 to 9 December 2034)	[REDACTED]	[REDACTED]

Schedule 2
Concession Services

Schedule 2.1: Obligations in Relation to Concession Services

Schedule 2.2: List of Concession Services

Appendix: Station Improvement Projects

Schedule 2.1
Obligations in Relation to Concession Services

1 Restrictions relating to Concession Services

- 1.1 The Operator may, and where specified in this Agreement shall, at all times during the Concession Period provide and operate the Concession Services specified in this Schedule 2 (*Concession Services*), save that in providing and operating the Concession Services, the Operator shall not take any action which:
 - 1.1.1 is detrimental to RfL's or TfL's reputation or the value of the Elizabeth Line to Successor Operators;
 - 1.1.2 prejudices the continuity of the provision of the Concession Services by a Successor Operator at the end of the Concession Period; or
 - 1.1.3 results in additional liabilities and/or obligations being assumed by a Successor Operator.
- 1.2 The Operator shall at all times during the Concession Period:
 - 1.2.1 operate any Concession Services it provides or operates in a safe manner and in accordance with Good Industry Practice and Railway Industry Standards; and
 - 1.2.2 maintain appropriate and up-to-date safety management systems.

2 Providing only the Concession Services

- 2.1 The Operator shall carry out the Concession Services directly and not through an Affiliate, unless RfL otherwise agrees.
- 2.2 The Operator shall not directly or indirectly, without the prior written consent of RfL, carry out any business or activity other than the provision and operation of the Concession Services.
- 2.3 RfL may impose such conditions to its consent under paragraph 2.2 (*Providing only the Concession Services*) as it considers appropriate for the purpose of securing the continuity of the provision of the Concession Services at the end of the Concession Period.
- 2.4 The Operator shall not during the Concession Period, without the consent of RfL:
 - 2.4.1 provide or operate any railway passenger services other than the Passenger Services;
 - 2.4.2 operate any stations other than the Operator Managed Stations;
 - 2.4.3 operate any Depot, or carry out any light maintenance services other than as permitted by this Agreement; or

- 2.4.4 hold shares, participations or any other interest in any other company or body corporate unless such company or body corporate is:
- (a) Network Rail; or
 - (b) owned directly or indirectly by another participant in the railway industry and the holding is incidental to the Operator's participation in an Inter-Operator Scheme or any other arrangement designed to ensure or facilitate co-operation between such participants or between any such participants and any other person.
- 2.5 The Operator shall not engage any Concession Employee in any activity or business which it may not conduct or engage in under this paragraph 2 (*Providing only the Concession Services*). Without prejudice to the generality of the foregoing, the Operator shall:
- 2.5.1 subject to paragraph 2.6 (*Providing only the Concession Services*) procure that all Concession Employees (including Key Personnel) are wholly engaged in performing the Concession Services and/or the performance of the Operator's obligations under this Agreement and are not engaged in performing services or work for any other person, including Affiliates and third parties;
 - 2.5.2 in relation to any employee, consultant or adviser of any Affiliate of the Operator, not offer or provide any benefit to such persons which is a benefit to which Concession Employees are entitled by virtue of their relationship with the Operator including (where applicable):
 - (a) travel on the Passenger Services; or
 - (b) any Oystercard on which is loaded one (1) or more travel products for use on TfL-funded transport services,

at a price for the appropriate Fare or Season Ticket Fare (as the case may be) which is lower than such person would otherwise be entitled to in the absence of any relationship with the Operator or any Affiliate of the Operator (including where there is no charge for such Fare or Season Ticket Fare); or
 - (c) the right to participate in the Concession Section.
- 2.6 The Operator shall be permitted to second a Concession Employee to an Affiliate of the Operator provided that:
- 2.6.1 any such secondment shall be for a maximum period of six (6) months and where the Operator wishes to second an individual employee to an Affiliate for any longer or additional period, then such secondment may only occur with the prior written consent of RfL (and RfL may impose conditions it considers to be reasonable in giving its consent); and

- 2.6.2 any Concession Employee seconded by the Operator to an Affiliate of the Operator for a period longer than six (6) months shall not be entitled to the travel and other benefits provided to Concession Employees (including those benefits referred to in paragraph 2.5.2 (*Providing only the Concession Services*)).

3 **Maintenance as Going Concern**

- 3.1 The Operator shall maintain and manage the business of providing the Concession Services so that, to the greatest extent possible and practicable:
- 3.1.1 the Operator is able to perform its obligations under this Agreement; and
- 3.1.2 a Successor Operator would be able to take over the business of providing the Concession Services immediately at any time.
- 3.2 The Operator shall use all reasonable endeavours to ensure that such Successor Operator would have immediate access to all Concession Employees and Primary Concession Assets for the purpose of paragraph 3.1 (*Maintenance as Going Concern*).
- 3.3 The Operator shall maintain and manage the business of providing the Concession Services on the basis that such business will be transferred, in the manner contemplated under this Agreement, as a going concern at the end of the Concession Period to, and continued immediately thereafter by, a Successor Operator.
- 3.4 The Operator shall use all reasonable endeavours to ensure that an appropriate number of employees (having sufficient skills, qualifications and experience) will transfer by operation of Law to any Successor Operator following the expiry of the Concession Period.
- 3.5 The Operator shall comply with all reasonable requirements of RfL to obtain or maintain the property and rights that a Successor Operator would require, or that it would be convenient for it to have, on the basis that the same will transfer in the manner contemplated in this Agreement to any Successor Operator following the expiry of the Concession Period.

4 **Operating Assets**

- 4.1 The Operator shall:
- 4.1.1 maintain, protect and preserve the Concession Assets (including any intellectual property or intangible assets); and
- 4.1.2 unless otherwise specified in this Agreement (and in any event not in relation to the Class 345 Units or the Optional Units), procure the maintenance, protection and preservation of other assets,
- in each case employed in the performance of its obligations under this Agreement (together, the "**Operating Assets**"), in good standing or good working order, subject to fair wear and tear.

- 4.2 The Operator shall carry out its obligations under paragraph 4.1 (*Operating Assets*) so that those Operating Assets that are Concession Assets may be transferred at the end of the Concession Period to a Successor Operator and used by such Successor Operator in the provision or operation of similar services to the Concession Services.
- 4.3 RfL and the Operator shall, as and when required by RfL, meet to discuss the extent to which and the manner in which those Operating Assets that are not Concession Assets may be transferred at the end of the Concession Period to a Successor Operator and used by a Successor Operator in the continued provision or operation of the Concession Services.
- 4.4 Where any Operating Asset that is a Concession Asset is lost, destroyed or otherwise damaged beyond repair, the Operator shall replace or procure the replacement of the Operating Asset with property, rights or liabilities in modern equivalent form to the Operating Asset to be replaced.
- 4.5 RfL may at any time require the Operator to provide to RfL a schedule specifying the condition of any asset or class of assets that it specifies for this purpose. Such schedule shall cover such aspects of asset condition as RfL may reasonably require. If the parties are unable to agree the content of such schedule of condition, either party may refer the dispute for resolution in accordance with the Dispute Resolution Rules. Until such dispute is resolved, the Operator shall comply with RfL's requirements in respect of such schedule of condition.
- 4.6 The Operator shall keep vested in it at all times during the Concession Period all Concession Assets designated as such pursuant to Schedule 18.2 (*Restrictions on Dealings with Concession Assets*) as it may require in order to comply with:
- 4.6.1 the Licences;
 - 4.6.2 any contracts of employment with Concession Employees;
 - 4.6.3 any relevant Fares;
 - 4.6.4 any Key Contracts; and
 - 4.6.5 any applicable safety legislation regulations or safety standards, the Safety Certificate, the Safety Authorisation and the Safety Management System,
- in order to ensure that RfL may designate any such assets as Primary Concession Assets.

5 **No Right to Apply Marks or Branding**

- 5.1 Other than is provided for in paragraph 19 (*Brand Licences*) of Schedule 2.2 (*List of Concession Services*), the Operator may not apply:
- 5.1.1 registered or unregistered trademarks; or

5.1.2 the name or branding of the Operator or any Affiliate of the Operator or any other person;

including company names, livery and other distinctive get-up, to:

- (a) any assets owned, used or created by the Operator,
- (b) any other public-facing asset or building; or
- (c) any marketing, advertising or social media account,

which is used in relation to the operation and provision of the Concession Services or is otherwise connected with the Concession Services, without RfL's prior written consent.

5.2 Where RfL gives it consent for the Operator to apply trademarks, name or branding in accordance with paragraph 5.1 (*No Right to Apply Marks or Branding*) above, RfL may impose such conditions to its consent as it considers appropriate.

5.3 The Operator shall not distribute to passengers, at any Elizabeth Line Station or onboard any Passenger Service, any material or object which includes any trade mark, name or branding of the Operator or any Affiliate of the Operator.

Schedule 2.2
List of Concession Services

1 Passenger Services

- 1.1 The Operator is obliged to provide the Passenger Services in accordance with the requirements of Schedule 1 (*Passenger Service Obligations*).
- 1.2 The Operator shall at all times during the Concession Period provide appropriate staffing on trains so as to ensure that:
 - 1.2.1 it can efficiently comply with any of its safety, customer service and operating obligations under this Agreement, any Licences, any Safety Certificate, any Safety Management System and any applicable Law;
 - 1.2.2 it can provide high levels of passenger reassurance;
 - 1.2.3 it meets passenger requirements and customer expectations; and
 - 1.2.4 it provides timely, high quality and relevant information to passengers during planned and unplanned disruption to the Passenger Services.

2 Station Services

The Station Services shall comprise:

- 2.1 the provision of any services to persons at the Operator Managed Stations (including where those services are provided by the Operator to persons at the RfL(I) Stations under the Station Operator Agreement) or, pursuant to paragraph 2.2 (*Station Services*), to Train Operators whose trains call at such Operator Managed Stations, provided that such services:
 - 2.1.1 are made available only or principally to passengers alighting from or joining trains calling at such Operator Managed Stations and to such Train Operators or RfL(I) (as the case may be);
 - 2.1.2 are provided in connection with the calling of trains at such Operator Managed Stations and are not designed to encourage passengers or other persons to use such Station Services other than in connection with a journey on a train calling at such Operator Managed Stations, unless RfL otherwise agrees; and
 - 2.1.3 exclude the sale or issue (for a charge) of any items included in the price of a Fare;
- 2.2 the provision of access or services to any person under:
 - 2.2.1 any Station Access Agreement contemplated by this Agreement or as lawfully directed by the ORR from time to time; and
 - 2.2.2 any Station Agreement contemplated by this Agreement;

- 2.3 the staffing of Operator Managed Stations including platforms, gatelines and ticket offices under paragraphs 3 (*Staffing of Elizabeth Line Stations*) to 5 (*Staffing of Ticket Offices, Gatelines and Station Dispatch*) (inclusive);
- 2.4 the publication of Timetables and the timetables of other Train Operators under paragraph 6 (*Publishing the Timetable*);
- 2.5 making available:
 - 2.5.1 information on TfL's Conditions of Carriage and TfL's Customer Commitments in such form and manner specified by RfL from time to time;
 - 2.5.2 by publishing the passenger's charters of other Train Operators calling at each such Elizabeth Line Station (provided those other Train Operators provide such passenger's charters to the Operator, which the Operator shall use its reasonable endeavours to procure);
 - 2.5.3 by publishing TfL's Performance Statistics under paragraph 7 (*TfL's Conditions of Carriage and TfL's Customer Commitments*) and the passenger charter-related statistics of other Train Operators calling at each such Elizabeth Line Station;
- 2.6 the provision of information and services under paragraph 8 (*The Elizabeth Line Webpage*);
- 2.7 the publication of information and notices under paragraph 9 (*Provision of Information at Elizabeth Line Stations*);
- 2.8 the provision of customer service and information in relation to Operator Managed Station car parks and subject to the terms of the Car Parking Agreement, as contemplated by paragraph 1.1 (*Car Parks at Operator Managed Stations*) of Part 1 (*Commercial Agreements*) of Schedule 4.3 (*Retail and Commercial Arrangements*);
- 2.9 co-operating with RfL and other members of the TfL Group (as may be identified by RfL to the Operator) and providing such support as RfL may reasonably require in connection with commercial opportunities and/or revenue-generating initiatives, including:
 - 2.9.1 the identification and provision of commercial opportunities (including in both Retail Areas and Non-Operational Areas) at Operator Leased Stations;
 - 2.9.2 ensuring the commercial opportunities and associated contractual arrangements referred to in paragraph 2.9.1 (*Station Services*) comply with and are managed in accordance with the requirements of paragraph 2 (*Operator's Role in relation to Commercial Opportunities at Operator Managed Stations*) of Part 1 (*Commercial Agreements*) of Schedule 4.3 (*Retail and Commercial Arrangements*);

- 2.9.3 proactively managing the commercial opportunities and associated contractual arrangements referred to in paragraph 2.9.1 (*Station Services*) at the Operator Leased Stations;
- 2.9.4 the identification and facilitation of commercial opportunities in Non-Operational Areas at RfL(I) Stations;
- 2.9.5 assisting RfL or such member of the TfL Group identified by RfL in managing the Non-Operational Areas at RfL(I) Stations referred to in paragraph 2.9.4 (*Station Services*);
- 2.9.6 providing such other support as RfL or such other member of the TfL Group may reasonably require in connection with the identification and provision of commercial opportunities at Operator Managed Stations and across the Elizabeth Line Route;
- 2.9.7 facilitating such media, experiential and advertising opportunities as may be identified by RfL or such other member(s) of the TfL Group nominated by RfL at Operator Managed Stations,

and, in each case, in accordance with:

- (a) in relation to each Operator Leased Station, paragraph 2 (*Operator's Role in relation to Commercial Opportunities at Operator Managed Stations*) of Part 1 (*Commercial Agreements*) of Schedule 4.3 (*Retail and Commercial Agreements*);
 - (b) the remainder of Schedule 4.3 (*Retail and Commercial Agreements*) (insofar as applicable); and
 - (c) in relation to the RfL(I) Stations, the Stations Operator Agreement;
- 2.10 co-operating with RfL and other members of the TfL Group (as may be identified by RfL to the Operator) and providing such support as RfL may reasonably require in connection with:
- 2.10.1 the installation and operation of mobile telephone and data services at Operator Managed Stations under paragraph 3 (*Mobile Telephone and Data Services at Operator Managed Stations*) of Part 1 (*Commercial Agreements*) of Schedule 4.3 (*Retail and Commercial Agreements*);
 - 2.10.2 the distribution of newspapers and magazines under paragraph 4 (*Distribution of Media Material at Operator Managed Stations*) of Part 1 (*Commercial Agreements*) of Schedule 4.3 (*Retail and Commercial Agreements*);
 - 2.10.3 the provision of advertising at Operator Managed Stations under paragraph 5 (*Advertising*) of Part 1 (*Commercial Agreements*) of Schedule 4.3 (*Retail and Commercial Agreements*); and
 - 2.10.4 such other revenue-generating initiatives identified by RfL or another member of the TfL Group from time to time;

- 2.11 providing a safe, secure and attractive customer environment under paragraph 11 (*Safe, Secure and Attractive Customer Environment*);
- 2.12 ensuring that relevant Concession Employees (which for the purposes of this paragraph shall be deemed to include agency workers) at Elizabeth Line Stations are suitably trained in handling lost property and comply with RfL's lost property requirements under paragraph 12 (*Lost Property*); and
- 2.13 providing facilities for bicycles at Operator Managed Stations under paragraph 13.4 (*Bicycles – Bicycles at Operator Managed Stations*).

3 **Staffing of Elizabeth Line Stations**

Standard

- 3.1 The Operator shall at all times during the Concession Period provide appropriate staffing at Elizabeth Line Stations, taking into account the number of passengers that use each such Elizabeth Line Station and the time(s) of day such Elizabeth Line Stations are busy, so as to ensure that:
 - 3.1.1 it can efficiently comply with any of its safety, customer service and operating obligations under this Agreement, any Licences, any Safety Authorisation, any Safety Management System and any applicable Law;
 - 3.1.2 it can provide high levels of passenger reassurance;
 - 3.1.3 it meets passenger requirements and customer expectations;
 - 3.1.4 it facilitates accessibility to, from and within Elizabeth Line Stations and use of the Passenger Services by those with accessibility requirements and Disabled Persons and so that such persons can turn up to the Elizabeth Line Stations and travel on the Passenger Services without having to pre-book, in accordance with the Elizabeth Line Making Rail Accessible Policy;
 - 3.1.5 it provides a clean, pleasant and welcoming environment for passengers which meets their reasonable requirements and is commensurate with the level that an experienced, professional and diligent operator of railway passenger services would provide;
 - 3.1.6 it can efficiently and effectively protect Ticket Revenue and comply with its revenue protection obligations set out in Schedule 9 (*Ticketless Travel Incentive Regime*);
 - 3.1.7 it provides relevant, timely, accurate and clear information to passengers (in real-time) about:
 - (a) the Passenger Services and any planned or unplanned disruption affecting the Passenger Services;
 - (b) connecting services which may allow passengers to reach their intended destination more efficiently and quickly; and

- (c) facilities, including lifts and escalators, which are temporarily out of service at Elizabeth Line Stations at which a Passenger Service calls, where the unavailability of such facility may reasonably be expected to have a material impact on a passenger's experience; and

3.1.8 wherever reasonably practicable, Concession Employees (which for the purposes of this paragraph shall be deemed to include agency workers) on duty at Elizabeth Line Stations are able to respond to the individual needs of passengers using such stations.

Period and Requirements of Staffing

3.2 The Operator shall procure that during the Station Operating Day relating to the relevant Elizabeth Line Station:

3.2.1 that, in the case of each Operator Managed Station, any such station is open for passenger access and egress; and

3.2.2 there is:

- (a) in the case of each Operator Managed Station, at least one (1) suitable Concession Employee (which for the purposes of this paragraph shall be deemed to include agency workers) on duty at any such Operator Managed Station;
- (b) in the case of each LUL Station and subject to paragraph 3.3 (*Staffing of Elizabeth Line Stations – Period and Requirements of Staffing*), at least one (1) suitable Concession Employee (which for the purposes of this paragraph shall be deemed to include agency workers) on duty on each platform served by the Passenger Services at any such LUL Station; and
- (c) in the case of each Other TOC Station, Heathrow Station and NR Managed Station at least one (1) suitable Concession Employee (which for the purposes of this paragraph shall be deemed to include agency workers) or a suitable employee of the relevant Facility Owner on duty at any such Other TOC Station, Heathrow Station and NR Managed Station,

in each case to provide a regular and effective staff presence to meet the objectives set out in paragraph 3.1 (*Staffing of Elizabeth Line Stations – Standard*), and that (or where there is more than one (1), at least one (1)) Concession Employee (which for the purposes of this paragraph shall be deemed to include agency workers), or as appropriate, employee of a Facility Owner shall be:

- (i) continuously available and visible to passengers at any such Elizabeth Line Station to provide customer services, including being present on the station concourse and not in the ticket office where

(in the case of Operator Managed Stations) not engaged in ticket selling duties as required by this Agreement; and

- (ii) capable of advising customers about the Concession Services and the relevant information specified in paragraph 9 (*Provision of Information at Elizabeth Line Stations*) that customers at any such Elizabeth Line Station are reasonably likely to make.

3.3 A platform served by the Passenger Services at any particular LUL Station may be left without a Concession Employee (which for the purposes of this paragraph 3.3 (*Staffing of Elizabeth Line Stations - Period and Requirements of Staffing*) shall in all instances be deemed to include agency workers) present:

- 3.3.1 for a period of up to ten (10) minutes at a time where such Concession Employee requires a break, provided always that the other platform at such LUL Station has a Concession Employee present for the entirety of the period of such break;
- 3.3.2 where such Concession Employee is assisting a passenger with accessibility requirements to board or disembark a Passenger Service; or
- 3.3.3 where the Operator reasonably believes that requiring the Concession Employee to remain on such platform is reasonably likely to cause a situation in which the safety of such Concession Employee, other Concession Employees or users of such station could be adversely affected,

provided always that the Operator shall use all reasonable endeavours to minimise the period of time where such platform does not have a Concession Employee present.

3.4 The Operator shall procure that there is at least one (1) Concession Employee (which for the purposes of this paragraph shall be deemed to include agency workers) that meets the requirements in paragraph 3.2 (*Staffing of Elizabeth Line Stations - Period and Requirements of Staffing*) on duty to support the operation of LUL overnight train services at Ealing Broadway and Stratford stations on the days on which such services operate from such stations.

3.5 The Operator shall co-operate with and provide reasonable assistance to RfL and such persons nominated by RfL (including RfL(I), other members of the TfL Group, and Network Rail) and notified to the Operator as soon as reasonably practicable in advance of such activities taking place in connection with maintenance activity taking place outside of the Station Operating Day and:

- 3.5.1 which is undertaken at or to Operator Managed Stations; or
- 3.5.2 where such maintenance activity is proposed at a location other than one described in paragraph 3.5.1 (*Staffing of Elizabeth Line Stations - Period and Requirements of Staffing*) but where access is

nevertheless reasonably required to such Operator Managed Stations or is otherwise expedient in connection with such maintenance activity,

which may include procuring at least one (1) Concession Employee (which for the purposes of this paragraph shall be deemed to include agency workers) that meets the requirements in paragraph 3.2 (*Staffing of Elizabeth Line Stations – Period and Requirements of Staffing*) on duty to support and facilitate such access and egress as may be reasonably required in connection therewith.

4 Staff Presentation

The Operator shall procure that its Concession Employees (which for the purposes of this paragraph shall be deemed to include agency workers) engaged in the provision of passenger facing activities:

- 4.1 wear uniforms prescribed by TfL in accordance with the TfL Uniform Specification at all times during the carrying out of those activities; and
- 4.2 maintain high standards of presentation throughout the Concession Period.

5 Staffing of Ticket Offices, Gatelines and Station Dispatch

Ticket Office Opening and Closing Hours

- 5.1 The Operator shall, subject to paragraph 5.2 (*Staffing of Ticket Offices, Gatelines and Station Dispatch – Ticket Office Opening and Closing Hours*), ensure on each day of the Concession Period on which Passenger Services are operating from that Operator Leased Station, that at least one (1) ticket office (or ticket office window, as the case may be) is open in accordance with the opening times specified in schedule 17 and other terms of the Ticketing and Settlement Agreement.
- 5.2 The Operator may seek to obtain consent from the Secretary of State to amend the Ticketing and Settlement Agreement to provide for alternative ticket office opening and closing hours at each Operator Leased Station from those set out in schedule 17 of the Ticketing and Settlement Agreement, provided that the Operator shall:
 - 5.2.1 obtain the prior written approval of RfL to any alternative opening and closing hours that it wishes to propose to the Secretary of State; and
 - 5.2.2 keep RfL advised of the progress of any such application for the Secretary of State's consent and shall provide RfL with such information concerning the application as RfL may reasonably request. The Operator shall not agree any changes to the ticket office opening and closing hours set out in schedule 17 of the Ticketing and Settlement Agreement without RfL's prior consent.
- 5.3 If the Secretary of State grants consent for any changes to the ticket office opening and closing hours proposed by the Operator pursuant to and agreed

by RfL, in each case pursuant to paragraph 5.2 (*Staffing of Ticket Offices, Gatelines and Station Dispatch – Ticket Office Opening and Closing Hours*), the Operator shall ensure that, during the period commencing on the date when such changes become effective until the end of the Concession Period, the retailing facility at each Operator Leased Station is staffed for no less than the hours specified in accordance with such consent or as otherwise agreed by RfL.

- 5.4 If the Secretary of State refuses to grant consent for any changes to the ticket office opening and closing hours proposed by the Operator pursuant to and agreed by RfL, in each case pursuant to paragraph 5.2 (*Staffing of Ticket Offices, Gatelines and Station Dispatch – Ticket Office Opening and Closing Hours*), then the Operator shall ensure that from the date of that refusal until the end of the Concession Period, the ticket office at each Operator Leased Station is staffed for no less than the hours specified in schedule 17 of the Ticketing and Settlement Agreement. Any such refusal shall not prevent the Operator from seeking to make an alternative proposal to the Secretary of State in which case, the provisions of this paragraph 5.2 (*Staffing of Ticket Offices, Gatelines and Station Dispatch – Ticket Office Opening and Closing Hours*) shall apply.

Staffing of Ticket Gatelines

- 5.5 The Operator shall procure that during the Station Operating Day relating to each Operator Managed Station at which one (1) or more ticket gatelines are installed:
- 5.5.1 subject to paragraph 5.6 (*Staffing of Ticket Offices, Gatelines and Station Dispatch – Staffing of Ticket Gatelines*), all such ticket gatelines are operational and shut, so that a passenger must present a valid method of travel to pass through such ticket gateline; and
 - 5.5.2 such ticket gatelines are appropriately supervised to a reasonable standard (which may include supervision from elsewhere within such Operator Managed Station, including by the Concession Employee (which for the purposes of this paragraph 5.5.2 (*Staffing of Ticket Offices, Gatelines and Station Dispatch – Staffing of Ticket Gatelines*) shall in all instances be deemed to include agency workers) referred to in paragraph 3.2.2 (*Staffing of Elizabeth Line Stations – Period and Requirements of Staffing*) or any Concession Employee based in a ticket office, or remotely).
- 5.6 A ticket gateline at any particular Operator Managed Station at which ticket gateline(s) are installed may be left open:
- 5.6.1 for a period of up to ten (10) minutes at a time where the Concession Employee (which for the purposes of this paragraph shall be deemed to include agency workers) responsible for supervising such ticket gateline requires a break;
 - 5.6.2 where the Concession Employee (which for the purposes of this paragraph shall be deemed to include agency workers) responsible

for supervising such ticket gateline is assisting a passenger with accessibility requirements to board or disembark a Passenger Service; or

- 5.6.3 where the Operator (acting in accordance with its Safety Authorisation and Safety Management System) reasonably believes that keeping such ticket gateline(s) shut is reasonably likely to cause a situation in which the safety of Concession Employees (which for the purposes of this paragraph shall be deemed to include agency workers) or users of such station could be adversely affected,

provided always that the Operator shall use all reasonable endeavours to minimise the period of time in which the ticket gateline(s) remain open.

- 5.7 The Operator shall appropriately manage all ticket gatelines it is responsible for, having regard to the flow of passengers, occurrence of incidents, and other relevant circumstances, in each case in order to ensure the unimpeded flow of passengers through each ticket gate when in operation.
- 5.8 The Operator shall put in place day-to-day operating arrangements with RfL's nominated maintainer of ticket gatelines and shall promptly notify that maintainer of any defects that the Operator is aware of to any ticket gateline and/or related equipment.

Station dispatch at Paddington (Main Line) and Liverpool Street (Main Line) Stations

- 5.9 The Operator shall ensure, or shall procure, that it has the ability to dispatch Passenger Services from each of Paddington (Main Line) and Liverpool Street (Main Line) stations during the period between:

- 5.9.1 fifteen (15) minutes prior to the time at which the first Passenger Service is scheduled to call at:

- (a) Paddington (Main Line) station or (if earlier) Paddington (CCOS) station; and
- (b) Liverpool Street (Main Line) station or (if earlier) Liverpool Street (CCOS) station; and

- 5.9.2 fifteen (15) minutes after the last Passenger Service actually departs from:

- (a) Paddington (Main Line) station or (if later) Paddington (CCOS) station; and
- (b) Liverpool Street (Main Line) station or (if later) Liverpool Street (CCOS) station,

to support contingency planning and service recovery during periods of perturbation affecting the Passenger Services.

6 Publishing the Timetable

Publication of the Timetable at Elizabeth Line Stations

6.1 The Operator shall publish at each Elizabeth Line Station in accordance with paragraph 6.2 (*Publishing the Timetable – Publication of the Timetable at Elizabeth Line Stations*):

6.1.1 the Timetable on the Start Date; and

6.1.2 updates and replacements to the Timetable to the extent necessary to reflect any Timetable Change that comes into effect on any Passenger Change Date or between any Passenger Change Date, including in relation to any Timetable Change that occurs between any Passenger Change Dates, details that explain to passengers:

- (a) the extent to which that Timetable Change will prevent the Operator from operating the Passenger Services in accordance with the Timetable; and
- (b) any related alternative services that will operate during the period of that Timetable Change.

6.2 When publishing the Timetable and updates or revisions to the Timetable pursuant to paragraph 6.1 (*Publishing the Timetable – Publication of the Timetable at Elizabeth Line Stations*), the Operator shall publish:

6.2.1 at each Operator Managed Station no later than two (2) weeks before the change comes into effect (or where the Operator becomes aware of that change less than four (4) weeks in advance of the effective date of that change, as soon as reasonably practicable after it becomes aware) by:

- (a) making the relevant information available upon request and free of charge in the electronic and printable form specified by RfL from time to time; and
- (b) clearly and prominently displaying the relevant information on information displays,

in each case, in accordance with, as appropriate, the requirements of the TfL Rail Operating Brand, the TfL Generic Operating Brand or the Elizabeth Line Operating Brand; and

6.2.2 at each Other TOC Station in sufficient time for such information to be published by the Facility Owner of each such station within the time limit provided for in paragraph 6.2.1 (*Publishing the Timetable – Publication of the Timetable at Elizabeth Line Stations*) by providing to those entities the Timetable or any update or revision, including any Timetable Change insofar as each relates to the Passenger Services that call at each such station and the principal Connections to any other transport services relevant to each such station in the same forms and consistent with the same branding requirements as

are specified in paragraph 6.2.1 (*Publishing the Timetable – Publication of the Timetable at Elizabeth Line Stations*).

Awareness of the Timetable at Elizabeth Line Stations

6.3 The Operator shall:

- 6.3.1 ensure that the Concession Employees (which for the purposes of this paragraph shall be deemed to include agency workers) based at Elizabeth Line Stations are aware of any Timetable Change in order that those employees are capable of advising passengers about how the Timetable will be affected and where they can obtain further information; and
- 6.3.2 make regular public address system announcements at each Operator Managed Station and on Passenger Services, informing passengers in the two (2) weeks prior to any Timetable Change, about how the Timetable will be affected and where they can obtain further information.

Publication of the Timetable on the Elizabeth Line Webpage

- 6.4 RfL will publish each Timetable (and may publish each Working Timetable) on the Elizabeth Line Webpage.
- 6.5 In relation to the Timetable which the Operator intends to operate with effect from the Start Date, the Operator shall supply the data that comprises the Timetable (and, where requested by RfL, the Working Timetable) to RfL for this purpose. Such data shall be supplied in a form specified by RfL a reasonable period in advance of the date occurring twelve (12) weeks prior to the Start Date in order that RfL is able to incorporate that data for publication on the Elizabeth Line Webpage no later than twelve (12) weeks prior to the Start Date.
- 6.6 The Operator shall, in order that RfL may update the Elizabeth Line Webpage, supply to RfL the data relating to any Timetable Change a reasonable period in advance of the date occurring twelve (12) weeks prior to that Timetable Change coming into effect in order that RfL is able to incorporate that data for publication on the Elizabeth Line Webpage no later than twelve (12) weeks prior that Timetable Change and where this is not practicable due to the short notice given to the Operator of that Timetable Change, as soon as reasonably practicable after the Operator becomes aware of that Timetable Change. The data provided by the Operator pursuant to this paragraph shall relate to the Timetable to be operated with effect from such Timetable Change and, where reasonably requested by RfL, the data relating to the Working Timetable which will apply with effect from such Timetable Change.

Other Train Operators' Timetables

- 6.7 The Operator shall throughout the Concession Period make available booklets and display information in information displays in respect of any other Train

Operator's timetable at each Operator Managed Station where the railway passenger services of such other Train Operator are scheduled to call:

- 6.7.1 within the time limits specified in paragraph 6.2 (*Publishing the Timetable – Publication of the Timetable at Elizabeth Line Stations*) where and to the extent that such other Train Operator delivers to the Operator the relevant information and materials in sufficient time for the Operator to so publish; and
- 6.7.2 as soon as reasonably practicable thereafter where and to the extent that such other Train Operator delivers the relevant information and materials late to the Operator.

National Rail Timetable and National Rail Enquiry Scheme

- 6.8 The Operator shall use all reasonable endeavours to procure (including by virtue of any arrangements made from time to time between Network Rail and RSP) that the National Rail Timetable (or any replacement), which Network Rail is responsible for publishing from time to time, incorporates or is consistent with its Timetable from time to time.
- 6.9 The Operator shall use all reasonable endeavours to procure that information in relation to the Timetable and any Timetable Change is, in each case, available to passengers through the National Rail Enquiry Scheme (or any replacement) not less than four (4) weeks prior to coming into effect, or in the case of a Timetable Change where the Operator becomes aware of that change less than four (4) weeks in advance of its effective date, as a soon as reasonably practicable after it becomes aware.

7 TfL's Conditions of Carriage and TfL's Customer Commitments

- 7.1 RfL shall notify the Operator from time to time of any changes to the content of TfL's Conditions of Carriage and/or TfL's Customer Commitments.
- 7.2 The Operator shall procure that the Concession Employees (which for the purposes of this paragraph 7.2 (*TfL's Conditions of Carriage and TfL's Customer Commitments*) shall in all instances be deemed to include agency workers) based at Elizabeth Line Stations are at all times throughout the Concession Period familiar with the terms of TfL's Conditions of Carriage, TfL's Customer Commitments and the process by which passengers may seek a repayment in relation to the provision of the Passenger Services in order that those Concession Employees are capable of advising passengers in relation to:
 - 7.2.1 general information regarding fares, ticketing and complaints procedure;
 - 7.2.2 the commitments made by TfL in relation to the Passenger Services, including where any such passenger may be entitled to a payment from TfL; and

7.2.3 the process (including the contact details) for submitting a claim for payment and contacting TfL in relation to the Operator's performance in providing the Passenger Services,

and the Operator shall procure that such Concession Employees are able to communicate such information to users of such Elizabeth Line Stations upon request.

7.3 The Operator shall comply with the Delay Code of Practice. If the ORR requests any information connected with the subject matter of the Delay Code of Practice, the Operator shall promptly notify RfL and as soon as reasonably practicable thereafter (and in any event a reasonable period prior to any deadline specified by the ORR), provide RfL with such information as RfL may reasonably request to enable RfL or another member of the TfL Group to respond to such ORR request.

TfL Responsibility for Repayments

7.4 The Operator acknowledges that RfL will be responsible for honouring commitments made under TfL's Customer Commitments, including payments which passengers may reasonably expect to be made or provided from time to time in relation to the provision of the Passenger Services.

7.5 The Operator shall use reasonable endeavours:

7.5.1 without prejudicing any other obligation under this Agreement, to operate the Passenger Services with the purpose of minimising the extent to which RfL is obliged to make payments or other commitments to passengers; and

7.5.2 to:

(a) comply with any other obligations, statements and representations; and

(b) meet any other standards or targets of performance,

in each case as are comprised in TfL's Customer Commitments from time to time.

Passenger Charter of Other Train Operators

7.6 The Operator shall make available at each Operator Managed Station the current passenger's charter of any other Train Operator whose trains call there, subject to the provision of such passenger's charter to the Operator by such other Train Operator.

8 The Elizabeth Line Webpage

8.1 RfL or another member of the TfL Group has established the Elizabeth Line Webpage on TfL's website and will be responsible for maintaining it throughout the Concession Period.

- 8.2 The Operator shall notify RfL promptly upon becoming aware of a Restriction of Use or other occurrence that prevents the Operator from operating the Passenger Services in accordance with the Timetable, in order that RfL can ensure that the content of the Elizabeth Line Webpage is accurate.
- 8.3 Where requested by RfL from time to time, the Operator shall promptly assist RfL in validating the accuracy of the content of the Elizabeth Line Webpage that describes the Timetable (and the Working Timetable, where such timetable is published on the Elizabeth Line Website) and the status of the Operator's provision of the Passenger Services.
- 8.4 Without prejudice to paragraphs 1.11 (*Confidentiality - No Publication by Operator Without Consent*), 1.12 (*Confidentiality - No Publication by Operator Without Consent*) and 1.13 (*Confidentiality - No Publication by Operator Without Consent*) of Schedule 16.2 (*Confidentiality, Freedom of Information Act and Data Protection Requirements*) the Operator shall procure that any website and/or social media account it operates in relation to its provision of the Concession Services under this Agreement contains only:
- 8.4.1 the information it is required to share with the public in accordance with the Operator's Licences;
 - 8.4.2 any information reasonably required in connection with the recruitment of potential Concession Employees (which for the purposes of this paragraph shall be deemed to include agency workers); and
 - 8.4.3 an active link to the Elizabeth Line Webpage and/or the TfL website.

9 **Provision of Information at Elizabeth Line Stations**

Provision of Information

- 9.1 The Operator shall provide timely, accurate and clear information to passengers at Operator Managed Stations, which obligation shall include:
- 9.1.1 making public address system announcements at least every fifteen (15) minutes during the Station Operating Day, informing passengers about the performance of the Passenger Services and the performance of transport services sponsored or funded by the TfL Group;
 - 9.1.2 ensuring that all clocks located at any Operator Managed Station are working and accurate throughout the Station Operating Day relating to that Operator Managed Station;
 - 9.1.3 displaying, in prominent locations at Operator Managed Stations, accessibility information in order that disabled passengers and those with accessibility needs are able to make use of the facilities at each Operator Managed Station and the Passenger Services that call there;

- 9.1.4 maintaining adequate stocks of maps of TfL and south east regional rail services, provided that in the case of:
- (a) maps of TfL rail services supplied by RfL, the Operator shall inform RfL in a timely manner when it is necessary to replenish those stocks; and
 - (b) maps of south east regional rail services, the Operator shall be responsible for sourcing adequate stocks;
- 9.1.5 publishing information in information displays (including the information referred to in paragraph 9.4 (*Provision of Information at Elizabeth Line Stations – Publishing Information in Respect of Other Transport Operating Businesses*)) and procuring that its Concession Employees (which for the purposes of this paragraph shall be deemed to include agency workers) based at Operator Managed Stations are informed about the surrounding area in order that passengers may plan their onward journeys;
- 9.1.6 making public address system announcements and procuring that Concession Employees (which for the purposes of this paragraph shall be deemed to include agency workers) are able to inform passengers (in real-time) about the Passenger Services and any planned or unplanned disruption affecting the Passenger Services and/or the temporary unavailability of any facilities at Elizabeth Line Stations, including:
- (a) making available to Concession Employees (which for the purposes of this paragraph shall be deemed to include agency workers) on duty at Elizabeth Line Stations a consistent and accurate source of information to facilitate the provision of information to passengers;
 - (b) in the case of unplanned disruption, and where such information is available, making announcements and informing passengers about the Operator's best estimate of when the Passenger Services will:
 - (i) (where applicable) resume from such Elizabeth Line Station; and
 - (ii) no longer be affected by such unplanned disruption; and
 - (c) making announcements and informing passengers about alternative routes, including by other transport modes, that passengers may seek to use to reach their intended destination (where alternative routes are reasonably practicable from such Operator Managed Station).

Responding to Help Point Requests

- 9.2 The Operator shall respond to a passenger pressing a Help Point information call button at any Operator Managed Station within twenty (20) seconds of such button being pressed at any time during the Station Operating Day.
- 9.3 RfL shall be entitled to audit the Operator's compliance with its obligation under paragraph 9.2 (*Provision of Information at Elizabeth Line Stations - Responding to Help Point Requests*) in accordance with paragraph 2.3 (*Auditing – RfL Auditing*) of Schedule 8.1 (*KPI Regime*).

Publishing Information in Respect of Other Transport Operating Businesses

- 9.4 The Operator shall, subject to paragraph 9.5 (*Provision of Information at Elizabeth Line Stations – Publishing Information in Respect of Other Transport Operating Businesses*), promptly publish at Operator Managed Stations and procure the publication at Other TOC Stations of such timetable or other information relating to other transport operating businesses sponsored or funded by the TfL Group as RfL may require from time to time.
- 9.5 As and when RfL requires the Operator to publish the information specified in paragraph 9.4 (*Provision of Information at Elizabeth Line Stations – Publishing Information in Respect of Other Transport Operating Businesses*), it will provide the Operator with the required publication material.

RfL Notices at Elizabeth Line Stations

- 9.6 If requested by RfL, the Operator shall promptly publish and display at each Operator Managed Station (and shall use all reasonable endeavours to procure the publication and display at all other Other TOC Stations) such notices not otherwise specified in paragraph 6 (*Publishing the Timetable*) or this paragraph 9 (*Provision of Information at Elizabeth Line Stations*) as RfL may wish to publish from time to time.
- 9.7 The Operator shall promptly procure the production of any notices to be published at Elizabeth Line Stations pursuant to paragraph 9.6 (*Provision of Information at Elizabeth Line Stations – RfL Notices at Elizabeth Line Stations*) in accordance with, as appropriate, the requirements of the TfL Generic Operating Brand or the Elizabeth Line Operating Brand.

TfL Network Map at Elizabeth Line Stations

- 9.8 If requested by RfL, the Operator shall promptly replace the TfL Network Map displayed at the Operator Managed Stations with any updated version provided by RfL.

Other Notices at Elizabeth Line Stations

- 9.9 The Operator shall not publish any notices at Elizabeth Line Stations other than those required by RfL under this Schedule 2 (*Concession Services*), provided that the Operator may publish ad hoc, specific, notices in accordance with any guidance issued by RfL from time to time which inform passengers of the unavailability of facilities at any Elizabeth Line Station and where any

ESUB at an Operator Managed Station is unavailable, the status of the Passenger Services, provided that any such notice shall be clearly and professionally written.

Removal of Notices

- 9.10 The Operator shall procure the timely removal of posters at Elizabeth Line Stations in order that no posters continue to be displayed when they become out-of-date.

10 Retail and Commercial Arrangements

- 10.1 The Operator shall undertake the activities described in Schedule 4.3 (*Retail and Commercial Agreements*) in accordance with the requirements of that Schedule.

11 Safe, Secure and Attractive Customer Environment

Railway Security

- 11.1 The Operator shall, at its own cost, deliver the UK Government's requirements for railway security on the Elizabeth Line Route and Elizabeth Line Stations, including any changes in such requirements, and will liaise with the relevant bodies to create arrangements for mitigating the risk of terrorism. Any changes to the UK Government's requirements for railway security on the Elizabeth Line Route and Elizabeth Line Stations or the DfT Security Guidance or the National Rail Security Programme shall not constitute a Change (including a Change of Law).
- 11.2 Without prejudice to the Operator's obligations in Schedule 6.1 (*Security*) the Operator shall, and shall use all reasonable endeavours to procure that its Sub-Contractors shall:
- 11.2.1 comply with all requirements referred to in paragraph 11.1 (*Safe, secure and attractive customer environment – Railway Security*); and
- 11.2.2 assist and co-operate with RfL where possible to enable RfL to satisfy its duties under those requirements.
- 11.3 Notwithstanding the provisions of paragraph 6 (*BTP Policing Services Agreement (Standard) Charges*) of Schedule 11.2 (*Annual Concession Payments and Indexation*) the Operator shall:
- 11.3.1 co-operate and collaborate with the BTP to establish and thereafter maintain an effective working relationship in relation to the provision of policing services across the Elizabeth Line Route, at Elizabeth Line Stations and on the Passenger Services;
- 11.3.2 proactively:
- (a) manage the relationship with the BTP in relation to the matters contemplated in paragraph 11.3.1 (*Safe, secure and attractive customer environment – Railway Security*);

- (b) manage the provision of the Policing Services Agreement (Standard) by the BTP with the intention of delivering good value for money under that agreement; and
 - (c) consult with RfL on any plans to enter into any enhanced policing services arrangements with the BTP to ensure such arrangements align with RfL's (or the TfL Group's) policing arrangements and is coordinated with other activity being undertaken by RfL and other members of the TfL Group relating to security, policing and enforcement;
- 11.3.3 provide sufficient staffing resource (which shall be additional to the core policing services provided by the BTP) to:
- (a) facilitate revenue protection duties;
 - (b) comply with all security requirements mandated by the Secretary of State or the Department for Transport (including under sections 119 to 121 of the Act, the DfT Security Guidance and the National Rail Security Programme);
 - (c) comply with Schedule 6.1 (*Security*);
 - (d) interface with RfL (and, where directed by RfL, the Secretary of State) in relation to sections 119 to 121 (inclusive) of the Act and the National Rail Security Programme and co-ordinating relevant activities and delivery of counter terrorist security on behalf of the Operator in connection with the Operator's compliance with any relevant instructions issues by the Secretary of State under section 119 of the Act from time to time; and
 - (e) cover any reasonable uplift in security measures required by the Secretary of State or the Department for Transport in response to any change in the prevailing threat level,

whilst at all times recognising and having regard to the strategic relationship between the TfL Group and the BTP.

Operator Managed Stations

- 11.4 In providing relevant Concession Services, the Operator shall use all reasonable endeavours to provide a safe, secure and attractive customer environment at Operator Managed Stations that is commensurate with the level that an experienced, professional and diligent operator of railway passenger services would provide, which such provision shall include:
- 11.4.1 responding to a passenger pressing a Help Point emergency call button or lift alarm button, in each case, at an Operator Managed Station within ten (10) seconds of such button being pressed at any time during the Station Operating Day;

- 11.4.2 keeping station platform surfaces and routeways free from trip hazards and vegetation and providing customers with unimpeded access both to and from those platforms;
- 11.4.3 maintaining:
 - (a) CCTV and associated recording systems installed at Operator Managed Stations in full working order at all times;
 - (b) records on the Fault Management System of inspections of that equipment and systems carried out by the Operator or any third party on its behalf; and
 - (c) records of the CCTV and assorted recording systems referred to in paragraph 11.4.3(a) (*Safe, Secure and Attractive Customer Environment – Operator Managed Stations*) for at least twenty-five (25) Business Days;
- 11.4.4 monitoring all cameras installed at Operator Managed Stations in order to achieve an immediate level of effective surveillance;
- 11.4.5 ensuring that Concession Employees (which for the purposes of this paragraph shall be deemed to include agency workers) at Operator Managed Stations provide a high degree of reassurance to passengers about their safety and security by being present and visible in areas of Operator Managed Stations to which the public have access whenever reasonably practicable whilst on duty;
- 11.4.6 removing or procuring the removal of hazardous items and substances from Operator Managed Stations within four (4) hours of becoming aware of such any such items or substances;
- 11.4.7 whilst not adversely affecting the Operator Managed Station environment and the provision of relevant Concession Services, taking proactive steps to prevent pest, including rodent and insect, infestation and roosting birds, and taking steps to remove such infestation or roosting and the evidence of such infestation or roosting where it does occur; and
- 11.4.8 taking steps to maintain Operator Managed Stations in good condition, which shall include the Operator promptly:
 - (a) repairing damage and defects where the Operator is obliged to do so under the terms of the relevant Station Lease or the Stations Operator Agreement; and
 - (b) in the case of the Operator Leased Stations, enforcing its rights in accordance with paragraph 12.9 (*General Station Property Lease Provisions*) of Schedule 4.1 (*Property Leasing and Access*) where it is not obliged under the terms of that Station Lease to effect those repairs directly.

11.5 RfL shall be entitled:

- 11.5.1 to audit the Operator's compliance with its obligation under paragraph 11.4.1 (*Safe, Secure and Attractive Customer Environment – Operator Managed Stations*) in accordance with paragraph 2.3 (*Auditing – RfL Auditing*) of Schedule 8.1 (*KPI Regime*); and
- 11.5.2 to request that the Operator provides RfL with the inspection records referred to in paragraph 11.4.3(b) (*Safe, Secure and Attractive Customer Environment – Operator Managed Stations*) upon reasonable notice.

Condition and Maintenance of Elizabeth Line Stations

- 11.6 It is RfL's intention that all Elizabeth Line Stations and associated tracksides are maintained to the same standard of cleanliness throughout the Concession Period that is commensurate with a world class railway and are therefore at all times throughout that period, free from graffiti, trackside vegetation and litter.
- 11.7 The Operator shall continue to procure that the objective set out in paragraph 11.6 (*Safe, Secure and Attractive Customer Environment – Condition and Maintenance of Elizabeth Line Stations*) is met throughout the Concession Period in relation to the Operator Managed Stations and the platforms of the Operator Access Stations at which the Passenger Services call (excluding the LUL Stations on the CCOS) by:
 - 11.7.1 complying with its obligations and enforcing any rights it may have from time to time under any Station Lease, any Station Underlease and under the Stations Operator Agreement; and
 - 11.7.2 enforcing any rights it may have from time to time under any Station Access Agreement and any Track Access Agreement,in each case to procure the reduction in, prevention of, or prompt removal of graffiti, trackside vegetation and litter from those stations and the related trackside of the Elizabeth Line Route.

12 **Lost Property**

- 12.1 The Operator shall procure at all times during the Concession Period, that Concession Employees (which for the purposes of this paragraph shall be deemed to include agency workers) engaged in the handling of lost property at Elizabeth Line Stations and on trains comprising the Train Fleet:
 - 12.1.1 are suitably trained in RfL's requirements for handling lost property specified in any procedures issued by RfL from time to time; and
 - 12.1.2 comply with those procedures.
- 12.2 The Operator shall put in place and maintain throughout the Concession Period, day-to-day operating arrangements for the transportation and storage

of lost property found at Elizabeth Line Stations and on trains comprising the Train Fleet with the TfL Group employees (or the employees of TfL's sub-contractor) based at the office designated by RfL from time to time as the lost property office for Elizabeth Line.

13 **Bicycles**

Bicycles on Trains

- 13.1 The Operator shall comply with the requirements for the carriage of bicycles by rail comprised in any policy document issued by RfL from time to time (the "**Carriage of Bicycles Policy**").
- 13.2 The Operator shall not, except to the extent RfL otherwise agrees in writing, impose any restrictions on the carriage of bicycles on any Passenger Services other than those set out in the Carriage of Bicycles Policy.
- 13.3 Notwithstanding any of the above, the Operator shall not be in contravention of any of its obligations under this paragraph 13 (*Bicycles*) if the reason for its failure to comply with any such obligation is the use by it on any particular occasion of some or all space otherwise available to cyclists and/or bicycles for the carriage and/or accommodation of wheelchairs and/or wheelchair users and/or those passengers travelling with such wheelchair users.

Bicycles at Operator Managed Stations

- 13.4 The Operator shall:
 - 13.4.1 so far as is reasonably practical and subject to the availability of appropriate space at Operator Managed Stations:
 - (a) ensure that reasonable facilities to enable the secure storage of bicycles at Operator Managed Stations are made available, free of charge, to passengers using the Passenger Services; and
 - (b) maintain or procure the maintenance of those facilities; and
 - 13.4.2 maintain or procure the maintenance of any existing facilities to enable the storage of bicycles which, due to their proximity to any Operator Managed Station, may reasonably be considered to be facilities:
 - (a) that form part of that Operator Managed Station; or
 - (b) that are for the specific use by passengers of that Operator Managed Station.

14 **Provision of Information on Trains**

- 14.1 The Operator shall procure that each of its train drivers announces:
 - 14.1.1 within thirty (30) seconds of any train that stops during a journey (other than at an Elizabeth Line Station):

- (a) the reason for the stop, including where the train has stopped because of a red signal, that this is the reason for the stop, and that the train driver is endeavouring to establish the cause (and the Operator shall procure that each such train driver duly endeavours to establish the cause for the stop); and
 - (b) where known, the anticipated length of delay;
- 14.1.2 if the train has yet to re-start its journey, every one hundred and twenty (120) seconds after any announcement made pursuant to paragraph 14.1.1 (*Provision of Information on Trains*) up to the time period referred to in paragraph 14.1.3 (*Provision of Information on Trains*), an update of the situation, including any further information relating to the cause of the stop and the anticipated delay; and
- 14.1.3 upon any delay lasting for five (5) minutes, a further update of the kind anticipated by paragraph 14.1.2 (*Provision of Information on Trains*) and further updates of that kind upon each further five (5) minutes of delay.
- 14.2 The Operator shall procure that each of its train drivers announces the information referred to in paragraph 14.1.1 (*Provision of Information on Trains*):
 - 14.2.1 after ninety (90) seconds where a train has stopped at an Elizabeth Line Station but cannot re-commence its journey;
 - 14.2.2 if the train has yet to re-start its journey, every one hundred and eighty (180) seconds after any announcement made pursuant to paragraph 14.2.1 (*Provision of Information on Trains*) up to the time period referred to in paragraph 14.2.3 (*Provision of Information on Trains*), an update of the situation, including any further information relating to the cause of the stop and the anticipated delay; and
 - 14.2.3 upon a delay lasting six (6) minutes, further updates of the kind anticipated by paragraph 14.2.2 (*Provision of Information on Trains*) at reasonable periods thereafter.
- 14.3 The Operator shall procure the timely display of such posters provided by or on behalf of RfL on the Units.

15 **Complaints, Customer Feedback and Queries**

Passenger Contact Centre

- 15.1 On or prior to the Start Date, RfL will establish and resource (and thereafter maintain throughout the Concession Period) a contact centre for passengers to telephone and correspond (including electronically) with RfL in relation to any aspect of the operation of the Elizabeth Line (the "**Passenger Contact Centre**"). Such Passenger Contact Centre may be operated and managed by another member of the TfL Group, in RfL's absolute discretion. The Passenger Contact Centre will be responsible for responding to all communications from

passengers in relation to the operation of the Elizabeth Line, Elizabeth Line Stations and the Passenger Services.

Assisting RfL in Responding to Communication

- 15.2 The Operator shall assist RfL (or such other member of the TfL Group, as the case may be) and its or their customer service employees based at the Passenger Contact Centre in responding to correspondence from passengers and investigating customer feedback and complaints by providing the following information within the following timescales:
- 15.2.1 acknowledging receipt to RfL of any request for information from RfL within one (1) Business Day of receipt of such request;
- 15.2.2 providing to RfL an interim response and commentary (where a fully detailed response is not yet possible due to the need to collate further information) to any such request for information within five (5) Business Days from receipt of such request; and
- 15.2.3 providing to RfL a fully detailed response and commentary to any such request for information within ten (10) Business Days from receipt of such request.
- 15.3 The Operator shall promptly redirect to the Passenger Contact Centre any correspondence or other communication that it receives directly from any passengers in relation to the operation of Elizabeth Line, an Elizabeth Line Station and/or the Passenger Services.
- 15.4 The Operator shall procure that its Concession Employees (which for the purposes of this paragraph shall be deemed to include agency workers) based at Elizabeth Line Stations are capable of informing passengers who request details of how to contact the Passenger Contact Centre.

16 Fault Reporting

Fault Management System Requirements

- 16.1 The Operator shall establish on or prior to the Start Date, and throughout the Concession Period implement, a Fault Management System to cover all faults associated with the KPI Regime.
- 16.2 The Fault Management System shall as a minimum:
- 16.2.1 manage automatically and manually reported faults, in each case, in a timely manner;
- 16.2.2 provide:
- (a) where the technology is commercially available, for devices to which Key Performance Indicators relate, to automatically report faults to the system's central monitoring system; and

- (b) for manual reporting of faults to which Key Performance Indicators relate, irrespective of the availability of automatic reporting described in paragraph 16.2.2(a) (*Fault Reporting – Fault Management System Requirements*);
- 16.2.3 make provision to report faults that may occur on a repeated basis or occur in a number of assets or processes;
- 16.2.4 make provision for the inclusion of any faults reported by RfL;
- 16.2.5 permit RfL to extract fault resolution reports to such level of disaggregation as is necessary to verify the Operator's performance in respect of the KPI Regime;
- 16.2.6 incorporate the Fault Tracking Database;
- 16.2.7 incorporate the functionalities specified in paragraph 16.3 (*Fault Reporting – Fault Management System Functionality*);
- 16.2.8 provide details of the resources allocated by the Operator, including any contractual arrangements in place, to ensure the provision by it of a level of service quality across the Elizabeth Line Route that is consistent with the standards specified in the KPI Regime;
- 16.2.9 measure the Operator's compliance with the standards set out in the KPI Regime and calculate KPI Adjustments; and
- 16.2.10 set out procedures, including in respect of the auditing requirements specified in paragraph 3 (*Reporting Requirements of the Operator*) of Schedule 8.1 (*KPI Regime*), for identifying and rectifying failures against the Key Performance Indicators.

Fault Management System Functionality

16.3 The Operator shall ensure that the Fault Management System:

- 16.3.1 has the capabilities to:
 - (a) capture any information relating to faults remotely and on a real-time basis and make available such information from the Fault Tracking Database simultaneously;
 - (b) capture any information relating to faults from internet-protocol-enabled devices that are or may be available to the Operator and to maximise such capability, the Operator shall maintain and upgrade the Fault Management System to the prevailing technology at the time;
 - (c) identify any device malfunctions or failures by way of automatic reporting; and

- (d) reconcile the data it holds and update its system (including the Fault Tracking Database) automatically and promptly upon receipt of any manual fault report; and
- 16.3.2 will conduct system checks to ensure the effective running of the Fault Management System and the devices to which the Key Performance Indicators relate. The system check shall:
- (a) be conducted on a daily basis;
 - (b) be an automated process with minimal manual input or monitoring;
 - (c) be designed to verify the effective performance of the Fault Management System and the relevant devices;
 - (d) have failure diagnosis, troubleshooting and fault rectification functionalities; and
 - (e) to the extent that manual input or monitoring is required, be designed with the intention that any input or monitoring task is capable of being conducted remotely.

Fault Tracking Database

- 16.4 The Operator shall implement a real-time facilities management fault tracking database to enable RfL and the Operator to monitor fault resolution (the "**Fault Tracking Database**"). The Fault Tracking Database shall have the functionality to be able to specify, as a minimum, information in respect of the following categorisations:
- 16.4.1 fault number;
 - 16.4.2 train, station or other location;
 - 16.4.3 device reference;
 - 16.4.4 description of fault;
 - 16.4.5 time of fault report;
 - 16.4.6 current status of repair/response;
 - 16.4.7 name of individual/organisation responsible for the repair;
 - 16.4.8 estimated repair duration;
 - 16.4.9 actual duration to repair each fault;
 - 16.4.10 comments/issues; and
 - 16.4.11 a programme of any future maintenance activities planned.

- 16.5 The Fault Tracking Database shall also:
- 16.5.1 contain a record of all maintenance activities carried out over time; and
 - 16.5.2 have the functionality for RfL to:
 - (a) generate reports from that record in order to carry out separate statistical analysis; and
 - (b) export that record or those reports into separate software packages to be notified by RfL to the Operator from time to time for such purpose.
- 16.6 The Operator shall ensure that RfL has real-time access to the Fault Tracking Database from a website.

Regular Review of Fault Management System and Fault Tracking Database

- 16.7 For the purpose of ensuring that the Fault Management System continues to meet the requirements of the preceding provisions of this paragraph 16 (*Fault Reporting*), the Operator shall review the effectiveness of the Fault Management System and, within that, the Fault Tracking Database, at reasonable intervals throughout the Concession Period (each such interval being no more than twelve (12) months) in order that the Operator may identify and propose changes to RfL (and the Operator shall duly make such proposals) to, amongst other things:
- 16.7.1 ensure the level of service quality provided across the Elizabeth Line Route is consistent with the level specified in the KPI Regime;
 - 16.7.2 ensure more effective identification of faults; and
 - 16.7.3 optimise the manner in which the Operator seeks to meet the standards of the Key Performance Indicators in order to avoid non-compliance with those standards.
- 16.8 The Operator shall not make any changes to the Fault Management System or the Fault Tracking Database without the prior written consent of RfL.

Service Quality at Other TOC Stations

- 16.9 The Operator shall:
- 16.9.1 use all reasonable endeavours to procure, including by:
 - (a) entering into new agreements with relevant third parties; and/or
 - (b) varying existing agreements with relevant third parties; and
 - 16.9.2 enforce any rights it may have under any Access Agreement in respect of any Other TOC Station,

in order that any services equivalent to the Concession Services that are provided by the Facility Owner at any Other TOC Station are provided at a level of service quality that is consistent with the level specified under the KPI Regime.

17 **Carrying Out Fault Repairs**

The Operator shall carry out or procure the carrying out of all fault rectification work identified by the Fault Management System in a timely manner and with that degree of skill and care as would be exercised by a skilled and experienced Train Operator that is incentivised to maximise Ticket Revenue and Non-Ticket Revenue because it is entitled to retain all of that revenue.

18 **Light Maintenance Services**

The Operator may in relation to the Train Fleet (subject to the terms of the RSPA Agency Agreement) carry out the following services:

- 18.1 the carrying out of inspections of rolling stock vehicles;
- 18.2 the carrying out of maintenance work on rolling stock vehicles of a kind which is normally carried out at regular intervals of twelve (12) months or less;
- 18.3 the replacement of failed components and consumables on rolling stock vehicles;
- 18.4 the preparation of rolling stock vehicles for service;
- 18.5 the stabling or other temporary holding of rolling stock vehicles; and
- 18.6 the cleaning of the exterior or the interior of rolling stock vehicles,

in each case for itself at any Operator Managed Station, Ilford Depot and Old Oak Common Depot (in respect of cleaning in any Turnaround Period only).

19 **Brand Licences**

The Operator shall comply with its obligations under each of the Brand Licences.

20 **On-Station Improvement Projects and Adjustments**

- 20.1 The Operator acknowledges RfL's expectations of the standard to which Elizabeth Line Stations will be operated, including those standards set out in paragraph 3.1 (*Staffing of Elizabeth Line Stations – Standard*). From time to time during the Concession Period, RfL may (in its absolute discretion) notify the Operator that RfL requires a proposal from the Operator to undertake improvement works at one (1) or more Elizabeth Line Stations (an "**ONSIP Notification**").
- 20.2 Within such time period as RfL, acting reasonably, may specify in an ONSIP Notification, the Operator shall provide a proposal to RfL to undertake the improvement works which are the subject of such ONSIP Notification and which shall include (as a minimum):

- 20.2.1 the Operator's proposed strategy for procuring, undertaking and managing such improvement works;
- 20.2.2 the timescales within which such improvement works will be completed;
- 20.2.3 the price (including any profit margin, which in any event, shall be no higher than the margin set out in paragraph 6.1 (*Revised Input for Profit*) of Schedule 13.3 (*Runs of the Model Suite*)) proposed by the Operator for undertaking such improvement works;
- 20.2.4 any contingencies or dependencies to undertaking such works (including any Proposal for Change and any necessary consents required from any applicable landlord of such Elizabeth Line Station);
- 20.2.5 the period within which and the amounts per Reporting Period by which the Operator would require the Concession Payments to be adjusted to reimburse it for procuring, undertaking and managing such improvement works (it being acknowledged that RfL's preference is for the Concession Payments to be adjusted by a consistent amount each Reporting Period) and its proposal for how the Appendix (*Station Improvement Projects*) to this Schedule 2.2 (*List of Concession Services*) should be updated;
- 20.2.6 the price base in which the amounts per Reporting Period referred to in 20.2.5 (*On Station Improvement Projects and Adjustments*) have been calculated and, if applicable, whether such amounts will be subject to indexation in accordance with paragraph 3 (*Indexation by Reference to CPI*) of Schedule 11.2 (*Annual Concession Payments and Indexation*),

an **"ONSIP Proposal"**.

- 20.3 Following receipt of any ONSIP Proposal by the Operator, RfL shall notify the Operator whether (in RfL's absolute discretion):
 - 20.3.1 RfL wishes the parties to seek to agree the terms of the delivery of such improvement works pursuant to paragraph 20.4 (*On Station Improvement Projects and Adjustments*);
 - 20.3.2 RfL wishes the Operator to amend its ONSIP Proposal and/or provide further information as RfL may request in relation to the delivery of such improvement works. Following the submission of any such amended ONSIP Proposal and/or additional information, RfL shall notify the Operator whether (in RfL's absolute discretion) RfL is then minded to apply limb 20.3.1, 20.3.2 or 20.3.3 (*On Station Improvement Projects and Adjustments*) in relation to such improvement works; or
 - 20.3.3 RfL does not wish to proceed with the delivery of such improvement works.

- 20.4 Following any notification from RfL to the Operator pursuant to paragraph 20.3.1 (*On Station Improvement Projects and adjustments*), the Parties shall each act reasonably and in a timely manner to seek to agree the terms of the delivery of such improvement works. The ONSIP Proposal, as may be amended consistently with the agreement of the terms of the delivery of such improvement works, shall be known as the "**ONSIP Agreement**" and the Appendix (*Station Improvement Projects*) shall be updated in the manner agreed in the ONSIP Agreement.
- 20.5 The Operator shall deliver the improvement works which are the subject of an ONSIP Agreement in accordance with the terms of such ONSIP Agreement and subject to any specific provisions applicable to such ONSIP Agreement set out in Column 7 of the table in the Appendix (*Station Improvement Projects*).
- 20.6 In respect of each ONSIP Agreement, with effect from the Reporting Period specified in Column 2 of the table in the Appendix (*Station Improvement Projects*) until the date specified in Column 3 of the table in the Appendix (*Station Improvement Projects*), RfL shall by way of adjustment to the Concession Payments, pay the amounts specified in Column 4 of the table in the Appendix (*Station Improvement Projects*) per Reporting Period (in the price base specified in Column 5 of the table in the Appendix (*Station Improvement Projects*)) to the Operator for the activity specified in Column 1 of the table in the Appendix (*Station Improvement Projects*). Where specified in column 6 of the table in the Appendix (*Station Improvement Projects*), such payment shall be indexed in accordance with the index specified in such Column and where "CPI" is specified, this shall mean indexation by CPI (in accordance with paragraph 3 (*Indexation by Reference to CPI*) of Schedule 11.2 (*Annual Concession Payments and Indexation*)). Each such payment shall be referred to as an "**ONSIP Adjustment**".

21 Testing Services

- 21.1 Subject to any constraints or limitations that RfL may notify to the Operator from time to time, the Operator shall:
- 21.1.1 (in the case of planned disruption to the CCOS) provide Unit(s) and suitably qualified driver(s) (in such numbers and at such times as RfL(I) may request upon reasonable notice) to assist RfL(I) in restoring the operation of the CCOS following such planned disruption, including running a "sweeper" train before railway passenger services commence;
- 21.1.2 (in the case of unplanned disruption to the CCOS) as soon as reasonably practicable following a request from RfL(I), provide one (1) or more Unit(s) and suitably qualified driver(s) to RfL(I) to assist RfL(I) in restoring the operation of the CCOS following such unplanned disruption, including running a "sweeper" train before railway passenger services commence;
- 21.1.3 fully cooperate with and provide support to RfL(I) in relation to any upgrades or other testing of the signalling system used on the CCOS,

which may include the provision of Unit(s) and suitably qualified driver(s) to support non-passenger testing services on the CCOS,

provided always that unless otherwise agreed by RfL the provision of such Unit(s) and suitably qualified driver(s) does not have an adverse impact on the operation of the Passenger Services.

21.2 The provision of any of the testing services contemplated by paragraph 21.1 (*Testing Services*) shall be deemed to be a Special Event and:

21.2.1 the Special Event Payment in respect of such Special Event shall be calculated in accordance with paragraph 9 (*Alternative Timetable Adjustments*) of Schedule 1.3 (*Managing Changes to the Passenger Services*); and

21.2.2 references to "Passenger Services and Station Services" in the definition of Special Event and in paragraph 9 (*Alternative Timetable Adjustments*) of Schedule 1.3 (*Managing Changes to the Passenger Services*) shall be deemed to include the testing services provided by the Operator pursuant to paragraph 21.1 (*Testing Services*).

Appendix to Schedule 2.2: Station Improvement Projects

	Column 1	Column 2	Column 3	Column 4	Column 5	Column 6	Column 7
	Station Improvement Project	Commencement of payment	Date to which payments will be made	Amount to be paid per Reporting Period	Price base	Indexation	Specific Provisions Applicable
1.	Not used as at the Start Date.	Not used as at the Start Date.	Not used as at the Start Date.	Not used as at the Start Date.	Not used as at the Start Date.	Not used as at the Start Date.	Not used as at the Start Date.

Schedule 3
Fares, Ticketing and Revenue

- Schedule 3.1:** Specification and Creation of Fares
- Schedule 3.2:** Fares Selling
- Schedule 3.3:** Ticket and Non-Ticket Revenue
- Schedule 3.4:** Fares Information and Monitoring
- Schedule 3.5:** Transport, Travel and Other Fares Related Schemes
- Schedule 3.6:** Ticket Equipment

Schedule 3.1
Specification and Creation of Fares

1 RfL Specification of Fares

- 1.1 RfL shall make the initial Fares Document available to the Operator at least eight (8) weeks prior to the Fares Setting Round in September 2025.
- 1.2 RfL shall provide to the Operator by no later than week twelve (12) of each Fares Setting Round, to the extent not already specified in the current Fares Document, a list of the TSA Fares it requires the Operator to Create under the terms of the Ticketing and Settlement Agreement and then sell pursuant to Schedule 3.2 (*Fares Selling*), including details of any price or increases in price and terms and conditions or changes thereto in each case in relation to any TSA Fare.
- 1.3 RfL shall provide to the Operator from time to time, to the extent not already specified in the current Fares Document, a list of non-TSA Fares it requires the Operator to sell pursuant to Schedule 3.2 (*Fares Selling*), including details of any price or increases in price and terms and conditions or changes thereto in each case in relation to any non-TSA Fare.

TSA Fares

- 1.4 The Operator shall ensure that each TSA Fare notified to it pursuant to paragraph 1.1 (*RfL Specification of Fares*) or 1.2 (*RfL Specification of Fares*) has been Created in accordance with RfL's requirements pursuant to paragraph 1.1 (*RfL Specification of Fares*) or 1.2 (*RfL Specification of Fares*) (as the case may be) to the extent the Operator is entitled to do so under the terms of the Ticketing and Settlement Agreement.
- 1.5 The Operator shall not Create or agree to Create any TSA Fare or Discount Card except in accordance with RfL's requirements pursuant to this paragraph 1 (*RfL Specification of Fares*).

Creation of Flows

- 1.6 The Operator shall ensure that each Flow notified to it by RfL from time to time shall be Created to the extent the Operator is entitled to do so under the terms of the Ticketing and Settlement Agreement.

Price and Other Terms and Conditions of Fares

- 1.7 The Operator shall not vary the terms and conditions, including the price, of any Fare notified to it by RfL pursuant to paragraph 1 (*RfL Specification of Fares*) without RfL's prior written consent.

2 Change of Lead Operator/Major Flow Operator

- 2.1 The Operator shall as and when required by RfL, promptly under the terms of the Ticketing and Settlement Agreement:
 - 2.1.1 make a request to become the Lead Operator of those Flows in respect of which the Incumbent Operator is the Lead Operator;

- 2.1.2 seek to reach agreement with all relevant Train Operators that the Operator becomes the Lead Operator in respect of those Flows;
 - 2.1.3 if necessary, seek to resolve any dispute with any relevant Train Operator with a view to the Operator becoming the Lead Operator in respect of the relevant Flow;
 - 2.1.4 duly inform the RSP where the Operator has become the Lead Operator in respect of any of those Flows; and
 - 2.1.5 take such other steps as are reasonably necessary to ensure that the Operator becomes the Lead Operator of those Flows.
- 2.2 The Operator shall not, without RfL's prior approval, agree to any request under the Ticketing and Settlement Agreement that it cease to be Lead Operator in respect of any Flow.
- 2.3 The Operator shall inform RfL if it becomes the Lead Operator in respect of any Flow. Upon the Operator becoming the Lead Operator in respect of any Flow, RfL may update the Fares Document in accordance with paragraph 3 (*Changes to the Fares Document*).
- 2.4 The Operator shall inform RfL if it ceases to be a Major Flow Operator in respect of any Flow.

3 **Changes to the Fares Document**

- 3.1 In specifying to the Operator the price or terms and conditions of any Fare pursuant to this Schedule 3.1 (*Specification and Creation of Fares*), RfL may at any time, subject to paragraph 3.3 (*Changes to the Fares Document*), issue to the Operator a revised Fares Document.
- 3.2 Where RfL decides to issue a revised Fares Document pursuant to paragraph 3.1 (*Specification and Creation of Fares - Changes to the Fares Document*), RfL shall set out in that document all Fares, including their prices and other terms and conditions and, as soon as reasonably practicable thereafter, RfL shall issue that document to the Operator which, in any event, shall be no less than eight (8) weeks prior to the Fares Setting Round to which the changes in that revised Fares Document relate.
- 3.3 Where the specification referred to in paragraph 3.1 (*Changes to the Fares Document*) does not, in RfL's reasonable opinion, constitute a material change to any previous specification by it, it shall not be obliged to issue a revised Fares Document, but instead shall provide the Operator with a summary (to such level of detail or generality as RfL may reasonably determine) of the changes to the specification previously in force.

Schedule 3.2
Fares Selling

1 Fares Selling

Lead Retailer

- 1.1 The Operator shall as and when required by RfL, promptly under the terms of the Ticketing and Settlement Agreement become the Lead Retailer in respect of the Operator Managed Stations.

Obligation to Sell

- 1.2 The Operator shall sell to any person wishing to travel on the Passenger Services, on any other railway passenger services, or both, the Fare they require, including enabling passengers to obtain Oystercards and to top them up as and when required and which the Operator:

1.2.1 is entitled or obliged to sell under the Ticketing and Settlement Agreement; or

1.2.2 is otherwise directed to sell by RfL from time to time.

Restrictions on Sales

- 1.3 The Operator shall ensure that the purchaser of any Fare:

1.3.1 shall be entitled, without further charge, to such rights of access and egress and other similar rights at the commencement and end of the relevant intended journey or journeys as may be reasonably necessary for such purchaser to travel on the Passenger Services;

1.3.2 shall not be required to incur any cost or take any action beyond the payment of an amount equal to the price specified by RfL pursuant to paragraph 1 (*RfL Specification of Fares*) of Schedule 3.1 (*Specification and Creation of Fares*) and, in relation to the issue of a Season Ticket Fare, the completion of such identity card as RfL may specify from time to time; and

1.3.3 shall not be required to pay an amount in respect of a seat reservation or other similar right which it may be compulsory for such purchaser to have in order to make a journey with such Fare on a Passenger Service where such Fare is one which RfL specifies the price of under this Agreement.

- 1.4 The Operator shall not set a limit on the number of Fares that may be used on any particular train.

- 1.5 The Operator shall not without RfL's prior written consent sell or offer to sell:

1.5.1 any Fare in respect of which the price has been specified by RfL at an amount that is greater or less than that price; and

- 1.5.2 any Fare or Discount Card which has a validity of thirteen (13) or more months, except to the extent required to do so under the terms of the Ticketing and Settlement Agreement.

Agents of the Operator

- 1.6 The Operator shall procure that all persons selling or offering to sell Fares on its behalf (whether under the terms of the Ticketing and Settlement Agreement, as its agents or otherwise) comply with the requirements of paragraphs 1.2 (*Fares Selling – Obligation to Sell*) to 1.5 (*Fares Selling – Restrictions on Sales*) inclusive.

Additional Ancillary Services

- 1.7 The Operator shall not, without RfL's prior written consent, charge a purchaser of any Fare for any additional services:
 - 1.7.1 which are ancillary to the railway passenger service for which such Fare was purchased (including, charges in respect of car parking or catering services); and
 - 1.7.2 which such purchaser is not obliged to purchase.

2 Fares

Reduction in Prices of Fares

- 2.1 Paragraph 1.5 (*Fares Selling – Restrictions on Sales*) shall not prevent the Operator from giving any discount or reduction to which the purchaser of a Fare may be entitled by virtue of:
 - 2.1.1 presenting a Discount Card (or any equivalent replacement thereof) issued by the Operator before the commencement of any thirteen (13) month validity period and to which the purchaser would have been entitled before the commencement of such period;
 - 2.1.2 presenting a Discount Card issued by another Train Operator;
 - 2.1.3 the passenger's charter of any other Train Operator; or
 - 2.1.4 any relevant conditions of carriage.

Percentage Allocations

- 2.2 The Operator shall co-operate with RfL to develop Percentage Allocations in respect of any Rail Product and shall exercise its rights under the Ticketing and Settlement Agreement to act in accordance with RfL's instructions to both establish and protect those Percentage Allocations.
- 2.3 Except to the extent that RfL may consent from time to time, the Operator shall not take any action or step which may result in its Percentage Allocation in respect of any Rail Product being reduced.

- 2.4 The Operator shall notify RfL upon becoming aware of any other person proposing to take any action or step which may have the same effect referred to in paragraph 2.2 (*Fares – Percentage Allocations*). The Operator shall take such action as RfL may reasonably request in order to prevent any such reduction, including submitting any dispute to any relevant dispute resolution procedures.

PAYG and CPAY

- 2.5 The Operator shall:
- 2.5.1 retail and accept Oyster travel products, including PAYG; and
 - 2.5.2 accept contactless travel products, including CPAY,
- throughout the Concession Period as valid methods of payment for journeys on the Passenger Services.

3 Incorrect Selling of Fares

- 3.1 If the Operator has overcharged any Fare, it shall reduce that price of that Fare at the next available opportunity and, in any event in the case of a TSA Fare, at the next Fares Setting Round, so as to comply with the requirements of paragraph 1.5 (*Fares Selling – Restrictions on Sales*) from such date.
- 3.2 RfL may adjust Concession Payments by way of making an Other Adjustment by an amount equivalent in its opinion to the sum of:
- 3.2.1 any additional gross revenue accruing to any person selling Fares on its behalf as a result of the sale of Fares at prices in excess of the relevant amounts required under this Schedule 3.2 (*Fares Selling*); and
 - 3.2.2 any costs incurred by RfL in determining the amount of such gross revenue.
- 3.3 If the Operator has undercharged any Fare, it shall increase the price of that Fare at the next available opportunity and, in any event in the case of a TSA Fare, at the next Fares Setting Round, so as to comply with the requirements of paragraph 1.5 (*Fares Selling – Restrictions on Sales*) from such date.
- 3.4 RfL may adjust Concession Payments by way of making an Other Adjustment by an amount equivalent in its opinion to the sum of:
- 3.4.1 the gross revenue that RfL failed to earn as a result of the sale of Fares at prices for less than the relevant amounts required under this Schedule 3.2 (*Fares Selling*); and
 - 3.4.2 any costs incurred by RfL in determining the amount of such gross revenue.
- 3.5 Any adjustment to Concession Payments by RfL pursuant to paragraphs 3.1 (*Incorrect Selling of Fares*) and 3.4 (*Incorrect Selling of Fares*):

- 3.5.1 shall not be a Change; and
- 3.5.2 shall be without prejudice to any other rights or remedies of RfL under this Agreement in respect of such contravention.

Schedule 3.3
Ticket and Non-Ticket Revenue

1 Acknowledgement

- 1.1 The Operator hereby acknowledges that:
- 1.1.1 RfL remains on risk for the amount of Ticket Revenue that accrues in respect of passenger journeys made on the Passenger Services and that it therefore has an interest in both maximising Ticket Revenue and ensuring its timely collection; and
 - 1.1.2 the Operator does not share this risk and it has no commercial incentive to protect Ticket Revenue through the carrying out of regular and effective revenue protection measures.
- 1.2 The Operator therefore agrees to:
- 1.2.1 undertake its obligations set out in the remainder of this Schedule 3.3 (*Ticket and Non-Ticket Revenue*);
 - 1.2.2 co-operate with RfL or its nominee in the carrying out of Ticketless Travel Surveys pursuant to Schedule 9 (*Ticketless Travel Incentive Regime*) by granting RfL or its nominee (as the case may be) such access to Elizabeth Line Stations or trains as either reasonably require for that purpose; and
 - 1.2.3 notwithstanding paragraph 1.1.1 (*Acknowledgement*), act in a manner consistent with a skilled and experienced Train Operator bearing the risk for the amount of Ticket Revenue that accrues in respect of passenger journeys made on the Passenger Services and accordingly:
 - (a) seek both to maximise Ticket Revenue and ensure its timely collection; and
 - (b) cooperate with and support the work of RfL in relation to the maximisation of Ticket Revenue and ensuring its timely collection.

2 Revenue Account

The Operator shall on or prior to the Start Date:

- 2.1 establish the Revenue Account in its name with an Acceptable Bank, which shall, amongst other things, entitle RfL to withdraw from the Revenue Account the Revenue Sweep in accordance with paragraph 5.2 (*Payments from the Revenue Account to RfL – Revenue Sweep*); and
- 2.2 procure that the Account Charge is executed in favour of RfL in form and substance satisfactory to RfL in respect of the sums in the Revenue Account owing to RfL.

3 **Revenue Collection and Payments into the Revenue Account**

Collecting Revenue

- 3.1 The Operator shall, in a timely manner, collect or procure the collection of:
- 3.1.1 all Ticket Revenue on behalf of RfL and all other revenue from the sale of tickets the Operator is required to collect pursuant to the Ticketing and Settlement Agreement;
 - 3.1.2 all payments due to the Operator from RSP, including all commission earned in respect of the value of sales by the Operator of the Fares and all PAYG and CPAY revenue allocated to the Operator by RSP pursuant to the Clearance Agreement;
 - 3.1.3 all Non-Ticket Revenue on behalf of RfL;
 - 3.1.4 the value of penalty fares that is owed to RfL pursuant to paragraph 9.3.1 (*Penalty Fares*); and
 - 3.1.5 all amounts payable to the Operator:
 - (a) under the London Boroughs Concessionary Travel Scheme until such time as such amounts are received by RfL or another member of the TfL Group directly and RSP is no longer required to pay such amounts into the Revenue Account;
 - (b) under the British Transport Police Agreement;
 - (c) under the ATOC Staff Travel Scheme, specified in paragraph (a) of the definition of Inter-Operator Scheme; and
 - (d) under the Metropolitan and City Police Agreement.
- 3.2 The Operator shall pay or procure the payment of each of the amounts specified in paragraph 3.1 (*Revenue Collection and Payments into the Revenue Account – Collecting Revenue*) into the Revenue Account as soon as reasonably practicable after each such amount becomes due.

Disputes as to Amounts Owing to the Operator

- 3.3 If there is a dispute between the Operator and RSP, any other Train Operator or any counterparty to the London Boroughs Concessionary Travel Scheme, the British Transport Police Agreement, the ATOC Staff Travel Scheme and the Metropolitan and City Police Agreement, in each case concerning the amount due to the Operator, then for so long as the Operator is, acting in good faith, taking appropriate steps to contest or resolve such dispute, the amount due from the Operator pursuant to paragraph 3.2 (*Revenue Collection and Payments into the Revenue Account – Collecting Revenue*) shall be regarded as the portion (if any) which is not in dispute.
- 3.4 The Operator shall keep RfL fully informed as to the progress of any such dispute and of its settlement or adjudication, and shall comply with any

reasonable directions (including any directions to the Operator to enforce its respective rights under any such agreement or scheme, which directions may include a direction to challenge any allocation or apportionment under any such agreement or scheme in accordance with that agreement or scheme's respective terms where the Operator has not already done so) from RfL as to the conduct of such dispute and any settlement. When such dispute is settled or adjudicated, the amount due shall be the amount determined as due pursuant to such settlement or adjudication.

ORCATS

- 3.5 The Operator agrees and acknowledges that as at the date of this Agreement, ORCATS is unable to automatically allocate revenue for Passenger Services calling at RfL (I) Stations and that as a result, the allocation of Ticket Revenue has to be done manually. The Operator further agrees and acknowledges that it is the intention of RfL that the Elizabeth Line should be fully integrated into ORCATS.
- 3.6 The Operator shall be proactive and fully engage in any meetings with the RDG in connection with the full integration of the Elizabeth Line into ORCATS, including:
- 3.6.1 wherever possible, notifying RfL at least seven (7) Business Days prior to any such meetings taking place between the Operator and RDG and shall provide RfL with:
- (a) information about the agenda for such meeting;
 - (b) each of the proposed decisions that the Operator reasonably expects to be discussed and made at such meeting, together with the Operator's informed opinion about how it should engage with and respond to those proposed decisions; and
 - (c) any other points relating to the subject matter of such meeting that the Operator reasonably believes may have an impact on the allocation or collection of Ticket Revenue on ORCATS, together with the Operator's informed opinion about how it proposes to engage with those points;
- 3.6.2 the Operator shall take into account and update its proposed approach to such meeting with the RDG to reflect any views provided by RfL to the Operator prior to the date and time of such meeting; and
- 3.6.3 within five (5) Business Days of such meeting with the RDG, the Operator shall provide RfL with a summary of the key discussion points and any outcomes from such meeting with the RDG.

General

- 3.7 Without prejudice to paragraph 3.6 (*Revenue Collection and Payments into the Revenue Account – ORCATS*):

- 3.7.1 the Operator shall be proactive and fully engage with RfL, ATOC, the RDG and RSP on all matters related to Ticket Revenue allocation and collection;
- 3.7.2 in relation to any meeting between the Operator and ATOC, the RDG and/or RSP (as the case may be), the Operator shall:
- (a) wherever possible, notify RfL at least seven (7) Business Days prior to any such meetings taking place and shall provide RfL with:
 - (i) information about the agenda for such meeting;
 - (ii) each of the proposed decisions that the Operator reasonably expects to be discussed and made at such meeting, together with the Operator's informed opinion about how it should engage with and respond to those proposed decisions; and
 - (iii) any other points relating to the subject matter of such meeting that the Operator reasonably believes may have an impact on the allocation or collection of Ticket Revenue, together with the Operator's informed opinion about how it proposes to engage with those points;
- 3.7.3 the Operator shall:
- (a) take into account and update its proposed approach to such meeting with the RDG, ATOC and RSP to reflect any views provided by RfL to the Operator prior to the date and time of such meeting; and/or
 - (b) where RfL has notified the Operator that it wishes the Operator to vote in a specific way at any such meeting, then the Operator shall vote in accordance with RfL's wishes; and
- 3.7.4 within five (5) Business Days of such meeting, the Operator shall provide RfL with a summary of the key discussion points and any outcomes from such meeting.

- 3.8 At least once each Reporting Period (or at such other period as the parties may agree), the Operator shall provide a report to RfL in respect of any issues, trends, patterns or other concerns that the Operator (acting proactively and based on its informed opinion) believes should be brought to RfL's attention with regard to the allocation and collection of Ticket Revenue.

4 Payments from the Revenue Account to Third Parties

- 4.1 The Operator shall procure that the following persons shall receive automatic electronic funds transfers in pounds sterling of the following amounts to such bank account in the United Kingdom as the relevant person has previously

specified to the Operator in writing in accordance with the terms of the relevant agreement or scheme:

- 4.1.1 RSP, in respect of all ticket revenue accrued during the relevant Reporting Period or Reporting Periods, but owed via RSP to third parties or RfL in accordance with the terms of the Ticketing and Settlement Agreement; and
- 4.1.2 ATOC, in respect of the Operator's contribution for the relevant Reporting Period under the terms of any relevant Inter-Operator Scheme for the upkeep of that scheme and/or towards that scheme's administrative costs,

(together, the "**Operator's Ticketing and Scheme Liabilities**").

4.2 The Operator shall:

- 4.2.1 be entitled to make withdrawals from the Revenue Account to meet the Operator's Ticketing and Scheme Liabilities that duly accrue from time to time;
- 4.2.2 not otherwise make withdrawals from the Revenue Account without RfL's prior approval; and
- 4.2.3 be liable to RfL for any shortfall in an amount that should have been credited to the Revenue Account and which is owed to RfL, but which is not duly credited (other than any such shortfall caused by RfL).

5 **Payments from the Revenue Account to RfL**

Revenue Sweep

- 5.1 On each day of the Concession Period (the "**Relevant Day**"), all monies in the Revenue Account on the Relevant Day relating to:
 - 5.1.1 all Ticket Revenue that is standing to the credit of the Revenue Account on that date;
 - 5.1.2 to the extent not covered in paragraph 5.1.1 (*Payments from the Revenue Account to RfL – Revenue Sweep*) all cleared payments made to the Operator from RSP, and paid into the Revenue Account, including commission referred to in paragraph 3.1.2 (*Revenue Collection and Payments into the Revenue Account – Collecting Revenue*) and any amounts under:
 - (a) the London Boroughs Concessionary Travel Scheme;
 - (b) the British Transport Police Agreement;
 - (c) the ATOC Staff Travel Scheme, specified in paragraph (a) of the definition of Inter-Operator Scheme; and
 - (d) the Metropolitan and City Police Agreement;

- 5.1.3 an amount equal to the value of any refund vouchers issued by the Operator on behalf of RfL to any passenger as a result of the Operator's performance of the Passenger Services causing that passenger to miss a Connection;
 - 5.1.4 all Non-Ticket Revenue that is standing to the credit of the Revenue Account on that date;
 - 5.1.5 the value of penalty fares that is owed to RfL pursuant to paragraph 9.3.1 (*Penalty Fares*); and
 - 5.1.6 the amount of interest that has accrued in the Revenue Account on the amounts paid in pursuant to paragraph 3.1 (*Revenue Collection and Payments into the Revenue Account - Collecting Revenue*),
- (together, the "**Revenue Sweep**") shall, subject to paragraph 5.3 (*Payments from the Revenue Account to RfL – Revenue Sweep*), be due and payable to RfL from the Revenue Account.
- 5.2 RfL shall have the right, subject to paragraph 5.3 (*Payments from the Revenue Account to RfL – Revenue Sweep*), to withdraw the Revenue Sweep from the Revenue Account and the Operator shall procure that RfL is able to duly withdraw each such Revenue Sweep.
 - 5.3 In calculating the Revenue Sweep in respect of the Relevant Day, RfL shall do so having regard to:
 - 5.3.1 the amount held in the Revenue Account on the Relevant Day the Revenue Sweep is made;
 - 5.3.2 the amounts paid or that should have been paid into the Revenue Account by the Operator or third parties on the Relevant Day pursuant to this Schedule 3.3 (*Ticket and Non-Ticket Revenue*), including any commission;
 - 5.3.3 the payments made on the Relevant Day and to be made in the next week, in either case from the Revenue Account by the Operator to meet the Operator's Ticketing and Scheme Liabilities, provided that, in taking account of such payments in that calculation, RfL shall ensure that the Revenue Sweep on any Relevant Day will not reduce the balance standing to the credit of the Revenue Account on that day below [REDACTED] (or such higher amount as RfL agrees) in order that the Operator may meet any such liabilities; and
 - 5.3.4 the amount of interest that should have been earned in the Revenue Account on the Relevant Day on the amounts that should have been paid in pursuant to paragraph 3.2 (*Revenue Collection and Payments into the Revenue Account - Collecting Revenue*).

Ticketing and Account Liabilities Adjustment

- 5.4 For each Reporting Period during the Concession Period and within the timescales specified in Schedule 11.1 (*Concession Payments*), RfL shall

reasonably determine the adjustment that should be made to the Concession Payment by way of making a Pass Through Adjustment for that Reporting Period in order to make provision:

- 5.4.1 to RfL in respect of the Operator's Ticketing and Scheme Liabilities paid in that Reporting Period to the extent those liabilities have not been reimbursed by inclusion in any Revenue Sweep;
- 5.4.2 to the Operator in respect of the Revenue Account charges duly levied on it by the Acceptable Bank with whom the account is held;
- 5.4.3 to RfL in respect of an amount equal to the amount of any compensation that has been paid to passengers by way of vouchers including for delays to the Passenger Services which cause passengers to miss Connections to the railway passenger services of other Train Operators, which, RfL has met in the relevant or any previous Reporting Period; and
- 5.4.4 to RfL in respect of any interest that should have accrued in the Revenue Account in that Reporting Period had all amounts owing to RfL pursuant to paragraph 5.1 (*Payments from the Revenue Account to RfL – Revenue Sweep*) been duly paid into the Revenue Account,

(together, the "**Ticketing and Account Liabilities Adjustment**").

- 5.5 In reasonably determining the Ticketing and Account Liabilities Adjustment, RfL shall do so having regard to the latest information of the kind described in paragraph 5.2 (*Payments from the Revenue Account to RfL – Revenue Sweep*) and any other information available to it at the date that adjustment is to be made.
- 5.6 In accordance with Schedule 11.1 (*Concession Payments*), the Ticketing and Account Liabilities Adjustment for any Reporting Period shall be paid to the party in whose favour RfL determines the adjustment.

Information and Statements

- 5.7 The Operator shall:
 - 5.7.1 procure that RfL has the same access to the information that the Operator has relating to the Revenue Account, including procuring regular periodic bank statements, in order that RfL can separately verify at any time the payments and settlements into and out of that account;
 - 5.7.2 provide or procure the provision of to RfL a regular periodic report to such frequency as RfL may reasonably specify that reconciles to the bank statements and confirms the type of payments that have been made into and out of the Revenue Account;
 - 5.7.3 separately keep RfL informed at all material times of the Operator's Ticketing and Scheme Liabilities; and

- 5.7.4 provide such assistance as RfL may require from time to time to reconcile the Revenue Account receipts to its earnings recorded in LENNON.

6 Revenue Collection and Protection – General Obligations

- 6.1 The Operator shall provide RfL with access to all systems, data and other information, and shall provide such assistance, as RfL may require in relation to the collection and calculation of revenue. Without prejudice to the generality of the foregoing, the Operator shall:
- 6.1.1 ensure that, subject to paragraph 6.1.2 (*Revenue Collection and Protection – General Obligations*) below, all of the systems and processes required to calculate revenue are controlled such that all data and other information is readily available, complete and accurate, up-to-date and in sufficient detail to enable re-performance (within ten (10) Business Days) of systems and/or processes in the event of an audit or other event;
 - 6.1.2 use all reasonable endeavours to ensure that any systems and processes required to calculate revenue which are controlled, maintained or otherwise influenced by other third parties are controlled such that data and other information is readily available, complete and accurate, up-to-date and in sufficient detail to enable re-performance (within ten (10) Business Days) of systems and/or processes in the event of an audit or other event;
 - 6.1.3 in relation to paragraph 6.1.2 (*Revenue Collection and Protection – General Obligations*) above, inform RfL and the relevant third party as soon as reasonably practicable if the Operator becomes aware of any fault of any system or process which prevents compliance with the obligation set out in paragraph 6.1.1 (*Revenue Collection and Protection – General Obligations*) above;
 - 6.1.4 report to RfL as soon as reasonably practicable if any Revenue Collection IT is malfunctioning such that it prevents or may prevent the receipt of any data required by RfL;
 - 6.1.5 ensure that all Concession Employees directly involved in Ticket sales, access to TVMs, and/or collecting cash and banking into the Revenue Account in accordance with paragraph 3.2 (*Revenue Collection and Payments into the Revenue Account – Collecting Revenue*) comply with written operating procedures prepared by the Operator delineating the segregation of duties and other operating controls. RfL shall be entitled to review the initial versions of such operating procedures and the Operator shall make any reasonable amendments required by RfL. Thereafter the Operator shall only be entitled to make any changes to such operating procedures with the prior written consent of RfL; and

- 6.1.6 ensure all personnel involved in revenue protection activity comply with such policies issued by TfL from time to time in relation to revenue protection (the "**Enforcement Policies**").
- 6.2 In exercising its rights to access the Operator's systems, data and other information, RfL shall ensure that it uses competent personnel only to access such systems, data and other information and that at all times such competent personnel do not do anything, nor allow anything to be done, which causes the relevant system to malfunction or the data or other information to be manipulated, corrupted or lost.

7 **Ticket Revenue**

General Requirements

- 7.1 The Operator shall be responsible and shall make all necessary arrangements for the protection and collection of revenues from Ticket sales (including the prevention of theft from TVMs and ticket offices) other than collection from debit or credit card transactions. This responsibility includes:
 - 7.1.1 ensuring regular and effective checks on whether passengers travelling on the Passenger Services are holding valid Tickets;
 - 7.1.2 issuing, collecting and dealing with appeals in relation to Penalty Fares in accordance with the Enforcement Policies and paragraph 9 (*Penalty Fares*);
 - 7.1.3 taking any other appropriate action as set out in the Enforcement Policies (including the issue of prosecution notices) for the purposes of revenue protection and collection, provided that once issued prosecutions shall be managed by TfL and TfL shall be entitled to retain any revenue received from prosecutions; and
 - 7.1.4 if and to the extent any Ticket Revenue comes into the possession of the Operator (excluding in respect of Penalty Fares), paying the same promptly to RfL in accordance with paragraph 3.1 (*Revenue Collection and Payments into the Revenue Account – Collecting Revenue*).

Revenue Protection

- 7.2 The Operator shall be responsible for carrying out Ticket checks, and all revenue protection activities, initiatives and exercises as specified in the Annual Revenue Protection Plan in accordance with the requirements of paragraph 8 (*Revenue Protection*).

Use of Ticket Sales Revenue

- 7.3 The Operator shall ensure all monies within the stewardship of the Operator, its servants, agents, offices, employees and Sub-Contractors of any tier (including those contained in coin bags, full and/or part-full hoppers, cash retrieved after being trapped in TVMs, Ticket Revenue from sales on-train or other means) are kept physically separate from any monies belonging to the

Operator, its servants, agents, offices, employees and Sub-Contractors of any tier and kept secure in accordance with processes to be agreed with RfL. Access to such monies must be controlled and restricted. In addition, the Operator shall ensure sufficient records of all RfL monies are maintained to ensure that the accountability for such monies can be determined at any time.

- 7.4 The Operator shall provide a reconciliation of monies received and under the stewardship of the Operator, its servants, agents, offices, employees and Subcontractors of any tier (including those contained in coin bags, full and/or part-full hoppers, cash retrieved after being trapped in TVMs, Ticket receipts from sales on-train, in ticket offices or Tickets sold by the Operator by any other means) and provide such monies to RfL in accordance with paragraph 3.1 (*Revenue Collection and Payments into the Revenue Account – Collecting Revenue*). This reconciliation shall be completed weekly, reviewed and approved by the Operator's Finance Director or deputy, and sent to RfL by 1200 on the third (3rd) Business Day following the week concerned. This reconciliation shall also be completed for each Reporting Period and sent to RfL within the first three (3) Business Days following the expiry of the Reporting Period concerned.

8 **Revenue Protection**

Annual Revenue Protection Plan Requirements

- 8.1 With effect from the Start Date, the Operator shall:
- 8.1.1 comply with the prevailing Annual Revenue Protection Plan; and
 - 8.1.2 implement all Revenue Protection Exercises, initiatives and other activities in accordance with the prevailing Annual Revenue Protection Plan.
- 8.2 Each Annual Revenue Protection Plan shall comply with the Operator's revenue protection obligations under this Agreement and without prejudice to such obligations shall:
- 8.2.1 demonstrate how the Operator will discharge its obligations in paragraph 7.1 (*Ticket Revenue – General Requirements*);
 - 8.2.2 provide details of:
 - (a) its approach to Revenue Protection Exercises, initiatives and activities which the Operator will carry out to ensure that the level of ticketless travel is minimised;
 - (b) the Operator's proposals for the tactical deployment of Ticket checking staff (for example static checks, on-board service checks, plain clothes or uniform operations);
 - (c) the Operator's proposals to tackle persistent or chronic offenders or perpetrators;

- (d) the minimum level of training required of all personnel engaged in ticket checking duties;
- (e) how such Revenue Protection Exercises, initiatives and activities (together with the wider Annual Revenue Protection Plan) have been informed by all relevant data available to the Operator as at the time of submission of the Annual Revenue Protection Plan or any updates to the Annual Revenue Protection Plan (as applicable), including:
 - (i) ticketing information;
 - (ii) passenger counts;
 - (iii) lessons learned from the performance of the Annual Revenue Protection Plans for each preceding Concession Year (as applicable);
 - (iv) information gathered in the course of performance of all prior Revenue Protection Exercises;
 - (v) the results of all prior Ticketless Travel Surveys;
 - (vi) any other relevant information available to the Operator (including any information as may be provided from time to time by RfL), such as information relating to the number and proportion of maximum charges charged to passengers and information generated through the use of any Revenue Inspection Devices,and are designed to minimise ticketless travel and promote revenue protection as far as possible in the context of such information;
- (f) how the Operator plans to ensure that Penalty Fares remain an effective deterrent, including using all reasonable endeavours to issue and collect Penalty Fares wherever appropriate in accordance with paragraph 9 (*Penalty Fares*); and
- (g) how such Revenue Protection Exercises and other activities will be adjusted or adapted to take account of information obtained in the course of the relevant Concession Year relating to rates of ticketless travel across the Elizabeth Line;

- 8.2.3 provide details of how the Operator proposes to collaborate with all relevant stakeholders which are responsible for revenue protection on the interfacing public transport network (including other public transport modes), including relevant functions within the TfL Group and its supply chain, with a view to minimising overall fare evasion on the wider interfacing public transport network, including:

- (a) representative(s) of the Operator attending relevant meetings relating to revenue protection; and
 - (b) the Operator's involvement in joint revenue protection operations, where appropriate,
- in each case as RfL may reasonably require;
- 8.2.4 demonstrate to RfL's reasonable satisfaction how the Operator proposes to ensure that all revenue protection activities in the Annual Revenue Protection Plan are performed in an anti-discriminatory, fair and proportionate way in line with the Enforcement Policies;
- 8.2.5 reflect Good Industry Practice, all available insights and experience of the Operator, and (so far as reasonably practicable) any innovative and/or technological proposals as may be necessary or desirable for the purposes of promoting revenue protection and/or reducing ticketless travel on the Elizabeth Line; and
- 8.2.6 include such other information as RfL reasonably requests.
- 8.3 Each Annual Revenue Protection Plan shall set out the matters in paragraph 8.2 (*Revenue Protection – Annual Revenue Protection Plan Requirements*) above in such detail as shall reasonably satisfy RfL that the Operator has understood its obligations under this Agreement and will be in a position to satisfy such obligations.

Preparation of Initial Annual Revenue Protection Plan

- 8.4 The Operator and RfL shall consult with each other on the content of the Initial Annual Revenue Protection Plan for a period of twenty (20) Business Days from the date of this Agreement, provided that RfL may, by giving notice and in its absolute discretion, require revisions to any aspect of the Initial Annual Revenue Protection Plan if it fails, in the opinion of RfL, to meet the criteria in paragraphs 8.2 (*Revenue Protection – Annual Revenue Protection Plan Requirements*) and 8.3 (*Revenue Protection – Annual Revenue Protection Plan Requirements*).
- 8.5 Where RfL gives notice under paragraph 8.4 (*Revenue Protection – Preparation of Initial Annual Revenue Protection Plan*) above, the Operator shall address the issues raised by RfL and submit revisions to the Initial Annual Revenue Protection Plan within ten (10) Business Days of such notice.
- 8.6 If RfL does not, in its absolute discretion, approve the revisions to the Initial Annual Revenue Protection Plan submitted in accordance with paragraph 8.4 (*Revenue Protection – Preparation of Initial Annual Revenue Protection Plan*) above, it shall inform the Operator, together with its reasons. The Operator shall then prepare further revisions to the Initial Annual Revenue Protection Plan, taking into account RfL's reasons. The Operator shall submit such revisions to RfL within ten (10) Business Days of RfL rejecting the Operator's previous revisions. The parties shall repeat this process until RfL approves the

Initial Annual Revenue Protection Plan, save that if RfL and the Operator cannot agree the revisions to the Initial Annual Revenue Protection Plan within forty-five (45) Business Days of the date of this Agreement, RfL may determine the content of the Initial Annual Revenue Protection Plan to ensure it meets the criteria in paragraphs 8.2 (*Revenue Protection – Annual Revenue Protection Plan Requirements*) and 8.3 (*Revenue Protection – Annual Revenue Protection Plan Requirements*).

Preparation of Subsequent Annual Revenue Protection Plans

- 8.7 No later than one (1) Reporting Period and no earlier than three (3) Reporting Periods prior to the beginning of each Concession Year (excluding the Concession Year starting on the Start Date), the Operator shall prepare and submit to RfL any proposed updates to the prevailing Annual Revenue Protection Plan, to take effect from the commencement of such Concession Year. The Operator shall propose updates which comply with the requirements set out in paragraphs 8.2 (*Revenue Protection – Annual Revenue Protection Plan Requirements*) and 8.3 (*Revenue Protection – Annual Revenue Protection Plan Requirements*).
- 8.8 The Operator and RfL shall consult with each other on the updates to the prevailing Annual Revenue Protection Plan proposed by the Operator pursuant to paragraph 8.7 (*Revenue Protection – Preparation of Subsequent Annual Revenue Protection Plans*) for a period of twenty (20) Business Days from receipt thereof by RfL.
- 8.9 If RfL reasonably considers that the updates provided by the Operator pursuant to paragraph 8.7 (*Revenue Protection – Preparation of Subsequent Annual Revenue Protection Plans*) above do not comply with the requirements of paragraphs 8.2 (*Revenue Protection – Annual Revenue Protection Plan Requirements*) and 8.3 (*Revenue Protection – Annual Revenue Protection Plan Requirements*) above, then RfL may by notice reasonably require the Operator to re-submit such updates to the prevailing Annual Revenue Protection Plan, having due regard to RfL's feedback, no later than twenty (20) Business Days prior to the beginning of the relevant Concession Year.
- 8.10 RfL may, at its sole discretion, reduce the required period for consultation under paragraph 8.9 (*Revenue Protection – Preparation of Subsequent Annual Revenue Protection Plans*) by notice to the Operator.
- 8.11 Without prejudice to paragraphs 8.7 (*Revenue Protection – Preparation of Subsequent Annual Revenue Protection Plans*) to 8.10 (*Revenue Protection – Preparation of Subsequent Annual Revenue Protection Plans*) above, the Operator may propose updates to the prevailing Annual Revenue Protection Plan at any time provided that such updates comply with the requirements of paragraphs 8.2 (*Revenue Protection – Annual Revenue Protection Plan Requirements*) and 8.3 (*Revenue Protection – Annual Revenue Protection Plan Requirements*), and RfL may accept or reject such proposed updates in its discretion.

Revenue Protection Reporting

- 8.12 The Operator shall include the following information as part of the Periodic Concession Report in respect of the Reporting Period to which such Periodic Concession Report relates:
- 8.12.1 the extent to which all relevant Revenue Protection Exercises, initiatives and activities were carried out in accordance with and as required by the Annual Revenue Protection Plan, including any joint operations with RfL, TfL and/or the BTP;
 - 8.12.2 all relevant results and data gathered (in such detail and format to be agreed with RfL) in the course of or as a result of such exercises, initiatives and activities (in accordance with all relevant requirements of the Annual Revenue Protection Plan);
 - 8.12.3 the Operator's assessment of the effectiveness of its Revenue Protection Exercises, initiatives and activities carried out during the relevant Reporting Period in achieving the objectives in the Annual Revenue Protection Plan; and
 - 8.12.4 details of any workplace violence and aggression related incidents which occurred in the course of any revenue protection activities.

9 **Penalty Fares**

- 9.1 The TfL Penalty Fares Scheme shall apply to the Passenger Services from the Start Date and the Operator shall comply with the terms of the Enforcement Policies.
- 9.2 RfL hereby appoints the Operator as an "authorised person" pursuant to the provisions of schedule 17 of the GLA Act (the "**Penalty Fares Provisions**").
- 9.3 The Operator shall from the Start Date and for the remainder of the Concession Period:
- 9.3.1 issue and collect on behalf of RfL any penalty fare payable to RfL by any passenger pursuant to the terms of the Penalty Fares Provisions;
 - 9.3.2 carry out the issue and collection of Penalty Fares in accordance with the Annual Revenue Protection Plan and such best practice guidance as may be issued by RfL from time to time; and
 - 9.3.3 provide such assistance as RfL may reasonably require in the administration of appeals in respect of the Penalty Fares Provisions.
- 9.4 The Operator shall, in addition to the collection of Penalty Fares, carry out all duties and responsibilities in relation to such collection as may ordinarily and properly be carried out by a penalty fare collector acting in the best interests of RfL and TfL.
- 9.5 The aggregate of any penalty fares collected by the Operator pursuant to paragraph 9.3.1 (*Penalty Fares*) shall be paid by the Operator into the Revenue Account in accordance with the timescale specified in paragraph 3.2

(Revenue Collection and Payments into the Revenue Account – Collecting Revenue).

- 9.6 As and when required by RfL, the Operator shall publish, or procure the publication of, at Elizabeth Line Stations, such information and make such announcements relating to the TfL Penalty Fares Scheme as, in either case, RfL may request from time to time. Without limiting the foregoing, the Operator shall comply with the requirements of this paragraph 9.6 (*Penalty Fares*) upon the Operator becoming Facility Owner of any Elizabeth Line Station that it is not the Facility Owner of upon the Start Date.

10 **Prosecutions**

RfL intends to seek the prosecution of (or otherwise settle out of court with) deliberate or persistent fare evaders or those attempting to defraud RfL of Ticket Revenue. The Operator shall provide RfL and/or its nominee with all reasonable support in such prosecutions or settlements, including:

- 10.1 making available revenue protection officers for the purpose of preparing cases against perceived fare evaders and defrauders and attending hearings; and
- 10.2 assisting RfL in the identification of persistent fare evaders and defrauders.

11 **Indemnity**

- 11.1 The Operator shall be responsible for, and shall indemnify RfL, its servants, agents, officers and employees from and against all Losses suffered or incurred by such persons arising from any acts or omissions of the Operator acting as agent for RfL pursuant to paragraph 9 (*Penalty Fares*).

Schedule 3.4
Fares Information and Monitoring

1 Information

- 1.1 The Operator shall make available, or procure that RSP makes available, to RfL, for any Fares Setting Round during the Concession Period, such details (including the proposed prices) of the Initial Permanent Fare of any TSA Fare for each such Fares Setting Round as RfL may request from time to time.
- 1.2 The Operator shall promptly provide to RfL or procure that RfL is provided with or otherwise has access to:
- 1.2.1 such information as the Operator is entitled to under LENNON;
 - 1.2.2 ad hoc passenger counts and passenger loading systems; and
 - 1.2.3 such other information relating to the matters contemplated by the Ticketing and Settlement Agreement and the use of the Passenger Services as RfL may reasonably request,
- and, in either case, RfL shall be entitled to share such information with any other member of the TfL Group.

2 Monitoring

- 2.1 The Operator shall provide to RfL such access as RfL may require to information pertaining to the prices and other terms and conditions of Fares in respect of journeys on the Passenger Services from time to time.
- 2.2 By no later than week seventeen (17) of each Fares Setting Round, the Operator will provide to RfL written confirmation from a statutory director of the Operator of whether the Operator has complied with its obligations under this Schedule 3 (*Fares, Ticketing and Revenue*) in respect of TSA Fares during each such Fares Setting Round.
- 2.3 The Operator shall take such action as RfL may require following receipt of any details from the Operator pursuant to paragraph 1 (*Fares Information and Monitoring - Information*) in order to ensure that the Operator will comply with the provisions of this Schedule 3.4 (*Fares Information and Monitoring*).

3 RfL Revenue Strategy and Industry Reform

- 3.1 The Operator shall promptly provide to RfL or procure that RfL is provided with or otherwise has access to such information as RfL may reasonably require in connection with the development and implementation of RfL's revenue strategy. Without prejudice to the generality of the foregoing, the Operator shall:
- 3.1.1 provide to RfL (within such timescales as RfL may reasonably specify) such analyses as RfL may specify including analysing existing revenue trends and the potential impact of different fares policies on future revenue generation;

3.1.2 by no later than six (6) months after the Start Date and thereafter every Quarter provide a report to RfL which includes:

- (a) the number and types of tickets sold for use of the Passenger Services in both the previous six (6) months and previous Quarter, together with the associated revenue generated;
- (b) for each type of ticket, whether the Operator, a member of the TfL Group or another person has sold those tickets (and, where reasonably possible to do so, the identity of such other person);
- (c) a description of any ticket retailing or ticket purchasing trends which the Operator identifies from the information it has available to it; and
- (d) the Operator's recommendations to RfL on the fares strategy which RfL should adopt, taking into account paragraphs 1.1 (*Acknowledgement*) and 1.2.3 (*Acknowledgement*) of Schedule 3.3 (*Ticket and Non-Ticket Revenue*).

3.2 Paragraph 8 (*Information to and from Third Parties*) of Schedule 16.1 (*Records, Plans and Reporting*) shall apply in relation to any Reform Documents received by the Operator in connection with fares reform and wider industry reform.

4 **Ticket Retailing Strategy**

4.1 The Operator shall develop and operate a ticket retailing strategy that meets the objectives specified in paragraph 4.3 (*Ticket Retailing Strategy*) together with such other objectives or requirements as RfL may notify to the Operator from time to time (the "**Ticket Retailing Strategy**").

4.2 The Ticket Retailing Strategy shall be developed in accordance with the following:

4.2.1 the Operator shall submit the initial Ticket Retailing Strategy to RfL no less than two (2) Reporting Periods prior to the Start Date;

4.2.2 thereafter the Operator shall submit an update of the Ticket Retailing Strategy to RfL on or before each anniversary of the Start Date (but no earlier than one (1) Reporting Period prior to each such anniversary) containing such changes as it considers are necessary to reflect the Operator's performance in implementing the Ticket Retailing Strategy in the preceding year;

4.2.3 RfL shall, within:

- (a) one (1) Reporting Period of receipt of the initial Ticket Retailing Strategy pursuant to paragraph 4.2.1 (*Ticket Retailing Strategy*); or

- (b) two (2) Reporting Periods of receipt of each updated Ticket Retailing Strategy pursuant to paragraph 4.2.2 (*Ticket Retailing Strategy*),

notify the Operator of any changes it reasonably requires to be made thereto; and

- 4.2.4 as soon as reasonably practicable after such notification, the Operator shall make those changes to the initial or any updated Ticket Retailing Strategy (as the case may be).
- 4.3 The Ticket Retailing Strategy shall cover, as a minimum, the Operator's proposed activities, initiatives and exercises to support RfL's objective in respect of moving towards contactless travel and reducing the purchase and use of single use paper tickets, reduce queuing times at ticket offices and TVMs and how the Operator proposes to utilise Concession Employees to achieve the same.
- 4.4 The Operator shall, having regard to its experience in implementing the Ticket Retailing Strategy during the course of any year, keep the Ticket Retailing Strategy under review and make recommendations for changes pursuant to paragraph 4.2.2 (*Ticket Retailing Strategy*) to ensure that its staff continue to be aware and its new staff are made aware of the Ticket Retailing Strategy.
- 4.5 The Operator shall implement the Ticket Retailing Strategy in accordance with its terms.

Schedule 3.5
Transport, Travel and Other Fares Related Schemes

1 Integrated Transport Schemes

- 1.1 RfL may designate any scheme proposed by any third party (including any Local Authority) which relates to the integration of any other form of transport with the Concession Services as an Integrated Transport Scheme by notifying the Operator of such designation, the terms of such scheme and the date by which it requires the Operator's participation.
- 1.2 If and to the extent that RfL designates any further integrated transport scheme or proposed scheme as an Integrated Transport Scheme in accordance with paragraph 1.1 (*Integrated Transport Schemes*), then the Operator shall, as required by RfL, participate in and comply with its obligations under such scheme and take such other steps as RfL may reasonably require.
- 1.3 RfL shall consult the Operator a reasonable period in advance of designating any scheme an Integrated Transport Scheme under paragraph 1.1 (*Integrated Transport Schemes*) and shall allow the Operator a reasonable opportunity to make representations to it with respect to any such designation.

2 Concessionary Travel Schemes

- 2.1 The Operator shall subject to paragraphs 2.2 (*Concessionary Travel Schemes*) and 2.3 (*Concessionary Travel Schemes*):
 - 2.1.1 participate in and comply with its obligations under:
 - (a) the following concessionary travel schemes
 - (i) the London Boroughs Concessionary Travel Scheme;
 - (ii) the Freedom Pass Scheme;
 - (iii) the Metropolitan and City Police Agreement; and
 - (iv) the TfL Staff Travel Scheme; and
 - (b) any other concessionary travel scheme which the Operator is required to participate in during the Concession Period pursuant to paragraph 2.1.2 (*Concessionary Travel Schemes*); and
 - 2.1.2 if so requested by RfL, participate in and comply with its prospective obligations under:
 - (a) any concessionary travel scheme listed in this Agreement the terms of which have been amended since the date of this Agreement; and

- (b) such other concessionary travel schemes as RfL may specify from time to time.

2.2 If so directed by RfL and subject to paragraph 2.3 (*Concessionary Travel Schemes*), the Operator shall cease to participate in and (with effect from the date of such cessation) cease to comply with its obligations under any of the concessionary travel schemes referred to in paragraph 2.1 (*Concessionary Travel Schemes*).

2.3 RfL shall consult the Operator a reasonable period in advance of making any request of or direction to the Operator to:

2.3.1 participate in any amended or new concessionary travel scheme pursuant to paragraph 2.1 (*Concessionary Travel Schemes*); or

2.3.2 cease to participate in any concessionary travel scheme pursuant to paragraph 2.2 (*Concessionary Travel Schemes*),

and RfL shall allow the Operator a reasonable opportunity to make representations to it with respect to any such participation or cessation of participation.

2.4 The Operator shall supply to RfL, in respect of any concessionary travel schemes referred to in paragraph 2.1 (*Concessionary Travel Schemes*), such information within such period as RfL may reasonably require for the purposes of RfL determining whether or not to require the Operator to participate in or continue to participate in any such scheme, and/or the obligations assumed by such Local Authority in connection therewith.

3 **Multi-modal Fares Schemes**

3.1 The Operator shall, subject to paragraphs 3.2 (*Multi-modal Fares Schemes*), 3.3 (*Multi-modal Fares Schemes*) and 3.4 (*Multi-modal Fares Schemes*), if so requested by RfL, participate in and comply with its prospective obligations under:

3.1.1 such multi-modal fares schemes as any relevant Local Authority or funder may require or request it to participate in; and

3.1.2 such multi-modal fares scheme whose terms have been amended since the requirements to participate.

3.2 Subject to the terms of the relevant multi-modal fares scheme, the Operator shall be entitled to cease to participate in any scheme referred to in paragraph 3.1 (*Multi-modal Fares Schemes*) where, in the reasonable opinion of RfL:

3.2.1 the Operator's continuing participation in such scheme; and/or

3.2.2 the obligations assumed by the relevant Local Authority in connection therewith,

would fail to leave the Operator financially no worse off.

- 3.3 If so directed by RfL and subject to paragraph 3.4 (*Multi-modal Fares Schemes*), the Operator shall cease to participate in and (with effect from the date of such cessation) cease to comply with its obligations under any of the multi-modal fares schemes referred to in paragraph 3.1 (*Multi-modal Fares Schemes*).
- 3.4 RfL shall consult the Operator a reasonable period in advance of making any request of or direction to the Operator to:
- 3.4.1 participate in any amended or new multi-modal fares scheme pursuant to paragraph 3.1 (*Multi-modal Fares Schemes*); or
- 3.4.2 cease to participate in any multi-modal fares scheme pursuant to paragraph 3.2 (*Multi-modal Fares Schemes*),
- and shall allow the Operator a reasonable opportunity to make representations to it with respect to any such participation or cessation of participation.
- 3.5 The Operator shall supply to RfL, in respect of any multi-modal fares schemes referred to in paragraph 3.1 (*Multi-modal Fares Schemes*), such information within such period as RfL may reasonably require for the purposes of RfL determining whether or not to require the Operator to participate in any such scheme and/or the obligations to be assumed by the relevant Local Authority in connection therewith.

4 **Discount Fare Schemes**

- 4.1 The Operator shall participate in and comply with its obligations under the terms of each Discount Fare Scheme listed in this Agreement or any other scheme designated as such pursuant to paragraph 4.2 (*Discount Fares Schemes*).
- 4.2 RfL may designate any other discount fares scheme as a Discount Fare Scheme by notifying the Operator of such designation and informing the Operator of the terms of such scheme and the date by which it requires the Operator's participation.
- 4.3 RfL may de-designate any Discount Fare Scheme as such by notifying the Operator of such de-designation. Upon such de-designation, the Operator shall be entitled to cease to participate in that Discount Fare Scheme in accordance with its terms.

5 **Inter-operator Schemes**

- 5.1 To the extent not already required under paragraph 4.1 (*Discount Fares Schemes*), the Operator shall participate in and comply with its obligations under the terms of each Inter-Operator Scheme.
- 5.2 The Operator agrees to be bound by Parts IV and V of Chapter 4 of the Ticketing and Settlement Agreement and shall not amend, or agree or propose to amend, the Ticketing and Settlement Agreement without the prior written consent of RfL.

- 5.3 Without limiting any other provision of this Agreement, the Operator shall act in accordance with RfL's reasonable requirements when exercising its rights or performing its obligations under the Ticketing and Settlement Agreement.
- 5.4 The Operator shall not amend, or agree or propose to amend, any other Inter-Operator Scheme without the prior written consent of RfL.
- 5.5 The Operator shall provide reasonable notice to RfL of any proposal to amend any Inter-Operator Scheme which it receives notification of and which is reasonably likely materially to affect the provision of the Concession Services.
- 5.6 If an amendment is effected or proposed to be effected to an Inter-Operator Scheme which requires the consent or approval of RfL in accordance with the terms thereof, such amendment shall be treated as a Change to the extent and only to the extent that the Operator makes a saving as a consequence of such amendment or proposed amendment.

6 **CPAY**

The Operator shall, as and when directed by RfL, become a party to the CPAY Agreement, and thereafter, participate in and comply with its obligations under the terms of the CPAY Agreement.

7 **Payment Card Data Security Standards**

- 7.1 If and to the full extent that PCI DSS is relevant and applies to any of the Concession Services undertaken by the Operator, the Operator shall:
 - 7.1.1 fully comply with all requirements of PCI DSS (including any changes, alterations and revisions to PCI DSS compliance requirements for the duration of the Concession Period) or any other banking regulation or requirement that replaces PCI DSS;
 - 7.1.2 provide in a secure manner at the end of each Reporting Period to RfL (or otherwise on request) a report on the progress towards PCI DSS compliant status, and once achieved, any issues arising pertaining to maintaining PCI DSS compliance; and
 - 7.1.3 share with RfL the reports of the Quarterly scans (including vulnerability scans) that are required to maintain PCI DSS compliance.
- 7.2 The Operator shall provide such co-operation and assistance as may reasonably be required by RfL to support TfL in its obligations in relation to PCI DSS compliance and to achieve and maintain PCI DSS compliance, including making personnel available to provide support and assistance and to attend meetings with TfL (including third parties acting on behalf of RfL and/or TfL (as the case may be).

8 **Voting on Inter-operator Scheme Councils**

- 8.1 The Operator shall to the extent permitted under the terms of the relevant Inter-Operator Scheme give RfL reasonable notice of:

- 8.1.1 any meeting of:
- (a) a scheme council of an Inter-Operator Scheme on which the Operator is represented; or
 - (b) a scheme management group of any Inter-Operator Scheme:
 - (i) in which the Operator has a permanent position; or
 - (ii) where the Operator employs a member of such group;
- 8.1.2 the resolutions to be voted upon at any such meeting; and
- 8.1.3 the Operator's voting recommendations.
- 8.2 The Operator shall to the extent permitted under the terms of the relevant Inter-Operator Scheme:
- 8.2.1 attend such meetings referred to in paragraph 8.1.1(a) (*Voting on Inter-operator Scheme Councils*) as RfL notifies to it;
 - 8.2.2 vote at any such meeting in the manner required by RfL; and
 - 8.2.3 provide to RfL, copies of the minutes of any such meeting as soon as reasonably practicable after receipt.
- 8.3 Notwithstanding any other provision of this Agreement, any obligation that the Operator has under this Agreement to provide RfL with information or documentation pursuant to an Inter-Operator Scheme shall only be to the extent permitted under the terms of that Inter-Operator Scheme.

9 Reciprocal Travel Arrangements

- 9.1 Immediately prior to the Start Date, the following reciprocal travel arrangements between the Incumbent Operator and the entities specified below existed:
- 9.1.1 the agreement between the Incumbent Operator and First Greater Western Limited (trading as GWR) dated 3 October 2023;
 - 9.1.2 the agreement between the Incumbent Operator and Abellio East Anglia Limited (trading as Greater Anglia) dated 7 June 2023; and
 - 9.1.3 an arrangement between the Incumbent Operator and Trenitalia c2c Limited ("**c2c**") under which twenty-two (22) passes have been issued to c2c by the Incumbent Operator and eight (8) passes have been issued by c2c to the Incumbent Operator,
- the "**Existing Reciprocal Travel Arrangements**".
- 9.2 The Operator shall continue to comply with the Existing Reciprocal Travel Arrangements throughout the Concession Period for those individuals who

have been issued with passes under the same and who hold such passes at the Start Date. The Operator shall not extend travel passes to any additional individuals under the Existing Reciprocal Travel Arrangements without the prior written consent of RfL (in its absolute discretion).

9.3 The Operator shall not:

9.3.1 enter into any new arrangement whereby the employees of any other Train Operator or any Affiliate of the Operator or any other Train Operator are permitted to travel on the Passenger Services at a reduced charge or at no charge; or

9.3.2 extend any of the Existing Reciprocal Travel Arrangements,

without the prior written consent of RfL (in its absolute discretion). If RfL is minded to give its consent, such consent may be given subject to such conditions, including in relation to a contribution from the Operator towards lost revenue, as RfL may reasonably determine.

Schedule 3.6
Ticket Equipment

1 Supply of Ticket Equipment

- 1.1 The Operator acknowledges that any Ticket Equipment that RfL will procure or provide to the Operator pursuant to this Schedule 3.6 (*Ticket Equipment*), will be procured from a third party or parties and that it is intended that such Ticket Equipment will during the Concession Period remain the property of RfL or those third party or parties, as appropriate. At no time shall the Ticket Equipment become the property of the Operator. The Operator shall not cause or permit any Ticket Equipment to be affixed to the Operator's property or any third party's property so as to become a fixture.
- 1.2 The Operator acknowledges and agrees that the designated Ticket Equipment is not suitable for use at Elizabeth Line Stations between (and including) West Drayton station and Reading station.

2 Operator's Rights and Obligations

Operator Responsible for all Ticket Equipment

- 2.1 All Ticket Equipment in the Operator's ownership or possession, including any Ticket Equipment supplied by RfL pursuant to paragraph 1 (*Supply of Ticket Equipment*), shall be the responsibility of the Operator for the duration of the Concession Period (or until the date (which shall be no later than the last day of the Concession Period) RfL acknowledges by way of signature of an authorised representative, its condition as being in compliance with paragraph 4.5 (*Return of Ticket Equipment, Return Condition and Audits - Ticket Equipment in the Return Condition*)) and RfL shall not be liable to the Operator for:
- 2.1.1 any loss, theft, damage or destruction of or to any such Ticket Equipment or any part thereof; or
- 2.1.2 any loss, damage or destruction of any other property caused by such Ticket Equipment,
- in either case whenever it occurs and whether such loss is caused by negligence, the strict liability of RfL or otherwise.
- 2.2 The Operator shall not cause any damage to, make any alteration to, or interfere with the Ticket Equipment it employs in the performance of its obligations under this Agreement in any way, other than in order to comply with its obligations relating to cleaning as set out in this Agreement. The Operator shall not place advertising anywhere on that Ticket Equipment.
- 2.3 The Operator shall not cause or permit any Ticket Equipment (other than ticket gatelines), whether or not supplied by RfL, to be affixed to the Operator's property or any third party's property so as to become a fixture.

Possession, Use and Condition of Ticket Equipment

2.4 The Operator shall ensure that the Ticket Equipment it employs in the performance of its obligations under this Agreement:

2.4.1 remains in its possession or, in the case of mobile Ticket Equipment devices, the possession of its employees, in each case, at all times unless and until any such Ticket Equipment is returned to RfL or its nominee in accordance with this Schedule 3.6 (*Ticket Equipment*); and

2.4.2 is used in accordance with its purpose and shall protect and preserve such Ticket Equipment in good working order, subject to fair wear and tear.

Loss, Theft, and Vandalism

2.5 The Operator shall ensure that the Ticket Equipment it employs in the performance of its obligations is kept within a secure environment and shall be responsible for costs arising from any loss, theft or damage of such Ticket Equipment. The Operator shall take all reasonable measures to protect such Ticket Equipment from loss, theft or damage, including damage caused by vandalism. The Operator shall indemnify RfL for all Loss incurred by RfL or its nominee in repairing such Ticket Equipment damaged by the Operator or by third parties, including any costs incurred in cleaning graffiti or repairing damage caused by vandalism.

Maintenance of certain Ticket Equipment

2.6 The Operator shall procure the maintenance of all Ticket Equipment it owns or is otherwise in its possession for the duration of the Concession Period in the condition specified in paragraph 2.4.2 (*Operator's Rights and Obligations – Possession, Use and Condition of Ticket Equipment*), provided that the Operator shall not be responsible for maintaining the TVMs or any ticket gatelines supplied by RfL pursuant to paragraph 1 (*Supply of Ticket Equipment*), for which paragraph 3.2 (*RfL Obligations – Maintenance of certain Ticket Equipment*) shall apply.

2.7 The Operator shall:

2.7.1 where requested, act as RfL's agent in relation to any ticket gateline maintenance contract between RfL and its nominated maintainer of those gatelines in accordance with RfL's reasonable instructions from time to time; and

2.7.2 indemnify RfL and each member of the TfL Group (and each of their respective employees, directors and officers) on demand against any Losses arising from any action pursuant to the agency referred to in paragraph 2.7.1 (*Operator's Rights and Obligations – Maintenance of certain Ticket Equipment*) that places RfL in breach of that ticket gateline maintenance contract.

Oyster, Oystercards and CPAY

- 2.8 The Operator shall ensure that passengers 'touch in' and 'touch out' when using Oystercards or CPAY, in accordance with instructions provided to the Operator by RfL from time to time.
- 2.9 The Operator shall make available to passengers information, including leaflets, provided to the Operator by RfL and make announcements as directed by RfL relating to Oyster and CPAY services including fares revisions.
- 2.10 The Operator shall ensure that sufficient space is available for signage relevant to Oyster products, Oystercards and CPAY.
- 2.11 The Operator shall take appropriate action in respect of failed or fraudulently used Oystercards and contactless payment cards in accordance with training provided by RfL from time to time. The Operator shall request that Oystercards and contactless payment cards be not listed in the circumstances advised to the Operator by RfL and in accordance with directions provided by RfL.

Access, Power, Facilities

- 2.12 The Operator shall:
 - 2.12.1 grant the right on reasonable notice for RfL, any member of the TfL Group and any of their respective subcontractors to have access to the Ticket Equipment that RfL is responsible for procuring the maintenance, repair or upgrade of and the locations where that Ticket Equipment is located for the purposes of maintaining, repairing and upgrading that Ticket Equipment in accordance with this Agreement; and
 - 2.12.2 provide all reasonable assistance to the persons specified in paragraph 2.12.1 (*Operator's Rights and Obligations – Access, Power, Facilities*) for the purposes specified therein, including facilitating such maintenance, repair or upgrade being undertaken outside of the Station Operating Day.
- 2.13 The Operator shall in relation to the locations and Ticket Equipment referred to in paragraph 2.12 (*Operator's Rights and Obligations – Access, Power, Facilities*), also provide the following, as required by RfL from time to time, in order for RfL, any member of the TfL Group or the relevant supplier of any such item of Ticket Equipment and its subcontractors to carry out any maintenance, repair or upgrade of that Ticket Equipment:
 - 2.13.1 a continuous supply of electricity, and shall allow any such supplier and its subcontractors to connect into any electrical point and make available facilities for connection to sources of supply of electricity;
 - 2.13.2 storage for any such supplier and its subcontractor's equipment and spare parts;
 - 2.13.3 parking for any such supplier and its subcontractors' vehicles;

- 2.13.4 toilet and washroom facilities for any such supplier and its subcontractors; and
- 2.13.5 free travel permits for any such supplier and its subcontractors for use on the Passenger Services.

Cleaning

- 2.14 The Operator shall ensure that the casing surrounding the Ticket Equipment in its ownership or otherwise in its possession (excluding any cables) is kept clean at all times, and shall ensure that:
 - 2.14.1 all such Ticket Equipment is only wiped clean with a clean cloth or sponge which has been immersed in a solution of clean water and detergent and thoroughly wrung out;
 - 2.14.2 once cleaned, that Ticket Equipment is wiped dry so as to be free from all cleaning residues whatsoever;
 - 2.14.3 that Ticket Equipment is not cleaned using an abrasive cleaning agent or applicator; and
 - 2.14.4 if any cleaning by high-pressure water jet is carried out at any station, no contact is made between the water jet and that Ticket Equipment.

Storage of Consumables

- 2.15 The Operator shall ensure that consumables (tickets, wallets, hand held devices, device keys for gates and passenger validators, device instruction labels for gates and passenger validators, gate permits) are kept within a secure environment. The Operator shall be responsible for any costs arising from loss, theft or damage of such consumables.

Fault Reporting

- 2.16 In the event that any TVM, ticket gateline or Oyster validator supplied by RfL pursuant to this Schedule 3.6 (*Ticket Equipment*) does not function properly or has been damaged (including by vandalism or graffiti), the Operator shall notify the helpdesk of the relevant supplier of that Ticket Equipment within such period as is directed by RfL.

Intellectual Property

- 2.17 The Operator shall indemnify RfL and each member of the TfL Group on demand against any Losses arising from any breach by the Operator of the licence granted pursuant to paragraph 3.1 (*RfL Obligations – Intellectual Property*).

Crisis Management

- 2.18 The Operator shall act in accordance with directions of RfL in respect of managing Ticket Equipment for the purposes of crisis management or business recovery.

Service Disruptions

- 2.19 In relation to service disruptions and special events, the Operator shall act as directed by RfL or another member of the TfL Group, and in particular shall allow adjustments to be made to central settings, make adjustments to local settings and advise RfL or that member of instructions that have been given to customers, in each case in accordance with training provided by RfL from time to time.

Additional TVMs and the Location of TVMs

- 2.20 The Operator shall have the right at its cost:
- 2.20.1 subject to RfL's consent (not to be unreasonably withheld) to procure additional TVMs over and above any TVMs that are made available pursuant to paragraph 1 (*Supply of Ticket Equipment*) provided that such additional TVMs have the capability of selling all Fares within the Fares Document; and
 - 2.20.2 to locate any additional TVMs it procures and relocate any of the TVMs referred to in paragraph 2.20.1 (*Operator's Rights and Obligations – Additional TVMs and the Location of TVMs*), in each case for the purpose of meeting any of its obligations under this Agreement, provided that in doing so, no Operator Managed Station entrance is left without a TVM unless otherwise agreed in writing by RfL.

3 RfL Obligations

Intellectual Property

- 3.1 RfL shall procure that the relevant member of the TfL Group grants to the Operator a licence of certain intellectual property (which has been licensed to that member of the TfL Group by any third party) for the purpose of the Operator complying with its obligations relating to the Ticket Equipment supplied by RfL pursuant to paragraph 1 (*Supply of Ticket Equipment*).

Maintenance of certain Ticket Equipment

- 3.2 RfL shall, at no cost to the Operator:
- 3.2.1 procure the maintenance, repair, other work and software upgrades of all Ticket Equipment, gatelines and TVMs supplied by RfL pursuant to paragraph 1 (*Supply of Ticket Equipment*), in each case, other than Ticket Equipment comprising telephone lines and data links that are necessary to maintain the functionality of such TVMs and gatelines; and
 - 3.2.2 enforce its rights under any contract for the maintenance of such Ticket Equipment,
- in each case provided that the Operator complies with the provisions of this Schedule 3.6 (*Ticket Equipment*), including the Operator promptly granting

RfL or its nominee access to that Ticket Equipment under paragraph 2.12 (*Operator's Rights and Obligations – Access, Power, Facilities*) in order that (as the case may be) such repairs, maintenance, other work and/or upgrades may be carried out.

4 Return of Ticket Equipment, Return Condition and Audits

Return of Ticket Equipment for reasons other than for Maintenance

- 4.1 If the Operator no longer requires any of the Ticket Equipment supplied under paragraph 1 (*Supply of Ticket Equipment*) in order to comply with its obligations under Schedule 3 (*Fares, Ticketing and Revenue*), the Operator shall promptly return that item of equipment to RfL or its nominee at no cost to RfL or its nominee.
- 4.2 The Operator shall at the end of the Concession Period, or on any earlier date notified to it by RfL, promptly return to RfL or its nominee at no cost to RfL or its nominee, all Ticket Equipment that RfL has supplied under paragraph 1 (*Supply of Ticket Equipment*) and to the extent not already returned pursuant to paragraph 4.1 (*Return of Ticket Equipment, Return Condition and Audits – Return of Ticket Equipment for reasons other than for Maintenance*).

Audits of Ticket Equipment

- 4.3 Upon the return of any Ticket Equipment supplied under paragraph 1 (*Supply of Ticket Equipment*), whether pursuant to paragraph 3.2 (*RfL Obligations – Maintenance of certain Ticket Equipment*), 4.1 (*Return of Ticket Equipment, Return Condition and Audits – Return of Ticket Equipment for reasons other than for Maintenance*) or 4.2 (*Return of Ticket Equipment, Return Condition and Audits – Return of Ticket Equipment for reasons other than for Maintenance*) RfL shall promptly carry out an audit of those devices to ascertain their condition.
- 4.4 As soon as reasonably practicable after the completion of any such audit, RfL shall inform the Operator of its findings as to the condition of the returned Ticket Equipment.

Ticket Equipment in the Return Condition

- 4.5 If the Operator returns to RfL or its nominee all Ticket Equipment supplied by RfL pursuant to paragraph 1.1 (*Supply of Ticket Equipment*) that is in RfL's reasonable opinion, in good working order and in the condition in which it was provided, other than due to fair wear and tear, then no further action shall arise.

Ticket Equipment not in the Return Condition

- 4.6 If the Operator returns to RfL or its nominee, any Ticket Equipment supplied by RfL pursuant to paragraph 1 (*Supply of Ticket Equipment*) that is, in RfL's reasonable opinion, not in good working order and/or in the condition in which it was provided, other than due to fair wear and tear, then the Operator shall pay to RfL by way of Other Adjustment, the costs reasonably incurred by RfL for repair or replacement (as required) of that equipment.

Schedule 4
Stations, Depots, and Other Property

- Schedule 4.1:** Property Leasing and Access
- Schedule 4.2:** Station and Depot Refresh, Refurbishments and Enhancements
- Schedule 4.3:** Retail and Commercial Arrangements
- Schedule 4.4:** Persons with Disabilities and Disability Discrimination

Schedule 4.1
Property Leasing and Access

1 Elizabeth Line Stations

List of Elizabeth Line Stations

1.1 The "**Elizabeth Line Stations**" comprise the following stations:

Elizabeth Line Stations			
1	Abbey Wood	23	Liverpool Street (CCOS)
2	Acton Main Line	24	Liverpool Street (Main Line)
3	Bond Street	25	Maidenhead
4	Brentwood	26	Manor Park
5	Burnham	27	Maryland
6	Canary Wharf	28	Paddington (CCOS)
7	Chadwell Heath	29	Paddington (Main Line)
8	Custom House	30	Reading
9	Ealing Broadway	31	Romford
10	Farringdon	32	Seven Kings
11	Forest Gate	33	Shenfield
12	Gidea Park	34	Slough
13	Goodmayes	35	Southall
14	Hanwell	36	Stratford (NR)
15	Harold Wood	37	Stratford Underground
16	Hayes & Harlington	38	Taplow
17	Heathrow Terminal 4	39	Tottenham Court Road
18	Heathrow Terminal 5	40	Twyford
19	Heathrow Terminals 2 & 3	41	West Drayton
20	Ilford	42	West Ealing
21	Iver	43	Whitechapel
22	Langley	44	Woolwich

2 Elizabeth Line Stations by Section

2.1 The Elizabeth Line Stations are located on the sections of the Elizabeth Line Route referred to in this paragraph 2 (*Elizabeth Line Stations by Section*).

Eastern Section Stations

2.2 The following Elizabeth Line Stations are located on the Eastern Section (the "**Eastern Section Stations**"):

Eastern Section Stations			
1	Brentwood	9	Manor Park
2	Chadwell Heath	10	Maryland
3	Forest Gate	11	Romford
4	Gidea Park	12	Seven Kings
5	Goodmayes	13	Shenfield
6	Harold Wood	14	Stratford (NR)
7	Ilford	15	Stratford Underground
8	Liverpool Street (Main Line)		

CCOS Stations

2.3 The following Elizabeth Line Stations are located on the CCOS (the "**CCOS Stations**"):

CCOS Stations			
1	Abbey Wood	6	Liverpool Street (CCOS)
2	Bond Street	7	Paddington (CCOS)
3	Canary Wharf	8	Tottenham Court Road
4	Custom House	9	Whitechapel
5	Farringdon	10	Woolwich

Western Section Stations

- 2.4 The following Elizabeth Line Stations are located on the Western Section (the "**Western Section Stations**"):

Western Section Stations			
1	Acton Main Line	11	M Maidenhead
2	Burnham	12	Paddington (Main Line)
3	Ealing Broadway	13	Reading
4	Hanwell	14	Slough
5	Hayes & Harlington	15	Southall
6	Heathrow Terminal 4	16	Taplow
7	Heathrow Terminal 5	17	Twyford
8	Heathrow Terminals 2 & 3	18	West Drayton
9	Iver	19	West Ealing
10	Langley		

3 **Operator Stations**

List of Operator Leased Stations

- 3.1 The Operator shall enter into and remain a party to, as required, a Station Lease or Station Underlease and thereby become the Facility Owner in respect of each of the following Elizabeth Line Stations (the "**Operator Leased Stations**") in accordance with paragraphs 4 (*Leased Stations (West) and Stratford (NR)*) and 5 (*Devolved Stations*) inclusive and paragraph 12 (*General Station Property Lease Provisions*):

Operator Leased Stations			
1	Abbey Wood	13	Ilford
2	Acton Main Line	14	Iver
3	Brentwood	15	Langley
4	Burnham	16	Manor Park
5	Chadwell Heath	17	Maryland
6	Ealing Broadway	18	Romford
7	Forest Gate	19	Seven Kings

Operator Leased Stations			
8	Gidea Park	20	Southall
9	Goodmayes	21	Stratford (NR)
10	Hanwell	22	Taplow
11	Harold Wood	23	West Drayton
12	Hayes & Harlington	24	West Ealing

4 Leased Stations (West) and Stratford (NR)

- 4.1 The Operator shall enter into and remain a party to one or more Station Leases with Network Rail and thereby become the Facility Owner in relation to the following Operator Leased Stations with effect from the Start Date and for the duration of the Concession Period (the "**Leased Stations (West)**") and Stratford (NR):

Leased Stations (West)			
1	Acton Main Line	7	Langley
2	Burnham	8	Southall
3	Ealing Broadway	9	Taplow
4	Hanwell	10	West Drayton
5	Hayes & Harlington	11	West Ealing
6	Iver		

Other
Stratford (NR)

5 Devolved Stations

- 5.1 RfL agrees to grant, and the Operator agrees to accept, prior to the Certificate of Commencement being issued, one or more Station Underleases and thereby become the Facility Owner in relation to the Operator Leased Stations listed in this paragraph (the "**Devolved Stations**") with effect from the Start Date and for the duration of the Concession Period.

Devolved Stations			
1	Abbey Wood	8	Ilford

Devolved Stations			
2	Brentwood	9	Manor Park
3	Chadwell Heath	10	Maryland
4	Forest Gate	11	Romford
5	Gidea Park	12	Seven Kings
6	Goodmayes		
7	Harold Wood		

5.2 RfL and the Operator shall, prior to the Certificate of Commencement being issued, enter into the Station Underlease Side Letter which will have effect from the Start Date.

5.3 The parties confirm that:

5.3.1 RfL served a notice dated 16 December 2024 in respect of each Devolved Station on the Operator as required by section 38A(3)(a) of the Landlord and Tenant Act 1954 and which applies to the tenancies to be created by the Station Underlease before the date of this agreement;

5.3.2 an employee of Womble Bond Dickinson (UK) who was duly authorised by the Operator to do so made a statutory declaration dated 16 December 2024 in respect of each tenancy created by the Station Underlease accordance with the requirements of section 38A(3)(b) of the 1954 Act;

5.3.3 and the parties agree that the provisions of sections 24-28 (inclusive) of the 1954 Act will be excluded in relation to the tenancies to be created by the Station Underlease.

6 Granting Access at Operator Leased Stations

The Operator shall, with effect from the Start Date, grant access to each beneficiary whose railway passenger services will call at the relevant Operator Leased Station by entering into Station Access Agreements with the relevant Train Operators and Station Agreements with LUL, in each case for a term that is coterminous with the earlier of the relevant beneficiary's interest and the Expiry Date.

7 Operator Access Stations

List of Operator Access Stations

7.1 The Operator shall obtain access to each of the following Elizabeth Line Stations (the "**Operator Access Stations**") by entering into, as appropriate, Station Access Agreements or Station Agreements with the relevant entities in accordance with paragraphs 7.2 (*Operator Access Stations – Operator Access Stations (Eastern Section)*) to 7.5 (*Operator Access Stations -*

Operator Access Stations (Western Section)) inclusive and paragraph 13 (General Access Agreement and Station Agreement Provisions):

Operator Access Stations			
1	Bond Street	11	Paddington (CCOS)
2	Canary Wharf	12	Paddington (Main Line)
3	Custom House	13	Reading
4	Farringdon	14	Shenfield
5	Heathrow Terminal 4	15	Slough
6	Heathrow Terminal 5	16	Stratford Underground
7	Heathrow Terminals 2 & 3	17	Tottenham Court Road
8	Liverpool Street (CCOS)	18	Twyford
9	Liverpool Street (Main Line)	19	Whitechapel
10	Maidenhead	20	Woolwich

Operator Access Stations (Eastern Section)

- 7.2 The Operator shall obtain access to the Operator Access Station on the Eastern Section listed in the following table by entering into Station Access Agreements with the first two listed Facility Owners and a Station Agreement with the third listed Facility Owner, with effect from the Start Date and for the duration of the Concession Period:

	Operator Access Stations	Facility Owner
1	Liverpool Street (Main Line)	Network Rail
2	Shenfield	East Anglia Train Operator
3	Stratford Underground (part in respect of which LUL is the Facility Owner)	LUL

Operator Access Stations (CCOS)

- 7.3 The Operator shall obtain access to the following LUL Stations on the CCOS by entering into Station Agreements with LUL with effect from the Start Date and for the duration of the Concession Period:

Operator Access Stations (CCOS)

1	Bond Street	4	Tottenham Court Road
2	Farringdon	5	Whitechapel
3	Liverpool Street (CCOS)		

- 7.4 The Operator shall obtain access to the following RfL(I) Stations on the CCOS by entering into Station Access Agreements with RfL(I) with effect from the Start Date and for the duration of the Concession Period:

RfL(I) Stations			
1	Canary Wharf	3	Paddington (CCOS)
2	Custom House	4	Woolwich

Operator Access Stations (Western Section)

- 7.5 The Operator shall obtain access to the following Operator Access Stations on the Western Section by entering into Station Access Agreements with the following Facility Owners with effect from the Start Date and for the duration of the Concession Period:

Operator Access Stations		Facility Owner
1	Heathrow Terminal 4	HAL
2	Heathrow Terminal 5	HAL
3	Heathrow Terminals 2 & 3	HAL
4	Maidenhead	Great Western Train Operator
5	Paddington (Main Line)	Network Rail
6	Reading	Network Rail
7	Slough	Great Western Train Operator
8	Twyford	Great Western Train Operator

8 Other Property Interests

Driver Accommodation at Maidenhead

- 8.1 RfL and the Operator acknowledge that:

- 8.1.1 as at the Start Date, Network Rail owns the freehold interest in the land in the vicinity of Maidenhead Station on which the driver and cleaning accommodation (the "**Maidenhead Accommodation**") is situated;
- 8.1.2 the intention of RfL is that it will enter into a long-term headlease of the Maidenhead Accommodation with TfL (who shall be granted a

superior leasehold interest from Network Rail) and simultaneously enter into an underlease (at a peppercorn rent) (in form and substance satisfactory to RfL) with the Operator in respect thereof; and

- 8.1.3 as at the Start Date, Network Rail, TfL and RfL may not have yet entered into such long-term headleases of the Maidenhead Accommodation.
- 8.2 If RfL is not able to grant the Operator an underlease of the Maidenhead Accommodation on the date of this Agreement because the headleases referred to in paragraph 8.1.2 (*Other Property Interests - Driver Accommodation at Maidenhead*) have not yet been granted, the Operator shall obtain access to the Maidenhead Accommodation, by entering into a tenancy at will in the form required by RfL (acting reasonably), with effect from the Start Date and throughout the period prior to the long-term headlease of the Maidenhead Accommodation contemplated by paragraph 8.1.2 (*Other Property Interests - Driver Accommodation at Maidenhead*) coming into effect.
- 8.3 As soon as reasonably practicable following RfL and TfL agreeing the terms of the long-term lease of the Maidenhead Accommodation:
- 8.3.1 RfL shall notify the Operator and as part of such notification shall state the date on which such long-term lease of the Maidenhead Accommodation is intended to become effective;
- 8.3.2 with effect from the date on which such long-term lease of the Maidenhead Accommodation becomes effective, the Operator shall simultaneously:
- (a) terminate the tenancy at will with RfL referred to at paragraph 8.2 (*Other Property Interests - Driver Accommodation at Maidenhead*); and
 - (b) enter into the Maidenhead Underlease.
- 8.4 The parties confirm that:
- 8.4.1 RfL served a notice dated 16 December 2024 on the Operator as required by section 38A(3)(a) of the Landlord and Tenant Act 1954 and which applies to the tenancy to be created by the lease of the Maidenhead Accommodation before the date of this agreement;
- 8.4.2 an employee of Womble Bond Dickinson (UK) who was duly authorised by the Operator to do so made a statutory declaration dated 16 December 2024 in accordance with the requirements of section 38A(3)(b) of the 1954 Act;
- 8.4.3 and the parties agree that the provisions of sections 24-28 (inclusive) of the 1954 Act will be excluded in relation to the tenancy to be created by the lease of the Maidenhead Accommodation.

- 8.5 No Change shall occur by virtue of the arrangements contemplated by paragraph 8.3 (*Other Property Interests - Driver Accommodation at Maidenhead*) being implemented.

Rolling Stock Provider Accommodation in the vicinity of Gidea Park Station

- 8.6 RfL and the Operator acknowledge that immediately prior to the Start Date, the Rolling Stock Provider's employees will have access to certain accommodation in the vicinity of Gidea Park Station (the "**Gidea Park Accommodation**") and will continue to have access after the Start Date.
- 8.7 RfL agrees to grant, and the Operator shall accept, prior to the Certificate of Commencement being issued, the Gidea Park Underlease with effect from the Start Date.
- 8.8 The parties confirm that:
- 8.8.1 RfL served a notice dated 16 December 2024 on the Operator as required by section 38A(3)(a) of the Landlord and Tenant Act 1954 and which applies to the tenancy to be created by the lease of the Gidea Park Accommodation before the date of this agreement;
 - 8.8.2 an employee of Womble Bond Dickinson (UK) who was duly authorised by the Operator to do so made a statutory declaration dated 16 December 2024 in accordance with the requirements of section 38A(3)(b) of the 1954 Act;
 - 8.8.3 and the parties agree that the provisions of sections 24-28 (inclusive) of the 1954 Act will be excluded in relation to the tenancy to be created by the lease of the Gidea Park Accommodation.

Stations Operator Agreement

- 8.9 In accordance with the Conditions Precedent Agreement, prior to being issued with the Certificate of Commencement, the Operator shall enter into the Stations Operator Agreement with RfL(I) in relation to the RfL(I) Stations and RfL shall procure that RfL(I) enters into such Stations Operator Agreement. Such Stations Operator Agreement shall have effect on the Start Date and shall continue throughout the Concession Period.
- 8.10 Nothing in this Agreement or the Stations Operator Agreement shall entitle the Operator to recover more than once in respect of its costs and expenses of providing services to RfL(I) under the Stations Operator Agreement. Without prejudice to the foregoing, RfL shall fund the provision of the services contemplated by the Station Operator Agreement pursuant to this Agreement; and to the extent that the Operator receives any remuneration from RfL(I) under the Stations Operator Agreement which is in excess of the Qualifying Expenditure component under the relevant Station Access Agreement(s) for accessing the RfL(I) Stations relating to services provided under the Stations Operator Agreement, (such excess being the "**SO Excess Amount**"), the Operator shall pay that SO Excess Amount to RfL by way of an Other Adjustment. For the purposes of this paragraph, "**Qualifying**

Expenditure" has the meaning given to it in the applicable Station Access Agreement(s).

9 **Ilford Depot**

Use

- 9.1 With effect from the Start Date, the Operator shall either:
- 9.1.1 procure the novation to the Operator of the Depot Access Agreement between the East Anglia Train Operator (as Facility Owner) and the Incumbent Operator (as beneficiary); or
 - 9.1.2 enter into a new Depot Access Agreement relating to Ilford Depot on substantially the same terms as the Depot Access Agreement between the East Anglia Train Operator (as Facility Owner) and the Incumbent Operator (as beneficiary),
- in either case obtaining any requisite approval from the ORR.
- 9.2 The Ilford Depot shall be used by the Operator to stable Units forming part of the Train Fleet.
- 9.3 The Operator shall co-operate with the East Anglia Train Operator's operating procedures at Ilford Depot, including complying with such East Anglia Train Operator's security arrangements, directions and notices.

Ilford Operations and Welfare Building

- 9.4 RfL shall procure that TfL grants access to the Ilford Accommodation to the Operator, by entering into the Ilford Accommodation Licence with effect from the Start Date.
- 9.5 Notwithstanding the fact that it is the parties' intention and understanding that exclusive possession of the Ilford Accommodation is not being granted by TfL, in the event that the Ilford Accommodation Licence is construed to be a lease the parties confirm that:
- 9.5.1 TfL served a notice dated 17 December 2024 on the Operator as required by section 38A(3)(a) of the Landlord and Tenant Act 1954 and which applies to the tenancy to be created by the licence of the Ilford Accommodation before the date of this agreement;
 - 9.5.2 an employee of Womble Bond Dickinson (UK) who was duly authorised by the Operator to do so made a statutory declaration dated 17 December 2024 in accordance with the requirements of section 38A(3)(b) of the 1954 Act;
 - 9.5.3 and the parties agree that the provisions of sections 24-28 (inclusive) of the 1954 Act will be excluded in relation to the tenancy created by the Ilford Accommodation Licence.

Car Parking

- 9.6 RfL agrees to grant, and the Operator shall, prior to the Certificate of Commencement being issued, accept the Car Park Underlease with effect from the Start Date.
- 9.7 The parties confirm that:
- 9.7.1 RfL served a notice dated 16 December 2024 on the Operator as required by section 38A(3)(a) of the Landlord and Tenant Act 1954 and which applies to the tenancy to be created by the lease of the Ilford Northern Car Park before the date of this agreement;
- 9.7.2 an employee of Womble Bond Dickinson (UK) who was duly authorised by the Operator to do so made a statutory declaration dated 16 December 2024 in accordance with the requirements of section 38A(3)(b) of the 1954 Act;
- 9.7.3 and the parties agree that the provisions of sections 24-28 (inclusive) of the 1954 Act will be excluded in relation to the tenancy to be created by the lease of the Ilford Northern Car Park.

10 Old Oak Common Depot

- 10.1 The Old Oak Common Depot shall be used by the Rolling Stock Provider to maintain and clean that part of the Train Fleet that is stabled there from the Start Date and for the duration of the Concession Period.
- 10.2 RfL shall procure that:
- 10.2.1 the Operator has the right to access and to occupy the CTOC Area in accordance with clause 9.2(a) of the RSPA from the date specified in that clause and for the remainder of the Concession Period;
- 10.2.2 the Operator has the right to access the Old Oak Common Depot to the extent reasonably necessary for the performance of its obligations under this Agreement and under the RSPA Agency Agreement, provided that the Operator shall at all times comply with applicable health and safety rules published at the Site (as defined in the RSPA) and ensure that its action shall not interfere with operations at the Old Oak Common Depot; and
- 10.2.3 the Rolling Stock Provider complies with its obligations under clause 9.2(c) of the RSPA in relation to the servicing and maintenance of the CTOC Area from the date the Operator is granted the access referred to in paragraph 10.2.1 (*Old Oak Common Depot*) and for the remainder of the Concession Period.

11 Plumstead Drivers Accommodation

- 11.1 RfL shall procure that RfL(I) grants access to the Plumstead Accommodation to the Operator, by entering into the Plumstead Accommodation Licence with effect from the Start Date.

11.2 Notwithstanding the fact that it is the parties' intention and understanding that exclusive possession of the Plumstead Accommodation is not being granted by the RfL(I), in the event the Plumstead Accommodation Licence is construed to be a lease the parties confirm that:

11.2.1 RfL(I) served a notice dated 17 December 2024 on the Operator as required by section 38A(3)(a) of the Landlord and Tenant Act 1954 and which applies to the tenancy to be created by the licence of the Plumstead Accommodation before the date of this agreement;

11.2.2 an employee of Womble Bond Dickinson (UK) who was duly authorised by the Operator to do so made a statutory declaration dated 17 December 2024 in accordance with the requirements of section 38A(3)(b) of the 1954 Act;

11.2.3 and the parties agree that the provisions of sections 24-28 (inclusive) of the 1954 Act will be excluded in relation to the tenancy created by the Plumstead Accommodation Licence.

12 **General Station Property Lease Provisions**

Property Lease Restrictions

12.1 The Operator shall not, without the prior written consent of RfL, whether generally or on a case-by-case basis:

12.1.1 enter into any new Property Lease other than pursuant to paragraphs 3 (*Operator Stations*), 4 (*Leased Stations (West) and Stratford (NR)*) and 5 (*Devolved Stations*), and 12.4 (*General Station Property Lease Restrictions*) of this Schedule 4.1 (*Property Leasing and Access*); or

12.1.2 effect any amendment to any Property Lease, except to the extent that the Operator is required to do so by virtue of, as appropriate, the Station Access Conditions, the RfL Station Access Conditions, the RfL(I) Station Access Conditions, the HAL Station Access Conditions, the Independent Station Access Conditions or the Depot Access Conditions.

12.2 To the extent the Operator is to enter into any Property Lease during the Concession Period, the Operator shall enter into that Property Lease with the relevant Station Property Owner, on terms that the relevant parties shall agree (both acting reasonably) provided always that such Property Lease is to be excluded from the provisions of Part II of the 1954 Act.

12.3 Within fourteen (14) days of the date of grant of a Property Lease which is registrable, the Operator shall apply to the Land Registry for the registration of such Property Lease (as well as a notice of the Property Lease on the registered title for the relevant property held by the relevant Station Property Owner), and upon receipt, supply a copy of the registered title for the Property Lease and the registered title held by the relevant Station Property Owner to RfL.

12.4 Where:

- 12.4.1 the term of any Property Lease expires before the Expiry Date, the Operator shall enter into a new Property Lease with the relevant Station Property Owner on or before the expiry of that expiring Property Lease for a term commencing on the date of expiry of the initial Property Lease and expiring on the Expiry Date (each such lease once granted, shall be a Property Lease for the purposes of this Agreement); and
- 12.4.2 at RfL's request, additional land is to be included within the demise of the Property Lease, the Operator shall enter into a supplemental lease relating to that additional land as soon as reasonably practicable following the successful completion of any procedure (including obtaining any requisite approval from the ORR where appropriate) for including that additional land within the demise of such Property Lease and each such supplemental lease, once granted, shall be a Property Lease for the purposes of this Agreement,

and in each case, the provisions of paragraph 12.2 (*General Station Property Lease Provisions – Property Lease Restrictions*) shall apply.

- 12.5 The Operator shall not be in contravention of paragraph 12.4 (*General Station Property Lease Provisions – Property Lease Restrictions*) if and to the extent that the relevant Station Property Owner refuses to enter into any leases specified therein.
- 12.6 Unless RfL agrees or otherwise requires pursuant to paragraph 12.11 (*General Station Property Lease Provisions – Station Subleases*) the Operator shall not sublet to any of its Affiliates any part of the property comprised in any Property Lease except on terms that any such subletting:
- 12.6.1 is terminable without compensation immediately upon the termination of this Agreement;
- 12.6.2 is automatically terminated if the relevant sub-lessee ceases to be an Affiliate of the Operator;
- 12.6.3 is for a term expiring no later than three (3) days prior to the expiry of the Station Lease or Station Underlease for the relevant property; and
- 12.6.4 is excluded from the provisions of Part II of the 1954 Act.
- 12.7 No Property Lease shall have a term extending beyond the Expiry Date, unless RfL agrees otherwise.

The Operator's Rights and Obligations under Property Leases

- 12.8 At each relevant property, the Operator shall carry out during the Concession Period the facilities management activities, including maintenance, cleaning and operating activities, specified in each Property Lease relevant thereto.

- 12.9 Subject to paragraph 12.10 (*General Station Property Lease Provisions – The Operator's rights and obligations under Property Leases*) the Operator shall at all times comply with its obligations and covenants and enforce its rights under each Property Lease.
- 12.10 The Operator shall not:
- 12.10.1 terminate or agree to terminate in whole or in part, or take or omit to take any other action which might result in the termination of any Property Lease;
 - 12.10.2 assign all or part of its interest under any Property Lease; or
 - 12.10.3 sublet any part of the property comprised in any Property Lease, including to any of its Affiliates,
- except, in each case, to the extent that either the relevant Property Lease permits such actions or RfL may otherwise agree from time to time, such agreement not to be unreasonably withheld if:
- (a) the Operator has made arrangements, reasonably satisfactory to RfL, for the continued operation of the relevant property for the remainder of the Concession Period or if consent to the Closure of that property has been granted; and
 - (b) in the case of any sublease, that sublease:
 - (i) is terminable without compensation immediately upon the termination of this Agreement;
 - (ii) is automatically terminated if the relevant sub-lessee ceases to be an Affiliate of the Operator;
 - (iii) is for a term expiring no later than three (3) days prior to the expiry of the Station Lease for the relevant property; and
 - (iv) is excluded from the provisions of Part II of the 1954 Act.

Station Subleases

- 12.11 If so requested by RfL, the Operator shall:
- 12.11.1 grant or regrant any Station Sublease on the same terms for such period as RfL may request (including a period equivalent to the concession term or franchise term (as the case may be) if the concession agreement or franchise agreement (as the case may be) to which the Train Operator who is the lessee under such Station Sublease is a party is extended); and
 - 12.11.2 if any such Station Sublease terminates (which for the purposes of this paragraph 12.11.2 (*General Station Property Lease Provisions – Station Subleases*) shall include the termination, at or around the time of termination of any concession agreement or franchise

agreement, of a Station Sublease in respect of which the Incumbent Operator was the lessor), grant a new Station Sublease on the same terms to such Train Operator and for such period as RfL may request (including a period equivalent to the concession term or franchise term (as the case may be) of the concession agreement or franchise agreement (as the case may be) to which the Train Operator who is the lessee under such Station Sublease is a party),

subject, where required, to the consent of the relevant Station Property Owner or RfL (and, if required, the relevant sub-lessee) and provided that no such sub-lease shall be longer than the relevant Station Lease or Station Underlease.

- 12.12 The Operator shall notify RfL immediately on it becoming aware of any event which might give the Operator a right to forfeit or terminate any Station Sublease.
- 12.13 The Operator shall notify RfL if it wishes to forfeit or terminate any such Station Sublease but shall not (without RfL's prior written consent) effect such forfeiture or termination until the date which occurs three months after the date of such notice.

13 **General Access Agreement and Usage Agreement Provisions**

Access Agreement and Station and Depot Usage Agreement restrictions

- 13.1 The Operator shall not, without the prior written consent of RfL, whether generally or on a case-by-case basis:
 - 13.1.1 enter into any new Station Access Agreement (except to the extent directed by the ORR), Station Agreement, Depot Access Agreement or Depot Usage Agreement;
 - 13.1.2 effect any amendment to any Station Access Agreement (except to the extent directed by the ORR), Station Agreement or Depot Access Agreement; or
 - 13.1.3 make any Proposal for Change in respect of any Station Access Agreement, Station Agreement, Depot Access Agreement or Depot Usage Agreement.
- 13.2 The Operator shall, unless otherwise instructed by RfL, at all times comply with its obligations and covenants and enforce its rights under any Station Access Agreement and Depot Access Agreement.
- 13.3 The Operator shall not:
 - 13.3.1 suspend or terminate or agree to suspend or terminate in whole or in part, or take or omit to take any other action which might result in the termination of any Station Access Agreement, Station Agreement, the Ilford DAA or any other Depot Access Agreement or any other Depot Usage Agreement; or

- 13.3.2 assign all or part of its interest under any Station Access Agreement, Station Agreement, the Ilford DAA or any other Depot Access Agreement or any other Depot Usage Agreement,

in each case, unless otherwise directed by RfL or, where appropriate, the ORR.

Obligations in relation to Station Access Agreements and Station Agreements

- 13.4 In respect of each Operator Leased Station and Operator Access Station which the Operator is required pursuant to paragraphs 7.2 (*Operator Access Stations – Operator Access Stations (Eastern Section)*) to 7.5 (*Operator Access Stations – Operator Access Stations (Western Section)*) inclusive to enter into a Station Access Agreement or Station Agreement, the Operator shall enter into an appropriate Station Access Agreement or Station Agreement with, as appropriate, the relevant access beneficiary or Facility Owner no less than fourteen (14) days before the Start Date.
- 13.5 The following shall apply, as appropriate, in relation to the Station Access Agreements and Station Agreements that the Operator enters into pursuant to paragraph 13.4 (*General Access Agreement and Usage Agreement Provisions – Obligations in relation to Station Access Agreements and Station Agreements*):
- 13.5.1 each such Station Access Agreement or Station Agreement shall be on terms such that, as appropriate, the Facility Owner provides Common Station Services (or the equivalent thereof) to the Operator or vice versa;
- 13.5.2 each Station Access Agreement shall be on terms that are consistent with standard industry access terms regulated by the ORR (unless the Operator and, as appropriate, the access beneficiary or the Facility Owner otherwise agree); and
- 13.5.3 each Station Agreement shall be substantially on terms that are consistent with the form in the agreed terms marked **SUA** (unless the Operator and, as appropriate, the access beneficiary or the Facility Owner otherwise agree), and in relation to those LUL Stations on the CCOS shall be the subject of an Access Charge Adjustment (where applicable) in each case in accordance with paragraph 3 (*Charge for Access to CCOS and RfL(I) Stations*) of Schedule 11.3 (*Pass Through Access Charge Adjustments*) and in relation to Stratford Underground station and Ealing Broadway station shall be provided at no charge to the relevant beneficiary.
- 13.6 The Operator shall co-operate with LUL in assisting LUL to develop effective operating arrangements for the LUL Stations in line with RfL's objectives for the Elizabeth line.

Certain Terms of Station Agreements

- 13.7 If either the Operator or LUL requires the equivalent of any Exclusive Station Services to be provided, as appropriate, by LUL or the Operator at respectively

any LUL Station or those Operator Leased Stations at which LUL's services call, the Operator may negotiate the terms of such Exclusive Station Services with LUL and the cost of such Exclusive Station Services shall be, as appropriate, for the Operator's or LUL's account.

- 13.8 The Operator hereby acknowledges that all assets and equipment comprising or relating to CCTV systems, PA systems, Help Points and CIS at or on the LUL Stations on the CCOS is and shall remain the property of LUL.
- 13.9 RfL shall procure that LUL will provide training to Concession Employees that will have responsibilities at the LUL Stations on the CCOS in order to achieve the requirements of any Safety Certificate required by the Operator and, where relevant, any Safety Certificate required by LUL, in each case, in relation to operations at such Elizabeth Line Station. RfL shall procure that LUL negotiates with the Operator with a view to putting in place arrangements for the provision of that training. Such arrangements will be at market rates and will be determined with a view to reimbursing LUL for the actual costs to be incurred by LUL in the provision of such training. The Operator shall pay LUL for such training in accordance with the terms of those arrangements.

Schedule 4.2
Station Branding, Refurbishments and Enhancements

1 Station Branding

Elizabeth Line Operating Brand

- 1.1 The Operator shall maintain or procure the maintenance of the relevant requirements of the Elizabeth Line Operating Brand in accordance with RfL's guidance at the Operator Leased Stations (and as notified by RfL to the Operator from time to time) for the duration of the Concession Period.

Double Arrow symbol

- 1.2 The Operator shall procure that the 'Double Arrow' symbol is prominently displayed at the entrance to each Operator Managed Station where the railway passenger services of other Train Operators call.

2 Future Station Enhancements and Modernisations

- 2.1 RfL will continue to review all Elizabeth Line Stations during the Concession Period, with the objective of identifying priorities for enhancements, modernisation or asset investment.
- 2.2 The Operator shall give reasonable assistance to RfL in developing the scope of such further stations enhancement and modernisation works or investment.
- 2.3 RfL shall be entitled to notify the Operator that it wishes to proceed with any works or investment at Elizabeth Line Stations contemplated by paragraph 2.1 (*Future Station Enhancements and Modernisations*) and may invite the Operator to procure all or any of those works and that investment. Where RfL does invite the Operator to procure all or any of those works and that investment, paragraph 20 (*On-Station Improvement Projects and Adjustments*) of Schedule 2.2 (*List of Concession Services*) shall apply.
- 2.4 Whether or not RfL requires the Operator to procure all or any of the works or investment contemplated by paragraph 2.1 (*Future Station Enhancements and Modernisations*), the Operator shall co-operate with RfL to ensure the timely delivery of those works or the making of that investment, including, where necessary:
- 2.4.1 participating during any GRIP (or equivalent) process by providing input in relation to:
- (a) any project requirement, operational concept and maintenance concept documents prepared by any member of the TfL Group;
 - (b) any such updated operational concept and maintenance concept documents both during any feasibility study phase or option selection phase;

- (c) any operational readiness and maintenance readiness document during any option selection phase;
 - (d) any updated operational readiness and maintenance readiness documents during any detailed design phase;
 - (e) updated operational readiness and maintenance readiness documents during any construction, testing and commissioning phase; and
 - (f) updated operational readiness and maintenance readiness documents during any scheme hand back phase;
- 2.4.2 exercising its rights under the Station Access Conditions, the RfL Station Access Conditions, the RfL(I) Station Access Conditions, the HAL Station Access Conditions or the Independent Station Access Conditions to make any Proposal for Change required by RfL in accordance with paragraph 10 (*Industry Consultations Relevant to the Concession and Participation in Industry Groups*) of Schedule 16 (*Concession Information*);
- 2.4.3 apply to an Infrastructure Manager and/or Station Property Owner for consent in respect of any aspect of those works or that investment where such consent is required;
- 2.4.4 during any construction, testing and commissioning phase:
- (a) where necessary, take additional steps to ensure each relevant Elizabeth Line Station continues to represent a safe environment for Concession Employees and passengers;
 - (b) work with RfL to confirm customer information during any disruption caused by such construction, testing and commissioning in accordance with such guidance as may be provided by RfL;
 - (c) granting RfL and/or its agents and subcontractors access to the relevant Elizabeth Line Stations in order to carry out those works or make that investment; and
 - (d) implement those relevant actions specified in the updated operational concept and maintenance concept documents;
- 2.4.5 during any scheme hand back phase:
- (a) implement those relevant actions specified in the updated operational concept and maintenance concept documents;
 - (b) deliver specified staff training in respect of any new equipment that is installed at any Elizabeth Line Station, new systems and/or procedures in each case as result of those works or that investment;

- (c) accept from RfL, its agents and/or subcontractors, health and safety files and operation and maintenance manuals; and
- (d) facilitate acceptance and handover of the works at completion and entry into service; and

2.4.6 during any project close out phase, provide feedback for benefits realisation.

2.5 In relation to the Elizabeth Line Stations that are Devolved Stations, the Operator acknowledges that:

2.5.1 RfL is the Landlord of the Devolved Stations; and

2.5.2 RfL(I) is the asset steward for these stations,

and therefore the Operator shall liaise with RfL(I) using such email address for RfL(I) provided to the Operator by RfL from time to time prior to any works being undertaken in order to establish whether any infrastructure protection measures are required.

Schedule 4.3
Retail and Commercial Agreements

Part 1 – Commercial Agreements

1 Car Parks at Operator Managed Stations

- 1.1 The following areas are the "**Car Park Areas**" for the purpose of this paragraph 1 (*Car Parks at Operator Managed Stations*):

Station	Car Park
Brentwood	The area edged in red on drawing number CARP 4060 annexed to the Car Parking Agreement
Burnham	The area edged in red on drawing number CARP 4061 annexed to the Car Parking Agreement
Gidea Park	The area edged in red on drawing number CARP 4067 annexed to the Car Parking Agreement
Harold Wood	The area edged in red on drawing number CARP 4068 annexed to the Car Parking Agreement
Hayes & Harlington	The area edged in red on drawing number CARP 4070 annexed to the Car Parking Agreement
Langley	The area edged in red on drawing number CARP 4072 annexed to the Car Parking Agreement
Taplow	The area edged in red on drawing number CARP 4075 annexed to the Car Parking Agreement
West Drayton	The area edged in red on drawing number CARP 4078annexed to the Car Parking Agreement

- 1.2 On or before the Start Date, the Operator shall grant the Car Parking Agreement to such member of the TfL Group that RfL elects in respect of the Car Park Areas within the Operator Leased Stations.
- 1.3 The Operator shall remain party to the Car Parking Agreement throughout the Concession Period and comply with its terms.

2 **Operator's Role in relation to Commercial Opportunities at Operator Managed Stations**

Operator Leased Stations

- 2.1 The Operator shall be responsible for the marketing and letting of the Non-Operational Areas at the Operator Leased Stations ("**Operator Leased Station Areas**") and shall:
- 2.1.1 use all reasonable endeavours to maximise the utilisation of the Operator Leased Station Areas throughout the Concession Period with a view to enhancing station customer benefit;
 - 2.1.2 actively market any unutilised Operator Leased Station Areas;
 - 2.1.3 actively manage such Operator Leased Station Areas or Occupational Agreements once executed;
 - 2.1.4 ensure that any underlease of an Operator Leased Station Area that is entered into complies with TfL Policies and if the Operator requires clarification from RfL regarding whether a proposed letting would or would not comply with those TfL Policies, the Operator shall liaise with RfL prior to entering into such proposed letting;
 - 2.1.5 be responsible for managing any disruption or works in connection with the Operator Leased Station Areas (subject to the proviso that, at all times, priority will be given to the safety of the public and the train services which run through the relevant Operator Leased Station); and
 - 2.1.6 allow RfL, any person nominated by RfL and any third party tenants or occupiers such rights of access, survey, monitoring and inspection to the relevant Operator Leased Station and any other right as may be reasonably required in order for RfL, such person nominated by RfL or any third party tenants or occupiers to assess the commercial opportunities present within the Operator Leased Station Areas.

RfL(I) Stations

- 2.2 The Operator shall, from time to time, identify any areas of the RfL(I) Stations which may not be required by the Operator for operational purposes ("**RfL(I) Station Areas**") and:
- 2.2.1 notify to RfL any RfL(I) Station Areas that may be suitable for commercial exploitation and other commercial opportunities that may be available to RfL at those stations and provide to RfL (or, as RfL elects, another member of the TfL Group) on request its opinion of how those opportunities may be realised, including assisting the relevant member of the TfL Group (as the case may be) with assessing the practical arrangements required to facilitate the exploitation of such commercial opportunities;

- 2.2.2 if requested by the relevant member of the TfL Group (but not otherwise) to actively market any such RfL(I) Station Areas or other commercial opportunities;
 - 2.2.3 accept any disruption or works in connection with the RfL(I) Station Areas (the "**Works**") provided that the disruption is and/or Works are carried out outside the Station Operating Day or at any other time by agreement between the Operator and the relevant member of the TfL Group) (subject to the proviso that, at all times, priority will be given to the safety of the public and the train services which run through the relevant RfL(I) Station);
 - 2.2.4 to assist the relevant member of the TfL Group with any discussions and/or negotiations with any third party that may be required to obtain any third party consent in relation to the Works and to actively assist in approving relevant works plans, risk assessments and method statements in respect of any Works; and
 - 2.2.5 allow the relevant member of the TfL Group and any third party tenants or occupiers such rights of access, survey, monitoring and inspection to the relevant RfL(I) Station and any other right as may be reasonably required in order for the relevant member of the TfL Group or any third party tenants or occupiers to assess and manage any commercial opportunities that may be present at the relevant RfL(I) Station.
- 2.3 The Operator shall comply with the principles of good estate management and the TfL Policies made from time to time in respect of managing the Operator Leased Station Areas.

3 **Mobile Telephone and Data Services at Operator Managed Stations**

- 3.1 The Operator shall support the relevant member of the TfL Group identified by RfL in the provision of mobile telephone and data services at Operator Managed Stations by:
- 3.1.1 providing access at Operator Managed Stations to the telecommunications supplier appointed by RfL or another member of the TfL Group in order to install and from time to time maintain telecommunications and wireless equipment;
 - 3.1.2 providing power at market rates (and without any profit element) in order that that installation and maintenance can be carried out and those mobile telephone and data services can be provided on an on-going basis; and
 - 3.1.3 notifying that supplier promptly upon becoming aware of the occurrence of any failures in the provision of those mobile telephone and data services.

- 3.2 The Operator shall inform customers of the telephone and data services that will be available at the Operator Managed Stations as reasonably directed by RfL from time to time.

4 **Distribution of Media Material at Operator Managed Stations**

- 4.1 The Operator shall throughout the Concession Period permit the newspaper and magazine distributors appointed by RfL to operate from the Operator Managed Stations, including providing the employees of those distributors with access to storage facilities at the Operator Managed Stations and making space available for distribution hoppers to hold copies of related newspapers and magazines.
- 4.2 The Operator shall throughout the Concession Period permit any other distributors of material notified by RfL from time to time to operate from the Operator Managed Stations.
- 4.3 The Operator shall be prohibited from distributing or permitting the distribution of any media material whatsoever (including newspapers, magazines, leaflets, coupons and flyers) at any of the Elizabeth Line Stations or on any rolling stock vehicle forming part of the Train Fleet without the prior consent of RfL.
- 4.4 On or before the Start Date, the Operator shall grant the Metrobins Licence to RfL (or, at RfL's request, to another member of the TfL Group).

5 **Advertising**

- 5.1 On or before the Start Date, the Operator shall grant the Advertising Concession Agreement to RfL (or, at RfL's request, to another member of the TfL Group) (the "**Advertising Concessionaire**") in respect of the Advertising Areas within the Operator Managed Stations previously notified by RfL to the Operator.
- 5.2 If, during the term of any Property Lease, the Advertising Concessionaire acting reasonably identifies any additional areas demised by a Property Lease (not being part of the Operator Leased Station Areas or the Advertising Areas) which may be suitable for advertising and are not required in order to secure the safe operation of the Passenger Services, the Advertising Concessionaire shall, or if different, RfL shall procure that the Advertising Concessionaire shall notify the Operator of such fact and shall be entitled to request that the Operator enter into such agreement as the Advertising Concessionaire may reasonably require to ensure that the relevant area falls within the scope of the Advertising Concession Agreement, in which event:
- 5.2.1 the Advertising Concessionaire, or if different, RfL shall procure that the Advertising Concessionaire shall provide to the Operator an execution copy (in duplicate) of the required agreement; and
- 5.2.2 the Operator shall within ten (10) Business Days of receipt of the execution copies of that agreement, execute the same and provide

the duplicate copies to the Advertising Concessionaire with irrevocable authority to complete the same.

- 5.3 The Operator shall not take any action or omit to take any action which results or may reasonably be expected to result in the Operator advertising or the Operator allowing any third party advertising in the Advertising Areas of any Operator Managed Stations.

6 RfL Transport Strategy

Where reasonably required, the Operator shall support RfL (or such other members of the TfL Group identified by RfL) in complying with any transport strategies and corporate environment plans put in place from time to time by TfL in respect of each Operator Managed Station, including the installation of electric vehicle charging hubs, and the Operator shall act in good faith when complying with this paragraph.

Part 2 - Transfer of Retail Areas

1 Occupational Interests

- 1.1 The Operator acknowledges and accepts that:

- 1.1.1 the Station Underlease to be entered into in accordance with paragraph 5.1 (*Devolved Stations*) of Schedule 4.1 (*Property Leasing and Access*) shall be granted subject to all leases, underleases, agreements for lease, agreements for underlease, licences and all other rights of occupation or other rights over or in respect of the relevant Station whether or not such arrangements have been:

- (a) formally documented; or
- (b) disclosed to the Operator.

(together the "**Occupational Interests**", and each individually an "**Occupational Interest**") and any such arrangements entered into by the Operator from time to time during the Concession Period shall constitute Occupational Interests;

- 1.1.2 by virtue of paragraph 1.1.1 (*Occupational Interests*), the Operator shall become the immediate landlord of the Occupational Interests for the duration of the term of the Station Underlease (howsoever determined);
- 1.1.3 the ITT Data Room may not contain all relevant information regarding the Occupational Interests; and
- 1.1.4 RfL gives no warranty as to the completeness or accuracy of the tenancy information in respect of the Occupational Interests provided to the Operator.

2 Ongoing Management of Occupational Interests

Agreements for Underlease

- 2.1 Where a member of the TfL Group has entered into an agreement for underlease in respect of a Retail Area with an undertenant but the lease to be entered into pursuant to that agreement (the "**AFL Underlease**") has not yet been granted because the relevant completion condition under that agreement cannot be satisfied, the Operator shall:
- 2.1.1 subject to paragraph 2.3 (*Ongoing Management of Occupational Interests – Agreements for Underlease*), grant a lease to the relevant retail undertenant (where it is still willing and able to enter into such a lease) on the same terms (mutatis mutandis) as the AFL Underlease (the "**Re-issued Underlease**"); and
- 2.1.2 as soon as reasonably practicable, notify RfL that the Re-issued Underlease has completed or confirm to RfL that Operator is not able to grant the Re-issued Underlease.
- 2.2 The Operator will not be obliged to seek consent from RfL under the Station Underlease to enter into a Re-issued Underlease provided that the term of the Re-issued Underlease expires prior to the Expiry Date.
- 2.3 If the proposed term of a Re-issued Underlease extends beyond the Expiry Date, RfL shall enter into a tri-partite lease with the Operator and the proposed retail undertenant, the form of such Re-issued Underlease being amended to reflect the tri-partite nature of the arrangement, but otherwise being on substantially the terms of the Re-issued Underlease.

Rent Deposits

- 2.4 The relevant member of the TfL Group currently holds rent deposits in respect of various Occupational Interests (each a "**Deposit**").
- 2.5 On the Start Date, the benefit of each Deposit Deed shall be assigned from the relevant member of the TfL Group to the Operator subject to the terms of each Deposit Deed.
- 2.6 If the benefit of any Deposit Deed is incapable of assignment to the Operator then the parties will use reasonable endeavours to procure that the terms upon which such Deposit is held are novated between the Operator and the relevant tenant on or as soon as reasonably practicable following the Start Date.
- 2.7 The parties will complete all necessary deeds and documents and take all reasonable steps to substitute the Operator in place of the relevant member of the TfL Group in relation to Deposits including, where appropriate, the Operator entering into direct covenants with relevant tenants, changing the bank accounts in which Deposits are held, and the Operator will serve notice of the assignment(s) and/or novation(s) on the relevant tenant(s) as soon as reasonably practicable following the Start Date.

- 2.8 As soon as reasonably practicable after the grant of the Station Underlease, the relevant member of the TfL Group shall transfer each Deposit that it holds pursuant to a Deposit Deed to the Operator and the Operator shall hold the Deposits in accordance with the terms of the relevant Deposit Deed (the "**Transferred Deposit**").
- 2.9 The Operator shall keep the relevant member of the TfL Group indemnified against any cost, claim or liability arising in relation such assignment or novation and/or any breach after the Term Commencement Date of the terms upon which each Transferred Deposit is held.

Outstanding Rent Reviews

- 2.10 Where a rent review under the terms of any of the Occupational Interests is outstanding at the Term Commencement Date the Operator will:
- 2.10.1 take over the negotiation of the rent review and conduct the review in accordance with the terms of the relevant Occupational Interests in good faith and in accordance with the principles of good estate management;
 - 2.10.2 keep RfL informed of the progress of the negotiations;
 - 2.10.3 use all reasonable endeavours to ensure that the revised rent is agreed or determined as soon as possible after the Term Commencement Date and at the best rent reasonably obtainable under the terms of the relevant Occupational Interest;
 - 2.10.4 obtain RfL's approval to the proposed revised rent (such approval not to be unreasonably withheld or delayed); and
 - 2.10.5 only agree to a revised rent which is payable at a fixed rate from the review date without further increase or decrease during the period for which the rent is being reviewed.
- 2.11 As soon as reasonably practicable after the revised rent pursuant to any Occupational Interests having been agreed or determined (the "**Revised Rent**"), the Operator will:
- 2.11.1 notify RfL in writing of the amount of the Revised Rent; and
 - 2.11.2 if the Revised Rent exceeds the rent previously payable under the relevant Occupational Interest (the "**Previous Rent**"), pay to RfL an amount calculated in accordance with the following formula:

$$(A/365) \times B$$

where:

"**A**" means the difference between the Previous Rent and the Revised Rent plus any interest payable on such difference under the terms of the relevant Occupational Interest; and

"B" means the number of days from and including the rent review date under the relevant Occupational Interest up to but excluding the Term Commencement Date.

Service Charge Payments

- 2.12 Where available, RfL will deliver to the Operator, prior to the Term Commencement Date, a statement of account (the **"Statement of Account"**) in respect of the service charge payable pursuant to any Occupational Interest for any period for which final service charge accounts have not been prepared in accordance with the terms of the relevant Occupational Interest prior to the Term Commencement Date, setting out details of the following:
- 2.12.1 all monies (excluding VAT) which RfL has received pursuant to the relevant Occupational Interests in respect of service charge, insurance premiums and other expenditure (the **"Receipts"**); and
- 2.12.2 all monies (excluding VAT which RfL is entitled to recover as input VAT) paid or incurred by or on behalf of RfL in respect of services, insurance and other expenditure recoverable pursuant to the relevant Occupational Interests (**"Expenses"**).
- 2.13 On the Term Commencement Date, RfL will pay or allow to the Operator the amount by which Receipts exceed the Expenses.
- 2.14 If any figures in the Statement of Account are estimated figures, RfL will, as soon as reasonably practicable after the Term Commencement Date, deliver to the Operator a revised version of the Statement of Account (the **"Final Account"**) showing the actual Receipts received and Expenses paid or incurred up to and including the Term Commencement Date.
- 2.15 If the Final Account reveals any discrepancy with the amount paid pursuant to paragraph 2.13 (*Ongoing Management of Occupational Interests - Service Charge Payments*), then RfL or the Operator (as the case may be) will, within twenty (20) Business Days of receipt of the Final Account, pay to the other party such amount as may be required to correct the discrepancy.

Arrears

- 2.16 In these paragraphs 2.16 (*Ongoing Management of Occupational Interests - Arrears*) to 2.21 (*Ongoing Management of Occupational Interests - Arrears*) (inclusive):
- 2.16.1 **"Arrears"** means all monies due to RfL pursuant to the Occupational Interests but which have not been received by RfL and cleared at least three (3) Business Days prior to the Term Commencement Date;
- 2.16.2 **"Pre-Completion Arrears"** means that proportion of the Arrears which are due in respect of the period up to and including the Term Commencement Date provided that the rent for the Term Commencement Date shall be split fifty: fifty (50:50) between RfL and the Operator. Any amounts included in Arrears which represent

VAT for which RfL is required to account shall be treated as Pre-Completion Arrears; and

- 2.16.3 **"Post-Completion Arrears"** means that proportion of the Arrears which are not Pre-Completion Arrears.
- 2.17 On the Term Commencement Date the Operator will not be required to pay to RfL any amount in respect of the Arrears.
- 2.18 If RfL subsequently recovers any Post-Completion Arrears, RfL will pay to the Operator such money (net of any amounts in respect of VAT for which RfL is required to account) as soon as reasonably practicable after the funds have cleared, except that RfL will be entitled to deduct the costs incurred by RfL in collecting that money.
- 2.19 If the Operator receives any Pre-Completion Arrears, then the Operator will, within ten (10) Business Days after such funds have cleared, pay that money to RfL.
- 2.20 The Operator will provide any information or assistance which RfL reasonably requires in connection with the recovery of the Arrears.
- 2.21 RfL may take steps to recover the Arrears but RfL will not forfeit any lease or commence administration or liquidation proceedings nor present any petition for bankruptcy or winding-up.

Rent Authority Letters

- 2.22 Where RfL is aware of a relevant Occupational Interest, RfL will provide the Operator with a Rent Authority Letter (in the form reasonably required by RfL) in respect of that Occupational Interest.

3 End of Station Underlease

Information

- 3.1 Upon RfL's request, the Operator shall provide the following to RfL (or to such entity as RfL directs) prior to the Term Expiry Date:
- 3.1.1 a tenancy schedule (in the form reasonably required by RfL) detailing all subsisting Occupational Interests of which the Operator is aware;
 - 3.1.2 certified copies of any subsisting letting documents and occupational licences; and
 - 3.1.3 any other reasonable information that RfL may require.

Arrears

- 3.2 In these paragraphs 3.2 (*End of Station Underlease – Arrears*) to 3.7 (*End of Station Underlease – Arrears*):
- 3.2.1 **"Expiry Arrears"** means all monies due to the Operator pursuant to the Occupational Interests but which have not been received by the

Operator and cleared at least three (3) Business Days prior to the Term Expiry Date;

- 3.2.2 **"Expiry Pre-Completion Arrears"** means that proportion of the Expiry Arrears which are due in respect of the period up to and including the Term Expiry Date provided that the rent for the Term Expiry Date shall be split fifty: fifty (50:50) between RfL and the Operator. Any amounts included in Expiry Arrears which represent VAT for which the Operator is required to account shall be treated as Expiry Pre-Completion Arrears; and
- 3.2.3 **"Expiry Post-Completion Arrears"** means that proportion of the Arrears which are not Expiry Pre-Completion Arrears.
- 3.3 On the Term Expiry Date, RfL will not be required to pay to the Operator any amount in respect of the Expiry Arrears.
- 3.4 If the Operator subsequently recovers any Expiry Post-Completion Arrears, the Operator will pay to RfL such money (net of any amounts in respect of VAT for which the Operator is required to account) within ten (10) Business Days after the funds have cleared, except that the Operator will be entitled to deduct the costs incurred by the Operator in collecting that money.
- 3.5 If RfL receives any Expiry Pre-Completion Arrears, then RfL will, as soon as reasonably practicable after such funds have cleared, pay that money to the Operator.
- 3.6 RfL will provide any information or assistance which the Operator reasonably requires in connection with the recovery of the Expiry Arrears.
- 3.7 The Operator may take steps to recover the Expiry Arrears but the Operator will not forfeit any lease or commence administration or liquidation proceedings nor present any petition for bankruptcy or winding-up.

Service Charge

- 3.8 On the Term Expiry Date, the Operator will deliver to RfL a statement of account (the **"Expiry Statement of Account"**) in respect of the service charge payable pursuant to the Occupational Interest for any period for which final service charge accounts have not been prepared in accordance with the terms of the relevant Occupational Interest prior to the Term Expiry Date, setting out details of the following:
 - 3.8.1 all monies (excluding VAT) which the Operator has received pursuant to the Occupational Interests in respect of service charge, insurance premiums and other expenditure (the **"Expiry Receipts"**); and
 - 3.8.2 all monies (excluding VAT) which the Operator is entitled to recover as input VAT) paid or incurred by or on behalf of RfL in respect of services, insurance and other expenditure recoverable pursuant to the Occupational Interests (**"Expiry Expenses"**).

- 3.9 On the Term Expiry Date, the Operator will pay or allow to RfL the amount by which Expiry Receipts exceed the Expiry Expenses.
- 3.10 If any figures in the Expiry Statement of Account are estimated figures, the Operator will, as soon as reasonably practicable after the Term Expiry Date, deliver to RfL a revised version of the Statement of Account (the "**Expiry Final Account**") showing the actual Expiry Receipts received and Expiry Expenses paid or incurred up to and including the Term Expiry Date.
- 3.11 If the Expiry Final Account reveals any discrepancy with the amount paid pursuant to paragraph (b), then RfL or the Operator (as the case may be) will, within twenty (20) Business Days of receipt of the Expiry Final Account, pay to the other party such amount as may be required to correct the discrepancy.

Outstanding Rent Reviews

- 3.12 Where a rent review under the terms of any of the Occupational Interests is outstanding at the Term Expiry Date, RfL shall take over the negotiation of the rent review and conduct the review in accordance with the term of the relevant Occupational Interests in good faith and in accordance with the principle of good estate management.
- 3.13 As soon as reasonably practicable after a revised rent pursuant to any Occupational Interests having been agreed or determined (the "**Agreed Rent**"), RfL will:
- 3.13.1 notify the Operator in writing of the amount of the Agreed Rent; and
- 3.13.2 if the Agreed Rent exceeds the rent previously payable under the relevant Occupational Interest (the "**Old Rent**"), pay to the Operator an amount calculated in accordance with the following formula:

$$(A/365) \times B$$

where:

"A" means the difference between the Old Rent and the Agreed Rent plus any interest payable on such difference under the terms of the relevant Occupational Interest; and

"B" means the number of days from and including the rent review date under the relevant Occupational Interest up to but excluding the Term Expiry Date.

Rent Authority Letters

- 3.14 On the Term Expiry Date, the Operator will provide RfL (or such entity that RfL nominates) with a rent authority letter (in the form reasonably required by RfL) in respect of any relevant Occupational Interests subsisting after the Term Expiry Date.

Rent Deposits

- 3.15 On the Term Expiry Date, the benefit of each Deposit Deed still subsisting after Term Expiry Date (a "**Subsisting Deposit Deed**") shall be assigned from the Operator to RfL subject to the terms of each Subsisting Deposit Deed.
- 3.16 If the benefit of any Subsisting Deposit Deed is incapable of assignment to RfL then the parties will use reasonable endeavours to procure that the terms upon which the relevant Deposit is held are novated between RfL and the relevant tenant on or as soon as reasonably practicable following the Term Expiry Date.
- 3.17 The parties will complete all necessary deeds and documents and take all reasonable steps to substitute RfL in place of the Operator in relation to Subsisting Deposit Deeds including, where appropriate, RfL entering into direct covenants with relevant tenants, changing the bank accounts in which the relevant Deposits are held, and RfL will serve notice of the assignment(s) and/or novation(s) on the relevant tenant(s) as soon as reasonably practicable following the Term Expiry Date.
- 3.18 Within ten (10) Business Days after the expiry of the Term Expiry Date, the Operator shall transfer to RfL (or as RfL directs) any Deposit held under any Subsisting Deposit Deeds.

Further Assistance

- 3.19 The Operator shall continue to provide reasonable assistance to RfL as may be required for the purpose of giving full effect to paragraph 3 (*End of Station Underlease*) of Part 2 (*Transfer of Retail Areas*) of Schedule 4.3 (*Retail and Commercial Agreements*) for a period of three (3) months from the Expiry Date.

Schedule 4.4
Persons with Disabilities and Disability Discrimination

1 Relationship with Other Obligations relating to Disabled Persons

- 1.1 This Schedule 4.4 (*Persons with Disabilities and Disability Discrimination*) sets out:
- 1.1.1 specific arrangements which apply in respect of physical alterations to stations to facilitate accessibility and use by Disabled Persons; and
 - 1.1.2 specific obligations of the Operator directed at meeting the needs of persons with disabilities.
- 1.2 Subject to paragraph 1.4 (*Relationship with Other Obligations relating to Disabled Persons*) below, it is acknowledged that the Operator is subject to obligations regarding accessibility under the terms of its Licences, including under the form of its accessible travel policy as approved from time to time by the ORR in connection with the requirements of its Licences (the "**Licence Accessibility Obligations**").
- 1.3 Where any matter included in this Schedule 4.4 (*Persons with Disabilities and Disability Discrimination*) is the subject of a Licence Accessibility Obligation, it is agreed that compliance with the Licence Accessibility Obligation shall take precedence over this Schedule 4.4 (*Persons with Disabilities and Disability Discrimination*) such that compliance with the Licence Accessibility Obligation (to the extent of any inconsistency with the provisions of this Agreement) shall be deemed to fulfil the obligations of the Operator in respect of that matter under this Schedule 4.4 (*Persons with Disabilities and Disability Discrimination*) and any failure by the Operator in respect of that matter shall be addressed under that Licence and not under this Schedule 4.4 (*Persons with Disabilities and Disability Discrimination*).
- 1.4 Paragraph 1.2 (*Relationship with Other Obligations relating to Disabled Persons*) shall have no application to paragraph 3 (*Dealing with Claims relating to Operator Managed Stations*).

2 Physical Alterations and Accessibility of Operator Managed Stations

Operator's Obligations in relation to Accessibility

- 2.1 The Operator shall:
- 2.1.1 as and when requested by RfL, provide:
 - (a) information concerning the usage of Operator Managed Stations (including, where and to the extent reasonably practicable, usage of Operator Managed Stations by Disabled Persons); and
 - (b) advice as to the most economic way in which accessibility for Disabled Persons could, in the Operator's reasonable opinion, be improved at Operator Managed Stations;

- 2.1.2 co-operate reasonably with other Train Operators and/or any Infrastructure Manager to seek to ensure that, where it would be advantageous to do so, having regard to the needs of Disabled Persons, any planned work on the Operator Managed Stations to facilitate accessibility and use by Disabled Persons is, so far as reasonably practicable, co-ordinated with other work to be carried out at the Operator Managed Stations and/or other parts of the network;
- 2.1.3 use all reasonable endeavours to secure sources of grant funding (other than from itself or an Affiliate) for improving accessibility for Disabled Persons at Operator Managed Stations (in addition to any funding secured through RfL pursuant to paragraph 2.4 (*Physical Alterations and Accessibility of Operator Managed Stations – Operator's Obligations in relation to Accessibility*)), including from Local Authorities, local development agencies and the Lottery Commission. The Operator shall notify RfL of:
 - (a) any such additional funding which it secures; and
 - (b) the terms on which such additional funding has been granted; and
- 2.1.4 without prejudice to paragraph 2.1.2 (*Physical Alterations and Accessibility of Operator Managed Stations – Operator's Obligations in relation to Accessibility*) co-operate with other Train Operators and/or any Infrastructure Manager and take reasonable steps to facilitate the accessibility of Concession Services and the Elizabeth Line Stations to Disabled Persons.
- 2.2 In participating in any multi-modal fares scheme, the Operator shall, subject to paragraph 3 (*Multi-modal Fares Schemes*) of Schedule 3.5 (*Transport, Travel and Other Fares Related Schemes*), use all reasonable endeavours to secure, through the planning and development of such scheme, improvements in disabled access to the entrances of any relevant station, including within and in the immediate proximity of such station.
- 2.3 If, during the Concession Period:
 - 2.3.1 the Operator has complied with its obligations in sections 20(4) and 20(9), as varied by paragraph 2(3) of schedule 2, in each case of the Equality Act (to take such steps as are reasonable to provide a reasonable alternative method of making services at an Operator Managed Station accessible to a Disabled Person); and
 - 2.3.2 notwithstanding such compliance, the Operator reasonably considers it is still required to carry out or procure physical works of alteration at an Operator Managed Station in order to comply with the Equality Act Requirements in respect of that Operator Managed Station and, in so carrying out or procuring, would incur expenditure which it would not otherwise have an obligation to incur,

the Operator may seek funding from RfL in respect of that expenditure.

- 2.4 If the Operator seeks funding from RfL under paragraph 2.3 (*Physical Alterations and Accessibility of Operator Managed Stations – Operator's Obligations in relation to Accessibility*), and demonstrates to RfL's satisfaction that the criteria in paragraph 2.3 (*Physical Alterations and Accessibility of Operator Managed Stations – Operator's Obligations in relation to Accessibility*) have been satisfied, then RfL may agree to adjust the amount of Concession Payments in respect of some or all of the works and/or expenditure. In considering its response to any such request, RfL will have regard to the availability to it of funding, together with any other available sources of funding described in paragraph 2.1.3 (*Physical Alterations and Accessibility of Operator Managed Stations – Operator's Obligations in relation to Accessibility*). If and to the extent RfL agrees to adjust Concession Payments in accordance with this paragraph 2.4 (*Physical Alterations and Accessibility of Operator Managed Stations – Operator's Obligations in relation to Accessibility*) in any Concession Year:

- 2.4.1 RfL shall make such adjustment to the Concession Payments; and
- 2.4.2 the Operator shall spend the additional funds that are available as a consequence of that adjustment:
- (a) in order to comply with the Equality Act Requirements referred to in paragraph 2.3.2 (*Physical Alterations and Accessibility of Operator Managed Stations – Operator's Obligations in relation to Accessibility*); and
 - (b) in accordance with any conditions RfL may notify the Operator of.

Increased Access Charges at Operator Access Stations

- 2.5 If and to the extent the Operator is required to pay any increased access charges as a result of additional expenditure required to be incurred by another station Facility Owner for the purpose of complying with the Equality Act Requirements in respect of an Operator Managed Station, provided that the Operator:

- 2.5.1 notifies RfL within seven (7) days of becoming aware of any proposal for the increase in such charges (or the works to which they relate); and
- 2.5.2 complies with RfL's reasonable directions regarding the exercise of any rights the Operator may have in respect thereof,

the imposition of the increased access charges shall be a Change.

Design Standards

- 2.6 The Operator shall meet the standards set out in the "Design Standards for Accessible Railways: Code of Practice" or any successor regulatory document whenever the Operator installs, replaces or renews station infrastructure.

3 **Dealing with Claims relating to Operator Managed Stations**

Notice of Equality Act Claims

- 3.1 If, during the Concession Period, the Operator receives notification of a claim under the Equality Act in respect of any alleged non-compliance by it with the Equality Act Requirements or otherwise in respect of any Operator Managed Station (an "**Equality Act Claim**"), then the Operator shall notify RfL within seven (7) days of receiving notification of the Equality Act Claim. The Operator shall at the same time notify RfL of any reasonable alternative methods of making services at the Operator Managed Station accessible to Disabled Persons that it has considered and/or put in place pursuant to sections 20(4) and 20(9), as varied by paragraph 2(3) of schedule 2 in each case of the Equality Act.

Defending Equality Act Claims

- 3.2 Promptly following any notice under paragraph 3.1 (*Dealing with Claims relating to Operator Managed Stations - Notice of Equality Act Claims*), RfL shall notify the Operator whether it requires the Operator to defend the relevant Equality Act Claim or any aspect of the Equality Act Claim (which may include appealing the judgment) and where it so notifies, the Operator shall act in accordance with the reasonable instructions of RfL to defend the Equality Act Claim (or any aspect of it) as required under paragraph 3.1 (*Dealing with Claims relating to Operator Managed Stations - Notice of Equality Act Claims*) and shall not (without the prior consent of RfL) settle or enter into any compromise in relation to the Equality Act Claim (or the relevant aspect of it), including by entering into mediation.
- 3.3 If RfL requires the Operator to defend an Equality Act Claim or any aspect of the Equality Act Claim (which may include appealing the judgment) pursuant to paragraph 3.2 (*Dealing with Claims relating to Operator Managed Stations - Defending Equality Act Claims*), RfL will, subject to paragraph 3.7 (*Dealing with Claims relating to Operator Managed Stations – No Obligation to Pay*), pay by way of Other Adjustment, the Operator's reasonable costs of:
- 3.3.1 any defence or appeal required by RfL; and/or
- 3.3.2 compliance with RfL's instructions in accordance with paragraph 3.2 (*Dealing with Claims relating to Operator Managed Stations - Defending Equality Act Claims*).

Settling Equality Act Claims

- 3.4 If, in the reasonable opinion of the Operator, it will be more cost effective to settle the Equality Act Claim rather than act in accordance with RfL's requirement under paragraph 3.2 (*Dealing with Claims relating to Operator Managed Stations - Defending Equality Act Claims*), it shall produce for RfL's approval a settlement proposal, setting out the terms of the Operator's proposals to make an offer to the Disabled Person making the Equality Act Claim and its reasons for making such offer (the "**Settlement Proposal**").

- 3.5 If RfL does not accept the Settlement Proposal and still requires the Operator to defend the Equality Act Claim (or any aspect of it) then the Operator shall defend the Equality Act Claim in accordance with paragraph 3.2 (*Dealing with Claims relating to Operator Managed Stations - Defending Equality Act Claims*)).

Awards in Excess of Settlement Proposals

- 3.6 If the Operator is required to defend an Equality Act Claim where it has submitted a Settlement Proposal to RfL and an award is made in respect of the Equality Act Claim in favour of the Disabled Person bringing it which is higher than the figure set out in the Settlement Proposal, then, subject to paragraph 3.7 (*Dealing with Claims relating to Operator Managed Stations - No Obligation to Pay*), RfL shall pay to the Operator by way of Other Adjustment:

- 3.6.1 the difference between such an award and the figure set out in the Settlement Proposal; and
- 3.6.2 the further reasonable costs incurred or payable by the Operator in defending the Equality Act Claim, to the extent that such costs have not already been paid by RfL under paragraph 3.2 (*Dealing with Claims relating to Operator Managed Stations - Defending Equality Act Claims*).

No Obligation to Pay

- 3.7 RfL shall not have any obligation to make the payments described in paragraphs 3.3 (*Dealing with Claims relating to Operator Managed Stations - Defending Equality Act Claims*) or 3.6 (*Dealing with Claims relating to Operator Managed Stations - Awards in Excess of Settlement Proposals*) where it is determined or, if no declaration or determination by the court on this point has been sought or made, RfL, in its reasonable opinion, considers that the Operator has not taken such steps as it is reasonable, in all the circumstances of the case, for it to take to provide a reasonable alternative method of making services at the Operator Managed Station accessible to Disabled Persons.

4 Additional Obligations relating to Persons with Disabilities

- 4.1 The Operator acknowledges that its obligations in this Schedule 4.4 (*Persons with Disabilities and Disability Discrimination*) are in addition to and do not limit its obligations to comply with:
- 4.1.1 the Equality Act and any regulations imposed by it;
 - 4.1.2 any applicable condition in any of its Licences (including in respect of persons with disabilities); and
 - 4.1.3 any other of the requirements of this Agreement.

- 4.2 The Operator shall provide services (including alternative transport services) for Disabled Persons that are consistent with the Elizabeth Line Making Rail Accessible Policy.
- 4.3 The Operator shall advertise and provide or procure an assisted travel service for passengers to receive support with their journey:
- 4.3.1 on the Elizabeth Line Route (including any Elizabeth Line Station which is not an Operator Managed Station to or from which a passenger is travelling on a Passenger Service);
 - 4.3.2 at any Operator Managed Station (irrespective of whether a passenger is using a Passenger Service or a service operated by another Train Operator from such Operator Managed Station);
 - 4.3.3 when transiting through an Elizabeth Line Station;
 - 4.3.4 when interchanging to or from other modes of transport at or in the vicinity of an Elizabeth Line Station,

and which shall include, throughout the Station Operating Day:

- (a) being available upon request by any passenger (including a request made by a passenger upon arrival at an Elizabeth Line Station) and providing information to all such passengers which shall include:
 - (i) informing passengers if there is unplanned disruption to any Passenger Service;
 - (ii) suggesting alternative step free access routes to passengers if there is unplanned disruption;
 - (iii) accompanying a passenger with accessibility needs from the ticket hall of an Elizabeth Line Station to the platform of such Elizabeth Line Station and assisting such passenger in boarding a Passenger Service or a service operated by another Train Operator from such Elizabeth Line Station;
 - (iv) assisting a passenger deboarding a Passenger Service or a service operated by another Train Operator at any Elizabeth Line Station (and thereafter, and where applicable, assisting such passenger boarding any subsequent train or other public transport service);
 - (v) assisting a passenger deboarding a Passenger Service or a service operated by another Train Operator upon arrival at an Elizabeth Line Station, and accompanying such passenger back to the ticket hall and departing from such Elizabeth Line Station; and
 - (vi) arranging a boarding ramp, if required, to facilitate a passenger boarding or deboarding a Passenger Service or a

service operated by another Train Operator from such Elizabeth Line Station,

and in any event such assisted travel service shall also be bookable up to two (2) hours before the start of the relevant passenger's journey;

- (b) providing journey support from the passenger's arrival at their origin Elizabeth Line Station to the passenger's exit from their destination Elizabeth Line Station, including navigation of stations, interchanging to other modes of transportation and handover to assistance staff at other modes of transport;
- (c) coordinating with other TfL assistance booking systems and the assistance offerings of other modes of transport to ensure safe interchange between modes of transportation; and
- (d) providing wheelchair assistance to customers at all Operator Managed Stations and LUL Stations adjacent to the CCOS,

and:

- (i) the Operator shall collaborate with the operators of other modes of transportation to achieve the outcomes set out in this paragraph; and
- (ii) if for any reason the Operator is not able to offer a passenger physical turn up and go assistance, the Operator shall arrange for an accessible taxi to take such passenger to their destination station within the Greater London area (including a London Underground station, London Overground station, Elizabeth Line Station or other station within the Greater London area).

5 **Passenger Assistance**

5.1 RfL's expectation is that each and every passenger requesting assistance of the nature contemplated by paragraphs 4.3.1, 4.3.2, 4.3.3 and 4.3.4 (whether booked in advance or whether such assistance is requested upon arrival at an Elizabeth Line Station) is provided with that assistance at each Elizabeth Line Station by the Operator and accordingly such passenger is able to undertake their intended journey in a manner consistent with their reasonable expectations, including:

- 5.1.1 ensuring a Concession Employee (or, where applicable, a suitable employee of the relevant Facility Owner) (which, in either case, shall be deemed to include agency staff) is available within a reasonable period to provide such assistance and the expectations set out in paragraphs 4.3(a)(iii), 4.3(a)(vi), 4.3(b), 4.3(c) and 4.3(d) (*Additional Obligations relating to Persons with Disabilities*), with the intention of achieving the requirement set out in paragraph 5.1.2 (*Passenger Assistance*);

- 5.1.2 enabling such passenger to board the first Passenger Service (or, where applicable passenger service operated by another Train Operator) reasonably available for their intended journey;
- 5.1.3 ensuring such Passenger Service (or, where applicable service operated by another Train Operator) is met promptly by a Concession Employee (or, where applicable, a suitable employee of the relevant Facility Owner) (which, in either case, shall be deemed to include agency staff) at the passenger's destination or interchange Elizabeth Line Station to assist such passenger to deboard such service promptly and achieve the expectations set out in paragraphs 4.3(a)(iv), 4.3(a)(v) and 4.3(a)(vi) (*Additional Obligations relating to Persons with Disabilities*); and
- 5.1.4 ensuring that such passenger can deboard such Passenger Service (or, where applicable service operated by another Train Operator) at their intended destination or interchange Elizabeth Line Station on the first occasion (and without having to travel to a successive station and then travel back to their intended destination or interchange Elizabeth Line Station),

and:

- (a) where all of the requirements set out in this paragraph 5.1 (*Passenger Assistance*) have been achieved in respect of a particular request for assistance, it shall be regarded as a "**successful passenger assist request**";
- (b) where one (1) or more of the requirements set out in paragraph 5.1 (*Passenger Assistance*) have not been achieved in respect of a particular request for assistance, it shall be regarded as an "**unsuccessful passenger assist request**".

5.2 The Operator shall:

- 5.2.1 record all successful passenger assist requests and unsuccessful passenger assist requests made in connection with the matters described in paragraph 4.3 (*Additional Obligations relating to Persons with Disabilities*) and paragraph 5.1 (*Passenger Assistance*);
- 5.2.2 report records of those successful passenger assist requests and unsuccessful passenger assist requests each Reporting Period to RfL as part of the Periodic Concession Report;
- 5.2.3 where an unsuccessful passenger assist request has occurred:
 - (a) thoroughly investigate the reasons why such unsuccessful passenger assist request occurred; and
 - (b) as part of each Periodic Concession Report explain, for each such unsuccessful passenger assist request, why such unsuccessful passenger assist request occurred, and the steps the Operator has taken or will take to prevent a

recurrence of such unsuccessful passenger assist request;
and

5.2.4 where the SAR MAA Rate decreases in any three (3) consecutive Reporting Periods commencing on or after 09 November 2025:

- (a) thoroughly investigate why the SAR MAA Rate has so decreased; and
- (b) as part of the immediately succeeding Periodic Concession Report explain why the SAR MAA Rate has been decreasing, and the steps the Operator has taken or will take to prevent the SAR MAA Rate from further decreasing;

5.2.5 collect and act upon customer feedback relating to the Operator's assisted travel service referred to in paragraph 4.3 (*Additional Obligations relating to Persons with Disabilities*), and shall develop and implement an action plan to:

- (a) reduce the number of unsuccessful passenger assist requests; and
- (b) address and reduce negative feedback.

5.3 As soon as reasonably practicable after the end of each Reporting Period, RfL shall calculate the Successful Assists Rate and compare such performance against the Remedial Plan Passenger Assists Threshold on a moving annual average basis (the "**SAR MAA Rate**") in accordance with the following:

$$SAR_{maaR} = \frac{SAR + PTTR}{13}$$

where:

"**SAR_{maaR}**" means the SAR MAA Rate;

"**SAR**" means the Successful Assists Rate relating to the Reporting Period for which such Successful Assists Rate is calculated by RfL; and

"**PTTR**" means, subject to paragraph 5.4 (*Passenger Assistance*), the aggregate of the Successful Assists Rate for the twelve (12) Reporting Periods immediately prior to the Reporting Period in respect of which the Successful Assists Rate referred to in the definition of "SAR" immediately above is calculated by RfL.

5.4 Where RfL has calculated fewer than thirteen (13) Successful Assists Rates during the Concession Period, RfL shall, for the purposes of performing the calculation specified in paragraph 5.3 (*Passenger Assistance*), assume that the Operator has performed at the Remedial Plan Passenger Assists Threshold for such number of notional calculations as is necessary for the purposes of generating a SAR MAA Rate in accordance with paragraph 5.3 (*Passenger Assistance*).

- 5.5 If the SAR MAA Rate is lower the Remedial Plan Passenger Assists Threshold in any three (3) consecutive Reporting Periods commencing on or after 09 November 2025, then:
- 5.5.1 a contravention of this Agreement shall have occurred; and
 - 5.5.2 the provisions of paragraph 1 (*Remedial Plan Notices and Remedial Agreements*) of Schedule 17.1 (*Remedial Plans and Remedial Agreements*) shall apply.

Schedule 5
Trains

Schedule 5.1: The Train Fleet

Appendix: Trains Comprising the Train Fleet

Schedule 5.2: Operation and Maintenance

Schedule 5.3: The Train Fleet

Schedule 5.1
The Train Fleet

1 Train Fleet

1.1 The Operator's Train Fleet:

1.1.1 as at the Start Date is as set out in Table 1 (*Class 345 Fleet*) contained in the Appendix (*Trains Comprising the Train Fleet*); and

1.1.2 from the dates set out in Column 1 of Table 2 (*Optional Unit Fleet*) contained in the Appendix (*Trains Comprising the Train Fleet*) shall be supplemented by the Optional Unit Fleet.

1.2 The Operator shall comply with its obligations under:

1.2.1 paragraph 2 (*Changes to the Train Fleet*) concerning changes to the composition and characteristics of the Train Fleet; and

1.2.2 Schedule 19 (*Continuation of Elizabeth Line Concession*) with respect to the Train Fleet.

2 Changes to the Train Fleet

2.1 The Operator shall maintain the composition of the Train Fleet during the Concession Period, unless RfL otherwise agrees, such that there are no changes to any rolling stock comprising the Train Fleet, including changes:

2.1.1 to the classes or types;

2.1.2 branding or internal or external finishes, except as expressly contemplated by this Agreement;

2.1.3 to the interior configurations; or

2.1.4 which may reduce the journey time capabilities.

2.2 Subject to the other provisions of this Agreement, the Operator shall procure that the rolling stock vehicles specified in the Table contained in the Appendix (*Trains Comprising the Train Fleet*), with the capacity and other characteristics referred to there, are available for deployment in the provision of the Passenger Services during the Concession Period.

2.3 During the Concession Period, the Operator shall advise RfL of any rolling stock vehicles damaged beyond economic repair or likely to be unavailable for service for a period of one (1) Reporting Period or more.

2.4 If any change is made to the Train Fleet in accordance with this paragraph 2 (*Changes to the Train Fleet*), RfL may, after consulting the Operator, notify the Operator of the passenger carrying capacity of any rolling stock vehicles or class of rolling stock vehicles comprising the Train Fleet following such change.

Appendix to Schedule 5.1
Trains Comprising the Train Fleet

Table 1 (Class 345 Fleet)

Column 1	Column 2	Column 3	Column 4	Column 5
Start of lease period of relevant Units	Cumulative number of Units on lease	Owner	Lessor	Lease expiry date(s)
Start Date	Seventy (70)	345 Rail Leasing	RfL or as RfL may direct	Expiry Date

Table 2 (Optional Unit Fleet)

Column 1	Column 2	Column 3	Column 4	Column 5
Start of lease period of relevant Units	Cumulative number of Units on lease	Owner	Lessor	Lease expiry date(s)
From Acceptance of such Units (as contemplated by Schedule 5.3 (<i>The Train Fleet</i>))	5	RfL or as RfL may direct	RfL or as RfL may direct	Expiry Date

Schedule 5.2
Operation and Maintenance

1 Leasing of the Class 345 Fleet, the Simulator and the Optional Unit Fleet

- 1.1 In accordance with the Conditions Precedent Agreement, prior to being issued with the Certificate of Commencement, the Operator and RfL shall enter into:
- 1.1.1 the Class 345 Lease in the agreed terms "**345L**" pursuant to which RfL will lease the Class 345 Fleet, the Simulator and certain special tools to the Operator; and
 - 1.1.2 the Optional Unit Lease in the agreed terms "**OUL**" pursuant to which RfL will lease the Optional Unit Fleet to the Operator.
- 1.2 RfL reserves the right to transfer ownership of the Class 345 Fleet, the Simulator, the Special Tools and Optional Unit Fleet to any third party or parties without the prior consent of the Operator, and, if so required, the Operator shall promptly enter into a lease or leases with such third party or parties or cooperate with RfL to put in place leasing arrangements with such third party or parties and RfL, in each case when so directed by RfL. Where the Operator is required to enter into a new lease of the Class 345 Fleet, the Simulator, the Special Tools and/or the Optional Unit Fleet such new lease shall be substantially on the terms of the Class 345 Lease. If during any Reporting Period the Operator is obliged by any subsequent lease to pay rental to the lessor:
- 1.2.1 RfL shall reimburse such rental to the Operator by way of adjustments to the Concession Payments in a timely manner so as to ensure that the Operator's cashflow is not adversely affected by the preferred payment cycle of the chosen lessor; and
 - 1.2.2 consequential adjustments shall be made to the definition of Pass Through Adjustment and paragraph 3.1(*Pass Through Adjustments - Calculation of Pass Through Adjustments*) of Schedule 11.1(*Concession Payments*), including to the formula contained in that paragraph, to recognise those payments.

2 Maintenance, Repair and Cleaning of the Train Fleet

Agency in relation to Units

- 2.1 Under the RSPA, the Rolling Stock Provider agrees to provide maintenance and related services for the Units.
- 2.2 Under the RSPA, RfL is entitled to nominate the Operator to exercise some of its rights and/or perform some of its obligations, in connection with the RSPA. In accordance with the Conditions Precedent Agreement, the Operator shall enter into the RSPA Agency Agreement prior to being issued with the Certificate of Commencement. With effect from the date of the RSPA Agency Agreement or (if different) the date upon which the RSPA Agency Agreement becomes effective in accordance with its terms, RfL shall nominate the

Operator to exercise the rights, and perform the obligations, in each case of RfL under the RSPA specified in the RSPA Agency Agreement.

- 2.3 RfL shall not take any action which impedes or frustrates the Operator's proper day-to-day exercise of any rights and performance of obligations under the RSPA that RfL has nominated the Operator to exercise and shall not unreasonably delay giving any instruction or approval to the Operator which is necessary for such proper exercise or performance provided that where the Operator:

- 2.3.1 takes any action under the RSPA without any corresponding consent, approval or instruction as required from RfL under the RSPA Agency Agreement; or
- 2.3.2 fails to comply with its obligations under the RSPA Agency Agreement (including failing to provide such reports and documentation required to be provided by the Operator pursuant to the RSPA Agency Agreement),

in each case such that RfL incurs additional cost under the RSPA, then RfL shall be entitled to recover such additional costs from the Operator as an Other Adjustment as part of the immediately succeeding Concession Payment.

Additional Services

- 2.4 Pursuant to paragraph 2.2 (*Maintenance, Repair and Cleaning of the Train Fleet - Agency in relation to the Units*), the Operator shall procure that the Rolling Stock Provider carries out Additional Services in accordance with the RSPA. RfL shall pay the Rolling Stock Provider directly in accordance with the terms of the RSPA in respect of any Additional Services that the Rolling Stock Provider carries out in accordance with the terms of the RSPA. The Operator shall refund RfL any such payment that RfL makes to the Rolling Stock Provider pursuant to this paragraph 2.4 (*Maintenance, Repair and Cleaning of the Train Fleet – Additional Services*) by way of adjustment to the Concession Payment to be made on the next Payment Date after that payment is made (an "**Additional Services Adjustment**").

Day-to-Day Relationship

- 2.5 The Operator shall establish an effective working relationship with the Rolling Stock Provider in order to ensure the consistent and reliable delivery of the services under the RSPA and the Passenger Services, including:
- 2.5.1 developing contingency arrangements in relation to the Diagrams that the Units are to operate;
 - 2.5.2 agreeing stabling arrangements where restrictions are imposed by any Infrastructure Manager;
 - 2.5.3 operating the Units in accordance with the Maintenance Plan;
 - 2.5.4 managing Unit failures in service;

- 2.5.5 working with the Rolling Stock Provider to establish and manage a process for determining the cause of incidents and the attribution of responsibility;
- 2.5.6 developing processes to manage fault finding, repair, rectification, modifications and the carrying out of Additional Services;
- 2.5.7 developing improvements to the existing arrangements with the Rolling Stock Provider for the hand over and hand back of Units at Ilford Depot, Old Oak Common Depot and other stabling locations identified in the RSPA;
- 2.5.8 planning and managing the maintenance of the Simulator, including the installation of software updates; and
- 2.5.9 developing the driver trainer training programme for the purpose of training the Operator's driver trainers.

Interior Train Cleaning and Preparation

- 2.6 The Operator shall procure that the interior of each Unit is cleaned to satisfy the Interior Cleaning Standard in accordance with the requirements of paragraph 7 (*Interior Cleaning*) of schedule D1 (*Maintenance Services*) of the RSPA during each Turnaround Period.
- 2.7 For the purposes of paragraph 2.6 (*Maintenance, Repair and Cleaning of the Train Fleet – Interior Train Cleaning and Preparation*), the "**Interior Cleaning Standard**" means such standard of cleanliness as will satisfy the relevant:
 - 2.7.1 Key Performance Indicator standards set out in Table 6 (*Train Cleaning and Condition Standards*) in Appendix 1 (*Key Performance Indicators*) to Schedule 8.1 (*KPI Regime*); and
 - 2.7.2 mean score in the MSS Questionnaire.

3 **Maintenance Progress Reports**

RfL:

- 3.1 shall provide the Operator with regular updates on progress in connection with the provision of maintenance and servicing of the Units; and
- 3.2 may for the purpose of any such update, provide the Operator with copies (or relevant parts thereof) of any Maintenance Progress Reports (as defined in the RSPA).

4 **Maintenance of Other Equipment**

DOO CCTV

- 4.1 The Operator shall:
 - 4.1.1 provide, as RfL notifies from time to time, RfL or RfL(I) and in each case its sub-contractors with access to each Operator Managed

Station in a timely manner in order that RfL(I) and its sub-contractors can maintain the relevant parts of the DOO CCTV System at each such station; and

- 4.1.2 procure, as RfL notifies from time to time, RfL or RfL(I) and in each case its sub-contractors are provided with access to each Operator Access Station in a timely manner in order that RfL(I) and its subcontractors can maintain the relevant parts of the DOO CCTV System at each such station.

Simulator

- 4.2 The Operator shall cooperate with the Rolling Stock Provider and RfL to facilitate the installation of such upgrades to the Simulator as may be required for the purposes of training its drivers on the operation of the Units. Where funding is required for the purposes of installing such upgrades to the Simulator, the Operator shall use all reasonable endeavours to secure such funding (other than from itself or an Affiliate) for the purposes of the same. The Operator shall notify RfL of any such additional funding which it secures and the terms on which such additional funding has been granted.

5 Modification to the Units and Equipment

- 5.1 RfL shall provide the Operator with reasonable notice of any Modification and promptly upon receipt of such notice, the parties shall consult for a reasonable period of time to determine:

- 5.1.1 the effects of that Modification on:

- (a) the Safety Management System; and
- (b) the operation and performance of the Units, the Simulator and/or the DOO CCTV System;

- 5.1.2 the programme of works to implement that Modification and the extent to which that programme may impact on the availability of Units for the delivery of Passenger Services; and

- 5.1.3 the steps that may be taken to minimise the extent to which that the programme may impact on such availability,

and the Operator shall provide such co-operation and assistance to the Rolling Stock Provider as RfL may reasonably require for the purposes of making such Modifications, including working with the Rolling Stock Provider to make Units available for the same.

- 5.2 Without prejudice to paragraph 5.1 (*Modification to the Units and Equipment*) above, the Operator shall provide such assistance and co-operation as RfL may reasonably require (which shall include assistance and co-operation with the Rolling Stock Provider) for the purposes of procuring or securing additional functionality on or in connection with the Units (including such functionality set out in the Functionality List in the agreed terms marked "**FL**").

5.3 In order to perform its obligations in this paragraph 5 (*Modifications to the Units and equipment*), the Operator shall procure that it has an appropriate number of personnel who are suitably qualified and have the necessary experience to:

5.3.1 provide informed opinions on behalf of the Operator with regard to the design and specification of any Modifications; and

5.3.2 evaluate and approve any Modifications within the Operator's own engineering change process,

in each case as may be requested by RfL or the Rolling Stock Provider from time to time and including in relation to any Modifications to the train control software (TMS) and on-train signalling systems.

6 **Distribution of Media Material on Trains**

The Operator shall be prohibited from distributing or permitting the distribution of any media material whatsoever (including newspapers, magazines, leaflets, coupons and flyers) on any rolling stock vehicle forming part of the Train Fleet without the prior consent of RfL.

Schedule 5.3
The Train Fleet

1 Manufacture and Supply of the Optional Unit Fleet

RSPA

- 1.1 RfL shall project-manage the Rolling Stock Provider's delivery of the design, construction, testing, Acceptance and supply of the Optional Unit Fleet under the RSPA.
- 1.2 The scheduled Acceptance dates for the Optional Units and related equipment are specified in the RSPA, provided that actual Acceptance of any Optional Unit or any related equipment will only occur when RfL is satisfied in accordance with the terms of the RSPA that the relevant Acceptance criteria have been satisfied or RfL decides to waive any such criteria.

Operator's Role in Facilitating the Timely Delivery of the Optional Unit Fleet

- 1.3 RfL requires the Operator to facilitate the timely delivery of the Optional Unit Fleet and related equipment under the RSPA by carrying out its obligations specified in this Schedule 5.3 (*The Train Fleet*) and the Operator agrees that it will carry out those obligations.

Operator to Inform Itself Fully – Units and Optional Units

- 1.4 The Operator confirms that it has studied in detail the Train Technical Requirements and each document comprised therein (including all changes to the same made up to the date of this Agreement), the Maintenance Plan, the DOO CCTV System installed on the Class 345 Units and the DOO CCTV System design and installation standard contemplated by the RSPA for the Optional Units, and has obtained for itself all necessary information as to risks, contingencies and other circumstances which may influence or affect its ability to perform its obligations under this Schedule 5.3 (*The Train Fleet*) and operate the Train Fleet, the Simulator and related equipment provided under the RSPA. The Operator shall not be entitled to any relief from its obligations under this Agreement, including any relief from any liability it may incur under Schedule 7 (*Operating Performance*) or Schedule 8 (*Service Quality and Passenger Perception*) in delivering the Concession Services, on the grounds that it did not or could not have reasonably foreseen any matter which might affect or have affected the design, manufacture, testing, certification, commissioning, Acceptance, supply, maintenance or operation of the Train Fleet, the Simulator and related equipment provided under the RSPA.

2 Design Assurance

Optional Units Design Assurance

- 2.1 The RSPA sets out a process for progressive assurance to be provide by the Rolling Stock Provider in relation to its performance under the RSPA. The Operator shall participate in the design assurance aspects of that process in accordance with this paragraph 2 (*Design Assurance*).

Operator's Expert Opinion

- 2.2 The Operator shall, as and when required by RfL under any of the preliminary and detailed unit design programmes contemplated by the RSPA, provide its direction and expert opinion to RfL and the Rolling Stock Provider in relation to any submission made by the Rolling Stock Provider in respect of any of the Optional Unit design aspects (including DOO CCTV System) referred to in paragraph 2.3 (*Design Assurance - Optional Unit Design Assurance*) in order that RfL may, as appropriate, issue to the Rolling Stock Provider in a timely manner, Assurance Acceptance (as defined in the RSPA).

Optional Unit Design Assurance

- 2.3 The Optional Unit design aspects which the Operator is to provide its direction and expert opinion pursuant to paragraph 2.2 (*Design Assurance – Operator's Expert Opinion*) comprise:
- 2.3.1 the interior cab layout to the extent not defined by Railway Industry Standards or otherwise by Good Industry Practice;
 - 2.3.2 the TMS to the extent that system interfaces with the driver or train crew, including in relation to cab and door alarms, messages and prompts;
 - 2.3.3 the passenger/train and train crew/train interfaces insofar as those interfaces reasonably affect the safe operation of the Optional Units; and
 - 2.3.4 such other aspects of the Optional Unit design as RfL requires from time to time including proactively contributing to hazard reviews.

Close-Out Meetings

- 2.4 The Operator shall as and when required by RfL, attend any Close-Out Meeting (as defined in the RSPA) with the Rolling Stock Provide and RfL for the purpose of determining whether, as appropriate, the relevant preliminary or detailed design phase has been completed.

3 Relevant Approvals

- 3.1 Where:
- 3.1.1 any documentation forming part of a submission to a Competent Authority for a Relevant Approval may only be prepared by a Train Operator in its capacity as an operator of the Units, the Operator shall prepare that documentation; and
 - 3.1.2 a Relevant Approval may only be granted to a Train Operator, the Operator shall make the formal presentation of the submissions for such Relevant Approval,

provided that, in each case, the Rolling Stock Provider has supplied in a timely manner any information relating to the Units and related equipment and their maintenance and any other materials reasonably required in accordance with

the Relevant Approvals Management Plan (Train Works), which in each case, is in a format that is suitable for submission to the applicable Competent Authority without redrafting.

- 3.2 The Operator shall do all such things in relation to Route Acceptance (as defined in the RSPA) which only the Operator can undertake as a Train Operator, including the preparation and approval of the Safety Certificate in relation to the operation of the Units in delivering the Passenger Services, provided that the Rolling Stock Provider has supplied in a timely manner all documentation and information relating to the Units and related equipment that is reasonably necessary for the Operator to prepare its Safety Certificate.
- 3.3 The Operator shall communicate regularly and in an effective manner with the Rolling Stock Provider to coordinate the exchange of information and the development of submissions to Competent Authorities for the purpose of obtaining Relevant Approvals.

4 **Training**

Training Programmes

- 4.1 The Rolling Stock Provider has developed driver trainer and DOO CCTV training materials under the RSPA. The Operator shall use the Rolling Stock Provider's training materials as a basis for its own driver training programme in order that its driver trainers and other trainers can train its drivers and other employees to, as appropriate, operate the Units, the Simulator, the DOO CCTV Station Subsystem (as defined in the RSPA) (and any related items), in each case in accordance with all Applicable Laws and Standards (as defined in the RSPA), Relevant Approvals and the Safety Certificate.
- 4.2 The Operator shall use the Simulator to train its drivers in developing a working knowledge of the Elizabeth Line Route and the Units. The Operator shall report to RfL each Reporting Period as part of the Periodic Concession Report, the Simulator Available Hours (as defined in the RSPA) for that Reporting Period.

5 **Unit and Equipment Testing**

Optional Unit Testing

- 5.1 The Rolling Stock Provider shall be responsible for testing each Optional Unit until its Acceptance.

Procurement of Track Access by the Operator

- 5.2 Without prejudice to paragraph 9 (*General Assistance*), the Operator shall use all reasonable endeavours to obtain sufficient train paths at no charge to RfL or the Rolling Stock Provider in order to carry out driver training in accordance with the RSPA and Acceptance testing and the Operator shall not cancel any such train paths when booked unless requested in writing to do so by any Infrastructure Manager, the Rolling Stock Provider or RfL(I) and shall promptly rebook any such train paths that are cancelled where requested in

writing to do so by any Infrastructure Manager, the Rolling Stock Provider or RfL(I).

- 5.3 As and when required by RfL, the Operator shall use reasonable endeavours to obtain sufficient train paths in order to transfer Units by way of diversionary routes to the Elizabeth Line Route, and RfL shall compensate the Operator for the proper and reasonable additional costs it incurs as a result by way of an Other Adjustment.

6 **Operator Authority to Operate**

- 6.1 The Operator shall promptly make a submission to obtain route acceptance to operate the Units on the Elizabeth Line Route in passenger revenue earning service upon receipt of all relevant information within the Rolling Stock Provider's or its sub-contractor's control and/or possession in connection with the making of that submission.
- 6.2 The Operator shall promptly make such submissions as may be necessary to procure the rights to stable the Units at such locations along the Elizabeth Line Route as may be identified by RfL from time to time.

7 **Optional Unit and Equipment Acceptance**

RfL to Accept Optional Units

- 7.1 RfL shall be responsible for decisions relating to Acceptance of the Optional Unit Fleet under the RSPA.

Operator Responsibility

- 7.2 The Operator shall provide such reasonable co-operation as may be reasonably required by RfL in relation to Acceptance of the Optional Unit Fleet.

8 **Compensation by Operator**

- 8.1 The Operator shall indemnify RfL against any liability on the part of RfL to compensate the Rolling Stock Provider under the terms of the RSPA due to:
- 8.1.1 the Rolling Stock Provider being prevented from complying with or suffering an adverse impact on its ability to perform any of its obligations under the RSPA; and/or
- 8.1.2 the Rolling Stock Provider incurring any additional costs,
- in each case where caused by the Operator failing to perform its obligations under this Agreement.
- 8.2 RfL shall procure that the Operator is entitled to participate fully in the process for claiming, disputing and settling claims made by the Rolling Stock Provider under the RSPA where the Operator is alleged to have caused any of the circumstances referred to in paragraph 8.1 (*Compensation by Operator*) due to its failure to comply with its obligations under this Agreement, provided that RfL shall have the right to settle any claim made against it by the Rolling Stock Provider under the RSPA.

9 **General Assistance**

In addition to the specific obligations specified in this Schedule 5.3 (*The Train Fleet*) in relation to the Train Fleet and related equipment, the Operator shall, to the extent reasonably requested by RfL and subject to payment of the Operator's reasonable costs by the relevant third party, co-operate with any third party which RfL may specify (including a Successor Operator, the Rolling Stock Provider, Network Rail or RfL(I)) in connection with the testing and commissioning of new rolling stock vehicles (including the Units) or any new equipment to be fitted to rolling stock vehicles (including the Units and whether such rolling stock vehicles are new or otherwise) or the testing and commissioning of railway infrastructure. Such co-operation shall not unreasonably disrupt the provision and operation of the Concession Services, and may include:

- 9.1 the movement of test trains within and around depots;
- 9.2 making available personnel to operate test trains along the Elizabeth Line Route and provide information on the Elizabeth Line Route;
- 9.3 making Train Slots available for such purpose;
- 9.4 granting or procuring the grant of access to the third party and its representatives to any relevant facilities; and
- 9.5 the delivery of rolling stock vehicles to specific locations.

Schedule 6
Security

Schedule 6.1: Security

Schedule 6.2: Cyber Security

Schedule 6.1
Security

1 Policing

- 1.1 Without prejudice to paragraph 11 (*Safe, secure and attractive customer environment*) of Schedule 2.2 (*List of Concession Services*) and paragraph 6 (*BTP Policing Services Agreement (Standard) Charges*) of Schedule 11.2 (*Annual Concession Payments and Indexation*) the Operator shall be responsible for and shall make all necessary arrangements for:
- 1.1.1 the policing of the Passenger Services and public areas of the Elizabeth Line Route and the Elizabeth Line Stations, including entering into and managing the Policing Services Agreement (Standard); and
 - 1.1.2 the management of the police,
- to ensure that all Applicable Requirements are met for the operation of the Passenger Services and the Elizabeth Line Stations and for all Special Events.
- 1.2 The Operator shall work in partnership with the BTP and shall co-operate with RfL and other members of the TfL Group in relation to:
- 1.2.1 security and policing and support;
 - 1.2.2 security and policing initiatives;
 - 1.2.3 any other related matter; and
 - 1.2.4 championing improvements relating to any of paragraphs 1.2.1, 1.2.2 and 1.2.3 (*Policing*) whenever reasonably requested to do so by RfL.
- 1.3 The Operator shall permit or procure that RfL and personnel of other members of the TfL Group are permitted access to the Passenger Services and the Elizabeth Line Stations to carry out enforcement activities.

2 Security

- 2.1 The Operator shall be wholly responsible for:
- 2.1.1 the security of the Passenger Services, each Operator Managed Station and (insofar as it is within the reasonable control of the Operator) the Elizabeth Line Route;
 - 2.1.2 appropriately securing each Operator Managed Station and (insofar as it is within the reasonable control of the Operator) the Elizabeth Line Route at all times;
 - 2.1.3 any damage, vandalism and theft, including in relation to the Concession Assets.

- 2.2 As soon as reasonably practicable, the Operator shall notify RfL of any breach of security or potential breach of security which occurs on or in relation to any Passenger Service, Elizabeth Line Station and any part of the Elizabeth Line Route.
- 2.3 The Operator shall:
- 2.3.1 use the Sentinel competency card identification scheme (or such other scheme as agreed by RfL) from the Start Date to minimise the risk of:
- (a) untrained personnel carrying out safety critical work; or
 - (b) unauthorised access to non-public areas of the Elizabeth Line Stations and the Elizabeth Line Route,
- and the Operator shall make reasonable arrangements to minimise the risk of the above prior to such date; and
- 2.3.2 (to the extent not already covered by paragraph 2.3.1 (*Security*)) interface with the competency management system operated by RfL(I) with the intention of minimising the risks identified in paragraph 2.3.1 (*Security*).
- 2.4 The Operator shall appoint a competent security coordinator, based in London, whose principal responsibilities shall include:
- 2.4.1 attending, or procuring that a suitable substitute attends, all relevant TfL steering and working group meetings as requested by RfL from time to time (including with respect to WVA-related matters);
- 2.4.2 organising and managing relevant security forums where security issues will be discussed and addressed;
- 2.4.3 serving as a single point of contact between the Operator and RfL for all security-related matters (including WVA-related matters); and
- 2.4.4 liaising with the police,
- (the "**Security Coordinator**") provided always that the Operator shall not appoint the Security Coordinator without the prior written consent of RfL (such consent not to be unreasonably withheld) except where the Security Coordinator is appointed as a direct consequence of the operation of TUPE.
- 2.5 The Operator shall appoint a competent safety coordinator, based in London, whose principal responsibilities shall include:
- 2.5.1 ensuring the Operator's compliance with Applicable Requirements insofar as they relate to safety matters, including under the Health and Safety at Work etc. Act 1974 and the Safety Regulations;
- 2.5.2 sharing safety data relating to the Operator's performance of this Agreement (including its delivery of the Passenger Services and

operation of the Operator Managed Stations) in a timely manner with RfL or such other persons nominated by RfL;

- 2.5.3 providing safety data to RfL or such persons nominated by RfL in such formats as RfL or those persons may reasonably require from time to time (including, as a minimum, a format aligned with RIDDOR reporting requirements, together with a format aligned with the systems operated by RfL and other members of the TfL Group from time to time); and
- 2.5.4 collaborating with RfL and such other members of the TfL Group (including any safety-related forums established by any member of the TfL Group) in connection with safety-related matters,

(the "**Safety Coordinator**") provided always that the Safety Coordinator shall:

- (a) hold a professional qualification which is at least at a diploma level awarded by a recognised accreditation body; and
- (b) have sufficient knowledge, experience and training in the elements on which they are advising and coordinating.

3 **Annual Security Plan**

3.1 Each Annual Security Plan shall contain:

- 3.1.1 a list of any security-related instances including crime, theft and vandalism with lessons learned and initiatives for their reduction (and where necessary, working with the BTP to provide such list);
- 3.1.2 an overview of security-related risks including in relation to crime and anti-social behaviour and the measures being put in place to address such risks;
- 3.1.3 a summary of security and enforcement activities;
- 3.1.4 a plan for working with the BTP and the part of the TfL Group responsible for compliance, policing, operations and security enforcement to improve safety and security;
- 3.1.5 a list of upcoming visible reassurance exercises;
- 3.1.6 any reviews of all departments, contracts and agencies focusing on improving security provision on the Passenger Services, at Elizabeth Line Stations and in proximity to the Elizabeth Line Route;
- 3.1.7 a targeted response to areas noted by intelligence of customer feedback;
- 3.1.8 an overview of how the Operator will collaborate with other enforcement groups including the BTP and the part of the TfL Group responsible for compliance, policing, operations and security enforcement;

- 3.1.9 the enforcement of byelaws;
- 3.1.10 save in respect of the first Annual Security Plan provided by the Operator prior to the Start Date, evidence of improvements to the Annual Security Plan as compared with the then-current Annual Security Plan as a result of the review conducted pursuant to paragraph 3.7 (*Annual Security Plan*);
- 3.1.11 the proposed WVA annual plan (the "**WVA Annual Plan**"), which shall:
- (a) include a reporting mechanism using such TfL Group systems identified by RfL, capturing and providing the necessary data as required by RfL or other members of the TfL Group;
 - (b) ensure that the Operator's WVA reduction activities and interventions align with TfL's WVA Strategy (which shall include that the WVA Annual Plan is consistent with the approach and objectives of TfL's WVA Strategy, as such strategy may be updated from time to time);
 - (c) include a local delivery plan that addresses both prevention and victim support measures specific to the operating area;
 - (d) include the Operator's plans for establishing and maintaining an information sharing agreement to enable the exchange of relevant information between the Operator, RfL, and the BTP with the intention of facilitating effective case management and support for victims; and
 - (e) include objectives to participate in pan-modal WVA forums matters, contributing to discussions, decision-making, and collaborative initiatives to prevent WVA and support staff victims; and
- 3.1.12 the proposed annual enforcement plan (the "**Annual Enforcement Plan**"), which shall:
- (a) incorporate training programmes for the Operator's enforcement staff to meet the requirements set by RfL or such other member of the TfL Group identified by RfL, including unconscious bias and safeguarding training;
 - (b) include the Operator's plans for processes through which to share deployment plans with RfL, other members of the TfL Group and police partners, for the purpose of coordinating efforts and resource allocation for effective enforcement activities;
 - (c) detail the Operator's plans for implementing an anti-discriminatory enforcement approach, including the capture of demographic enforcement data as required by RfL;

- (d) establish a robust complaints process to handle and address any complaints related to enforcement activities;
- (e) include objectives to participate in pan-TfL Group enforcement meetings to foster a consistent and unified approach to enforcement efforts across TfL networks; and
- (f) include the Operator's plans for processes through which to ensure cooperation with the part of the TfL Group responsible for compliance, policing, operations and security enforcement,

the "**Annual Security Plan**".

3.2 Prior to the Start Date, the Operator shall:

- 3.2.1 prepare and submit to RfL an Annual Security Plan covering the period from the Start Date until the start of the next Concession Year; and
- 3.2.2 obtain RfL's and the BTP's prior acceptance of the Annual Security Plan referred to in paragraph 3.2.1 (*Annual Security Plan*).

3.3 No later than sixty-five (65) Business Days before the beginning of each Concession Year (other than the first Concession Year), the Operator shall:

- 3.3.1 review its performance with respect to the then-current Annual Security Plan to identify 'lessons learned' for future Annual Security Plans;
- 3.3.2 submit its conclusions from such review and recommendations for the immediately succeeding Annual Security Plan to RfL; and
- 3.3.3 at the request of RfL, convene and attend a meeting as soon as reasonably practicable with RfL to discuss such conclusions and recommendations.

3.4 No later than two (2) Reporting Periods before the beginning of each Concession Year (other than the first Concession Year), the Operator shall prepare and submit its proposed Annual Security Plan for acceptance to RfL and the BTP for the following Concession Year. Such proposed Annual Security Plan shall incorporate, insofar as reasonably practicable, the Operator's recommendations pursuant to paragraph 3.3.2 (*Annual Security Plan*) and the outcomes of any meeting contemplated by paragraph 3.3.3 (*Annual Security Plan*).

3.5 The Operator shall consult with RfL and the BTP on the contents of the proposed Annual Security Plan for a period of twenty (20) Business Days, and the Operator shall take into account any reasonable amendments suggested by RfL or the BTP.

3.6 The Operator shall continue to consult with RfL and the BTP on the contents of the Annual Security Plan until either:

- 3.6.1 the Operator, RfL and the BTP have each accepted the final version of the Annual Security Plan; or
- 3.6.2 in the absence of any acceptance within the twenty (20) Business Day time period referred to in paragraph 3.5 (*Annual Security Plan*), the final version of the Annual Security Plan is determined by RfL (which RfL shall be entitled to do at any time following expiry of such twenty (20) Business Day period in the absence of acceptance).
- 3.7 Once accepted or determined by RfL, the Operator shall comply with the contents of the Annual Security Plan throughout the Concession Year to which it relates.
- 3.8 Where security arrangements require or are reasonably be expected to require enhancement to cover Special Events, the Operator shall prepare ad hoc security plans to cover the period of such Special Event and shall provide such ad hoc security plans to RfL and the BTP for comment in sufficient time prior to the Special Event. The Operator shall take into account any reasonable comments made by RfL and the BTP on such ad hoc security plans and shall thereafter be obliged to comply with such ad hoc security plans. The Operator shall not be entitled to recover any additional cost connected with its compliance with such ad hoc security plans beyond the Special Event Payment (if any) relating to such Special Event.

4 **CCTV**

- 4.1 The Operator shall:
 - 4.1.1 have suitable processes and resources to effectively view, record and preserve all CCTV images received from the CCTV cameras in the Operator Managed Stations; and
 - 4.1.2 use all reasonable endeavours to procure that suitable processes and resources are in place to effectively view, record and preserve all CCTV images received from the CCTV cameras in Elizabeth Line Stations which are not Operator Managed Stations,

in each case to achieve effective real time surveillance and to contribute to a safe and secure environment for passengers.
- 4.2 The Operator shall promptly facilitate access to such images (including access to the image source and/or supplying certified copies of images) by the BTP (or another authorised body) and RfL whenever reasonably requested.
- 4.3 Preservation of CCTV data relating to specific incidents of crime or passenger injury shall be securely retained for a minimum period of three (3) years. All other CCTV data shall be retained for a minimum period of twenty-five (25) Business Days or such other period as instructed by RfL, the BTP or any other similar authority.

5 **Secure Stations Accreditation**

- 5.1 The Operator shall ensure that all Stations maintain the "**Secure Stations Accreditation**" throughout the Concession Period.
- 5.2 The Operator shall display a sign at each Operator Managed Station noting its accreditation and the period of such accreditation.

6 **Crime and Disorder Act 1998**

- 6.1 The Operator acknowledges that RfL (as a member of the TfL Group) is under a duty in accordance with section 17 of the Crime and Disorder Act 1998:
 - 6.1.1 to have due regard to the impact of crime, disorder and community safety in the exercise of RfL's duties;
 - 6.1.2 where appropriate, to identify actions to reduce levels of crime and disorder; and
 - 6.1.3 without prejudice to any other obligation imposed on RfL, to exercise its functions with due regard to the likely effect of the exercise of those functions on, and the need to do all that it reasonably can to prevent, crime and disorder in its area,

and in the performance of this Agreement and the Transaction Documents the Operator shall observe these duties and shall assist and co-operate with RfL, and shall use reasonable endeavours to procure that its Subcontractors observe these duties and assist and co-operate with RfL, where possible to enable RfL to satisfy its duty.

7 **Work Related Violence and Aggression**

- 7.1 The Operator shall:
 - 7.1.1 from the Start Date, comply with the approved WVA Annual Plan promptly and diligently, procuring the fulfilment of all objectives and milestones as specified therein;
 - 7.1.2 ensure that:
 - (a) within six (6) Reporting Periods of the Start Date, each Transferring Employee who is a member of frontline staff (which, for the purposes of this paragraph 7.1.2 shall comprise station staff, staff engaged in revenue protection activities and drivers) receives conflict management and de-escalation training unless and to the extent that the Operator can evidence to the reasonable satisfaction of RfL that any such members of the frontline staff have previously received conflict management and de-escalation training within the eighteen (18) months immediately prior to the Start Date; and
 - (b) any Concession Employee who is employed by the Operator on or after the Start Date and who is a member of frontline

staff receives conflict management and de-escalation training as part of the induction process,

and thereafter throughout the remainder of the Concession Period any such Concession Employee receives 'refresher' training sessions to maintain their proficiency on conflict management and de-escalation, each such 'refresher' training session to take place no later than two (2) years immediately following the previous training session or 'refresher' training session (as the case may be); and

7.1.3 from the Start Date and thereafter throughout the Concession Period ensure that all members of customer-facing staff (which, for the purposes of this paragraph 7.1.3 shall comprise station staff (including operational supervisors and managers, revenue/enforcement officers and managers and security officers)) [REDACTED]:

(a) [REDACTED]; and

(b) [REDACTED].

7.2 [REDACTED].

8 Public Protection

8.1 The Operator shall assist and co-operate with RfL and other members of the TfL Group, and shall use reasonable endeavours to procure that its Subcontractors assist and co-operate with RfL and other members of the TfL Group to enable:

8.1.1 RfL to comply with the Safeguarding on Rail Scheme; and

8.1.2 the TfL Group to obtain accreditation under the Safeguarding on Rail Scheme to maintain its "**Safeguarding on Rail Standard Accreditation**".

8.2 The Operator shall comply with all requirements of the Safeguarding on Rail Scheme, as if it were accredited under such scheme.

9 Enforcement

9.1 The Operator shall not, without RfL's consent, grant powers to or deliver training to Concession Employees to intervene physically with passengers or other users of Elizabeth Line Stations.

9.2 Prior to the Start Date, the Operator and RfL shall develop and agree a protocol (the "**Enforcement Services Protocol**") setting out the respective roles and responsibilities of RfL (including the part of the TfL Group responsible for compliance, policing, operations and security enforcement) and the Operator to ensure effective and efficient revenue protection enforcement activities. The Enforcement Services Protocol shall be consistent with the Enforcement Policy and Annual Enforcement Plan. RfL and the Operator shall comply with the agreed Enforcement Services Protocol.

9.3 For the purposes of this Schedule 6.1 (*Security*), "enforcement" includes:

9.3.1 taking all reasonable steps to reduce fare evasion;

9.3.2 taking all reasonable steps to reduce the likelihood of:

- (a) assaults or threats of assault perpetrated against any Concession Employee or any employee of another member of the TfL Group, in either case in the course of their duties;
- (b) any public order offence under the Public Order Act 1986 occurring at an Elizabeth Line Station or on a Passenger Service (including where such offence is perpetrated against any Concession Employees or any employee of any other member of the TfL Group, in either case in the course of their duties);
- (c) criminal damage, the occurrence of graffiti and other types of property mutilation occurring to any Unit, at any Operator Managed Station or to any other property owned or managed by the Operator or a member of the TfL Group or their respective concessionaires,

and, if any such circumstance occurs, taking all reasonable and appropriate steps (working with the BTP and other police forces as appropriate) to take action against the alleged perpetrator(s) of such circumstance;

9.3.3 monitoring and taking all reasonable steps to reduce the likelihood of forgery and counterfeiting of travel tickets and passes for use on any service funded by a member of the TfL Group, or any other systematic or serious revenue related criminal offences;

9.3.4 undertaking the revenue collection and enforcement activities contemplated by paragraphs 6 (*Revenue Collection and Protection – General Obligations*), 7 (*Ticket Revenue*) and 8 (*Revenue Protection*) of Schedule 3.3 (*Ticket and Non Ticket Revenue*);

9.3.5 issuing penalty fares as contemplated by paragraph 9 (*Penalty Fares*) of Schedule 3.3 (*Ticket and Non Ticket Revenue*);

9.3.6 cooperating with RfL and other members of the TfL Group in connection with each of the above and any other rights which RfL (or such other member of the TfL Group) may have against any person whose behaviour is found to have caused or is likely to cause:

- (a) any Concession Employee (or any employee of another member of the TfL Group);
- (b) passengers using the Passenger Services or an Operator Managed Station;
- (c) other services funded by a member of the TfL Group; or

- (d) premises used in connection with the provision of services to RfL or another member of the TfL Group,
harassment, alarm or distress.

Schedule 6.2
Cyber Security

1 Definitions

- 1.1 In this Schedule 6.2 (*Cyber Security*), except where the context requires otherwise, and in addition to the words and expressions defined in Clause 2 (*Definitions*), the following words and expressions shall have the meanings given to them below:

"Asset Hardening and Secure Configuration" means the process of reducing the attack surface of a Concession Asset.

"Attestation of Compliance" means a statement that confirms that the Report on Compliance is accurate.

"Cardholder Data" means any personally identifiable information associated with a person who has a credit or debit card which includes the primary account number along with any of the following data types: cardholder name, expiration date and service code.

"Centralised Logging Mechanism" has the meaning given to it in paragraph 7.1 (*Logging and Monitoring*) of Appendix 1 (*Cyber Security Requirements*).

"Cloud Services" means the delivery of computing services including servers, storage, databases, networking, software, analytics, and intelligence over the internet.

"Cyber Essentials Scheme" means the UK government scheme encouraging organisations to adopt good practice in information security, focussing mainly on technical controls rather than governance, risk and policy.

"Cyber Security Business Continuity Plan" means a plan that helps a company survive and continue running after a major cyber security disruption or disaster and which highlights the step-by-step process of what should be done to prevent risks that can lead to a business having to cease operations.

"Cyber Security Business Continuity Policy" means the Operator's cyber security business continuity policy that demonstrates how the Operator will maintain the provision of the Concession Services in the event of a cyber security emergency as provided in accordance with paragraph 11 (*Cyber Security Business Continuity*) of Appendix 1 (*Cyber Security Requirements*).

"Cyber Security Incident" means a potential or actual event or attempted breach of cyber security affecting the confidentiality, integrity or availability of any part of the service which processes or holds Data.

"Cyber Security Incident Management Plan" means a series of steps taken to identify, analyse, and resolve critical incidents, which could lead to cyber security issues in an organisation if not restored.

"Cyber Security Management Plan" means the Operator's cyber security plan developed and revised pursuant to paragraph 3 (*Asset Management*) of Appendix 1 (*Cyber Security Requirements*).

"Cyber Security Risk" means all risks associated with the cyber security of the Concession Services which may have a negative impact upon the agreed security posture, including information security and any other risks identified in this Schedule 6.2 (*Cyber Security*) or otherwise identified as a result of the processes contemplated by this Schedule 6.2 (*Cyber Security*).

"Cyber Security Risk Management" means the process of identifying, monitoring and managing potential cyber security risks in order to minimise the negative impact they may have on an organisation.

"Cyber Security Risk Register" means a register of Cyber Security Risks produced and maintained as detailed in paragraph 3.2.2 (*Cyber Security Principles*).

"Cyber Security Standards" means:

- (a) ISO/IEC 27001:2022 (as may be updated or replaced from time to time);
- (b) the Cyber Essentials Scheme and Network & Information Systems (NIS) Directive (as may be updated or replaced from time to time); and
- (c) such other standards as may be relevant from time to time.

"Data" means data created, generated or collected during the performance of the Concession Services (or any part thereof), including Personal Data and data supplied to or from RfL and other members of the TfL Group in connection with the Concession Services or this Agreement.

"File-Integrity Monitoring" means the system used to monitor and alert changes to Data files.

"Intrusion Detection System (IDS)" means a monitoring system that detects suspicious activities and generates alerts when they are detected.

"Intrusion Prevention Solution (IPS)" means a network security tool (which can be a hardware device or software) that continuously monitors a network for malicious activity and takes action to prevent it.

"ISO/IEC 22301" means the proposed business standard that specifies security requirements for disaster recovery preparedness and business continuity management systems.

"ISO/IEC 27001" means the information security standard specification for an information security management system, with an emphasis on measuring and evaluating how well an organisation's information security management system is performing.

"Key Management" means the activities involving the handling of cryptographic keys and other related security parameters (including passwords) during the entire life cycle of the keys, including their generation, storage, establishment, entry and output, and destruction.

"Log File" means a computer-generated data file that contains information about usage patterns, activities, and operations within an operating system and/or application.

"Network & Information Systems (NIS) Directive" means the legislation intended to establish a common level of security for network and information systems.

"Operator of an Essential Service (OES)" has the meaning given to it in the Network & Information Systems (NIS) Directive.

"Report on Compliance" means an assessment that determines PCI DSS compliance.

"Vulnerability Management" means the various processes, tools, and strategies of identifying, evaluating, treating, and reporting on cyber security vulnerabilities and misconfigurations within an organisation's software and systems.

- 1.2 The provisions of this Schedule 6.2 (*Cyber Security*) apply to any information systems and information technology used in connection with the Concession Services that can influence or affect the safe, reliable or secure operations of Concession Assets or the railway, or the information systems that support the Operator in connection with the performance of this Agreement.

2 **Security Standards**

- 2.1 Without prejudice to paragraph 2 (*Data Protection*) of Schedule 16.2 (*Confidentiality and Freedom of Information Act Requirements*), where the Operator is processing or storing Data on a regular basis, the Operator shall:

2.1.1 comply with the Cyber Security Standards; and

2.1.2 be:

- (a) independently certified to ISO/IEC 27001:2022 (as may be updated or replaced from time to time), with a scope which covers Data; and
- (b) independently tested to verify that the systems used to process Data meet the requirements of the Cyber Essentials Scheme and Network & Information Systems (NIS) Directive (as may be updated or replaced from time to time).

- 2.2 Where the Operator is transmitting, storing and/or processing payment card data, the Operator:

- 2.2.1 shall comply with paragraphs 8.2, 8.5, 8.6 and 8.7 (*Information to and from Third Parties - Information from Third Parties*) of Schedule 16.1 (*Records, Plans and Reporting*);
- 2.2.2 shall ensure that it complies with all card scheme rules and regulations, including the most recent version of the PCI DSS applicable to the Concession Services;
- 2.2.3 within three (3) months of the Start Date, shall provide RfL with evidence of the Operator's compliance referred to in paragraph 2.2.2 (*Security Standards*) by an Attestation of Compliance and a Report on Compliance signed by an independent third party;
- 2.2.4 shall perform Quarterly reviews of its data security, availability and processing integrity, reporting to RfL any identified vulnerability in accordance with PCI DSS requirements;
- 2.2.5 agrees and acknowledges that it is responsible for the security of Cardholder Data and the Operator shall indemnify RfL from and against all penalties, costs and expenses which may be suffered, paid or incurred by RfL as a consequence of the Operator's failure to comply with the PCI DSS requirements;
- 2.2.6 shall limit storage amount and retention time of Cardholder Data to that which is required for business, legal, and/or regulatory purposes, as required by TfL's Data Retention Policy (as updated from time to time); and
- 2.2.7 shall perform a PCI DSS compliance assessment for all work relating to RfL or any other member of the TfL Group and shall perform any remedial action required within such timescale as may be agreed with RfL (or, in the absence of agreement, reasonably determined by RfL).

3 **Cyber Security Principles**

- 3.1 The Operator acknowledges that security, data protection and confidentiality are of fundamental importance in relation to the Operator's performance of this Agreement and each member of the TfL Group's ability to retain public confidence. At all times the Operator shall comply with the cyber security principles set out in this paragraph 3 (*Cyber Security Principles*) in the performance of this Agreement.
- 3.2 In recognition of the importance that RfL and each member of the TfL Group places on security, data protection and confidentiality, the Operator shall ensure that a director or relevant individual of the Operator, as agreed by RfL, is made aware of the risks set out in the Cyber Security Management Plan and is assigned overall responsibility for and shall ensure that:

- 3.2.1 appropriate Concession Employees and the Operator's management team shall manage the different levels of Cyber Security Risk and promote a Cyber Security Risk Management culture;
 - 3.2.2 a Cyber Security Risk Register is produced and maintained throughout the Concession Period and that all Cyber Security Risks are documented in an appropriate manner and are included in the Cyber Security Risk Register (which must be available for audit whenever reasonably required by RfL); and
 - 3.2.3 cyber security supporting policies are implemented (where relevant) and communicated with Concession Employees.
- 3.3 The Operator shall, and shall procure that its Subcontractors shall, at all times procure that:
- 3.3.1 security threats to Data, the Operator's IT environment, and the Concession Services are minimised and mitigated; and
 - 3.3.2 the provision of the Concession Services fully comply at all times with:
 - (a) the security requirements set out in Appendix 1 (*Cyber Security Requirements*) and Appendix 2 (*List of relevant Policies and Standards*) and any other relevant TfL Policy, or as otherwise agreed in the Cyber Security Management Plan;
 - (b) the Cyber Security Management Plan; and
 - (c) Good Industry Practice.
- 3.4 The Operator shall seek and obtain RfL's approval before the use by it, or any Subcontractor, of any Cloud Services for, or in connection with, the performance of this Agreement (including in relation to any Data). For any such approval to be granted, as a minimum, the Operator shall demonstrate to RfL's reasonable satisfaction that such Cloud Services comply with the requirements of this Schedule 6.2 (*Cyber Security*).

4 **Cyber Security Management Plan**

- 4.1 Within the timescales identified in paragraph 12 (*Cyber Security Reporting*) of Appendix 1 (*Cyber Security Requirements*) the Operator shall submit to RfL for approval (and shall thereafter maintain throughout the Concession Period) a Cyber Security Management Plan which, as a minimum, shall:
 - 4.1.1 set out the cyber security measures to be implemented and maintained by the Operator in relation to all aspects of the Concession Services and all processes associated with the delivery of the Concession Services and shall at all times comply with and specify cyber security measures and procedures which are sufficient

to ensure the provision of the Concession Services complies with this Schedule 6.2 (*Cyber Security*);

- 4.1.2 state any other cyber security industry standards over and above those set out in this Schedule 6.2 (*Cyber Security*) which are applicable to the Operator's provision of the Concession Services;
 - 4.1.3 state all Applicable Requirements which relate to cyber security affecting the Concession Services;
 - 4.1.4 state all relevant policies and standards from Appendix 2 (*List of relevant Policies and Standards*) of this Schedule 6.2 (*Cyber Security*) which relate to cyber security affecting the Concession Services; and
 - 4.1.5 state how the Operator shall comply with any other cyber security requirements RfL may reasonably request from time to time.
- 4.2 The Operator shall review and update the Cyber Security Management Plan at least once each Concession Year and as otherwise may be required in response to:
- 4.2.1 changes to Cyber Security Standards;
 - 4.2.2 emerging changes in Good Industry Practice;
 - 4.2.3 any relevant Variation and/or associated processes;
 - 4.2.4 any new perceived or changed security threats; and
 - 4.2.5 any reasonable request by RfL.
- 4.3 The Operator shall submit any amendments to the Cyber Security Management Plan for approval by RfL and shall take into account any comments provided by RfL when it finalises the updates to such Cyber Security Management Plan.

5 **Subcontractor Cyber Security Requirements**

- 5.1 The Operator shall:
- 5.1.1 maintain an inventory of each of its Subcontractors and suppliers in the form of a supplier matrix with roles and responsibilities defined;
 - 5.1.2 ensure that its Subcontractors and suppliers involved in the provision of the Concession Services meet or exceed the standards set out in this Schedule 6.2 (*Cyber Security*), as may be relevant to such Subcontractor's or such supplier's provision of services in connection with the Concession Services; and
 - 5.1.3 conduct security assessments upon its supply chain to ensure all Subcontractors and suppliers present a low or no risk to the provision of the Concession Services or to RfL (or to any other member of the

TfL Group) in performing their roles as contracted by the Operator or relating to the provision of the Concession Services.

6 Operator of an Essential Service

- 6.1 Subject to paragraph 6.2 (*Operator of an Essential Service*), the Operator shall undertake the responsibilities and discharge the obligations of an Operator of an Essential Service (OES) in respect of the operation of the Passenger Services and the Operator Managed Stations.
- 6.2 If either RfL or the Operator becomes aware that someone other than the Operator has been designated as the Operator of an Essential Service (OES) in respect of the Passenger Services or one (1) or more Operator Managed Stations:
 - 6.2.1 such party shall promptly notify the other;
 - 6.2.2 RfL and the Operator shall meet as soon as reasonably practicable to discuss the steps reasonably required to effect the transfer of the role of Operator of an Essential Service (OES) to the person who has been so designated;
 - 6.2.3 the Operator shall take all reasonable steps to transfer such knowledge and experience which it holds in connection with the role of Operator of an Essential Service (OES) to the person who has been so designated;
 - 6.2.4 the Operator shall cooperate with RfL, such persons nominated by RfL and the person designated in the role as Operator of an Essential Service (OES) in connection with the matters contemplated by this paragraph; and
 - 6.2.5 a Change shall occur.

Appendix 1 to Schedule 6.2 Cyber Security Requirements

1 Cyber Security Risk Management

1.1 The Operator shall:

- (a) implement a Cyber Security Risk Management process for the purpose of identifying, assessing, mitigating, monitoring, and reporting upon cyber security risks, including the following:
 - (i) security risk assessment methodology;
 - (ii) cyber security risk status reports;
 - (iii) cyber security improvement plan;
 - (iv) review of cyber security controls; and
 - (v) review of the corrective and preventative actions,each as referred to in, and consistent with, ISO/IEC 27001:2022;
- (b) organise and manage a Cyber Security Risk Management forum where cyber security risks identified will be discussed and addressed;
- (c) conduct threat and risk assessments on any way in which the Concession Services are delivered that is new or has been materially changed since the last threat and risk assessment was conducted and the Operator shall comply with paragraph 12 (*Cyber Security Reporting*) with respect to the row in the table entitled "Cyber Security Risk Treatment Plan"; and
- (d) identify risks and discuss these risks at the relevant Concession Performance Meeting and the Operator shall comply with paragraph 12 (*Cyber Security Reporting*) with respect to the row in the table entitled "Cyber Security Risks within the Risk Register".

2 Engagement and Training

2.1 The Operator shall, from the date of this Agreement:

- (a) with respect to all persons of British nationality who would become Concession Employees upon their employment by the Operator, screen such persons in accordance with the HMG Baseline Personnel Security Standard (as may be updated or replaced from time to time) prior to such persons' employment;
- (b) procure that its Subcontractors shall comply with paragraph 2.1(a) (*Engagement and Training*) in relation to persons who are of British nationality employed by such Subcontractors in connection with the Concession Services, to the extent applicable to the activities to be undertaken by those persons in connection with the Concession Services;

- (c) with respect to all persons who are not of British nationality and who would become Concession Employees upon their employment by the Operator, screen such persons in accordance with HMG Personal Security Controls (as may be updated or replaced from time to time) prior to such persons' employment and/or the Operator authorising such persons to undertake any activities in connection with the Concession Services or to have access to any Data relating to the Concession Services or this Agreement;
- (d) procure that its Subcontractors shall comply with paragraph 2.1(c) (*Engagement and Training*) in relation to persons who are not of British nationality employed by such Subcontractors in connection with the Concession Services, to the extent applicable to the activities to be undertaken by those persons in connection with the Concession Services;
- (e) with respect to all Concession Employee roles, conduct a risk assessment as to whether such roles (including any new roles created by the Operator or its Subcontractors) require screening in addition to that set out in paragraphs 2.1(a) (*Engagement and Training*), 2.1(b) (*Engagement and Training*), 2.1(c) (*Engagement and Training*) and 2.1(d) (*Engagement and Training*) above and subsequently carry out any such additional screening as RfL may instruct from time to time (and the Operator shall procure that its Subcontractors shall comply with this paragraph);
- (f) request all Concession Employees to proactively disclose criminal offences to the Operator to the extent permissible by the Applicable Requirements;
- (g) ensure that:
 - (i) all Concession Employees; and
 - (ii) any other persons performing works or services or carrying out obligations on or in proximity to the Elizabeth Line Route, in either case to the extent relevant taking into account such persons' respective duties,receive cyber security awareness training annually and supervision at a level and in substance that is appropriate to that individual's position and the Operator's obligations under this Agreement;
- (h) without prejudice to Schedule 16.2 (*Confidentiality, Freedom of Information Act and Data Protection Requirements*) not permit any person the Operator employs or engages to use, access or obtain any Confidential Information unless that person is contractually bound to the Operator in writing to keep such information confidential on terms no less protective than the terms applicable to the Operator under this Agreement; and

- (i) comply with paragraph 12 (*Cyber Security Reporting*) with respect to the row in the table entitled, "Joiners, Movers and Leavers Notification".

3 **Asset Management**

- 3.1 The Operator shall implement controls to manage Concession Assets throughout their lifecycle, including processes for acquiring, using, maintaining and (where permitted under this Agreement) disposing of Concession Assets.
- 3.2 The Operator shall procure that any Concession Assets used to access or manage Data are under the authority of the Operator or RfL and have a standard set of security controls deployed upon them. Unless otherwise agreed with RfL in writing, all such Concession Assets are expected to meet the set of security requirements set out within PCI DSS requirements and any other relevant Cyber Security Standards.
- 3.3 The Operator shall:
 - (a) maintain an inventory of all Concession Assets;
 - (b) use secure methods when disposing of any Concession Asset, as appropriate and where such disposal is permitted under this Agreement; and
 - (c) maintain records of the disposal of any Concession Asset (where such disposal is permitted under this Agreement).

4 **Architecture and Configuration**

- 4.1 The Operator shall implement and maintain security assets in accordance with Good Industry Practice, which shall include the following:
 - (a) implementing and maintaining security assets such as industry standard firewalls that protect the perimeter and internal components of the Concession Services environment;
 - (b) following Good Industry Practice for Asset Hardening and Secure Configuration;
 - (c) removing or disabling unnecessary utilities from operating systems and configurations and restricting access rights to least privilege;
 - (d) ensuring that any preconfigured passwords delivered with any Concession Assets are changed prior to their implementation for use in the Concession Services environment;
 - (e) where the Operator manages user authentication controls for the Concession Employees to access the Concession Services:
 - (i) enforcing minimum password complexity, such as requiring passwords to be case sensitive, or requiring passwords to

- contain a minimum of twelve (12) characters and a combination of upper-case letters, lower-case letters, numbers, and/or special characters;
- (ii) requiring regular change of passwords at predetermined intervals, and limiting reuse of such passwords; and
- (iii) requiring multi-factor authentication for privileged access;
- (f) establishing a software development lifecycle for the purpose of defining, acquiring, developing, enhancing, modifying, testing, or implementing information systems; and
- (g) ensuring that web-based and mobile applications used to store, receive, send, control or access Data are monitored, controlled and secure.

5 Vulnerability Management

5.1 The Operator shall implement and maintain a Vulnerability Management programme in accordance with Good Industry Practice, which shall include the following:

- (a) applying security patches to Concession Assets as soon as possible in line with vendor recommendations;
- (b) implementing a process to test rogue wireless access points (and the Operator shall comply with paragraph 12 (*Cyber Security Reporting*) with respect to the row entitled "Wireless Access Point Scan Reports");
- (c) conducting internal and external network vulnerability tests at least Quarterly and the Operator shall appoint an external, qualified party to carry out such external network vulnerability tests (and the Operator shall comply with paragraph 12 (*Cyber Security Reporting*) with respect to the row in the table entitled "Vulnerability Test Report");
- (d) conducting external and internal penetration tests using the Operator's penetration testing methodology that is based on industry-accepted penetration testing approaches, that cover the all-relevant systems and include application-layer as well as network-layer tests (and the Operator shall keep all test results on record and remediate any findings in a timely manner and shall comply with paragraph 12 (*Cyber Security Reporting*) with respect to the row in the table entitled "Penetration Test Report");
- (e) ensuring that all penetration tests conducted in relation to the Concession Services are performed by industry accredited organisations;

- (f) implementing an Intrusion Detection System (IDS) and/or an Intrusion Prevention Solution (IPS) technique to detect and/or prevent and alert on intrusions into the network; and
- (g) maintaining industry standard processes for defending against malware, trojans and virus infections (and the Operator shall maintain a programme of anti-malware/anti-virus updates to keep provisioned Concession Assets free of infection).

6 Cyber Security Incident Management

6.1 The Operator shall implement and maintain a Cyber Security Incident Management Plan which shall be used to respond to breaches related to cyber security to the Concession Services and which shall include the following:

- (a) definition of roles, responsibilities, and communication and contact strategies in the event of a cyber security compromise, including notification of customers;
- (b) specific cyber security incident response procedures;
- (c) analysis of legal requirements for reporting cyber security compromises;
- (d) coverage of all critical system components;
- (e) regular review and testing of the Cyber Security Incident Management Plan;
- (f) cyber security incident management support personnel that are available to support the Concession Services;
- (g) training of Concession Employees;
- (h) inclusion of alerts from all cyber security monitoring systems; and
- (i) modification and evolution of the Cyber Security Incident Management Plan according to lessons learned and to incorporate industry developments.

7 Logging and Monitoring

7.1 On or before the date that falls twelve (12) months after the date of this Agreement, the Operator shall implement a solution for its corporate infrastructure which enables all access to network resources and Data to be tracked and monitored using a centralised logging mechanism that allows thorough tracking, alerting, and analysis on a regular basis (at least daily) as well as when an abnormality or an incident occurs (the "**Centralised Logging Mechanism**"). Thereafter, the Operator shall maintain the Centralised Logging Mechanism in a fully operational condition throughout the remainder of the Concession Period.

- 7.2 The Operator shall deploy and maintain a File-Integrity Monitoring solution for its corporate infrastructure to alert Concession Employees via its centralised solution to unauthorised modification of critical systems.
- 7.3 The Operator shall ensure that all systems forming part of its corporate infrastructure shall be provided with correct and consistent time and audit trails that are secure and protected, including File-Integrity Monitoring for Data classified as Confidential to prevent changes of existing Log Files and/or generate system alerts.
- 7.4 The Operator shall ensure that audit trails for critical systems are kept for a period in-line with industry standards.

8 Data Security

- 8.1 The Operator shall uphold data security in accordance with Good Industry Practice, which shall include:
 - (a) implementing and maintaining a Key Management solution in line with industry standards;
 - (b) implementing and maintaining encryption of Data while it is at rest;
 - (c) implementing and maintaining encryption of Data while it is in transit;
 - (d) withholding from any third party encryption keys used to secure Data or the ability to break such encryption;
 - (e) implementing and maintaining the logical separation of Data, even in the case of equipment or technology failure;
 - (f) implementing, where supported by available technology, the logical separation of audit records related to Data and activities, even in the case of equipment or technology failure, and segregate tenancy traffic from management network traffic; and
 - (g) not using Data for test or development purposes without the written approval of RfL.
- 8.2 The Operator shall segment the environment to ensure specific classified types of Data are not accessible to unauthorised individuals.
- 8.3 The Operator shall ensure that, where relevant, all Concession Assets have appropriate tools or applications installed to protect against malicious software.

9 Identity and Access Management

- 9.1 Where any Concession Employee is accessing any part of the Operator's systems that may contain Data, the Operator shall comply with Good Industry Practice which shall include:

- (a) implementing access control policies and procedures that address onboarding, off-boarding, transition between roles, regular access reviews, limitations and usage control of administrator privileges, and inactivity timeouts;
- (b) identifying and segregating conflicting duties and areas of responsibility, such as ensuring separation of duties;
- (c) maintaining a current and accurate inventory of computer accounts;
- (d) reviewing the inventory of computer accounts on a regular basis to identify dormant, fictitious, or unused accounts;
- (e) enforcing principles of "least privilege" and "need to know";
- (f) reviewing user access rights on a regular basis to identify excessive privileges;
- (g) enforcing a limit of logon attempts and concurrent sessions;
- (h) ensuring that all users of relevant Concession Assets are allocated a single unique ID for accessing the services environment;
- (i) ensuring any system administration functionality is strictly controlled and restricted to those Concession Employees who need to have access to such functionality and that the ability of Concession Employees to change the configuration of the Concession Assets is appropriately limited and fully auditable; and
- (j) ensuring that Concession Employees are informed of what constitutes acceptable access of operational or IT technology, Data and networks and the consequences of non-compliance.

9.2 The Operator shall comply with Good Industry Practice in permitting physical access to the Concession Assets, which shall include:

- (a) ensuring that physical access to the areas used to process or store Data shall be physically controlled (for example, via an electronic access control system);
- (b) ensuring that access to the areas processing or storing Data is restricted to those people working on that component of the Concession Services or those who have an operational requirement to access the area;
- (c) implementing an electronic access control system which shall:
 - (i) control and manage access into the building and internal areas used to process and store Data;
 - (ii) log all activities, alarms and events relating to access; and
 - (iii) hold Data for a minimum of ninety (90) days; and

- (d) defining and documenting procedures to manage visitor and temporary access into the building and internal areas used to process and manage Data.

10 **Compliance**

- 10.1 The Operator shall have a documented cyber security compliance plan and conduct regular reviews (at least once in each Concession Year) to ensure that the security of Data cannot be compromised.
- 10.2 The Operator shall assist RfL and any other member of the TfL Group with TfL's cyber security assessment process which may include a full physical and logical information security review at any location reasonably identified by RfL.
- 10.3 Unless otherwise stated in this Agreement, the Operator shall respond to any requests for information or Data to be provided to RfL or such person as RfL may nominate from time to time in relation to the Concession Services within twenty (20) Business Days of receipt of a notice from RfL to that effect.

11 **Cyber Security Business Continuity**

- 11.1 The Operator shall provide a Cyber Security Business Continuity Plan that:
 - 11.1.1 demonstrates how the Operator shall maintain the provision of the Concession Services in the event of a cyber security emergency; and
 - 11.1.2 which is aligned with the best practice detailed in ISO/IEC 22301.
- 11.2 The Operator shall review the Cyber Security Business Continuity Policy and Cyber Security Business Continuity Plan at least once in each Concession Year and any proposed revisions to either such document shall be shared with RfL by no later than twelve (12) months immediately following the previous submission. The Operator shall take into account any comments provided by RfL when it finalises the updates to such Cyber Security Business Continuity Policy and Cyber Security Business Continuity Plan.
- 11.3 RfL acting reasonably, may request further information relating to the Operator's cyber security business continuity arrangements, including exercise schedules and reports, and the Operator shall make all efforts to respond promptly to any such information requests.

12 **Cyber Security Reporting**

- 12.1 The Operator shall provide communicating metrics about cyber security, cyber security risk, and the performance of cyber security controls to RfL and, except as otherwise stated in this Schedule 6.2 (*Cyber Security*), the Operator shall provide the information specified in the column "Operator reporting requirement" at the frequencies set out in "Timeframe for submission to RfL" in the following table (provided that RfL and the Operator may at any time agree to consolidate or otherwise amend the format and presentation of such information):

Operator reporting requirement	Timeframe for submission to RfL
Cyber Security Management Plan	Within fifteen (15) Business Days of the Start Date.
Cyber security risk assessment methodology	Within fifteen (15) Business Days of the Start Date, and when significant changes to this document occur.
Joiners, Movers and Leavers Notification	Every three (3) months the Operator will provide RfL a report on all Concession Employees who have joined or left the provision of the Concession Services since the previous report was provided (or since the Start Date, in the case of the first such report).
Cyber Security Risks within the Cyber Security Risk Register	Within three (3) months of the Start Date, and thereafter at least five (5) Business Days before each relevant Concession Performance Meeting.
Cyber Security Risk Treatment Plan	Within three (3) months of the Start Date, and thereafter at least five (5) Business Days before each relevant Concession Performance Meeting.
Cyber security risk status reports	As part of each Periodic Concession Report.
Vulnerability Test Report	Within three (3) months of the Start Date, and then every three (3) months thereafter.
Penetration Test Report	At least once in each Concession Year, or within two (2) months following each significant change to the relevant system or Concession Assets (whichever is the sooner).
Wireless Access Point Scan Reports	Within three (3) months of the Start Date, and then every three (3) months thereafter.
Review of actions following each Cyber Security Incident	Within one (1) month after each Cyber Security Incident and each information security event which occurs following the Start Date.

Operator reporting requirement	Timeframe for submission to RfL
Cyber security improvement plan	At least once in each Concession Year, or within one (1) month following the identification of significant new vulnerabilities or threats (whichever is the sooner).
Review of cyber security controls	At least once in each Concession Year.
Review of the corrective and preventative actions	At least once in each Concession Year.

Appendix 2 to Schedule 6.2List of relevant Policies and Standards

- 1 P116 Information Technology Security Policy
This policy defines TfL's requirements for managing Information Security.
- 2 P009 Operational Technology Cyber Security - Operations and Maintenance
This policy defines TfL's requirements for Operations and Maintenance.
- 3 P008 Operational Technology Cyber Security - Projects and Upgrades
This policy defines TfL's requirements for Projects and Upgrades.
- 4 P006 Operational Technology Cyber Security
This policy defines TfL's requirements for Cyber Security in Operational Technology.
- 5 S1735 Information Technology Access Control
This standard provides guidance on how employee access should be limited to different types of data.
- 6 S1736 Network Information Security
This standard covers the security of all transmissions within an organisation's network.
- 7 S1740 Cryptography
This standard covers best practices in encryption.
- 8 S1747 Physical and Environmental Security of TfL's Information Technology
This standard describes the processes for securing buildings and internal equipment.
- 9 S1790 Information Security Asset Management
This standard describes the processes involved in managing data assets and how they should be protected and secured.
- 10 S1791 Operational Information Security
This standard provides guidance on how to collect and store data securely, a process that has taken on new urgency thanks to the passage of the General Data Protection Regulation (GDPR) in 2018.
- 11 S1793 IT System Acquisition, Development and Maintenance
This standard detail the processes for managing systems in a secure environment.
- 12 S1794 Information Security Supplier Management
This standard covers how an organisation should interact with third parties while ensuring security.
- 13 S1795 Information Security Incident Management

This standard covers how an organisation should manage information security incidents.

14 S1796 Information Security Aspects of Business Continuity Management

This standard covers how business disruptions and major changes should be handled.

15 S1797 Information Technology Compliance

This Standard identifies what government or industry regulations are relevant to the organisation, such as ITAR.

16 S1771 Operational Technology Cyber Security - Projects and Upgrades

This standard covers how Projects and Upgrades should be managed. This standard is intended to apply to operational technology and, whilst applicable, is not expected to be relevant to the provision of the Concession Services.

17 S1772 Operational Technology Cyber Security - Operations and Maintenance

This standard covers how Cyber Security should be managed in Operations and when performing maintenance activities. This standard is intended to apply to operational technology and, whilst applicable, is not expected to be relevant to the provision of the Concession Services.

Schedule 7
Operating Performance

Schedule 7.1: Operating Performance Regime

Schedule 7.2: Performance Payments Under Track Access Agreements

Schedule 7.3: Journey Time Metric, On-Time Metric and Trips Operated Metric

Schedule 7.4: General Operating Performance Provisions

Schedule 7.1
Operating Performance Regime

1 Base Station Values

- 1.1 The Base Station Values are specified in the Base Station Value Tables set out in Appendix 1 (*Base Station Value Tables*).
- 1.2 RfL may, in its absolute discretion, make changes to any of the Base Station Value Tables provided that any such change does not result in a material increase in Availability Adjustments or Cancellation Adjustments.

2 Availability and Cancellation Adjustment Calculations

Availability Adjustment Calculations

- 2.1 For each Reporting Period that commences on or after the Start Date, RfL shall, subject to paragraph 2.3 (*Availability and Cancellation Adjustment Calculations – Availability Adjustment Calculations*), calculate any Availability Adjustment in accordance with the following:

$$AA = \sum CDU + \sum (UOS_P \times OSR_P \times RF_P) + \sum (UOS_S \times OSR_S \times RF_S)$$

where:

"AA" means the Availability Adjustment for any Reporting Period that commences on or after the Start Date;

"Σ" means the summation of, as the context requires:

- (a) all Capacity Deductions for Units that are Unavailable;
- (b) any Operational Spare Unit which is Unavailable as a result of Primary Delay multiplied by the relevant rate; and
- (c) any Operational Spare Unit which is Unavailable as a result of Secondary Delay multiplied by the relevant rate,

in each case, on any day in that Reporting Period for reasons attributable to a particular Responsible Party multiplied by the relevant rate;

"CDU" means a Capacity Deduction for any Unit that is Unavailable in any such Reporting Period for reasons attributable to a Responsible Party, calculated in accordance with paragraph 2.2 (*Availability and Cancellation Adjustment Calculations – Availability Adjustment Calculations*);

"RF_P" means the Responsibility Factor that applies to that Unavailability caused by the applicable Responsible Party as a result of Primary Delay;

- "**RF_s**" means the Responsibility Factor that applies to that Unavailability caused by the applicable Responsible Party as a result of Secondary Delay;
- "**UOS_p**" means an Operational Spare Unit which is Unavailable for reasons attributable to a Responsible Party as a result of Primary Delay;
- "**OSR_p**" means the Operational Spare Unit rate of [REDACTED] per day that an Operational Spare Unit is Unavailable as a result of Primary Delay;
- "**UOS_s**" means an Operational Spare Unit which is Unavailable for reasons attributable to a Responsible Party as a result of Secondary Delay; and
- "**OSR_s**" means the Operational Spare Unit rate of [REDACTED] per day that an Operational Spare Unit is Unavailable as a result of Secondary Delay.

- 2.2 Each Capacity Deduction in respect of a Unit that is Unavailable for reasons attributable to a Responsible Party shall be calculated in accordance with the following:

$$CDU = ((\sum TSV_p) \times RF_p) + ((\sum TSV_s) \times RF_s)$$

where:

- "**CDU**" means the Capacity Deduction in relation to that Unit;
- "**Σ**" means the summation of Total Station Values for each Missed Station Stop that occurs as a consequence of that Unit being Unavailable;
- "**TSV_p**" means the Total Station Value for any Missed Station Stop that occurs as a consequence of that Unit being Unavailable as a result of Primary Delay;
- "**RF_p**" means the Responsibility Factor that applies to Unavailability caused by the applicable Responsible Party as a result of Primary Delay;
- "**TSV_s**" means the Total Station Value for any Missed Station Stop that occurs as a consequence of that Unit being Unavailable as a result of Secondary Delay; and
- "**RF_s**" means the Responsibility Factor that applies to Unavailability caused by the applicable Responsible Party as a result of Secondary Delay.

- 2.3 For any Unit provided by the Rolling Stock Provider as an Operational Spare Unit, where that Operational Spare Unit is Unavailable for reasons attributable to a Responsible Party, the amount applicable in relation to that Unit for the purpose of calculating the Availability Adjustment for the relevant Reporting Period pursuant to paragraph 2.1 (*Availability and Cancellation Adjustment Calculations – Availability Adjustment Calculations*), shall be:

- 2.3.1 [REDACTED] per day that that Unit is Unavailable in that Reporting Period as a result of Primary Delay; and

2.3.2 [REDACTED] per day that that Unit is Unavailable in that Reporting Period as a result of Secondary Delay,

in each case multiplied by the Responsibility Factor that applies to that Unavailability caused by the applicable Responsible Party.

2.4 An Availability Adjustment shall, subject to paragraph 8 (*Operating Performance Caps*), be made to the relevant Concession Payment for each Reporting Period in accordance with paragraphs 2.1 (*Performance Adjustments – Calculation of Performance Adjustments*) and 2.3 (*Performance Adjustments – Calculation of Operating Performance Adjustments*) of Schedule 11.1 (*Concession Payments*).

Cancellation Adjustment Calculations

2.5 For each Reporting Period that commences on or after the Start Date, RfL shall calculate any Cancellation Adjustment in accordance with the following:

$$CA = \sum CDC$$

where:

"**CA**" means the Cancellation Adjustment for any Reporting Period that commences on or after the Start Date;

"**Σ**" means the summation of all Capacity Deductions for all Cancellations that occur in any such Reporting Period for reasons attributable to a Responsible Party; and

"**CDC**" means a Capacity Deduction for any Cancellation that occurs in any such Reporting Period for reasons attributable to any Responsible Party, calculated in accordance with paragraph 2.6 (*Availability and Cancellation Adjustment Calculations – Cancellation Adjustment Calculations*).

2.6 Each Capacity Deduction in respect of a Cancellation shall be calculated in accordance with the following:

2.6.1 where a Cancellation occurs for reasons attributable solely to any Responsible Party:

$$CDC = ((\sum TSV_P) \times RF_P) + ((\sum TSV_S) \times RF_S)$$

where:

"**CDC**" means the Capacity Deduction in relation to that Cancellation;

"**Σ**" means the summation of Total Station Values for each Missed Station Stop that occurs as a consequence of that Cancellation;

"TSV_P" means the Total Station Value for any Missed Station Stop that occurs as a consequence of that Cancellation as a result of Primary Delay;

"RF_P" means the Responsibility Factor that applies to that Cancellation caused by the applicable Responsible Party;

"TSV_S" means the Total Station Value for any Missed Station Stop that occurs as a consequence of that Cancellation as a result of Secondary Delay; and

"RF_S" means the Responsibility Factor that applies to that Cancellation caused by the applicable Responsible Party; and

2.6.2 where a Cancellation occurs for reasons attributable jointly to the Operator and a relevant Infrastructure Manager:

$$CDC = ((\sum TSV_P) \times 0.5 \times RF_{OP}) + ((\sum TSV_P) \times 0.5 \times RF_{IMP}) + ((\sum TSV_S) \times 0.5 \times RF_{OS}) + ((\sum TSV_S) \times 0.5 \times RF_{IMS})$$

where:

"CDC" means the Capacity Deduction in relation to that Cancellation;

"Σ" means the summation of Total Station Values for each Missed Station Stop that occurs as a consequence of that Cancellation;

"TSV_P" means the Total Station Value for any Missed Station Stop that occurs as a consequence of that Cancellation as a result of Primary Delay;

"RF_{OP}" means the Responsibility Factor that applies to that Cancellation and the Operator in respect of Primary Delay;

"RF_{IMP}" means the Responsibility Factor that applies to that Cancellation and the relevant Infrastructure Manager in respect of Primary Delay;

"TSV_S" means the Total Station Value for any Missed Station Stop that occurs as a consequence of that Cancellation as a result of Secondary Delay;

"RF_{OS}" means the Responsibility Factor that applies to that Cancellation and the Operator in respect of Secondary Delay; and

"RF_{IMS}" means the Responsibility Factor that applies to that Cancellation and the relevant Infrastructure Manager in respect of Secondary Delay.

- 2.7 A Cancellation Adjustment shall, subject to paragraph 8 (*Operating Performance Caps*), be made to the relevant Concession Payment for each Reporting Period in accordance with paragraphs 2.1 (*Performance Adjustments – Calculation of Performance Adjustments*) and 2.3 (*Performance Adjustments – Calculation of Operating Performance Adjustments*) of Schedule 11.1 (*Concession Payments*).

3 Headway Adjustment Calculations

- 3.1 For each Reporting Period that commences on or after the Start Date, RfL shall calculate any Headway Adjustment in accordance with the following:

$$HA = \sum HD$$

where:

- "HA" means the Headway Adjustment for any Reporting Period that commences on or after the Start Date;
- "Σ" means the summation of all Headway Deductions that apply in relation to any such Reporting Period; and
- "HD" means a Headway Deduction for any Passenger Service that incurs Relevant Excess Headway in any such Reporting Period, calculated in accordance with paragraph 3.2 (*Headway Adjustment Calculations*).

- 3.2 Each Headway Deduction shall be calculated in accordance with the following:

- 3.2.1 where a Passenger Service incurs any Relevant Excess Headway due to the occurrence of a Headway Incident for reasons attributable solely to any Responsible Party:

$$HD = (REH_P \times [\text{REDACTED}] \times RF_P) + (REH_S \times [\text{REDACTED}] \times RF_S)$$

where:

- "HD" means the Headway Deduction;
- "REH_P" means all Relevant Excess Headway (including any partial minutes expressed as a decimal fraction of a minute) that arise due to the occurrence of that Headway Incident as a result of Primary Delay;
- "RF_P" means the Responsibility Factor that applies to that Responsible Party in respect of Primary Delay;
- "REH_S" means all Relevant Excess Headway (including any partial minutes expressed as a decimal fraction of a minute) that arise due to the occurrence of that Headway Incident as a result of Secondary Delay; and
- "RF_S" means the Responsibility Factor that applies to that Responsible Party in respect of Secondary Delay;

- 3.2.2 where a Passenger Service incurs any Relevant Excess Headway due to the occurrence of a Headway Incident for reasons attributable jointly to more than one (1) Responsible Party:

$$\begin{aligned} \text{HD} = & (\text{REH}_{\text{OP}} \times [\text{REDACTED}] \times \text{RF}_{\text{OP}}) + (\text{REH}_{\text{IMP}} \times [\text{REDACTED}] \times \text{RF}_{\text{IMP}}) \\ & + (\text{REH}_{\text{OS}} \times [\text{REDACTED}] \times \text{RF}_{\text{OS}}) \\ & + (\text{REH}_{\text{IMS}} \times [\text{REDACTED}] \times \text{RF}_{\text{IMS}}) \end{aligned}$$

where:

"**HD**" means the Headway Deduction;

"**REH_{OP}**" means the Relevant Excess Headway (including any partial minutes expressed as a decimal fraction of a minute) that is attributable to the Operator as a result of Primary Delay;

"**RF_{OP}**" means the Responsibility Factor that applies to that Headway Incident and the Operator in respect of Primary Delay;

"**REH_{IMP}**" means the Relevant Excess Headway (including any partial minutes expressed as a decimal fraction of a minute) that is attributable to the relevant Infrastructure Manager as a result of Primary Delay;

"**RF_{IMP}**" means the Responsibility Factor that applies to that Headway Incident and the relevant Infrastructure Manager in respect of Primary Delay;

"**REH_{OS}**" means the Relevant Excess Headway (including any partial minutes expressed as a decimal fraction of a minute) that is attributable to the Operator as a result of Secondary Delay;

"**RF_{OS}**" means the Responsibility Factor that applies to that Headway Incident and the Operator in respect of Secondary Delay;

"**REH_{IMS}**" means the Relevant Excess Headway (including any partial minutes expressed as a decimal fraction of a minute) that is attributable to the relevant Infrastructure Manager as a result of Secondary Delay; and

"**RF_{IMS}**" means the Responsibility Factor that applies to that Headway Incident and the relevant Infrastructure Manager in respect of Secondary Delay.

- 3.3 A Headway Adjustment shall, subject to paragraph 8 (*Operating Performance Caps*), be made to the relevant Concession Payment for each Reporting Period in accordance with paragraphs 2.1 (*Performance Adjustments – Calculation of Performance Adjustments*) and 2.3 (*Performance Adjustments – Calculation of Operating Performance Adjustments*) of Schedule 11.1 (*Concession Payments*).

4 Delay Adjustment Calculations

- 4.1 For each Reporting Period, RfL shall calculate any Delay Adjustment in accordance with the following:

$$DA = \sum DD$$

where:

- "**DA**" means the Delay Adjustment for any Reporting Period;
- "**Σ**" means the summation of all Delay Deductions that apply in relation to any such Reporting Period; and
- "**DD**" means a Delay Deduction for any Passenger Service that incurs Relevant Minutes Lateness in any such Reporting Period, calculated in accordance with paragraph 4.2 (*Delay Adjustment Calculations*).

- 4.2 Each Delay Deduction shall be calculated in accordance with the following:

- 4.2.1 where a Passenger Service incurs any Relevant Minutes Lateness due to the occurrence of a Delay Incident for reasons attributable solely to a Responsible Party:

$$DD = (RML_P \times [\text{REDACTED}] \times RF_P) + (RML_S \times [\text{REDACTED}] \times RF_S)$$

where:

- "**DD**" means the Delay Deduction;
- "**RML_P**" means in relation to any Delay Incident which is attributable solely to a Responsible Party, all Relevant Minutes Lateness (including the first three (3) Relevant Minutes Lateness arising from that Delay Incident and any partial minutes expressed as a decimal fraction of a minute) which is Primary Delay that arise due to the occurrence of that Delay Incident;
- "**RF_P**" means the Responsibility Factor that applies to that Delay Incident (which is Primary Delay) caused by that Responsible Party;
- "**RML_S**" means in relation to any Delay Incident which is attributable solely to a Responsible Party, all Relevant Minutes Lateness (including the first three (3) Relevant Minutes Lateness arising from that Delay Incident and any partial minutes expressed as a decimal fraction of a minute) which is Secondary Delay that arise due to the occurrence of that Delay Incident; and
- "**RF_S**" means the Responsibility Factor that applies to that Delay Incident (which is Secondary Delay) caused by that Responsible Party;

- 4.2.2 where a Passenger Service incurs any Relevant Minutes Lateness due to the occurrence of a Delay Incident for reasons attributable jointly to more than one (1) Responsible Party:

$$DD = (RML_{OP} \times [\text{REDACTED}] \times RF_{OP}) + (RML_{IMP} \times [\text{REDACTED}] \times RF_{IMP}) \\ + (RML_{OS} \times [\text{REDACTED}] \times RF_{OS}) \\ + (RML_{IMS} \times [\text{REDACTED}] \times RF_{IMS})$$

where:

"DD" means the Delay Deduction;

"RML_{OP}" means the Relevant Minutes Lateness (including the first three (3) Relevant Minutes Lateness arising from that Delay Incident and any partial minutes expressed as a decimal fraction of a minute) which is Primary Delay that is attributable to the Operator;

"RF_{OP}" means the Responsibility Factor that applies to that Delay Incident and the Operator in respect of Primary Delay;

"RML_{IMP}" means the Relevant Minutes Lateness (including the first three (3) Relevant Minutes Lateness arising from that Delay Incident and any partial minutes expressed as a decimal fraction of a minute) which is Primary Delay that is attributable to the relevant Infrastructure Manager;

"RF_{IMP}" means the Responsibility Factor that applies to that Delay Incident and the relevant Infrastructure Manager in respect of Primary Delay;

"RML_{OS}" means the Relevant Minutes Lateness (including the first three (3) Relevant Minutes Lateness arising from that Delay Incident and any partial minutes expressed as a decimal fraction of a minute) which is Secondary Delay that is attributable to the Operator;

"RF_{OS}" means the Responsibility Factor that applies to that Delay Incident and the Operator in respect of Secondary Delay;

"RML_{IMS}" means the Relevant Minutes Lateness (including the first three (3) Relevant Minutes Lateness arising from that Delay Incident and any partial minutes expressed as a decimal fraction of a minute) which is Secondary Delay that is attributable to the relevant Infrastructure Manager; and

"RF_{IMS}" means the Responsibility Factor that applies to that Delay Incident and the relevant Infrastructure Manager in respect of Secondary Delay; and

- 4.2.3 where a Passenger Service incurs any Relevant Minutes Lateness due to the occurrence of two (2) or more Delay Incidents, in each case for reasons attributable solely to any Responsible Party, the Minutes

Lateness comprising that Relevant Minutes Lateness shall be allocated to each relevant Delay Incident and the Delay Deduction for each Delay Incident shall then be calculated as set out in paragraph 4.2.1 (*Delay Adjustment Calculations*) or 4.2.2 (*Delay Adjustment Calculations*) as appropriate.

- 4.3 A Delay Adjustment shall, subject to paragraph 8 (*Operating Performance Caps*), be made to the relevant Concession Payment for each Reporting Period in accordance with paragraphs 2.1 (*Performance Adjustments – Calculation of Performance Adjustments*) and 2.3 (*Performance Adjustments – Calculation of Operating Performance Adjustments*) of Schedule 11.1 (*Concession Payments*).
- 4.4 The Operator acknowledges that under the CCOS TAA, performance is measured by reference to "Unexpected CCOS Journey Time" and by reference to "Seconds Late". Accordingly, for the purposes of this paragraph 4 (*Delay Adjustment Calculations*), any Relevant Minutes Lateness shall include any Seconds Late (expressed as a decimal fraction of a minute) and shall include the first thirty (30) seconds or half a minute of Relevant Minutes Lateness arising from that Delay Incident and any partial minutes expressed as a decimal fraction of a minute.

5 **Indexation of Adjustments, Thresholds and Caps**

Each of:

- 5.1 the Availability Adjustments;
- 5.2 the Cancellation Adjustments;
- 5.3 the Headway Adjustments;
- 5.4 the Delay Adjustments;
- 5.5 the Remedial Plan Reporting Period Performance Threshold;
- 5.6 the Remedial Plan Annual Operating Performance Threshold;
- 5.7 the Default Operating Performance Threshold;
- 5.8 the Operating Performance Individual Incident Cap;
- 5.9 the Operating Performance Reporting Period Cap; and
- 5.10 the Operating Performance Overall Cap,

are references to amounts as at the Indexation Base Month and shall be indexed in accordance with paragraph 3 (*Indexation by Reference to CPI*) of Schedule 11.2 (*Annual Concession Payments and Indexation*).

6 Performance against Operating Performance Thresholds

In respect of each Reporting Period, RfL shall calculate the Operator's performance for the Thirteen Period Measurement Period in which that Reporting Period occurs by:

- 6.1 ascertaining the Operating Performance Adjustment made in each of the Reporting Periods that comprise that Thirteen Period Measurement Period; and
- 6.2 separately comparing each of those Operating Performance Adjustments against both of the Remedial Plan Operating Performance Thresholds and the Default Operating Performance Threshold.

7 Recurrent Performance Failures

If a Recurrent Performance Failure occurs then a contravention of this Agreement shall have occurred and the provisions of paragraph 1 (*Remedial Plan Notices and Remedial Agreements*) of Schedule 17.1 (*Remedial Plans and Remedial Agreements*) shall apply.

8 Operating Performance Caps

Operating Performance Individual Incident Cap

- 8.1 The Operator shall not be liable to make any further Operating Performance Adjustments in respect of any individual Performance Failure where the aggregate of Operating Performance Adjustments in respect of that Performance Failure reaches the Operating Performance Individual Incident Cap.

Operating Performance Reporting Period Cap

- 8.2 The Operator shall not be liable to make any further Operating Performance Adjustments in any Reporting Period where the aggregate of Operating Performance Adjustments in that Reporting Period reaches the Operating Performance Reporting Period Cap.

Operating Performance Overall Cap

- 8.3 The Operator shall not be liable to make any further Operating Performance Adjustments where the aggregate of Operating Performance Adjustments made in any Thirteen Period Measurement Period reaches the Operating Performance Overall Cap (and in relation to instances where paragraph 8.1 (*Operating Performance Caps - Operating Performance Individual Incident Cap*) or paragraph 8.2 (*Operating Performance Caps - Operating Performance Reporting Period Cap*) has been applied to limit the Operator's liability in any Reporting Period comprising that Thirteen Period Measurement Period, taking account only of the amount of those Operating Performance Adjustments made pursuant to paragraph 8.2 (*Operating Performance Caps - Operating Performance Reporting Period Cap*)) and the provisions Schedule 17 (*Remedies, Termination and Expiry*) shall apply.

9 **Performance Worse than the Operating Performance Thresholds**

Performance Worse than the Remedial Plan Reporting Period Operating Performance Thresholds

- 9.1 If the Operating Performance Adjustment made in any two (2) Reporting Periods in any Thirteen Period Measurement Period is equal to or exceeds the Remedial Plan Reporting Period Operating Performance Threshold then:
- 9.1.1 a contravention of this Agreement shall have occurred; and
 - 9.1.2 the provisions of paragraph 1 (*Remedial Plan Notices and Remedial Agreements*) of Schedule 17.1 (*Remedial Plans and Remedial Agreements*) shall apply.

Performance Worse than the Remedial Plan Annual Operating Performance Thresholds

- 9.2 If the aggregate of Operating Performance Adjustments made in any Thirteen Period Measurement Period is equal to or exceeds the Remedial Plan Annual Operating Performance Threshold, then:
- 9.2.1 a contravention of this Agreement shall have occurred; and
 - 9.2.2 the provisions of paragraph 1 (*Remedial Plan Notices and Remedial Agreements*) of Schedule 17.1 (*Remedial Plans and Remedial Agreements*) shall apply.

Performance Worse than the Default Operating Performance Thresholds

- 9.3 If the aggregate of Operating Performance Adjustments made in any Thirteen Period Measurement Period for Performance Failures that occur for reasons attributable to the Operator (including those Performance Failures that occur for reasons attributable jointly to the Operator and any Infrastructure Manager) is equal to or exceeds the Default Operating Performance Threshold, then:
- 9.3.1 an Event of Default shall have occurred and the provisions of Schedule 17 (*Remedies, Termination and Expiry*) shall apply; and
 - 9.3.2 notwithstanding the occurrence of an Event of Default, the Operator shall, subject to paragraphs 8.1 (*Operating Performance Caps – Operating Performance Individual Incident Cap*) and 8.2 (*Operating Performance Caps – Operating Performance Reporting Period Cap*), remain liable for any Operating Performance Adjustments that are payable thereafter up to the Operating Performance Overall Cap.

**Appendix 1 to Schedule 7.1
Base Station Value Tables**

The Base Station Value Tables are as follows:

Table A – Westbound Weekday Services

	First/Las t Start to 06.05	Off Peak 06.06- 06.59	AM Shoulder 07.00- 07.44	AM Peak 07.45- 09.14	AM Shoulder 09.15-09.59	Timeba nds Off Peak 10.00- 15.59	PM Shoulder 16.00- 16.44	PM Peak 16.45- 18.14	PM Shoulder 18.15- 18.59	Off Peak 19.00- 20.59	Off Peak 21.00- 23.59	First/Las t 24.00- End
Station					Base Station Values							
Shenfiel d	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]
Brentwo od	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]
Harold Wood	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]
Gidea Park	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]
Romford	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]
Chadwel l Heath	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]
Goodma yes	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]
Seven Kings	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]

Appendix 1 to Schedule 7.1
Base Station Value Tables

	First/Las t Start to 06.05	Off Peak 06.06- 06.59	AM Shoulder 07.00- 07.44	AM Peak 07.45- 09.14	AM Shoulder 09.15-09.59	Timeba nds Off Peak 10.00- 15.59	PM Shoulder 16.00- 16.44	PM Peak 16.45- 18.14	PM Shoulder 18.15- 18.59	Off Peak 19.00- 20.59	Off Peak 21.00- 23.59	First/Las t 24.00- End
Station					Base Station Values							
Ilford	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]
Manor Park	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]
Forest Gate	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]
Marylan d	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]
Stratfor d	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]
Abbey Wood	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]
Woolwic h	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]
Custom House	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]
Canary Wharf	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]
Whitech apel	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]
Liverpoo l Street	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]

	First/Las t Start to 06.05	Off Peak 06.06- 06.59	AM Shoulder 07.00- 07.44	AM Peak 07.45- 09.14	AM Shoulder 09.15-09.59	Timeba nds Off Peak 10.00- 15.59	PM Shoulder 16.00- 16.44	PM Peak 16.45- 18.14	PM Shoulder 18.15- 18.59	Off Peak 19.00- 20.59	Off Peak 21.00- 23.59	First/Las t 24.00- End
Station					Base Station Values							
Farringd on	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]
Tottenh am	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]
Court Road	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]
Bond Street	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]
Padding ton	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]
Old Oak Commo n	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]
Acton Main Line	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]
Ealing Broadwa y	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]
West Ealing	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]
Hanwell	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]

	First/Las t Start to 06.05	Off Peak 06.06- 06.59	AM Shoulder 07.00- 07.44	AM Peak 07.45- 09.14	AM Shoulder 09.15-09.59	Timeba nds Off Peak 10.00- 15.59	PM Shoulder 16.00- 16.44	PM Peak 16.45- 18.14	PM Shoulder 18.15- 18.59	Off Peak 19.00- 20.59	Off Peak 21.00- 23.59	First/Las t 24.00- End
Station					Base Station Values							
Southall	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]
Hayes & Harlingt on	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]
Heathro w Central Termina l Area	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]
Heathro w Termina l 4	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]
Heathro w Termina l 5	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]
West Drayton	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]
Iver	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]

Appendix 1 to Schedule 7.1
Base Station Value Tables

	First/Las t Start to 06.05	Off Peak 06.06- 06.59	AM Shoulder 07.00- 07.44	AM Peak 07.45- 09.14	AM Shoulder 09.15-09.59	Timeba nds Off Peak 10.00- 15.59	PM Shoulder 16.00- 16.44	PM Peak 16.45- 18.14	PM Shoulder 18.15- 18.59	Off Peak 19.00- 20.59	Off Peak 21.00- 23.59	First/Las t 24.00- End
Station					Base Station Values							
Langley	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]
Slough	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]
Burnha m	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]
Taplow	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]
Maidenh ead	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]
Twyford	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]
Reading	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]	[REDACT ED]

Table B – Westbound Saturday Services

Station	Timebands		
	Start–09.00	09.00–22.00	22.00–end
Shenfield	[REDACTED]	[REDACTED]	[REDACTED]
Brentwood	[REDACTED]	[REDACTED]	[REDACTED]
Harold Wood	[REDACTED]	[REDACTED]	[REDACTED]
Gidea Park	[REDACTED]	[REDACTED]	[REDACTED]
Romford	[REDACTED]	[REDACTED]	[REDACTED]
Chadwell Heath	[REDACTED]	[REDACTED]	[REDACTED]
Goodmayes	[REDACTED]	[REDACTED]	[REDACTED]
Seven Kings	[REDACTED]	[REDACTED]	[REDACTED]
Ilford	[REDACTED]	[REDACTED]	[REDACTED]
Manor Park	[REDACTED]	[REDACTED]	[REDACTED]
Forest Gate	[REDACTED]	[REDACTED]	[REDACTED]
Maryland	[REDACTED]	[REDACTED]	[REDACTED]
Stratford	[REDACTED]	[REDACTED]	[REDACTED]
Abbey Wood	[REDACTED]	[REDACTED]	[REDACTED]
Woolwich	[REDACTED]	[REDACTED]	[REDACTED]
Custom House	[REDACTED]	[REDACTED]	[REDACTED]
Canary Wharf	[REDACTED]	[REDACTED]	[REDACTED]
Whitechapel	[REDACTED]	[REDACTED]	[REDACTED]
Liverpool Street	[REDACTED]	[REDACTED]	[REDACTED]
Farringdon	[REDACTED]	[REDACTED]	[REDACTED]
Tottenham Court Road	[REDACTED]	[REDACTED]	[REDACTED]
Bond Street	[REDACTED]	[REDACTED]	[REDACTED]
Paddington	[REDACTED]	[REDACTED]	[REDACTED]
Old Oak Common	[REDACTED]	[REDACTED]	[REDACTED]

Station	Timebands		
	Start-09.00	09.00-22.00	22.00-end
Acton Main Line	[REDACTED]	[REDACTED]	[REDACTED]
Ealing Broadway	[REDACTED]	[REDACTED]	[REDACTED]
West Ealing	[REDACTED]	[REDACTED]	[REDACTED]
Hanwell	[REDACTED]	[REDACTED]	[REDACTED]
Southall	[REDACTED]	[REDACTED]	[REDACTED]
Hayes & Harlington	[REDACTED]	[REDACTED]	[REDACTED]
Heathrow Central Terminal Area	[REDACTED]	[REDACTED]	[REDACTED]
Heathrow Terminal 4	[REDACTED]	[REDACTED]	[REDACTED]
Heathrow Terminal 5	[REDACTED]	[REDACTED]	[REDACTED]
West Drayton	[REDACTED]	[REDACTED]	[REDACTED]
Iver	[REDACTED]	[REDACTED]	[REDACTED]
Langley	[REDACTED]	[REDACTED]	[REDACTED]
Slough	[REDACTED]	[REDACTED]	[REDACTED]
Burnham	[REDACTED]	[REDACTED]	[REDACTED]
Taplow	[REDACTED]	[REDACTED]	[REDACTED]
Maidenhead	[REDACTED]	[REDACTED]	[REDACTED]
Twyford	[REDACTED]	[REDACTED]	[REDACTED]
Reading	[REDACTED]	[REDACTED]	[REDACTED]

Table C – Westbound Sunday Services

Station	Timebands		
	Start–12.00	12.00–21.00	21.00–end
Shenfield	[REDACTED]	[REDACTED]	[REDACTED]
Brentwood	[REDACTED]	[REDACTED]	[REDACTED]
Harold Wood	[REDACTED]	[REDACTED]	[REDACTED]
Gidea Park	[REDACTED]	[REDACTED]	[REDACTED]
Romford	[REDACTED]	[REDACTED]	[REDACTED]
Chadwell Heath	[REDACTED]	[REDACTED]	[REDACTED]
Goodmayes	[REDACTED]	[REDACTED]	[REDACTED]
Seven Kings	[REDACTED]	[REDACTED]	[REDACTED]
Ilford	[REDACTED]	[REDACTED]	[REDACTED]
Manor Park	[REDACTED]	[REDACTED]	[REDACTED]
Forest Gate	[REDACTED]	[REDACTED]	[REDACTED]
Maryland	[REDACTED]	[REDACTED]	[REDACTED]
Stratford	[REDACTED]	[REDACTED]	[REDACTED]
Abbey Wood	[REDACTED]	[REDACTED]	[REDACTED]
Woolwich	[REDACTED]	[REDACTED]	[REDACTED]
Custom House	[REDACTED]	[REDACTED]	[REDACTED]
Canary Wharf	[REDACTED]	[REDACTED]	[REDACTED]
Whitechapel	[REDACTED]	[REDACTED]	[REDACTED]
Liverpool Street	[REDACTED]	[REDACTED]	[REDACTED]
Farringdon	[REDACTED]	[REDACTED]	[REDACTED]
Tottenham Court Road	[REDACTED]	[REDACTED]	[REDACTED]
Bond Street	[REDACTED]	[REDACTED]	[REDACTED]
Paddington	[REDACTED]	[REDACTED]	[REDACTED]
Old Oak Common	[REDACTED]	[REDACTED]	[REDACTED]

Station	Timebands		
	Start-12.00	12.00-21.00	21.00-end
Acton Main Line	[REDACTED]	[REDACTED]	[REDACTED]
Ealing Broadway	[REDACTED]	[REDACTED]	[REDACTED]
West Ealing	[REDACTED]	[REDACTED]	[REDACTED]
Hanwell	[REDACTED]	[REDACTED]	[REDACTED]
Southall	[REDACTED]	[REDACTED]	[REDACTED]
Hayes & Harlington	[REDACTED]	[REDACTED]	[REDACTED]
Heathrow Central Terminal Area	[REDACTED]	[REDACTED]	[REDACTED]
Heathrow Terminal 4	[REDACTED]	[REDACTED]	[REDACTED]
Heathrow Terminal 5	[REDACTED]	[REDACTED]	[REDACTED]
West Drayton	[REDACTED]	[REDACTED]	[REDACTED]
Iver	[REDACTED]	[REDACTED]	[REDACTED]
Langley	[REDACTED]	[REDACTED]	[REDACTED]
Slough	[REDACTED]	[REDACTED]	[REDACTED]
Burnham	[REDACTED]	[REDACTED]	[REDACTED]
Taplow	[REDACTED]	[REDACTED]	[REDACTED]
Maidenhead	[REDACTED]	[REDACTED]	[REDACTED]
Twyford	[REDACTED]	[REDACTED]	[REDACTED]
Reading	[REDACTED]	[REDACTED]	[REDACTED]

Table D – Eastbound Weekday Services

	First/Last Start to 06.05	Off Peak 06.06- 06.59	AM Shoulde r 07.00- 07.44	AM Peak 07.45- 09.14	AM Shoulde r 09.15- 09.59	Timebands Off Peak 10.00- 15.59	PM Shoulde r 16.00- 16.44	PM Peak 16.45- 18.14	PM Shoulde r 18.15- 18.59	Off Peak 19.00- 20.59	Off Peak 21.00- 23.59	First/Last 24.00-End
Station					Base Station Values							
Shenfield	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Brentwood	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Harold Wood	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Gidea Park	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Romford	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Chadwell Heath	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Goodmayes	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

Appendix 1 to Schedule 7.1
Base Station Value Tables

	First/Last Start to 06.05	Off Peak 06.06- 06.59	AM Shoulde r 07.00- 07.44	AM Peak 07.45- 09.14	AM Shoulde r 09.15- 09.59	Timebands Off Peak 10.00- 15.59	PM Shoulde r 16.00- 16.44	PM Peak 16.45- 18.14	PM Shoulde r 18.15- 18.59	Off Peak 19.00- 20.59	Off Peak 21.00- 23.59	First/Last 24.00-End
Station					Base Station Values							
Seven Kings	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Ilford	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Manor Park	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Forest Gate	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Maryland	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Stratford	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Abbey Wood	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Woolwich	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

	First/Last Start to 06.05	Off Peak 06.06- 06.59	AM Shoulde r 07.00- 07.44	AM Peak 07.45- 09.14	AM Shoulde r 09.15- 09.59	Timebands Off Peak 10.00- 15.59	PM Shoulde r 16.00- 16.44	PM Peak 16.45- 18.14	PM Shoulde r 18.15- 18.59	Off Peak 19.00- 20.59	Off Peak 21.00- 23.59	First/Last 24.00-End
Station					Base Station Values							
Custom House	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Canary Wharf	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Whitechapel	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Liverpool Street	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Farringdon	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Tottenham Court Road	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Bond Street	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Paddington	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

	First/Last Start to 06.05	Off Peak 06.06- 06.59	AM Shoulder 07.00- 07.44	AM Peak 07.45- 09.14	AM Shoulder 09.15- 09.59	Timebands Off Peak 10.00- 15.59	PM Shoulder 16.00- 16.44	PM Peak 16.45- 18.14	PM Shoulder 18.15- 18.59	Off Peak 19.00- 20.59	Off Peak 21.00- 23.59	First/Last 24.00-End
Station					Base Station Values							
Old Oak Common	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Acton Main Line	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Ealing Broadway	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
West Ealing	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Hanwell	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Southall	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Hayes & Harlington	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Heathrow Central Terminal Area	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

	First/Last Start to 06.05	Off Peak 06.06- 06.59	AM Shoulde r 07.00- 07.44	AM Peak 07.45- 09.14	AM Shoulde r 09.15- 09.59	Timebands Off Peak 10.00- 15.59	PM Shoulde r 16.00- 16.44	PM Peak 16.45- 18.14	PM Shoulde r 18.15- 18.59	Off Peak 19.00- 20.59	Off Peak 21.00- 23.59	First/Last 24.00-End
Station					Base Station Values							
Heathrow Terminal 4	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Heathrow Terminal 5	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
West Drayton	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Iver	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Langley	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Slough	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Burnham	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Taplow	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

Appendix 1 to Schedule 7.1
Base Station Value Tables

	First/Last Start to 06.05	Off Peak 06.06- 06.59	AM Shoulde r 07.00- 07.44	AM Peak 07.45- 09.14	AM Shoulde r 09.15- 09.59	Timebands Off Peak 10.00- 15.59	PM Shoulde r 16.00- 16.44	PM Peak 16.45- 18.14	PM Shoulde r 18.15- 18.59	Off Peak 19.00- 20.59	Off Peak 21.00- 23.59	First/Last 24.00-End
Station					Base Station Values							
Maidenhead	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Twyford	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Reading	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

Table E – Eastbound Saturday Services

Station	Timebands		
	Start–09.00	09.00–22.00	22.00-end
Shenfield	[REDACTED]	[REDACTED]	[REDACTED]
Brentwood	[REDACTED]	[REDACTED]	[REDACTED]
Harold Wood	[REDACTED]	[REDACTED]	[REDACTED]
Gidea Park	[REDACTED]	[REDACTED]	[REDACTED]
Romford	[REDACTED]	[REDACTED]	[REDACTED]
Chadwell Heath	[REDACTED]	[REDACTED]	[REDACTED]
Goodmayes	[REDACTED]	[REDACTED]	[REDACTED]
Seven Kings	[REDACTED]	[REDACTED]	[REDACTED]
Ilford	[REDACTED]	[REDACTED]	[REDACTED]
Manor Park	[REDACTED]	[REDACTED]	[REDACTED]
Forest Gate	[REDACTED]	[REDACTED]	[REDACTED]
Maryland	[REDACTED]	[REDACTED]	[REDACTED]
Stratford	[REDACTED]	[REDACTED]	[REDACTED]
Abbey Wood	[REDACTED]	[REDACTED]	[REDACTED]
Woolwich	[REDACTED]	[REDACTED]	[REDACTED]
Custom House	[REDACTED]	[REDACTED]	[REDACTED]
Canary Wharf	[REDACTED]	[REDACTED]	[REDACTED]
Whitechapel	[REDACTED]	[REDACTED]	[REDACTED]
Liverpool Street	[REDACTED]	[REDACTED]	[REDACTED]
Farringdon	[REDACTED]	[REDACTED]	[REDACTED]
Tottenham Court Road	[REDACTED]	[REDACTED]	[REDACTED]
Bond Street	[REDACTED]	[REDACTED]	[REDACTED]
Paddington	[REDACTED]	[REDACTED]	[REDACTED]
Old Oak Common	[REDACTED]	[REDACTED]	[REDACTED]

Station	Timebands		
	Start-09.00	09.00-22.00	22.00-end
Acton Main Line	[REDACTED]	[REDACTED]	[REDACTED]
Ealing Broadway	[REDACTED]	[REDACTED]	[REDACTED]
West Ealing	[REDACTED]	[REDACTED]	[REDACTED]
Hanwell	[REDACTED]	[REDACTED]	[REDACTED]
Southall	[REDACTED]	[REDACTED]	[REDACTED]
Hayes & Harlington	[REDACTED]	[REDACTED]	[REDACTED]
Heathrow Central Terminal Area	[REDACTED]	[REDACTED]	[REDACTED]
Heathrow Terminal 4	[REDACTED]	[REDACTED]	[REDACTED]
Heathrow Terminal 5	[REDACTED]	[REDACTED]	[REDACTED]
West Drayton	[REDACTED]	[REDACTED]	[REDACTED]
Iver	[REDACTED]	[REDACTED]	[REDACTED]
Langley	[REDACTED]	[REDACTED]	[REDACTED]
Slough	[REDACTED]	[REDACTED]	[REDACTED]
Burnham	[REDACTED]	[REDACTED]	[REDACTED]
Taplow	[REDACTED]	[REDACTED]	[REDACTED]
Maidenhead	[REDACTED]	[REDACTED]	[REDACTED]
Twyford	[REDACTED]	[REDACTED]	[REDACTED]
Reading	[REDACTED]	[REDACTED]	[REDACTED]

Table F – Eastbound Sunday Services

Station	Timebands		
	Start-12.00	12.00-21.00	21.00-end
Shenfield	[REDACTED]	[REDACTED]	[REDACTED]
Brentwood	[REDACTED]	[REDACTED]	[REDACTED]
Harold Wood	[REDACTED]	[REDACTED]	[REDACTED]
Gidea Park	[REDACTED]	[REDACTED]	[REDACTED]
Romford	[REDACTED]	[REDACTED]	[REDACTED]
Chadwell Heath	[REDACTED]	[REDACTED]	[REDACTED]
Goodmayes	[REDACTED]	[REDACTED]	[REDACTED]
Seven Kings	[REDACTED]	[REDACTED]	[REDACTED]
Ilford	[REDACTED]	[REDACTED]	[REDACTED]
Manor Park	[REDACTED]	[REDACTED]	[REDACTED]
Forest Gate	[REDACTED]	[REDACTED]	[REDACTED]
Maryland	[REDACTED]	[REDACTED]	[REDACTED]
Stratford	[REDACTED]	[REDACTED]	[REDACTED]
Abbey Wood	[REDACTED]	[REDACTED]	[REDACTED]
Woolwich	[REDACTED]	[REDACTED]	[REDACTED]
Custom House	[REDACTED]	[REDACTED]	[REDACTED]
Canary Wharf	[REDACTED]	[REDACTED]	[REDACTED]
Whitechapel	[REDACTED]	[REDACTED]	[REDACTED]
Liverpool Street	[REDACTED]	[REDACTED]	[REDACTED]
Farringdon	[REDACTED]	[REDACTED]	[REDACTED]
Tottenham Court Road	[REDACTED]	[REDACTED]	[REDACTED]
Bond Street	[REDACTED]	[REDACTED]	[REDACTED]
Paddington	[REDACTED]	[REDACTED]	[REDACTED]
Old Oak Common	[REDACTED]	[REDACTED]	[REDACTED]

Station	Timebands		
	Start-12.00	12.00-21.00	21.00-end
Acton Main Line	[REDACTED]	[REDACTED]	[REDACTED]
Ealing Broadway	[REDACTED]	[REDACTED]	[REDACTED]
West Ealing	[REDACTED]	[REDACTED]	[REDACTED]
Hanwell	[REDACTED]	[REDACTED]	[REDACTED]
Southall	[REDACTED]	[REDACTED]	[REDACTED]
Hayes & Harlington	[REDACTED]	[REDACTED]	[REDACTED]
Heathrow Central Terminal Area	[REDACTED]	[REDACTED]	[REDACTED]
Heathrow Terminal 4	[REDACTED]	[REDACTED]	[REDACTED]
Heathrow Terminal 5	[REDACTED]	[REDACTED]	[REDACTED]
West Drayton	[REDACTED]	[REDACTED]	[REDACTED]
Iver	[REDACTED]	[REDACTED]	[REDACTED]
Langley	[REDACTED]	[REDACTED]	[REDACTED]
Slough	[REDACTED]	[REDACTED]	[REDACTED]
Burnham	[REDACTED]	[REDACTED]	[REDACTED]
Taplow	[REDACTED]	[REDACTED]	[REDACTED]
Maidenhead	[REDACTED]	[REDACTED]	[REDACTED]
Twyford	[REDACTED]	[REDACTED]	[REDACTED]
Reading	[REDACTED]	[REDACTED]	[REDACTED]

Appendix 2 to Schedule 7.1
Operating Performance Thresholds Table

Column 1	Column 2	Column 3
Remedial Plan Reporting Period Operating Performance Threshold (£)	Remedial Plan Annual Operating Performance Threshold (£)	Default Operating Performance Threshold (£)
The aggregate of [REDACTED] and the level of Operating Performance Adjustments assumed in the Financial Model for the relevant Reporting Period.	The aggregate of [REDACTED] and the level of Operating Performance Adjustments assumed in the Financial Model for the relevant Thirteen Period Measurement Period.	The aggregate of [REDACTED] and the level of Operating Performance Adjustments assumed in the Financial Model for Performance Failures that occur for reasons attributable to the Operator (including those Performance Failures that occur for reasons attributable jointly to the Operator and any Infrastructure Manager) for the relevant Thirteen Period Measurement Period.

**Appendix 3 to Schedule 7.1
Responsibility Factors Table**

Part 1: Primary Delay

Column 1	Column 2	Column 3	Column 4	Column 5
Responsible entity	Availability Adjustments	Cancellation Adjustments	Headway Adjustments	Delay Adjustments
HAL	0.1	0.1	0.1	0.1
Operator	1.0	1.0	1.0	1.0
Network Rail	0.1	0.1	0.1	0.1
RfL(I)	0.1	0.1	0.1	0.1
Rolling Stock Provider	0.1	0.1	0.1	0.1
Train Operator-on-Train Operator	0.1	0.1	0.1	0.1

Part 2: Secondary Delay

Column 1	Column 2	Column 3	Column 4	Column 5
Responsible entity	Availability Adjustments	Cancellation Adjustments	Headway Adjustments	Delay Adjustments
HAL	0.1	0.1	0.3	0.3
Operator	1.0	1.0	0.3	0.3
Network Rail	0.1	0.1	0.3	0.3
RfL(I)	0.1	0.1	0.3	0.3
Rolling Stock Provider	0.1	0.1	0.3	0.3
Train Operator-on-Train Operator	0.1	0.1	0.3	0.3

Schedule 7.2
Performance Payments Under Track Access Agreements

1 Payments to and from Network Rail

Payments in relation to Network Rail's Performance

- 1.1 The Operator shall, subject to paragraph 1.3 (*Payments to and from Network Rail – Set-off of Payments*), in each Reporting Period pay to RfL by way of a Track Access Agreement Performance Adjustment for that Reporting Period in accordance with paragraph 3.3 (*Pass Through Adjustments – Calculation of Track Access Agreement Performance Adjustments*) of Schedule 11.1 (*Concession Payments*), any Network Rail (Schedule 8) Payment paid to the Operator under any Network Rail TAA, for reasons attributable to the performance by Network Rail of its performance obligations, and the Operator shall, if RfL so directs, exercise its rights under any Network Rail TAA to ensure that any such Network Rail (Schedule 8) Payment will, when paid to RfL pursuant to this paragraph 1.1 (*Payments to and from Network Rail – Payments in relation to Network Rail's Performance*), compensate RfL to the fullest extent possible for any adverse impacts on Ticket Revenue, Non-Ticket Revenue or additional costs incurred by RfL as a consequence of such performance, including, where appropriate, seeking compensation for RfL's actual costs incurred.
- 1.2 RfL shall, subject to paragraph 1.3 (*Payments to and from Network Rail – Set-off of Payments*), in each Reporting Period pay to the Operator by way of a Track Access Agreement Performance Adjustment for that Reporting Period in accordance with paragraph 3.3 (*Pass Through Adjustments – Calculation of Track Access Agreement Performance Adjustments*) of Schedule 11.1 (*Concession Payments*), a sum that is equivalent to any Network Rail (Schedule 8) Payment that the Operator is obliged to make to Network Rail in relation to a Reporting Period under the terms of schedule 8 (*Performance Regime*) of any Network Rail TAA (the "**NRTAA Performance Regime**") where the Network Rail Performance Sum (as defined therein) is greater than zero (0) in that Reporting Period.

Set-off of Payments

- 1.3 Any payment to be made by the Operator to RfL pursuant to paragraph 1.1 (*Payments to and from Network Rail – Payments in relation to Network Rail's Performance*) in any Reporting Period shall be set-off against any payment to be made in the same Reporting Period by RfL to the Operator pursuant to paragraph 1.2 (*Payments to and from Network Rail – Payments in relation to Network Rail's Performance*).

2 Payments to and from HAL

Payments in relation to HAL's Performance

- 2.1 The Operator shall, subject to paragraph 2.3 (*Payments to and from HAL – Set-off of Payments*), in each Reporting Period pay to RfL by way of a Track Access Agreement Performance Adjustment for that Reporting Period in

accordance with paragraph 3.3 (*Pass Through Adjustments – Calculation of Track Access Agreement Performance Adjustments*) of Schedule 11.1 (*Concession Payments*), any HAL (Schedule 8) Payment paid to the Operator under any HAL TAA, for reasons attributable to the performance by HAL of its performance obligations, and the Operator shall, if RfL so directs, exercise its rights under any HAL TAA to ensure that any such HAL (Schedule 8) Payment will, when paid to RfL pursuant to this paragraph 2.1 (*Payments to and from HAL – Payments in relation to HAL's Performance*), compensate RfL to the fullest extent possible for any adverse impacts on Ticket Revenue, Non-Ticket Revenue or additional costs incurred by RfL as a consequence of such performance, including, where appropriate, seeking compensation for RfL's actual costs incurred.

- 2.2 RfL shall, subject to paragraph 2.3 (*Payments to and from HAL – Set-off of Payments*), in each Reporting Period pay to the Operator by way of a Track Access Agreement Performance Adjustment for that Reporting Period in accordance with paragraph 3.3 (*Pass Through Adjustments – Calculation of Track Access Agreement Performance Adjustments*) of Schedule 11.1 (*Concession Payments*), a sum that is equivalent to any HAL (Schedule 8) Payment that the Operator is obliged to make to HAL in relation to a Reporting Period under the terms of schedule 8 (*Performance Regime*) of any HAL TAA (the "**HAL TAA Performance Regime**") where the HAL Performance Sum (as defined therein) is greater than zero (0) in that Reporting Period.

Set-off of Payments

- 2.3 Any payment to be made by the Operator to RfL pursuant to paragraph 2.1 (*Payments to and from HAL – Payments in relation to HAL's Performance*) in any Reporting Period shall be set-off against any payment to be made in the same Reporting Period by RfL to the Operator pursuant to paragraph 2.2 (*Payments to and from HAL – Payments in relation to HAL's Performance*).

3 **Payments to and from RfL(I)**

Payments in relation to RfL(I)'s Performance

- 3.1 The Operator shall, subject to paragraph 3.3 (*Payments to and from RfL(I) – Set-off of Payments*), in each Reporting Period pay to RfL by way of a Track Access Agreement Performance Adjustment for that Reporting Period in accordance with paragraph 3.3 (*Pass Through Adjustments – Calculation of Track Access Agreement Performance Adjustments*) of Schedule 11.1 (*Concession Payments*), any RfL(I) (Schedule 8) Payment paid to the Operator under the CCOS TAA, for reasons attributable to the performance by RfL(I) of its performance obligations, and the Operator shall, if RfL so directs, exercise its rights under any CCOS TAA to ensure that any such RfL(I) (Schedule 8) Payment will, when paid to RfL pursuant to this paragraph 3.1 (*Payments to and from RfL (I) – Payments in relation to RfL(I)'s Performance*), compensate RfL to the fullest extent possible for any adverse impacts on Ticket Revenue, Non-Ticket Revenue or additional costs incurred by RfL as a consequence of such performance, including, where appropriate, seeking compensation for RfL's actual costs incurred.

- 3.2 RfL shall, subject to paragraph 3.3 (*Payments to and from RfL(I) – Set-off of Payments*), in each Reporting Period pay to the Operator by way of a Track Access Adjustment Performance Adjustment for that Reporting Period in accordance with paragraph 3.3 (*Pass Through Adjustments – Calculation of Track Access Agreement Performance Adjustments*) of Schedule 11.1 (*Concession Payments*), a sum that is equivalent to any RfL(I) (Schedule 8) Payment that the Operator is obliged to make to RfL(I) in relation to a Reporting Period under the terms of schedule 8 (*Performance Regime*) of the CCOS TAA (the "**CCOS TAA Performance Regime**") where the RfL(I) Performance Sum (as defined therein) is greater than zero (0) in that Reporting Period.

Set-off of payments

- 3.3 Any payment to be made by the Operator to RfL pursuant to paragraph 3.1 (*Payments to and from RfL(I) – Payments in relation to RfL(I)'s Performance*) in any Reporting Period shall be set-off against any payment to be made in the same Reporting Period by RfL to the Operator pursuant to paragraph 3.2 (*Payments to and from RfL(I) – Payments in relation to RfL(I)'s Performance*).

Schedule 7.3

Journey Time Metric, On-Time Metric and Trips Operated Metric

1 Journey Time Metric

- 1.1 RfL will, during the Concession Period, for the purpose of monitoring trends in journey time performance and preparing business cases for future investments in increased capacity, monitor all time-based aspects of a passenger's journey in a single measure of performance, which will include time spent:
 - 1.1.1 purchasing tickets (where applicable);
 - 1.1.2 in Elizabeth Line Stations, including time moving to and from platforms;
 - 1.1.3 waiting on platforms (including as a result of crowding on the Passenger Services);
 - 1.1.4 on Passenger Services; and
 - 1.1.5 interchanging,the "**Journey Time Metric**".
- 1.2 RfL will generate the data that comprises the Journey Time Metric by periodically surveying the metrics referred to in paragraph 1.1 (*Journey Time Metric*).
- 1.3 The Operator shall:
 - 1.3.1 co-operate with RfL in generating the data that comprises the Journey Time Metric, On-Time Metric and Trips Operated Metric; and
 - 1.3.2 provide RfL on request with its expert opinion of the trends in journey time performance that are evident from the data that comprises the Journey Time Metric, On-Time Metric and Trips Operated Metric.

2 Monitoring

- 2.1 For the purposes of reporting within the TfL Group and facilitating benchmarking across members of the TfL Group and the wider railway industry, the Operator shall:
 - 2.1.1 as part of each Periodic Concession Report, set out its performance in the Reporting Period to which the Periodic Concession Report relates against each of the Journey Time Metric, On-Time Metric and Trips Operated Metric;
 - 2.1.2 calculate the Operator's performance against each of the Journey Time Metric, On-Time Metric and Trips Operated Metric on a moving annual average basis (the "**Metric MAA Rate**") in accordance with the following:

$$M_{\text{maa}R} = \frac{\text{MPR} + \text{MR}}{13}$$

where:

- "**M_{maaR}**" means the Metric MAA Rate for the Journey Time Metric, On-Time Metric or Trips Operated Metric (as the context may require);
- "**MPR**" means the Operator's performance in respect of the Journey Time Metric, On-Time Metric or Trips Operated Metric (as the context may require) in that Reporting Period, as set out in the Periodic Concession Report; and
- "**MR**" means, subject to paragraph 2.1.3 (*Monitoring*), the aggregate of the Operator's performance in respect of the Journey Time Metric, On-Time Metric or Trips Operated Metric (as the context may require) for the twelve (12) Reporting Periods immediately prior to that Reporting Period; and

2.1.3 where less than thirteen (13) Reporting Periods have occurred during the Concession Period:

- (a) "**MR**" shall be the aggregate of the Operator's performance in respect of the Journey Time Metric, On-Time Metric or Trips Operated Metric (as the context may require) for each of the Reporting Periods immediately prior to that Reporting Period during the Concession Period; and
- (b) "**13**" shall instead be the total number of Reporting Periods (including that Reporting Period) which have occurred during the Concession Period.

2.2 If the Metric MAA Rate in respect of any of the Journey Time Metric, On-Time Metric or Trips Operated Metric displays a negative trend in each of three (3) consecutive Reporting Periods:

- 2.2.1 the Operator shall, as part of the immediately succeeding Periodic Concession Report, prepare and submit to RfL a report which analyses the reasons for the worsening of such metric, together with the steps it proposes to take to improve the Metric MAA Rate;
- 2.2.2 RfL and the Operator (each acting reasonably) shall seek to agree the steps the Operator will take to improve the Metric MAA Rate in respect of such metric (and in the absence of agreement, RfL shall be entitled to reasonably determine the steps the Operator will take); and
- 2.2.3 the Operator shall implement the steps agreed or determined pursuant to paragraph 2.2.2 (*Monitoring*).

Schedule 7.4
General Operating Performance Provisions

1 Daily Performance Data

Daily Recording and Monitoring

1.1 On each day of the Concession Period, the Operator shall accurately record and monitor all Performance Failures that occur on that day using any reliable and accurate data available to it, including from:

- 1.1.1 any Network Monitoring System;
- 1.1.2 the Operator Control Room;
- 1.1.3 any information obtained from the Concession Employees (including drivers of Units); and
- 1.1.4 in relation to the Train Fleet, the SP Daily Performance Record and the Data (in each case as defined in the RSPA) provided by the Rolling Stock Provider.

Daily Reporting

1.2 By 0700 on each day of the Concession Period (other than in relation to the Optional Unit Fleet only, which shall instead apply by 0700 on each day of the Concession Period occurring one (1) day after the Optional Unit Operating Date), the Operator shall provide RfL with the Operator Daily Performance Record which shall include data relating to the Train Fleet.

1.3 That part of any Operator Daily Performance Record that relates to the Train Fleet shall be used by RfL to produce the RfL Daily Performance Record (as defined in the RSPA) for the purposes of the RSPA and the RSPA Agency Agreement.

2 Periodic Performance Data – Periodic Reporting

At the end of each Reporting Period, the Operator shall for that Reporting Period include data relating to the Train Fleet in the Periodic Concession Report.

3 Notice of Calculations

As soon as reasonably practicable after the end of each Reporting Period, RfL shall notify the Operator of the results of the calculations performed pursuant to this Schedule 7 (*Operating Performance*).

4 General Principles for Calculations Pursuant to this Schedule 7

Disregarding Certain Performance Failures

4.1 In performing the calculations pursuant to Schedule 7.1 (*Operating Performance Regime*), RfL shall:

- 4.1.1 disregard any Performance Failure that:

- (a) is caused by the occurrence or continuing effect of an Excusing Cause (Schedule 7);
- (b) is attributable to an RfL Failure; or
- (c) in the case of Minutes Lateness or Seconds Lateness, occurs on an Exempt Diagram Leg;

4.1.2 in the case of a Performance Failure which is caused by the implementation in accordance with its terms of an Approved Performance Incident Mitigation Plan:

- (a) subject to paragraph 4.1.2(b) (*General Principles for Calculations Pursuant to this Schedule 7*), multiply the result of the calculation in respect of such Performance Failure by zero point three five (0.35) to reduce the amount of the payment otherwise payable by the Operator in respect of such Performance Failure;
- (b) no reduction in the amount of the payment otherwise payable by the Operator in respect of such Performance Failure (as referred to in paragraph 4.1.2(a) (*General Principles for Calculations Pursuant to this Schedule 7*)) shall occur once the following two (2) conditions have been satisfied:
 - (i) the prevention or restriction of access to the track or a section of track (including any track running into, through or out of a station) has been removed by the relevant Infrastructure Manager; and
 - (ii) two (2) single journeys between an originating point and a terminating point have occurred in respect of a particular Unit affected by such Performance Failure immediately following the removal of the prevention or restriction referred to in paragraph 4.1.2(b)(i) (*General Principles for Calculations Pursuant to this Schedule 7*); and

4.1.3 in the case of a Cancellation which occurs where:

- (a) no prevention or no restriction of access to the track or a section of track (including any track running into, through or out of a station) has been imposed by a relevant Infrastructure Manager; and
- (b) the Operator is unable to demonstrate that it has taken all reasonable steps to avoid the circumstances in which such Unit Misses One or More Station Stops on the Diagram Leg which is the subject of the Performance Failure; and
- (c) RfL reasonably believes that the Operator has deliberately made such Cancellation with the intention of maximising the

Operator's position under Schedule 7.1 (*Operating Performance Regime*) to the detriment of the customer,

multiply the result of the calculation in respect of such Cancellation by ten (10) to increase the amount of the payment otherwise payable by the Operator in respect of such Cancellation.

4.2 Any reference in Schedule 7.1 (*Operating Performance Regime*) to a Performance Failure:

4.2.1 **"which is attributable to";**

4.2.2 which occurs **"for reasons attributable to"** or **"for reasons attributable solely to"** or **"for reasons attributable jointly to"**;
or

4.2.3 which is **"caused by"**,

in each case any of each Infrastructure Manager shall be construed as a Performance Failure that Infrastructure Manager (as the case may be) has directly caused through its own performance or non-performance or directly contributed to the occurrence of that Performance Failure through its own performance or non-performance (as the case may be) and not a Performance Failure that is attributable to or caused by another operator of railway passenger services or services for the transportation of goods, but which that Infrastructure Manager is accountable for as Infrastructure Manager under the relevant Track Access Agreement.

Unavailability and Cancellations

4.3 Where a Unit is Unavailable to deliver its Diagram, it shall not also be considered a Cancellation and no Cancellation Adjustment shall be payable.

Disputed Minutes Lateness and Seconds Lateness

4.4 Where the attribution of any Minutes Lateness or Seconds Lateness (as the case may be) pursuant to any Track Access Agreement is in dispute between the relevant Infrastructure Manager and the Operator at the end of a Reporting Period, RfL shall, for the purpose of performing the calculations pursuant to, as appropriate, paragraphs 3.2 (*Headway Adjustment Calculations*) or 4.2 (*Delay Adjustment Calculations*) of Schedule 7.1 (*Operating Performance Regime*), allocate those Minutes Lateness or Seconds Lateness (as the case may be) between the Operator and that Infrastructure Manager in the proportions of:

A to B

where:

"A" is the total number of undisputed Minutes Lateness or Seconds Lateness (as the case may be) from the twelve (12) preceding Reporting Periods that are attributable to the Operator pursuant to that Track Access Agreement; and

"B" is the total number of undisputed Minutes Lateness or Seconds Lateness (as the case may be) from the twelve (12) preceding Reporting Periods that are attributable to the relevant Infrastructure Manager pursuant to that Track Access Agreement.

- 4.5 Where the attribution of any Minutes Lateness or Seconds Lateness (as the case may be) pursuant to any Track Access Agreement is resolved between the relevant Infrastructure Manager and the Operator in accordance with the terms of that Track Access Agreement during any Reporting Period, RfL shall, for the purposes of performing the calculations in paragraphs 3.2 (*Headway Adjustment Calculations*) or 4.2 (*Delay Adjustment Calculations*) of Schedule 7.1 (*Operating Performance Regime*), make provision for any resulting increase or decrease in Minutes Lateness or Seconds Lateness (as the case may be) attributable to the Operator and attributable to the relevant Infrastructure Manager.
- 4.6 The Operator agrees with RfL to comply with the requirements of the relevant Track Access Agreement in respect of Minutes Lateness or Seconds Lateness (as the case may be) attribution.

Excusing Causes (Schedule 7)

- 4.7 Each of the following shall be an **"Excusing Cause (Schedule 7)"** and together shall be the **"Excusing Causes (Schedule 7)"** subject to the conditions specified in paragraph 4.8 (*General Principles for Calculations Pursuant to this Schedule 7 – Excusing Causes (Schedule 7)*):

4.7.1 the Operator or any of its agents or subcontractors is prevented or restricted by any Infrastructure Manager or any Facility Owner (other than a Facility Owner which is an Affiliate of the Operator) from entering or leaving:

- (a) any station which is not an Operator Managed Station or any part thereof (excluding any prevention or restriction from gaining access to any section or part of track running into, through or out of a station); or
- (b) any depot or part thereof (including the movement of trains on tracks within any depot but excluding any prevention or restriction from gaining access to any track outside such depot running into or out of that depot),

provided that this shall not apply where the Operator (in its role of operator of the RfL(I) Stations under the Stations Operator Agreement) prevents or restricts the Operator (in any other capacity) from entering or leaving an RfL(I) Station (whether such prevention or restriction is direct or indirect through RfL(I) as Facility Owner);

4.7.2 the Operator prevents or restricts the operation of any train on safety grounds, provided that:

- (a) the Operator has, either before or as soon as reasonably practicable after initiating such prevention or restriction, sought the confirmation of the ORR in exercise of its safety functions, or any relevant other body with statutory responsibility for safety in the circumstances, of the necessity of such prevention or restriction; and
 - (b) if and to the extent that the ORR, or other relevant body with statutory responsibility for safety in the circumstances, in exercise of its safety functions indicates that such prevention or restriction is not necessary, then no Excusing Cause (Schedule 7) shall continue in respect of that restriction or prevention after the receipt of such indication from the ORR or other relevant body;
- 4.7.3 act of God, war damage, enemy action, terrorism or suspected terrorism, riot, civil commotion, rebellion or the act of any government instrumentality (including the ORR but excluding RfL and any member of the TfL Group), provided that there shall be no Excusing Cause (Schedule 7) under this paragraph 4.7.3 (*General Principles for Calculations Pursuant to this Schedule 7 – Excusing Causes (Schedule 7)*) by reason of:
 - (a) the suicide or attempted suicide of any person that does not constitute an act of terrorism;
 - (b) without prejudice to paragraph 4.7.7, the activities of the police, fire service, ambulance service or other equivalent emergency service that are not in response to acts of terrorism or suspected terrorism;
 - (c) an act of God which results in the Operator or its agents or subcontractors being prevented or restricted by any Infrastructure Manager from gaining access to any relevant section or part of track;
- 4.7.4 the occurrence of a Pandemic, provided that RfL has not issued a new Service Level Commitment which, in RfL's reasonable view, seeks to mitigate the impact of the occurrence of such Pandemic;
- 4.7.5 any strike or other Industrial Action by any or all of the employees, agents or subcontractors of:
 - (a) any Infrastructure Manager; or
 - (b) any other operator of any railway facility,other than, in each case, the Operator;
- 4.7.6 at the time that the Applicable Timetable for the affected day is drawn up by each relevant Infrastructure Manager:

- (a) the Meteorological Office has issued a Red Warning that affects or is reasonably expected to affect any one or more of the CCOS, the Eastern Section, and/or the Western Section (and including a material part of the CCOS, the Eastern Section and/or the Western Section); and
- (b) as a direct result of the issue of such Red Warning the Operator either reschedules or omits from the Applicable Timetable at the point it is drawn up any one or more of the Passenger Services or subsequently omits or reschedules any Passenger Services that have been included in such Applicable Timetable; and

4.7.7 one (1) or more of the emergency services has imposed a restriction in the vicinity of an Elizabeth Line Station which means it is not possible for any member of the public to access such Elizabeth Line Station (provided that the Operator has taken reasonable steps to secure safe access to, and egress from, such Elizabeth Line Station for members of the public),

and for the purposes of paragraph 4.7.5 (*General Principles for Calculations Pursuant to this Schedule 7 – Excusing Causes (Schedule 7)*), "Industrial Action" shall include any concerted action taken in connection with the employment of the relevant employees (whether or not that action involves any breach of such employees' conditions of employment, and including any action taken in furtherance of a dispute, or with a view to improving the terms of employment of the relevant employees or by way of support for any other person) subject always, in the case of any unofficial industrial action, to the Operator being able to demonstrate the occurrence of such unofficial industrial action to the reasonable satisfaction of RfL.

4.8 In respect of any potential Excusing Cause (Schedule 7), the occurrence, and continuing existence of an Excusing Cause (Schedule 7) shall be subject to satisfaction of the following conditions:

4.8.1 the Operator notifies RfL within two (2) Business Days of it becoming aware or, if circumstances dictate, as soon as reasonably practicable thereafter, of:

- (a) the occurrence or likely occurrence of the relevant event; and
- (b) the effect or the anticipated effect of such event on the Operator's performance of the Passenger Services;

4.8.2 at the same time as the Operator serves notification on RfL under paragraph 4.8.1 (*General Principles for Calculations Pursuant to this Schedule 7 – Excusing Causes (Schedule 7)*), it informs RfL of the steps taken and/or proposed to be taken by the Operator to prevent the occurrence of, and/or to mitigate and minimise the effects of, the relevant event and to restore the provision of the Passenger Services;

- 4.8.3 the relevant event did not occur as a result of:
- (a) any act or omission to act by the Operator or its agents or subcontractors; or
 - (b) the Operator's own contravention of, or default under, this Agreement, any Access Agreement, Rolling Stock Related Contract, Property Lease or any other agreement;
- 4.8.4 the Operator used and continues to use all reasonable endeavours to avert or prevent the occurrence and/or reoccurrence of the relevant event and/or to mitigate and minimise the effects of such event on its performance of the Passenger Services (and the Operator shall notify and update RfL on request of the measures it is taking to do the same) and to restore the provision of the Passenger Services as soon as reasonably practicable after the onset of the occurrence of such event; and
- 4.8.5 the Operator shall, to the extent reasonably so requested by RfL, exercise its rights and remedies under any relevant agreement to prevent the occurrence or recurrence of any such event and to obtain appropriate redress and/or compensation from any relevant person.

5 **Approved Performance Incident Mitigation Plans**

- 5.1 An Approved Performance Incident Mitigation Plan may only be proposed in respect of the following circumstance:
- 5.1.1 the Operator or any of its agents or subcontractors is prevented or restricted by any Infrastructure Manager (including by virtue of the implementation of any Contingency Plan) from gaining access to any section or part of track (including any track running into, through or out of a station); and
 - 5.1.2 for the purposes of this paragraph 5.1 (*Approved Performance Incident Mitigation Plans*):
 - (a) references to a party being prevented or restricted from gaining access to any section or part of track shall mean that such party is not permitted to operate any trains on the relevant section or part of track, or is only permitted to operate a reduced number of trains from that which it was scheduled to operate;
 - (b) the period of such prevention or restriction shall be deemed to commence with effect from the first occasion on which the Operator is prevented or restricted from operating a train on such section or part of track; and
 - (c) references in paragraphs 5.1.2(a) (*Approved Performance Incident Mitigation Plans*) and 5.1.2(b) (*Approved Performance Incident Mitigation Plans*) to the operation of

trains include scheduled empty rolling stock vehicle movements.

5.2 Any Approved Performance Incident Mitigation Plan shall:

- 5.2.1 seek to minimise the disruption arising from a prevention or restriction of access to the track or a section of track by providing the best possible level of service given such disruption, including by:
 - (a) keeping service intervals to reasonable durations;
 - (b) keeping extended journey times to reasonable durations; and
 - (c) managing any resulting overcrowding;
- 5.2.2 seek to return the level of service to that level specified in the Timetable as soon as reasonably practicable; and
- 5.2.3 where the infrastructure is capable of supporting the operation of Passenger Services at the applicable time, seek to provide a level of service which is as close as reasonably practicable to the level of service which would have operated over such infrastructure in the absence of disruption.

5.3 An:

5.3.1 **"Approved Performance Incident Mitigation Plan"** shall be:

- (a) with effect from the Start Date, such performance incident mitigation plans (if any) agreed in accordance with the Conditions Precedent Agreement; and
- (b) thereafter, such replacement performance incident mitigation plans as may be agreed by RfL from time to time in accordance with paragraph 5.7 (*Approved Performance Incident Mitigation Plans - Lessons learned*); and

5.3.2 **"ARP Reporting Template"** shall be:

- (a) with effect from the Start Date, the format for reporting to RfL following any implementation of an Approved Performance Incident Mitigation Plan as a result of a prevention or restriction of access to the track or a section of track agreed or determined in accordance with the Conditions Precedent Agreement; and
- (b) thereafter, such replacement reporting template as may be agreed by the parties or as RfL may otherwise direct from time to time.

Implementation of an Approved Performance Incident Mitigation Plan

- 5.4 Where there is a prevention or restriction of access to the track or a section of track, the Operator shall:
- 5.4.1 implement (as appropriate) an Approved Performance Incident Mitigation Plan in accordance with its terms;
 - 5.4.2 within one (1) Business Day of the occurrence of such prevention or restriction, provide RfL with a report relating to such prevention or restriction of access using the form of the ARP Reporting Template; and
 - 5.4.3 promptly provide such other information as RfL may reasonably request in connection with such prevention or restriction of access.

Lessons Learned

- 5.5 As soon as reasonably practicable:
- 5.5.1 following each prevention or restriction of access to the track or a section of track;
 - 5.5.2 in advance of each Passenger Change Date; and
 - 5.5.3 following the implementation of each Network Change,
- the Operator shall:
- (a) review the efficacy of each Contingency Plan and, where appropriate, use all reasonable endeavours to agree amendments to such Contingency Plan with the relevant Infrastructure Manager to improve the efficacy of such Contingency Plan and consistent with Good Industry Practice; and
 - (b) consider whether any amendments should be made to any Approved Performance Incident Mitigation Plan to ensure consistency with each Contingency Plan, improve the efficacy of such Approved Performance Incident Mitigation Plan for future preventions or restrictions of access and to ensure consistency with Good Industry Practice (and, if the Operator considers amendments should be made to such Approved Performance Incident Mitigation Plan, paragraphs 5.6 (*Approved Performance Incident Mitigation Plans- Lessons learned*) and 5.7 (*Approved Performance Incident Mitigation Plans- Lessons learned*) shall apply).
- 5.6 The Operator may propose amendments to an Approved Performance Incident Mitigation Plan, provided that such Approved Performance Incident Mitigation Plan (as so amended) meets the requirements of paragraph 5.2 (*Approved Performance Incident Mitigation Plan*) where there is a prevention or restriction of access to the track or a section of track (howsoever caused).
- 5.7 RfL shall consider any amendments proposed by the Operator to an Approved Performance Incident Mitigation Plan pursuant to paragraph 5.6 (*Approved*

Performance Incident Mitigation Plans – Lessons learned) and confirm whether or not it agrees to such Approved Performance Incident Mitigation Plan (as so amended), in either case in a timely manner. RfL shall not be obliged to accept any such amendments. If RfL:

- 5.7.1 accepts such amendments, such Approved Performance Incident Mitigation Plan (as so amended) shall become an Approved Performance Incident Mitigation Plan; or
- 5.7.2 does not accept such amendments, such Approved Performance Incident Mitigation Plan shall continue to apply in an unamended form.

Schedule 8
Service Quality and Passenger Perception

Schedule 8.1: KPI Regime

Appendix 1: Key Performance Indicators

Appendix 2: Measures used to inform KPI Regime Compliance

Schedule 8.2: MSS Regime

Appendix: MSS Benchmarks

Schedule 8.3: Customer Satisfaction Regime

Appendix: CSS Benchmarks

Schedule 8.4: Quality Performance Regime

Appendix: Quality Performance Regime Benchmark

Schedule 8.5: Information about Journeys

Schedule 8.6: Excusing Causes (Schedule 8)

Schedule 8.1
KPI Regime

1 Introduction

This KPI Regime provides for:

- 1.1 the responsibilities, including auditing, and reporting requirements of the Operator;
- 1.2 the audits that may be carried out by RfL;
- 1.3 the rights of RfL to witness any audit carried out by the Operator; and
- 1.4 the remedies available to RfL if the Operator underperforms against the Key Performance Indicators.

2 Auditing

KPI Audit Programme

- 2.1 The Operator shall establish an audit programme by the Start Date which shall provide for a reasonable spread and frequency of audits across the Elizabeth Line Route and across those facilities that are the subject of the Key Performance Indicators in order to ascertain:
 - 2.1.1 the extent to which the Operator is implementing the Fault Management System in accordance with its terms;
 - 2.1.2 the extent to which the Operator is meeting, and the way in which the Operator seeks to meet, in each case, the standards of the Key Performance Indicators; and
 - 2.1.3 the extent to which the Operator is accurately reporting faults in accordance with paragraph 3 (*Reporting Requirements of the Operator*),(the "**KPI Audit Programme**").
- 2.2 The Operator shall implement the KPI Audit Programme in accordance with its terms:
 - 2.2.1 in relation to a KPI Measured Station, from the Start Date;
 - 2.2.2 in relation to a Class 345 Unit, from the Start Date;
 - 2.2.3 in relation to an Optional Unit, from the date that the Operator first operates that Unit in passenger revenue earning service, and
 - 2.2.4 in all other respects, from the Start Date.

RfL Auditing

- 2.3 RfL, and its nominee on its behalf, shall have the right to:

- 2.3.1 verify the accuracy of any reports provided by the Operator pursuant to paragraph 3.1 (*Reporting Requirements of the Operator*);
 - 2.3.2 witness any audits carried out by the Operator under the KPI Audit Programme; and
 - 2.3.3 carry out its own independent audits of the extent to which the Operator is implementing the Fault Management System in accordance with its terms and the way in which the Operator seeks to meet the standards of the Key Performance Indicators, in addition to any further independent audits it may carry out pursuant to paragraph 2.1 (*Increased Monitoring by RfL*) of Schedule 17.3 (*Other RfL Remedies*).
- 2.4 In undertaking independent audits carried out pursuant to paragraph 2.3.3 (*Auditing – RfL Auditing*), RfL shall:
- 2.4.1 populate those parts of the MSS Questionnaire that contain any standard in relation to any Key Performance Indicator specified in Appendix 2 (*Measures Used To Inform KPI Regime Compliance*); and
 - 2.4.2 use all reasonable endeavours to ensure that the persons employed carry out such audits diligently and objectively.
- 2.5 The Operator shall:
- 2.5.1 co-operate with RfL, and its nominees on its behalf, in permitting RfL and its nominees to exercise their respective rights under paragraph 2.3 (*Auditing – RfL Auditing*) and shall provide to RfL, within forty-eight (48) hours of RfL's request, any underlying data relating to any report provided by the Operator pursuant to paragraph 3.2.3 (*Reporting Requirements of the Operator*);
 - 2.5.2 grant such access to the facilities under its control as is necessary to enable RfL and RfL's employees and nominees on its behalf to witness any audits conducted by the Operator pursuant to the KPI Audit Programme and exercise its independent audit rights under paragraph 2.3.3 (*Auditing – RfL Auditing*); and
 - 2.5.3 provide notice from time to time of current location-specific access, security and safety rules and regulations to RfL or its nominees for the purpose of ensuring that RfL or its nominees can carry out RfL's auditing rights in an efficient, secure and safe manner.
- 2.6 In carrying out any independent audit pursuant to paragraph 2.3.3 (*Auditing – RfL Auditing*), or witnessing any audits conducted by the Operator pursuant to the KPI Audit Programme, RfL shall, subject to paragraph 2.5.3 (*Auditing – RfL Auditing*), ensure that its employees or nominees:
- 2.6.1 are appropriately trained and briefed with respect to any location-specific safety rules and regulations; and

- 2.6.2 obey any location-specific rules and regulations in respect of security and access.
- 2.7 RfL shall use all reasonable endeavours to notify the Operator of the result of any independent audit that is undertaken within any Reporting Period as soon as reasonably practicable thereafter.

3 **Reporting Requirements of the Operator**

- 3.1 The Operator shall record any fault associated with the KPI Regime on the Fault Tracking Database automatically where the Fault Management System provides for this and, to the extent not recorded automatically, promptly upon the Operator becoming aware of that fault.
- 3.2 The Operator shall within ten (10) Business Days of the end of each Reporting Period (except during the first Reporting Period of the Concession Period) provide to RfL:
 - 3.2.1 a statement of the amount of the KPI Adjustment that should be made in respect of the preceding Reporting Period in accordance with paragraph 5.1 (*Calculation of KPI Adjustments*);
 - 3.2.2 a breakdown of the amount stated pursuant to paragraph 3.2.1 (*Reporting Requirements of the Operator*) where required by RfL and to such level of disaggregation as RfL may require;
 - 3.2.3 an accurate report of its performance, providing its assessment of that performance and the reasons for any failures against any Key Performance Indicator; and
 - 3.2.4 at the same time provide copies, where required by RfL, of the records of the audits carried out pursuant to the KPI Audit Programme.
- 3.3 The Operator shall be proactive in identifying and reporting to RfL faults associated with this KPI Regime which may be present on a repeated basis or in a number of assets or processes.
- 3.4 The Operator shall self-certify (such certification to be made by a director of the Operator) to RfL every Reporting Period its compliance with its obligations under this KPI Regime.

4 **Payments**

Failure to meet any Key Performance Indicator Standard

- 4.1 If the Operator fails to meet any Key Performance Indicator standard specified in Appendix 1 (*Key Performance Indicators*) in any Reporting Period, then, subject to the mitigation, if any, described in the same row as that standard in Appendix 1 (*Key Performance Indicators*) and to paragraph 4.2 (*Failures to meet any Key Performance Indicator Standard*), the Operator shall include in the next calculation it makes pursuant to paragraph 5.1 (*Calculation of KPI Adjustments*), the performance failure payment in respect of that standard in

the amount specified for that standard in Appendix 1 (*Key Performance Indicators*).

- 4.2 The Operator and RfL may, from time to time, agree (in writing) a contingency plan relating to any of the Key Performance Indicators (each a "**KPI Contingency Plan**"). Any such KPI Contingency Plan may identify any measures to be taken by the Operator to address any failure to meet any Key Performance Indicator standard together with such other provisions as the parties may agree. Provided that the Operator complies with the terms and provisions of a KPI Contingency Plan, no KPI Adjustment will be made pursuant to paragraph 5.1 (*Calculation of KPI Adjustments*) in respect of the relevant Key Performance Indicator.

Material Inconsistencies

- 4.3 If either any investigation carried out by RfL or its nominee pursuant to paragraph 2.3.3 (*Auditing – RfL Auditing*) or any report produced by the Operator pursuant to paragraph 3.2.3 (*Reporting Requirements of the Operator*) reveals material inconsistencies in the Operator's performance in respect of this KPI Regime in any Reporting Period, including failures by the Operator to:

- 4.3.1 accurately calculate its performance in accordance with paragraph 5.1 (*Calculation of KPI Adjustments*) (except to the extent the Operator can demonstrate to the reasonable satisfaction of RfL that any such inconsistency is due to manifest error);
- 4.3.2 report faults in accordance with the Fault Management System; or
- 4.3.3 audit its performance in accordance with the KPI Audit Programme,

then the Operator shall include in the next calculation it makes pursuant to paragraph 5.1 (*Calculation of KPI Adjustments*), a KPI Incentive Payment, calculated in accordance with paragraph 4.4 (*Payments – Material Inconsistencies*).

- 4.4 Any "**KPI Incentive Payment**" payable pursuant to paragraph 4.3 (*Payments – Material Inconsistencies*) in any Reporting Period shall be calculated in accordance with the following:

$$KPIP = (CKPIA_{rp-1} - KPIA_{rp-1}) \times 10$$

where:

"KPIP" means the KPI Incentive Payment payable by the Operator to RfL for any Reporting Period;

"CKPIA_{rp-1}" means the KPI Adjustment that should have been made in the immediately preceding Reporting Period, but for the material inconsistencies in the Operator's compliance with this KPI Regime; and

"**KPIA_{rp-1}**" means the KPI Adjustment made in the immediately preceding Reporting Period.

- 4.5 Any KPI Incentive Payment calculated pursuant to paragraph 4.4 (*Payments – Material Inconsistencies*) shall be taken account of in the determination of whether the Operator has contravened the KPI Remedial Plan Benchmark.

5 Calculation of KPI Adjustments

- 5.1 The Operator shall calculate the "**KPI Adjustment**" for any Reporting Period, within the time period contemplated by paragraph 3.2 (*Reporting Requirements of the Operator*) in accordance with the following:

$$\text{KPIA} = \text{PFP} + \text{KPIP}$$

where:

"**KPIA**" means the KPI Adjustment payable by the Operator to RfL for any Reporting Period;

"**PFP**" means the total performance failure payments for the immediately preceding Reporting Period, calculated by aggregating the performance failure payments in respect of all failures to meet a Key Performance Indicator in accordance with paragraph 4.1 (*Payments – Failure to meet any Key Performance Indicator Standard*) in such Reporting Period; and

"**KPIP**" means the KPI Incentive Payment for that Reporting Period, calculated in accordance with paragraph 4.4 (*Payments – Material Inconsistencies*).

- 5.2 Any KPI Adjustment shall be made by way of a Quality Performance Adjustment in accordance with paragraph 2.1 (*Performance Adjustments – Calculation of Performance Adjustments*) of Schedule 11.1 (*Concession Payments*).

6 Remedial Plans

Remedial Plans in respect of Contraventions

- 6.1 It shall be a contravention of this Agreement if:

- 6.1.1 a KPI Adjustment is made in any three (3) out of six (6) consecutive Reporting Periods that is equal to or in excess of:

- (a) in respect of the first Concession Year only, [REDACTED] (an amount as at the Indexation Base Month and which shall be indexed in accordance with paragraph 3 (*Indexation by reference to CPI*) of Schedule 11.2 (*Annual Concession Payments and Indexation*)); and
- (b) in respect of the second Concession Year (and each Concession Year thereafter), [REDACTED] (an amount as at

the Indexation Base Month and which shall be indexed in accordance with paragraph 3 (*Indexation by reference to CPI*) of Schedule 11.2 (*Annual Concession Payments and Indexation*)),

(each a "**KPI Remedial Plan Benchmark**");

- 6.1.2 the Operator fails to implement the Fault Management System in accordance with its terms;
 - 6.1.3 the Operator fails to implement the KPI Audit Programme in accordance with its terms; or
 - 6.1.4 the circumstances described in paragraph 4.3 (*Payments – Material Inconsistencies*) occur on two (2) occasions.
- 6.2 If any of the contraventions referred to in paragraph 6.1 (*Remedial Plans – Remedial Plans in respect of Contraventions*) occurs, then:
- 6.2.1 in the case of the occurrence of a contravention referred to in paragraph 6.1.1 (*Remedial Plans – Remedial Plans in respect of Contraventions*), the provisions of Schedule 17.2 (*Quality Regime, Remedial Plans and Remedial Agreements*) shall apply;
 - 6.2.2 in the case of the occurrence of a contravention referred to in any of paragraphs 6.1.2 (*Remedial Plans – Remedial Plans in respect of Contraventions*), 6.1.3 (*Remedial Plans – Remedial Plans in respect of Contraventions*) and 6.1.4 (*Remedial Plans – Remedial Plans in respect of Contraventions*), RfL shall be entitled to exercise its rights pursuant to Schedule 17.2 (*Quality Regime Remedial Plans and Remedial Agreements*); and
 - 6.2.3 without prejudice to paragraph 6.4 (*Remedial Plans – Remedial Plan in respect of Material Inconsistencies*), the Operator shall pay, by way of Other Adjustment, RfL's reasonable costs incurred in respect of any independent audits RfL specifically carries out and RfL notifies the Operator of in order for RfL to satisfy itself that such contraventions will not occur again.
- 6.3 Without prejudice to paragraph 2.32 (*Events of Default - Financial Distress Events*) of Schedule 17.5 (*Events of Default, Termination Event and Voluntary Termination*), no Event of Default shall have occurred if any of the circumstances referred to in paragraph 2.3 (*Remedial Plans – Remedial Plans in respect of Contraventions*) occurs.

Remedial Plan in respect of Material Inconsistencies

- 6.4 If there are two (2) or more instances where the Operator is required to carry out the calculation pursuant to paragraph 4.3 (*Payments – Material Inconsistencies*), then:
- 6.4.1 RfL may require the Operator to instruct an independent third party nominated by RfL to carry out an investigation (at the Operator's cost);
 - 6.4.2 such investigation shall focus on recommending changes to ensure that the Operator complies with its obligations in relation to this KPI Regime and is not therefore required to carry out the calculation pursuant to paragraph 4.4 (*Payments – Material Inconsistencies*); and
 - 6.4.3 the recommendations that the independent third party shall submit to RfL and the Operator within such time period as RfL may specify shall be deemed a Remedial Plan for the purposes of Schedule **17.1** (*Remedial Plans and Remedial Agreements*) and, subject to RfL's approval, the Operator shall cease implementing any Remedial Plan that it is currently implementing insofar as the purpose of that plan is to remedy the occurrence of material inconsistencies and instead implement that deemed Remedial Plan.
- 6.5 The Operator shall:
- 6.5.1 co-operate with the investigation carried out pursuant to paragraph 6.4.1 (*Remedial Plans – Remedial Plan in respect of Material Inconsistencies*);
 - 6.5.2 assist the independent third party nominated by RfL to carry out that investigation in the finalisation of any related Remedial Plan; and
 - 6.5.3 implement in accordance with its terms any Remedial Agreement agreed or determined pursuant to paragraph 6.6 (*Payments – Material Inconsistencies*).
- 6.6 RfL and the Operator shall agree, or in the absence of such agreement, RfL shall reasonably determine the terms of the Remedial Agreement (prepared on the basis of the Remedial Plan concluded pursuant to paragraph 6.4.3 (*Payments – Material Inconsistencies*)).
- 6.7 Any expenditure incurred by the Operator in complying with its obligations pursuant to paragraph 6.4 (*Payments – Material Inconsistencies*) shall not be included in the remedial spending cap referred to in paragraph 5.1 (*Remedial Spending Cap*) of Schedule 17.2 (*Quality Regime Remedial Plans and Remedial Agreements*).

Remedial Plan in respect of Persistent Failures

- 6.8 If, in RfL's reasonable opinion, the Operator has persistently failed to meet the same Key Performance Indicator standard, then a contravention shall

have occurred and the provisions of Schedule 17.1 (*Remedial Plans and Remedial Agreements*) shall apply.

7 **Performance against Default KPI Benchmarks**

If a KPI Adjustment is made in any three (3) Reporting Periods out of six (6) consecutive Reporting Periods during the Concession Period in an amount that is equal to or in excess of [REDACTED] (the "**Default KPI Benchmark**"), then an Event of Default shall have occurred and the provisions of Schedule 17 (*Remedies, Termination and Expiry*) shall apply.

8 **Indexation of Adjustments and Default KPI Benchmark**

Each KPI Adjustment and the Default KPI Benchmark are amounts as at the Indexation Base Month and shall be indexed in accordance with paragraph 3 (*Indexation by Reference to CPI*) of Schedule 11.2 (*Annual Concession Payments and Indexation*).

9 **Changing the Key Performance Indicators**

9.1 RfL may amend the requirements of any Key Performance Indicator from time to time and shall promptly notify the Operator of its intention to do so.

9.2 If RfL notifies the Operator of its intention to amend the requirements of any Key Performance Indicator pursuant to paragraph 9.1 (*Changing the Key Performance Indicators*):

9.2.1 a Change shall occur; and

9.2.2 the Operator shall no later than one (1) Reporting Period thereafter advise RfL of those amendments (if any) it believes are reasonably required to the Fault Management System in order that that system continues to meet the requirements specified in paragraphs 16.1 (*Fault Reporting – Fault Management System Requirements*) and 16.2 (*Fault Reporting – Fault Management System Requirements*) of Schedule 2.2 (*List of Concession Services*).

Appendix 1
Key Performance Indicators

Table 1: Staffing Levels for each KPI Measured Station

Column 1	Column 2	Column 3	Column 4	Column 5	Column 6
No.	Input (per Unit unless otherwise stated)	Availability Standard	Payment to RfL (£)	Mitigations	Notes
1	Ticket office opening hours	All ticket offices at Operator Managed Stations to be open during the hours of operation as required pursuant to paragraph 5 (<i>Staffing of Ticket Offices, Gatelines and Station Dispatch</i>) of Schedule 2.2 (<i>List of Concession Services</i>) during which all products are capable of being retailed.	[REDACTED] per hour (or part of an hour) per failure	<p>A ticket office may be closed outside the Peak for no more than ten (10) minutes at a time in any fixed seven (7)-hour period (or part thereof) starting when the ticket office is scheduled to open and each subsequent seven (7)-hour period running consecutively thereafter. This is on the condition that:</p> <p>(a) passengers are able to purchase an appropriate range of tickets and Oyster products as required by the provisions of this Agreement from a TVM located at the relevant Station that must accept credit/debit card payments and cash and be able to provide change as necessary;</p> <p>(b) the closure has been logged and the ticket office shutter</p>	

Column 1	Column 2	Column 3	Column 4	Column 5	Column 6
No.	Input (per Unit unless otherwise stated)	Availability Standard	Payment to RfL (£)	Mitigations	Notes
				<p>remains open and a printed and clear notice is displayed in each window advising passengers to use the TVMs if they need to purchase a ticket; and</p> <p>(c) an Operator Employee must be available in the booking hall with necessary capabilities, to provide customer assistance to standard specified in the Quality Performance Regime.</p>	
2	Operator Managed Station staff availability	A member of staff shall be available on each Operator Managed Station as required pursuant to paragraph 3 (<i>Staffing of Elizabeth Line Stations</i>) of Schedule 2.2 (<i>List of Concession Services</i>)	[REDACTED] per hour (or part of an hour) per failure	A member of staff need not be available for up to ten (10) minutes (taken as a single block outside the Peak) in any seven (7)-hour period (or part thereof) starting when the station is scheduled to open and each subsequent seven (7)-hour period running consecutively thereafter. Each period of the station staff being unavailable must not be consecutive with the other, either within the same, or consecutive, seven (7)-hour periods.	

Column 1	Column 2	Column 3	Column 4	Column 5	Column 6
No.	Input (per Unit unless otherwise stated)	Availability Standard	Payment to RfL (£)	Mitigations	Notes
3	Operator Access Stations on the Central Operating Section – Platform Staff availability	A member of staff shall be available as required pursuant to paragraph 3.3 (<i>Staffing of Elizabeth Line Stations – Period and Requirements of Staffing</i>) of Schedule 2.2 (<i>List of Concession Services</i>)	[REDACTED] per hour (or part of an hour) per failure	No mitigation.	
4	Operator Managed Stations - Ticket barrier staffing availability (defined as gatelines and associated wide aisle gates)	A member of staff shall be available to either be in view of or remotely monitor all gatelines as required pursuant to paragraph 5.5 (<i>Staffing of Ticket Offices, Gatelines and Station Dispatch</i>) of Schedule 2.2 (<i>List of Concession Services</i>)	[REDACTED] per hour (or part of an hour) per failure	A gateline may be unstaffed for up to ten (10) minutes (as a single block) in any seven (7)-hour period running consecutively thereafter, providing that the Operator Employee facilitating the Operator's compliance with this Key Performance Indicator is engaged in a customer-facing activity or is on a break during this period.	For larger (interchange) stations ticket barrier staff will be expected to have a customer-facing role.
5	Ticket barriers operational and in use (defined	All ticket gatelines at	[REDACTED] per hour any ticket gateline	A gateline may be unstaffed for up to ten (10) minutes (as a single block) in any seven (7)-hour period running	

Column 1	Column 2	Column 3	Column 4	Column 5	Column 6
No.	Input (per Unit unless otherwise stated)	Availability Standard	Payment to RfL (£)	Mitigations	Notes
	as gatelines and associated wide aisle gates)	each Operator Managed Station fully operational and in/use	is not fully operational and in use	consecutively thereafter, providing that the Operator Employee facilitating the Operator's compliance with this Key Performance Indicator is engaged in a customer-facing activity or is on a break during this period.	
6	Staff uniform	All Operator Staff at Elizabeth Line Stations to be wearing uniform in line with TfL Uniform Specification or otherwise agreed with RfL	[REDACTED] per member of staff per shift not wearing uniform in line with TfL Uniform Specification or otherwise agreed with RfL	No mitigation	
7	Ticket queuing at all Operator Managed Stations	Ninety-five per cent. (95%). of people queuing at Ticket Offices or TVMs are served within three (3) minutes of joining queue,	[REDACTED] per ticket retail area at a station per day	No mitigation	

Column 1	Column 2	Column 3	Column 4	Column 5	Column 6
No.	Input (per Unit unless otherwise stated)	Availability Standard	Payment to RfL (£)	Mitigations	Notes
		measured over any one (1) hour period in accordance with a methodology and audit programme approved by RfL by the Start Date (such approval not to be unreasonably withheld)			

Table 2: Equipment Availability Standards for each KPI Measured Station

Column 1	Column 2	Column 3	Column 4	Column 5	Column 6
No.	Input (per Unit unless otherwise stated)	Availability – permissible downtime per Concession Year (unless otherwise stated)	Payment to RfL (£)	Mitigation	Notes
1	Ticket Vending Machines (including the ability to retail the full range of paper tickets and provide Oyster products and services as well as accepting cash and card payments)	One hundred (100) hours per machine (including any downtime for planned maintenance and upgrades)	[REDACTED] per asset per hour (or part hour)	No mitigation.	
2	Electronic Visual Displays defective or not showing relevant / accurate information (including part of the display screen being defective)	Forty-eight (48) hours per display screen	[REDACTED] per asset per hour (or part hour)	No mitigation.	To include any digital screen displaying service or onward journey information including but not limited to: 'Wonderwalls', and Next Train Displays
3	Electronic Service Update Boards ("ESUB") defective and not connected to TfL Group data system	Allowed one (1) day (taken in a single block) in each Reporting Period per ESUB	[REDACTED] per asset per hour (or part hour)	Allowed one (1) day (taken in a single block) unavailability in each Reporting Period per ESUB provided a digital	

Column 1	Column 2	Column 3	Column 4	Column 5	Column 6
No.	Input (per Unit unless otherwise stated)	Availability – permissible downtime per Concession Year (unless otherwise stated)	Payment to RfL (£)	Mitigation	Notes
				display mitigation is placed alongside the defective ESUB, updated at least every thirty (30) minutes during the Station Operating Day.	
4a	KPI Measured Eastern Section station / Western Section station public address system (either component(s) or system failure) that results in unintelligible or inaudible information	Forty-eight (48) hours per station platform	[REDACTED] per asset per hour (or part hour)	One (1) speaker per KPI Measured Station may be defective for up to five (5) consecutive days.	
4b	KPI Measured CCOS Station public address system (either component(s) or system failure) that results in unintelligible or inaudible information		[REDACTED] per asset per hour (or part hour)		

Column 1	Column 2	Column 3	Column 4	Column 5	Column 6
No.	Input (per Unit unless otherwise stated)	Availability – permissible downtime per Concession Year (unless otherwise stated)	Payment to RfL (£)	Mitigation	Notes
5a	Help Points Availability	Twenty-four (24) hours per device	[REDACTED] per asset per hour (or part hour)	No mitigation	
5b	Help Points Information Call Response	Respond to a passenger pressing an available Help Point information call button at any Operator Managed Station within twenty (20) seconds of such button being pressed at any time during the Station Operating Day.	[REDACTED] per failure to respond per hour	No mitigation	
5c	Help Points Emergency Call and Lift Alarm Response	Respond to a passenger pressing an available Help Point emergency call or a lift alarm button at any Operator Managed Station within ten (10) seconds of such button being pressed at any time	[REDACTED] per failure to respond per hour	No mitigation	

Column 1	Column 2	Column 3	Column 4	Column 5	Column 6
No.	Input (per Unit unless otherwise stated)	Availability – permissible downtime per Concession Year (unless otherwise stated)	Payment to RfL (£)	Mitigation	Notes
		during the Station Operating Day.			
6a	Lifts at Eastern Section Stations and Western Section Stations	One hundred (100) hours per lift with the exception of lifts undergoing renewal by Network Rail and/or RfL.	[REDACTED] per lift per hour (or part hour)	No mitigation	Notwithstanding the requirement to maximise the availability of lifts, the Operator should ensure that any lift contaminated with biohazards is taken out of use immediately until the hazard has been satisfactorily removed. The Operator is expected to engage with Network Rail and RfL to agree upon a programme of possessions that

Column 1	Column 2	Column 3	Column 4	Column 5	Column 6
No.	Input (per Unit unless otherwise stated)	Availability – permissible downtime per Concession Year (unless otherwise stated)	Payment to RfL (£)	Mitigation	Notes
					minimises the impact on customers
6b	Lifts at CCOS stations	None	[REDACTED] per lift per hour (or part hour)	Maximum liability two (2) hours per day.	
7	Escalators	None	[REDACTED] per escalator per hour (or part hour)	Maximum liability two (2) hours per day.	The Operator is expected to engage with RfL to agree upon a programme of possessions that minimises the impact on customers
8	Public Toilets Open and fully serviceable at each KPI Measured Station throughout the Station Operating Day with following facilities available, fully functioning and, as appropriate, stocked: <ul style="list-style-type: none"> ▪ running water; 	N/A	[REDACTED] per asset per hour (or part hour)	No mitigation.	Toilets are cleaned as part of the daily cleaning requirement 1 Where two or more of the same kind of Toilet Facility do not meet the relevant requirement in

Column 1	Column 2	Column 3	Column 4	Column 5	Column 6
No.	Input (per Unit unless otherwise stated)	Availability – permissible downtime per Concession Year (unless otherwise stated)	Payment to RfL (£)	Mitigation	Notes
	<ul style="list-style-type: none"> lockable cubicle doors; soap, toilet paper and sanitary items and bins available for use; flushing toilets; toilet seats present and not broken; lighting and heating present and working; and hand-driers present and working, (each a " Toilet Facility ").				<p>any public toilet, £35 shall be payable per hour (or part hour) that those two (2) or more Toilet Facilities do not meet the relevant requirement.</p> <p>2 The following shall be payable per hour (or part hour) that any public toilet is closed: £35 for each individual toilet in that public toilet.</p>
9	Waiting shelters and waiting rooms Open and available for use at each KPI Measured Station	None	[REDACTED] per asset hour (or part hour)	No mitigation.	Notwithstanding the requirement to maximise the availability of these

Column 1	Column 2	Column 3	Column 4	Column 5	Column 6
No.	Input (per Unit unless otherwise stated)	Availability – permissible downtime per Concession Year (unless otherwise stated)	Payment to RfL (£)	Mitigation	Notes
	<p>throughout the Station Operating Day.</p> <p>Available for the purposes of this Key Performance Indicator means:</p> <ul style="list-style-type: none"> all seats are available, complete and unlikely to mark or damage clothing; any means of heating or cooling is operational; and doors and glazing intact 				<p>facilities the Operator should ensure that any facility contaminated with biohazards is taken out of use immediately until the hazard has been satisfactorily removed</p>
10a	<p>KPI Measured Station lighting (public areas) at Woolwich, Canary Wharf and Paddington</p> <p>KPI Measured Station lighting, canopy lighting and all illuminated signage is in fully working order</p>	N/A	[REDACTED] per defective light in any twenty-four (24) hour period	<p>An individual light may be defective for up to twenty-eight (28) days but there cannot be four defective lights in the same locality within a</p>	

Column 1	Column 2	Column 3	Column 4	Column 5	Column 6
No.	Input (per Unit unless otherwise stated)	Availability – permissible downtime per Concession Year (unless otherwise stated)	Payment to RfL (£)	Mitigation	Notes
				KPI Measured Station at the same time.	
10b	KPI Measured Station lighting (public areas) All other stations not covered by 10a KPI Measured Station lighting, canopy lighting and all illuminated signage is in fully working order	N/A	[REDACTED] per defective light in any twenty-four (24) hour period	An individual light may be defective for up to seven (7) days but there cannot be three (3) defective lights at the KPI Measured Station at the same time.	
11	Manual boarding ramps Ramp(s) at each KPI Measured Station available for use in designated location	N/A	[REDACTED] per day any ramp not available for use in designated location	No mitigation.	
12	Hearing induction loops Hearing induction loop at each KPI Measured Station fully available for customer use	Twenty-four (24) hours per induction loop	[REDACTED] per induction loop per hour (or part hour) not fully available for customer use	No mitigation.	

Column 1	Column 2	Column 3	Column 4	Column 5	Column 6
No.	Input (per Unit unless otherwise stated)	Availability – permissible downtime per Concession Year (unless otherwise stated)	Payment to RfL (£)	Mitigation	Notes
13	Station security CCTV To have the correct view, in focus with clear unobscured image		[REDACTED] per hour	To be rectified within twenty-four (24) hours of failure or penalty applies	

Table 3: Poster Quality Standards (Excludes 3rd Party Advertising Hoardings) in each KPI Measured Station

Column 1	Column 2	Column 3	Column 4	Column 5	Column 6
No.	Defect (per Unit unless otherwise stated)	Availability – permissible downtime per annum	Payment to RfL (£)	Mitigation	Notes
1a	Digital Poster Frame defective or not showing relevant / accurate information	None	[REDACTED] per poster per day (or part day)		
1b	Damaged / defaced posters (this includes poorly installed or substantially misaligned posters and those damaged by water ingress or rendered partly illegible for any reason)	None	[REDACTED] per poster per day (or part day)	No mitigation.	
2	Damaged / defaced Poster boards / frames / whiteboards	None	[REDACTED] per poster board per day (or part day)	No mitigation.	Payment applies irrespective of the condition of any poster or other item displayed on a poster board
3	Engineering works, alternative timetable and all other posters not accurate, present or are out-of-date	None	[REDACTED] per poster per day (or part day)	Presence and accuracy of posters measured from noon the next day.	

Table 4: Station Cleaning and Premises Management Standards for each KPI Measured Station

Column 1	Column 2	Column 3	Column 4	Column 5	Column 6
No.	Standard	Input (per Unit unless otherwise stated)	Requirement	Payment to RfL (£)	Mitigation
1	<p>Daily Light Cleaning</p> <p>Operator to implement a cleaning regime that it considers will achieve at each individual KPI Measured Station a mean score of at least eighty (80) under the MSS Questionnaire across those measures relating to this Key Performance Indicator identified in Appendix 2 (<i>Measures Used To Inform KPI Compliance</i>) to Schedule 8.1 (<i>KPI Regime</i>)</p>	<p>Minimum requirements for daily light cleaning are as follows:</p> <ul style="list-style-type: none"> public areas: <ul style="list-style-type: none"> sweep and mop all public areas including lifts, waiting rooms and waiting areas; damp wipe all seats and handrails; wipe away any marks on platform screen doors; remove all chewing gum, animal faeces, fly posters (any item not authorised by RfL) and fly stickers (including glue); pick litter, leaves and loose vegetation and empty bins from all areas, including outside areas within three metres of the station boundary (as defined in the station lease and/or the Stations Operator Agreement); and wipe away any marks on glass surfaces; 	<p>Twice daily: before Morning Peak and between 1300 and start of Evening Peak at each KPI Measured Station</p>	<p>Failure to carry out inputs set out in column 3 and meet the requirements of column 4 at [REDACTED] per clean</p>	

Column 1	Column 2	Column 3	Column 4	Column 5	Column 6
No.	Standard	Input (per Unit unless otherwise stated)	Requirement	Payment to RfL (£)	Mitigation
		<ul style="list-style-type: none"> ○ wipe away any marks on Ticket Vending Machines; and • public toilets: <ul style="list-style-type: none"> ○ clean and disinfect toilets and replenish personal hygiene and sanitary items and alcohol hand cleaners as necessary; and ○ neutralise any persistent odours throughout the station. <p>These measures may be supplemented by the Operator in order to achieve a mean score of at least eighty (80) per station under the MSS Questionnaire, which will be calculated utilising the measures outlined in Appendix 2 (<i>Measures Used To Inform KPI Compliance</i>) to Schedule 8.1 (<i>KPI Regime</i>).</p>			
2	<p>Periodic Heavy Cleaning and Premises Management activities</p> <p>Operator to implement a cleaning regime that it considers will achieve at each individual</p>	<p>Minimum requirements for periodic heavy cleaning are as follows:</p> <ul style="list-style-type: none"> • machine scrub all floors including forecourts and passages; 	Once in every Reporting Period	Failure to carry out inputs set out in column 3 and meet the requirements	

Column 1	Column 2	Column 3	Column 4	Column 5	Column 6
No.	Standard	Input (per Unit unless otherwise stated)	Requirement	Payment to RfL (£)	Mitigation
	KPI Measured Station a mean score of at least eighty (80) under the MSS Questionnaire across those measures relating to this Key Performance Indicator identified in Appendix 2 (<i>Measures Used To Inform KPI Compliance</i>) to Schedule 8.1 (<i>KPI Regime</i>)	<ul style="list-style-type: none"> wash all windows (including ticket office windows), glazing and paintwork; clean all displays, including customer information screens, ESUBs and poster boards; clean CCTV cameras and DOO CCTV cameras; clean TVMs; cut back all overhanging vegetation surrounding the station buildings, including platforms, signage and equipment; remove litter recently exposed from the removal of vegetation; wipe down / clean all public facing fences, walls, signage, lifts and escalators, lift and clean under all mats, mat frames and mat wells; and weed flower beds and cut grass. <p>These measures may be supplemented by the Operator in order to achieve a mean score of at least eighty (80) per individual KPI Measured Station under the</p>		of column 4 at [REDACTED] per clean	

Column 1	Column 2	Column 3	Column 4	Column 5	Column 6
No.	Standard	Input (per Unit unless otherwise stated)	Requirement	Payment to RfL (£)	Mitigation
		MSS Questionnaire, which will be calculated utilising the measures outlined in Appendix 2 (<i>Measures Used To Inform KPI Compliance</i>) to Schedule 8.1 (<i>KPI Regime</i>)			
3	Trackside Cleaning At each individual KPI Measured Station the Operator will achieve a mean score of at least eighty (80) under the MSS Questionnaire across those measures relating to this Key Performance Indicator identified in Appendix 2 (<i>Measures Used To Inform KPI Compliance</i>) to Schedule 8.1 (<i>KPI Regime</i>)	No litter or vegetation on the trackside acceptable in any part of the individual KPI Measured Station	No mitigation.	Irrespective of the planned removal date, after eighty-three (83) full days have elapsed since the litter or vegetation on the trackside was identified, [REDACTED] per day or part day	Seventy-two (72) hours for the Operator to determine the earliest practical date for removal followed by removal no later than such agreed date and the plan for removal to be made available to RfL

Table 5: Graffiti at each KPI Measured Station

Column 1	Column 2	Column 3	Column 4	Column 5
No.	Input (per Unit unless otherwise stated)	Standard	Response time	Payment to RfL (£)
1	<p>Graffiti (KPI Measured Stations) that does not require a possession or power isolation for removal</p> <p>At each individual KPI Measured Station the Operator will achieve a mean score of at least eighty (80) under the MSS Questionnaire across those measures relating to this Key Performance Indicator identified in Appendix 2 (<i>Measures Used To Inform KPI Compliance</i>) to Schedule 8.1 (<i>KPI Regime</i>)</p>	None acceptable in any part of an individual KPI Measured Station	Cleaned / painted out within twelve (12) opening hours, Monday to Sunday. Covering with vinyl can be used as a temporary measure but graffiti must be fully removed within ninety-six (96) hours.	Failure at [REDACTED] per item per day (or part thereof)
2	<p>Graffiti (KPI Measured Stations) that does require a possession or power isolation for removal in accordance with the relevant Railway Group Standard</p> <p>At each individual KPI Measured Station the Operator will achieve a mean score of at least eighty</p>	None acceptable in any part of an individual KPI Measured Station	Seventy-two (72) hours for the Operator to determine the earliest practical date for removal followed by removal no later than such agreed date and the plan for removal	<p>[REDACTED] per item per day until removal plan is agreed between the Operator and relevant Infrastructure Manager</p> <p>[REDACTED] per item per day or part day beyond planned removal date (provided such date is less than eighty-four (84) days from date the graffiti is identified)</p>

Column 1	Column 2	Column 3	Column 4	Column 5
No.	Input (per Unit unless otherwise stated)	Standard	Response time	Payment to RfL (£)
	(80) under the MSS Questionnaire across those measures relating to this Key Performance Indicator identified in Appendix 2 (<i>Measures Used To Inform KPI Compliance</i>) to Schedule 8.1 (<i>KPI Regime</i>)		to be made available to RfL	Irrespective of the planned removal date, after eighty-three (83) full days have elapsed since the graffiti was identified, [REDACTED] per item per day or part day
3	Scratched Graffiti (KPI Measured Stations) At each individual KPI Measured Station the Operator will achieve a mean score of at least eighty (80) under the MSS Questionnaire across those measures relating to this Key Performance Indicator identified in Appendix 2 (<i>Measures Used To Inform KPI Compliance</i>) to Schedule 8.1 (<i>KPI Regime</i>)	None acceptable in any part of an individual KPI Measured Station	Scratched items replaced / repaired within twenty-four (24) hours, Monday to Sunday. Covering with vinyl can be used as a temporary measure but graffiti must be fully removed within ninety-six (96) hours.	Failure at [REDACTED] per item per day or part thereof

Table 6: Train Cleaning and Condition Standards

Column 1	Column 2	Column 3	Column 4	Column 5
No.	Standard	Input (per Unit unless otherwise stated)	Compliance	Payment to RfL (£)
1	Exterior forty-eight (48)-hour Wash Operator to implement a cleaning regime that it considers will achieve for each individual Unit in the Train Fleet, a mean score of at least eighty (80) under the MSS Questionnaire across those measures relating to this Key Performance Indicator identified in Appendix 2 (<i>Measures Used To Inform KPI Compliance</i>) to Schedule 8.1 (<i>KPI Regime</i>)	At least ninety-five per cent. (95%) of Units to be washed within forty-eight (48) hours (note: the next forty-eight (48) hour period starts from the time that the previous wash finishes, and days where there is a closure are included within this requirement)	One hundred per cent. (100%) compliance	[REDACTED] per day or part day per non-compliant Unit; and if a Unit is non-complaint for seventy-two (72) hours or more [REDACTED] per day or part day per non-compliant Unit
2	Interior Turnaround Clean Operator to implement a cleaning regime that it considers will achieve for each individual Unit in the Train Fleet, a mean score of at least eighty (80) under the MSS Questionnaire across those measures relating to this Key Performance Indicator identified in Appendix 2 (<i>Measures Used To Inform KPI</i>	Each Unit in the Train Fleet must be cleaned prior to the start of every Diagram Leg that Unit is scheduled to operate in passenger service that day, excluding at Paddington. Minimum requirements for interior daily clean, which may be supplemented by the Operator in order to achieve a mean score of eighty (80) are as follows:	One hundred per cent. (100%) compliance	[REDACTED] per missed turnaround clean

Column 1	Column 2	Column 3	Column 4	Column 5
No.	Standard	Input (per Unit unless otherwise stated)	Compliance	Payment to RfL (£)
	<i>Compliance</i>) to Schedule 8.1 (<i>KPI Regime</i>).	<ul style="list-style-type: none"> litter pick all areas including cabs; empty litter bins and re-line; remove passengers' lost property; clean spillages, including biohazards; and report any vandalised, damaged or missing items. 		
3	Graffiti (Trains) For each individual Unit in the Train Fleet, the Operator will achieve a mean score of at least eighty (80) under the MSS Questionnaire across those measures identified in any Mystery Shopper Survey relating to this Key Performance Indicator	None allowed prior to train entering daily service.	One hundred per cent. (100%) compliance	[REDACTED] per day or part of day per non-compliant Unit
4	Graffiti (offensive) For each individual Unit in the Train Fleet	None allowed prior to train entering daily service.	One hundred per cent. (100%) compliance	[REDACTED] per day or part of day per non-compliant vehicle , provided that where the Operator is obliged to make a payment to RfL in relation to

Column 1	Column 2	Column 3	Column 4	Column 5
No.	Standard	Input (per Unit unless otherwise stated)	Compliance	Payment to RfL (£)
				any offensive graffiti on a vehicle, the Operator shall not also be obliged to make a payment to RfL in relation to any other non-offensive graffiti on the Unit of which that vehicle comprises part for so long as that offensive graffiti remains on that vehicle
5	Scratched Graffiti (Trains) For each individual Unit in the Train Fleet, the Operator will achieve a mean score of at least eighty (80) under the MSS Questionnaire across those measures relating to this Key Performance Indicator identified in Appendix 2 (<i>Measures Used To Inform KPI Compliance</i>) to Schedule 8.1 (<i>KPI Regime</i>)	Remove / replace within forty-eight (48) hours.	One hundred per cent. (100%) compliance	[REDACTED] per day or part of day per non-compliant Unit

Appendix 2
Measures Used To Inform KPI Regime Compliance

Column 1	Column 2	Column 3	Column 4
No.	Aspect	Key Performance Indicator	Related MSS Regime Measure (MSS Questionnaire Reference)
1	Station cleaning and premises management standards for each individual KPI Measured Station	Daily light cleaning	<p>The mean score achieved in relation to this KPI shall be specific to each KPI Measured Station and the mean score of the following measures in aggregate terms:</p> <ul style="list-style-type: none"> ▪ cleanliness of platform floors (S1.1a), platform walls (S1.1b) and ceilings (S1.1c); ▪ level of litter on platform (S1.6) and on track (S1.7); ▪ cleanliness of platform seating (S1.8b); ▪ cleanliness of seating (S1.9c), floors (S1.9d), walls and ceilings (S1.9e) in waiting room or enclosed waiting areas; ▪ cleanliness of glass platform edge doors (S1.11); ▪ level of litter in waiting room or enclosed waiting area (S1.9h); ▪ cleanliness of routeway floors (S2.1a), walls (S2.1b), and ceilings (S2.1c); ▪ level of litter in all routeway areas including litter on lifts and escalators (S2.2); ▪ cleanliness of lifts (S2.5b), escalators (S2.6b), and direction signs (S2.7b); ▪ cleanliness of ticket hall floors (S3.1a), walls (S3.1b) and ceilings (S3.1c); ▪ level of litter in ticket hall (S3.2);

Column 1	Column 2	Column 3	Column 4
No.	Aspect	Key Performance Indicator	Related MSS Regime Measure (MSS Questionnaire Reference)
			<ul style="list-style-type: none"> ▪ cleanliness of ticket office windows (S3.6); ▪ cleanliness of public toilets (S4.1b); ▪ presence of toilet rolls, hand towels/ working hand driers, soap and mirrors in public toilets (S4.1e); ▪ cleanliness of ticket hall TVMs (S3.3); and ▪ cleanliness of glazing in platforms (S1.01), routeways (S2.01) and ticket halls (S3.01).
2	Station cleaning and premises management standards for each individual KPI Measured Station	Periodic heavy cleaning and premises management activities	<ul style="list-style-type: none"> ▪ The mean score achieved in relation to this KPI shall be the mean score all measures included for daily light cleaning under item 1 of this Table.
3	Station cleaning and premises management standards for each individual KPI Measured Station	Trackside cleaning	<p>The mean score achieved in relation to this KPI shall be the mean score of the following one (1) measure:</p> <ul style="list-style-type: none"> ▪ Level of litter on track (S1.7).
4	Graffiti in each individual KPI Measured Station	Graffiti (Stations) that does not require a possession or power isolation for removal	<p>The mean score achieved in relation to this KPI shall be the mean score of the following eight (8) measures in aggregate terms:</p> <ul style="list-style-type: none"> ▪ level of scratched Graffiti on platforms but excluding trackside walls (S1.4a) and in waiting rooms or enclosed waiting areas (S1.9f); ▪ level of scratched Graffiti in routeways (S2.3a), in lifts (2.5c) and on escalators (2.6c); and

Column 1	Column 2	Column 3	Column 4
No.	Aspect	Key Performance Indicator	Related MSS Regime Measure (MSS Questionnaire Reference)
			<ul style="list-style-type: none"> level of scratched Graffiti in Ticket Hall (S3.3a), and in public toilets (S4.1c).
5	Graffiti in each individual KPI Measured Station	Graffiti (Stations) that does require a possession or power isolation for removal	<p>The mean score achieved in relation to this KPI shall be the mean score of the following one (1) measure in aggregate terms:</p> <ul style="list-style-type: none"> level of trackside graffiti (S1.5).
6	Graffiti in each individual KPI Measured Station	Scratched Graffiti (Stations)	<p>The mean score achieved in relation to this KPI shall be the mean score of the following eight (8) measures in aggregate terms:</p> <ul style="list-style-type: none"> level of scratched graffiti on platforms but excluding trackside walls (S1.4a) and in waiting rooms or enclosed waiting areas (S1.9f) level of scratched graffiti in routeways (S2.3a), in lifts (2.5c) and on escalators (2.6c); and level of scratched graffiti in Ticket Hall (S3.3a), and in public toilets (S4.1c).
7	Train maintenance and cleaning standards	Exterior 48-hour wash	<p>The MSS score achieved in relation to this KPI shall be the mean score of the following one (1) measure in aggregate terms:</p> <ul style="list-style-type: none"> external cleanliness of Unit (T1.10).
8	Train maintenance and cleaning standards	Interior daily cleaning	<p>The mean score achieved in relation to this KPI shall be the mean score of the following eight (8) measures in aggregate terms:</p> <ul style="list-style-type: none"> cleanliness of ceilings and surfaces (T1.1) and internal floors (T1.2); level of litter (T1.3); and

Column 1	Column 2	Column 3	Column 4
No.	Aspect	Key Performance Indicator	Related MSS Regime Measure (MSS Questionnaire Reference)
			<ul style="list-style-type: none"> cleanliness of train seats (T1.6a), arm rests between seats (T1.7a), hand rails and hangers (T1.8b) and windows (T1.13).
9	Not Used	Not used	<ul style="list-style-type: none"> Not used
10	Train maintenance and cleaning standards	Interior cleaning turnaround	<p>The mean score achieved in relation to this KPI shall be the mean score of the following one (1) measure in aggregate terms:</p> <ul style="list-style-type: none"> level of litter (T1.3).
11	Train maintenance and cleaning standards	Graffiti (Trains)	<p>The mean score achieved in relation to this KPI shall be the mean score of the following two (2) measures in aggregate terms:</p> <ul style="list-style-type: none"> external level of other (non-scratched) graffiti (T1.12); and location of other (non-scratched) graffiti on train exterior (T1.12a).
12	Train maintenance and cleaning standards	Scratched Graffiti (Trains)	<p>The mean score achieved in relation to this KPI shall be the mean score of the following one (1) measure in aggregate terms:</p> <ul style="list-style-type: none"> external level of scratched graffiti (T1.11).

Schedule 8.2
MSS Regime

1 Introduction

Throughout the Concession Period, RfL or its nominee will conduct Mystery Shopper Surveys to ascertain the experience of passengers on Passenger Services and at stations. Each Mystery Shopper Survey will investigate the following main aspects of that experience:

- 1.1 on the train (including the condition, cleanliness, brightness, temperature, noise levels, quality of ride and audibility of announcements); and
- 1.2 at the stations (including the condition, cleanliness, state of repair, conditions of the advertisements and equipment on the station, routeways, platforms, seating, waiting areas, ticket halls, toilets and subways connected to or from the ticket halls and the level of crowding in public areas).

2 Methodology and Surveys

Carrying out of Surveys

- 2.1 Mystery Shopper Surveys will be conducted on an on-going basis:
 - 2.1.1 by RfL or a specialist contractor appointed by RfL with experience of conducting similar surveys for RfL;
 - 2.1.2 in relation to:
 - (a) a KPI Measured Station, from the Start Date;
 - (b) Passenger Services on the Elizabeth Line Route, from the Start Date.
 - 2.1.3 in accordance with the MSS Methodology and by populating the MSS Questionnaire across a number of visits to stations and a number of trips on the Passenger Services.

The Operator agrees that neither RfL nor any specialist contractor appointed to act on RfL's behalf shall give or be required to give any prior notice to the Operator prior to carrying out a Mystery Shopper Survey and the Operator shall provide such co-operation and assistance requested by RfL or its specialist contractor for the purposes of the same.

- 2.2 RfL shall:
 - 2.2.1 procure that the results of any Mystery Shopper Survey are provided to the Operator as soon as reasonably practicable following completion of any such survey and at least Quarterly; and
 - 2.2.2 to the extent reasonably practicable, allow the Operator a reasonable opportunity to make representations to RfL concerning the results of such surveys, but RfL shall not be obliged by those representations to make any adjustments to the calculations to be performed

pursuant to paragraph 3 (*Performance against the MSS Benchmarks*).

- 2.3 The results of any Mystery Shopper Survey will be used to determine the Operator's performance against the criteria referred to in paragraph 1 (*Introduction*) (as more particularly set out in the MSS Methodology) in accordance with paragraph 3 (*Performance against the MSS Benchmarks*).

Changing the MSS Methodology and/or MSS Questionnaire

- 2.4 RfL shall be entitled to change the MSS Methodology and/or MSS Questionnaire, provided that where that change has a material adverse impact on the Operator's ability to comply with the terms of this MSS Regime, a Change shall occur.

3 **Performance against the MSS Benchmarks**

Each Mystery Shopper Survey to produce an MSS Score

- 3.1 Each Mystery Shopper Survey will be conducted over a Survey Period and will produce an overall score (the "**MSS Score**") of the Operator's performance in the relevant Survey Period against the criteria specified in the MSS Methodology. The first Survey Period shall commence on the Start Date.

Calculating the Operator's Performance against the MSS Benchmark

- 3.2 As soon as reasonably practicable after completion of any Mystery Shopper Survey (the "**Relevant Mystery Shopper Survey**"), RfL shall calculate the Operator's performance in relation to the MSS Benchmark on a moving annual average basis (the "**MSS MAA Score**") in accordance with, subject to paragraph 4 (*Mystery Shopper Surveys in the first Twelve (12) months*), the following:

$$MSS_{maa} = \frac{LMSSS + PMSSS}{4}$$

where:

- "**MSS_{maa}**" means the MSS MAA Score (measured to one (1) decimal place);
- "**LMSSS**" means the latest MSS Score determined pursuant to the Relevant Mystery Shopper Survey; and
- "**PMSSS**" means the aggregate of the MSS Scores for the three (3) Mystery Shopper Surveys carried out immediately prior to the Relevant Mystery Shopper Survey.

Performance equal to or better than the MSS Target Benchmark

- 3.3 If, following any Relevant Mystery Shopper Survey, the MSS MAA Score in respect of the Operator's performance against the MSS Target Benchmark is equal to or more than that MSS Target Benchmark, then no further action shall arise.

Performance worse than the MSS Target Benchmark

- 3.4 If, following any Relevant Mystery Shopper Survey, the MSS MAA Score is less than the MSS Target Benchmark, then such event shall be recorded in the Periodic Concession Report for the relevant Reporting Period and included as an agenda item for the next Concession Performance Meeting.

Performance worse than the MSS Rectification Plan Benchmark

- 3.5 Without prejudice to paragraph 3.4 (*Performance against the MSS Benchmarks – Performance worse than the MSS Target Benchmark*), and with effect from the second Survey Period, if following any Relevant Mystery Shopper Survey, the MSS MAA Score is less than the MSS Rectification Plan Benchmark for any individual KPI Measured Station or any individual Unit as against the Key Performance Indicators in Tables 4 (*Station Cleaning and Premises Management Standards for each KPI Measured Station*), 5 (*Graffiti at each KPI Measured Station*) and 6 (*Train Cleaning and Condition Standards*) in Appendix 1 (*Key Performance Indicators*) to Schedule 8.1 (*KPI Regime*) and as measured in accordance with Appendix 2 (*Measures Used to Inform KPI Regime Compliance*) to Schedule 8.1 (*KPI Regime*), then:

- 3.5.1 the Operator shall as soon as reasonably practicable and in any event within ten (10) Business Days following receipt of the Relevant Mystery Shopper Survey pursuant to paragraph 2.2.1 (*Methodology and Surveys – Carrying out of Surveys*) provide a rectification plan for that KPI Measured Station and/or Unit (as the case may be) for the approval of RfL (the "**Draft MSS Rectification Plan**"). The Draft MSS Rectification Plan shall set out the steps and/or actions that the Operator proposes to take to procure that the MSS MAA Score for such individual KPI Measured Station and/or Unit (as the case may be) is equal to or more than the MSS Target Benchmark;
- 3.5.2 the Operator and RfL shall meet as soon as reasonably practicable following receipt by RfL of the Draft MSS Rectification Plan to discuss and agree the same; and
- 3.5.3 the Operator shall make such changes to the Draft MSS Rectification Plan as RfL may require and, promptly following agreement of the same, shall issue the final agreed form rectification plan (the "**Final MSS Rectification Plan**") and shall implement the same at the Operator's own cost in accordance with its terms.

The Operator shall prepare and implement any Draft MSS Rectification Plan and Final MSS Rectification Plan at its own cost and any such expenditure shall not be counted towards the Remedial Spending Cap.

Performance worse than the MSS Remedial Plan Benchmark

- 3.6 If:
- 3.6.1 notwithstanding the implementation of a Final MSS Rectification Plan in accordance with paragraph 3.5.3 (*Performance against the MSS*

Benchmarks – Performance worse than the MSS Rectification Plan Benchmark), the MSS MAA Score remains less than the MSS Rectification Plan Benchmark for any individual KPI Measured Station or any individual Unit as against the Key Performance Indicators in Tables 4 (*Station Cleaning and Premises Management Standards for each KPI Measured Station*), 5 (*Graffiti at each KPI Measured Station*) and 6 (*Train Cleaning and Condition Standards*) in Appendix 1 (*Key Performance Indicators*) to Schedule 8.1 (*KPI Regime*) and as measured in accordance with Appendix 2 (*Measures Used To Inform KPI Regime Compliance*) to Schedule 8.1 (*KPI Regime*) for two (2) consecutive Quarters, then a contravention of this Agreement shall have occurred and the provisions of Schedule 17.2 (*Quality Regime Remedial Plans and Remedial Agreements*) shall apply; and/or

- 3.6.2 following any Relevant Mystery Shopper Survey, the MSS MAA Score is equal to or less than the MSS Remedial Plan Benchmark, then a contravention of this Agreement shall have occurred and the provisions of Schedule 17.2 (*Quality Regime Remedial Plans and Remedial Agreements*) shall apply.

4 **Mystery Shopper Surveys in the first Twelve (12) months**

Where RfL or its nominee has conducted less than four (4) Mystery Shopper Surveys, RfL shall, for the purpose of performing the calculation of "**PMSSS**" specified in paragraph 3.2 (*Performance against the MSS Benchmarks – Calculating the Operator's Performance against the MSS Benchmark*), aggregate the MSS Scores that the Operator achieves in the first twelve (12) months of the Concession Period with notional MSS Scores at the MSS Target Benchmark for such number of Mystery Shopper Surveys as are necessary to generate an MSS MAA Score in accordance with paragraph 3.2 (*Performance against the MSS Benchmarks – Calculating the Operator's Performance against the MSS Benchmark*).

Appendix to Schedule 8.2
MSS Benchmarks

Column 1 MSS Target Benchmark on an aggregated basis (%)	Column 2 MSS Remedial Plan Benchmark on an aggregated basis (%)	Column 3 MSS Rectification Plan Benchmark on an individual KPI Measured Station/Unit basis (%)
87.0	82.0	80.0

Schedule 8.3

Customer Satisfaction Regime

1 Purpose

The purpose of this Customer Satisfaction Regime is to record customer perception of the Operator's provision of the Passenger Services and the relevant Station Services and to incentivise the Operator's performance of those services by measuring levels of that perception against specified thresholds.

2 Surveys and Methodology

Carrying out of Surveys

2.1 RfL or its nominee will carry out Customer Satisfaction Surveys in accordance with the CSS Methodology by procuring the completion of an online survey by customers about their last journey using the Passenger Services (and, where applicable, Alternative Services) and Elizabeth Line Stations, which shall be in the form of the CSS Questionnaire and include questions about their satisfaction with Elizabeth Line Stations, the Passenger Services and, where applicable, Alternative Services.

2.2 The results of any Customer Satisfaction Survey carried out during the Concession Period will be used to determine the Operator's performance against this Customer Satisfaction Regime in accordance with paragraphs 3 (*Performance Against the CSS Target Benchmarks*) to 6 (*Customer Satisfaction Surveys in the First Twelve (12) Months*) (inclusive).

Changing the CSS Methodology and/or CSS Questionnaire

2.3 RfL shall be entitled to change the CSS Methodology and/or CSS Questionnaire, provided that where that change has a material adverse impact on the Operator's ability to comply with the terms of this Customer Satisfaction Regime, a Change shall occur.

Each Customer Satisfaction Survey to produce a CSS Score

2.4 Each Customer Satisfaction Survey will be conducted over a Survey Period and will produce a score (each a "**CSS Score**") of the Operator's performance in respect of each of the CSS Headline Measure, the CSS Information Measure and the CSS Security Measure for that Survey Period against the criteria specified in the CSS Methodology. The first Survey Period shall commence on the Start Date.

3 Performance against the Relevant CSS Benchmarks

Calculating the Operator's Performance against the CSS Target Benchmark

3.1 As soon as reasonably practicable after completion of any Customer Satisfaction Survey (the "**Relevant Customer Satisfaction Survey**"), RfL shall calculate the Operator's performance in relation to each of the CSS Headline Target Benchmark, the CSS Information Target Benchmark and the CSS Security Target Benchmark, in each case on a moving annual average

basis (the "**CSS MAA Score**") in accordance with the following, subject to paragraphs 5.2 (*Performance against CSS Default Benchmarks – Performance Worse than any CSS Default Benchmark*) and 6 (*Customer Satisfaction Surveys in the first Twelve (12) months*):

$$CSS_{maa} = \frac{LCSSS + PCSSS}{4}$$

where:

- "**CSS_{maa}**" means the CSS MAA Score (measured to one (1) decimal place);
- "**LCSSS**" means the latest CSS Score for, as appropriate, the CSS Headline Measure, the CSS Information Measure or the CSS Security Measure, in each case determined pursuant to the Relevant Customer Satisfaction Survey; and
- "**PCSSS**" means the aggregate of the CSS Scores for the three (3) Customer Satisfaction Surveys carried out immediately prior to the Relevant Customer Satisfaction Survey in respect of, as appropriate, the CSS Headline Measure, the CSS Information Measure or the CSS Security Measure.

Payment: CSS MAA Score is equal to a relevant CSS Target Benchmark

- 3.2 If following the Customer Satisfaction Survey, the CSS MAA Score is equal to the CSS Headline Target Benchmark or to the CSS Information Target Benchmark or to the CSS Security Target Benchmark, then no payment shall be made by RfL to the Operator or vice versa, in each case in relation to that relevant component.

Payment: CSS MAA Score is more than a relevant CSS Target Benchmark

- 3.3 If following the Relevant Customer Satisfaction Survey, the CSS MAA Score is more than any of the CSS Headline Target Benchmark, the CSS Information Target Benchmark or the CSS Security Target Benchmark then the following amount shall be payable by way of a CSS Adjustment made in accordance with paragraph 3.5 (*Performance against the Relevant CSS Benchmarks – CSS Adjustments*):

$$CSSA = HTHR + URHR + HTIR + URIR + HTSR + URSR$$

where:

- "**CSSA**" means the CSS Adjustment payable by RfL to the Operator where the CSS MAA Score is equal to or more than the CSS Target Benchmark;
- "**HTHR**" means a bonus equal to [REDACTED] for every zero point one (0.1) point that the CSS MAA Score is more than the CSS Headline Target Benchmark and equal to or less than the CSS Headline Upper Benchmark (and zero if the CSS

MAA Score is equal to or less than the CSS Headline Target Benchmark);

"URHR" means a bonus equal to [REDACTED] for every zero point one (0.1) point that the CSS MAA Score is more than the CSS Headline Upper Benchmark and zero where the CSS MAA Score is less than or equal to the CSS Headline Upper Benchmark;

"HTIR" means a bonus equal to [REDACTED] for every zero point one (0.1) point that the CSS MAA Score is more than the CSS Information Target Benchmark and equal to or less than the CSS Information Upper Benchmark (and zero if the CSS MAA Score is equal to or less than the CSS Information Target Benchmark);

"URIR" means a bonus equal to [REDACTED] for every zero point one (0.1) point that the CSS MAA Score is more than the CSS Information Upper Benchmark and zero where the CSS MAA Score is less than or equal to the CSS Information Upper Benchmark;

"HTSR" means a bonus equal to [REDACTED] for every zero point one (0.1) point that the CSS MAA Score is more than the CSS Security Target Benchmark and equal to or less than the CSS Security Upper Benchmark (and zero if the CSS MAA Score is equal to or less than the CSS Security Target Benchmark); and

"URSR" means a bonus equal to [REDACTED] for every zero point one (0.1) point that the CSS MAA Score is more than the CSS Security Upper Benchmark and zero where the CSS MAA Score is less than or equal to the CSS Security Upper Benchmark.

Payment: CSS MAA Score is less than the relevant CSS Target Benchmark

3.4 If, following the Relevant Customer Satisfaction Survey, the CSS MAA Score is less than any of the CSS Headline Target Benchmark, the CSS Information Target Benchmark or the CSS Security Target Benchmark then the following amount shall be payable by way of a CSS Adjustment made in accordance with paragraph 3.5 (*Performance against the Relevant CSS Benchmarks – CSS Adjustments*):

$$\text{CSSA} = \text{HR} + \text{IR} + \text{SR}$$

where:

"CSSA" means the CSS Adjustment payable by the Operator to RfL where the CSS MAA Score is less than the CSS Target Benchmark;

- "HR"** means an amount equal to [REDACTED] for every zero point one (0.1) point that the CSS MAA Score is less than the CSS Headline Target Benchmark;
- "IR"** means an amount equal to [REDACTED] for every zero point one (0.1) point that the CSS MAA Score is less than the CSS Information Target Benchmark: and
- "SR"** means an amount equal to [REDACTED] for every zero point one (0.1) point that the CSS MAA Score is less than the CSS Security Target Benchmark.

CSS Adjustments

- 3.5 Any CSS Adjustment to be made following the calculation of any CSS MAA Score shall be the net of the sums calculated pursuant to paragraphs 3.3 (*Performance against the CSS Benchmarks – Payment: CSS MAA Score is more than a relevant CSS Target Benchmark*), and 3.4 (*Performance against the Relevant CSS Benchmarks – Payment: CSS MAA Score is less than the relevant CSS Target Benchmark*) and shall be made on the Payment Date of the next Reporting Period after the completion of the Relevant Customer Satisfaction Survey, in each case by way of adjustment to the Concession Payment to be made on that Payment Date in accordance with paragraph 2.4 (*Performance Adjustments – Calculation of Quality Performance Adjustments*) of Schedule 11.1 (*Concession Payments*).

4 Performance against CSS Remedial Plan Benchmarks

Performance Better than any CSS Remedial Plan Benchmarks

- 4.1 If, following the Relevant Customer Satisfaction Survey, the CSS Score for that survey in respect of each of the CSS Headline Measure, CSS Information Measure and the CSS Security Measure is more than respectively, the CSS Headline Remedial Plan Benchmark, the CSS Information Remedial Plan Benchmark and the CSS Security Remedial Plan Benchmark, then no further action shall arise.

Performance Worse than any CSS Remedial Plan Benchmarks

- 4.2 If, following the Relevant Customer Satisfaction Survey, the CSS Score for that survey in respect of any of the CSS Headline Measure, the CSS Information Measure or the CSS Security Measure is equal to or less than respectively, the CSS Headline Remedial Plan Benchmark, the CSS Information Remedial Plan Benchmark or the CSS Security Remedial Plan Benchmark, then:
- 4.2.1 a contravention of this Agreement shall have occurred; and
- 4.2.2 the provisions of paragraph 2 (*Remedial Plan Notices*) of Schedule 17.2 (*Quality Regime Remedial Plans and Remedial Agreements*) shall apply.

5 **Performance against CSS Default Benchmarks**

Performance Better than any CSS Default Benchmark

- 5.1 Subject to paragraph 4.2 (*Performance against CSS Remedial Plan Benchmarks – Performance Worse than any CSS Remedial Plan Benchmarks*), if following the Relevant Customer Satisfaction Survey, the CSS MAA Score is more than each of the CSS Headline Default Benchmark, the CSS Information Default Benchmark and the CSS Security Default Benchmark, then no further action shall arise.

Performance Worse than any CSS Default Benchmark

- 5.2 If the CSS MAA Score in respect of any of the CSS Headline Measure, the CSS Information Measure or the CSS Security Measure is equal to or less than respectively, the CSS Headline Default Benchmark, the CSS Information Default Benchmark or the CSS Security Default Benchmark, then:
- 5.2.1 an Event of Default shall have occurred; and
- 5.2.2 the provisions of Schedule 17 (*Remedies, Termination and Expiry*) shall apply.

6 **Customer Satisfaction Surveys in the first Twelve (12) months**

Where RfL or its nominee has conducted less than four (4) Customer Satisfaction Surveys, RfL shall, for the purpose of performing the calculation of "PCSSS" specified in paragraph 3.1 (*Performance against the CSS Benchmarks – Calculating the Operator's Performance against the Relevant CSS Target Benchmark*), aggregate the CSS Scores that the Operator achieves in the first twelve (12) months of the Concession Period with notional CSS Scores at each of the CSS Headline Target Benchmark, the CSS Information Target Benchmark and the CSS Security Target Benchmark for such number of notional Customer Satisfaction Surveys as are necessary to generate a CSS MAA Score in accordance with paragraph 3.1 (*Performance against the Relevant CSS Benchmarks – Calculating the Operator's Performance against the CSS Target Benchmark*) for each of the CSS Headline Measure, CSS Information Measure and CSS Security Measure.

7 **Indexation of Adjustments**

Any CSS Adjustment is an amount as at the Indexation Base Month and shall be indexed in accordance with paragraph 3 (*Indexation by Reference to CPI*) of Schedule 11.2 (*Annual Concession Payments and Indexation*).

Appendix to Schedule 8.3

CSS Benchmarks

	CSS Headline Measure	CSS Information Measure	CSS Security Measure
CSS Upper Benchmark	85.0	78.0	83.0
CSS Target Benchmark	80.0	75.0	78.0
CSS Remedial Plan Benchmark	77.0	70.0	75.0
CSS Default Benchmark	70.0	65.0	68.0

Schedule 8.4
Quality Performance Regime

1 Purpose

Throughout the Concession Period, RfL or its nominee will conduct Station & Staff Information Surveys to ascertain the quality of provision of information and customer service by Concession Employees at stations and on trains and on Alternative Services. Each Station & Staff Information Survey will investigate the following main aspects of that experience:

- 1.1 the provision of information;
- 1.2 Concession Employee appearance; and
- 1.3 Concession Employee behaviour.

2 Methodology and Surveys

Carrying out Surveys

- 2.1 Station & Staff Information Surveys will be conducted on an ongoing basis:
 - 2.1.1 by RfL or a specialist contractor appointed by RfL with experience of conducting similar surveys for RfL;
 - 2.1.2 in relation to:
 - (a) a KPI Measured Station, from the Start Date;
 - (b) Passenger Services, from the Start Date; and
 - (c) Alternative Services, from the Start Date;
 - 2.1.3 in accordance with the QPR Methodology and by populating the Station & Staff Information Survey across a number of visits to stations and a number of trips on the Passenger Services and on Alternative Services.

The Operator agrees that neither RfL nor any specialist contractor appointed to act on RfL's behalf shall give or be required to give any prior notice to the Operator prior to carrying out a Station & Staff Information Survey and the Operator shall provide such co-operation and assistance requested by RfL or its specialist contractor for the purposes of the same.

- 2.2 RfL shall:
 - 2.2.1 procure that the results of any Station & Staff Information Survey are provided to the Operator as soon as reasonably practicable following completion of any such survey and at least Quarterly; and
 - 2.2.2 to the extent reasonably practicable, allow the Operator a reasonable opportunity to make representations to RfL concerning the results of such surveys, but RfL shall not be obliged by those representations to make any adjustments to the calculations to be performed

pursuant to paragraph 3 (*Performance against the QPR Target Benchmark*).

- 2.3 The results of any Station & Staff Information Survey will be used to determine the Operator's performance against the criteria referred to in paragraph 1 (*Purpose*) (as more particularly set out in the QPR Methodology) in accordance with paragraph 3 (*Performance Against the QPR Target Benchmark*).

Changing the QPR Methodology and/or Station & Staff Information Survey

- 2.4 RfL shall be entitled to change the QPR Methodology and/or the Station & Staff Information Survey, provided that where that change has a material adverse impact on the Operator's ability to comply with the terms of this Quality Performance Regime, a Change shall occur.

3 **Performance against the QPR Target Benchmarks**

Each Station & Staff Information Survey to produce a QPR Score

- 3.1 Each Station & Staff Information Survey will be conducted over a Survey Period and will produce an overall score (measured to one (1) decimal place) (the "**QPR Score**") of the Operator's performance in the relevant Survey Period in respect of the QPR Headline Measure and QPR Alternative Services Measure in accordance with the Station & Staff Information Survey and the QPR Methodology. The first Survey Period shall commence on the first date of the first Reporting Period to occur after the Start Date.

Payment: QPR Score is equal to the relevant QPR Target Benchmark

- 3.2 If, following a Station & Staff Information Survey, the QPR Score for that survey is equal to the QPR Headline Target Benchmark or the QPR Alternative Services Target Benchmark, then no payment shall be made by the Operator to RfL in relation thereto.

Payment: QPR Score is more than the relevant QPR Target Benchmark

- 3.3 If, following a Station & Staff Information Survey, the QPR Score for that survey is more than the QPR Headline Target Benchmark or the QPR Alternative Services Target Benchmark, then the following amount shall be payable by way of a QPR Performance Adjustment made in accordance with paragraph 2.4 (*Performance Adjustments – Calculation of Quality Performance Adjustments*) of Schedule 11.1 (*Concession Payments*):

$$\text{QPA} = \text{TRQPR} + \text{URQPR} + \text{ASTQPR} + \text{ASUQPR}$$

where:

"QPA" means the QPR Performance Adjustment payable by RfL to the Operator where the QPR Score is equal to or more than the QPR Target Benchmark(s);

- "TRQPR"** means a bonus equal to [REDACTED] for every zero point one (0.1) point that the QPR Score is more than the QPR Target Benchmark (and zero if the QPR Score is equal to or less than the QPR Target Benchmark);
- "URQPR"** means a bonus equal to [REDACTED] for every zero point one (0.1) point that the QPR Score is more than the QPR Upper Target Benchmark and zero where the QPR Score is equal to or less than the QPR Upper Target Benchmark;
- "ASTQPR"** means a bonus equal to [REDACTED] for every zero point one (0.1) point that the QPR Score is more than the QPR Alternative Services Target Benchmark and equal to or less than the QPR Alternative Services Upper Benchmark (and zero if the QPR Score is equal to or less than the QPR Alternative Services Target Benchmark); and
- "ASUQPR"** means a bonus equal to [REDACTED] for every zero point one (0.1) point that the QPR Score is more than the QPR Alternative Services Upper Benchmark and zero where the QPR Score is equal to or less than the QPR Alternative Services Upper Benchmark.

Payment: QPR Score is less than the relevant QPR Target Benchmark

3.4 If, following a Station & Staff Information Survey, the QPR Score for that survey is less than the relevant QPR Target Benchmark, then the Operator shall pay to RfL by way of a Quality Performance Adjustment made in accordance with paragraph 2.4 (*Performance Adjustments – Calculation of Quality Performance Adjustments*) of Schedule 11.1 (*Concession Payments*) an amount derived from applying the rate of:

- 3.4.1 [REDACTED] for every zero point one (0.1) point between the QPR Headline Target Benchmark and that QPR Score; and/or
- 3.4.2 [REDACTED] for every zero point one (0.1) point between the QPR Alternative Services Target Benchmark and that QPR Score.

4 **Performance against the QPR Remedial Plan Benchmarks**

If, following any Station & Staff Information Survey, the QPR Score for that survey is equal to or less than the relevant QPR Remedial Plan Benchmark, then:

- 4.1 a contravention of this Agreement shall have occurred; and
- 4.2 the provisions of Schedule 17.2 (*Quality Regime Remedial Plans and Remedial Agreements*) shall apply.

5 **Indexation of Values in this Quality Performance Regime**

Any QPR Performance Adjustment is an amount as at the Indexation Base Month and shall be indexed in accordance with paragraph 3 (*Indexation by Reference to CPI*) of Schedule 11.2 (*Annual Concession Payments and Indexation*).

Appendix to Schedule 8.4

Quality Performance Regime Benchmarks

	Column 1 QPR Upper Benchmark (%)	Column 2 QPR Target Benchmark (%)	Column 3 QPR Remedial Plan Benchmark (%)
QPR Headline Measure	95.0	92.0	87.0
QPR Alternative Services Measure	95.0	92.0	87.0

Schedule 8.5
Information about Journeys

1 Rail Customer Experience Survey

- 1.1 The parties acknowledge that, subject to approval from the Secretary of State, the Great British Railways Transition Team ("**GBRTT**") or a successor thereto is expected to introduce a Rail Customer Experience Survey to replace the existing National Rail Passenger Survey and which will apply to all Train Operators in England, including the Operator.
- 1.2 Following the introduction of the Rail Customer Experience Survey, the Operator shall cooperate with RfL, GBRTT and such other third parties or stakeholders as may be involved with the Rail Customer Experience Survey to facilitate the survey fieldwork process so that such surveys are carried out effectively. Such cooperation for the purposes of this paragraph 1.2 (*Rail Customer Experience Survey*) shall include:
- 1.2.1 scheduling fieldwork activities;
- 1.2.2 providing appropriate letters of authority;
- 1.2.3 granting access to trains or Operator Managed Stations where the same has been requested for the purposes of fieldwork activities and the carrying out of any Rail Customer Experience Survey (including such persons undertaking those Rail Customer Experience Surveys not being required to any prior notice to the Operator prior to carrying out such survey); and
- 1.2.4 providing such other assistance required by RfL, GBRTT and such other third parties or stakeholders as may be involved with the Rail Customer Experience Survey.
- 1.3 RfL shall procure that the findings of any Rail Customer Experience Survey are made available to the Operator within a reasonable period of time after the completion of the same. The Operator shall analyse the results generated by such Rail Customer Experience Survey and shall, where requested, provide RfL with a report setting out such initiatives that the Operator (in its informed opinion) could make to the Concession Services to improve the customer experience on the Elizabeth Line Route.

2 National Passenger Surveys

- 2.1 The Operator agrees with RfL that in the event that the Rail Customer Experience Survey is not introduced in accordance with paragraph 1 (*Rail Customer Experience Survey*) and the Secretary of State elects to carry out National Passenger Surveys, then:
- 2.1.1 the Secretary of State or their representative or agent may measure the level of passenger satisfaction with relevant Concession Services through the carrying out of National Passenger Surveys;

- 2.1.2 the Secretary of State shall determine how, when (normally twice per annum) and where National Passenger Surveys are to be carried out;
 - 2.1.3 the Operator shall grant access on trains or at Operator Managed Stations to the Secretary of State or his representative or agent to carry out National Passenger Surveys;
 - 2.1.4 the Operator shall co-operate with the Secretary of State or their representative or agent (in such manner as the Secretary of State may reasonably request or as RfL may reasonably direct) in order to enable the Secretary of State or their representative or agent to carry out National Passenger Surveys; and
 - 2.1.5 the Secretary of State and/or RfL may, from time to time, publish the results of each National Passenger Survey.
- 2.2 RfL shall procure that:
- 2.2.1 the findings of any National Passenger Survey are made available by the Secretary of State to the Operator within a reasonable period of time after the completion of each such survey; and
 - 2.2.2 if any such survey includes a comparison between its findings and the findings of any equivalent earlier survey, such comparison forms a reasonable basis for monitoring the trends of passenger satisfaction over time.

Schedule 8.6
Excusing Causes (Schedule 8)

1 Excusing Causes (Schedule 8)

1.1 Each of the following shall be an "**Excusing Cause (Schedule 8)**" and together shall be the "**Excusing Causes (Schedule 8)**" subject to the conditions specified in paragraph 1.2 (*Excusing Causes (Schedule 8)*):

1.1.1 act of God, war damage, enemy action, terrorism or suspected terrorism, riot, civil commotion, rebellion or the act of any government instrumentality (including the ORR but excluding RfL and any member of the TfL Group), provided that there shall be no Excusing Cause (Schedule 8) under this paragraph 1.1.1 (*Excusing Causes (Schedule 8)*) by reason of:

- (a) the suicide or attempted suicide of any person that does not constitute an act of terrorism;
- (b) the activities of the police, fire service, ambulance service or other equivalent emergency service that are not in response to acts of terrorism or suspected terrorism;
- (c) an act of God which results in the Operator or its agents or subcontractors being prevented or restricted by any Infrastructure Manager from gaining access to any relevant section or part of track;

1.1.2 the occurrence of a Pandemic, provided that RfL has not issued a new Service Level Commitment which, in RfL's reasonable view, seeks to mitigate the impact of the occurrence of such Pandemic; and

1.1.3 any strike or other Industrial Action by any or all of the employees, agents or subcontractors of:

- (a) any Infrastructure Manager; or
- (b) any other operator of any railway facility,

other than, in each case, the Operator,

and for the purposes of paragraph 1.1.3 (*Excusing Causes (Schedule 8)*), "**Industrial Action**" shall include any concerted action taken in connection with the employment of the relevant employees (whether or not that action involves any breach of such employees' conditions of employment, and including any action taken in furtherance of a dispute, or with a view to improving the terms of employment of the relevant employees or by way of support for any other person) subject always, in the case of any unofficial industrial action, to the Operator being able to demonstrate the occurrence of such unofficial industrial action to the reasonable satisfaction of RfL.

- 1.2 In respect of any potential Excusing Cause (Schedule 8), the occurrence, and continuing existence of an Excusing Cause (Schedule 8) shall be subject to satisfaction of the following conditions:
- 1.2.1 the Operator notifies RfL within two (2) Business Days of it becoming aware or, if circumstances dictate, as soon as reasonably practicable thereafter, of the occurrence or likely occurrence of the relevant event;
 - 1.2.2 at the same time as the Operator serves notification on RfL under paragraph 1.2.1 (*Excusing Causes (Schedule 8)*), it informs RfL of the steps taken and/or proposed to be taken by the Operator to prevent the occurrence of, and/or to mitigate and minimise the effects of, the relevant event and to restore the provision of the Passenger Services;
 - 1.2.3 the relevant event did not occur as a result of:
 - (a) any act or omission to act by the Operator or its agents or subcontractors; or
 - (b) the Operator's own contravention of, or default under, this Agreement, any Access Agreement, Rolling Stock Related Contract, Property Lease or any other agreement;
 - 1.2.4 the Operator used and continues to use all reasonable endeavours to avert or prevent the occurrence and/or reoccurrence of the relevant event and/or to mitigate and minimise the effects of such event on its performance of the affected obligations (and the Operator shall notify and update RfL on request of the measures it is taking to do the same) and to restore its compliance with the relevant obligations as soon as reasonably practicable after the onset of the occurrence of such event; and
 - 1.2.5 the Operator shall, to the extent reasonably so requested by RfL, exercise its rights and remedies under any relevant agreement to prevent the occurrence or recurrence of any such event and to obtain appropriate redress and/or compensation from any relevant person.

2 **Impact on Schedule 8.1 (KPI Regime)**

If an Excusing Cause (Schedule 8) occurs then in respect of Schedule 8.1 (*KPI Regime*), to the extent that any performance failure for the purposes of determining "**PFP**" pursuant to paragraph 5.1 (*Calculation of KPI Adjustments*) of Schedule 8.1 (*KPI Regime*) results from that Excusing Cause (Schedule 8), such performance failure shall not be included for the purposes of calculating a KPI Adjustment.

3 **Impact on Schedule 8.2 (MSS Regime)**

- 3.1 If an Excusing Cause (Schedule 8) occurs, the following relief shall apply under Schedule 8.2 (*MSS Regime*):

- 3.1.1 to the extent that an Excusing Cause (Schedule 8) results in the MSS MAA Score being less than the MSS Rectification Plan Benchmark for any individual KPI Measured Station or individual Unit pursuant to:
- (a) paragraph 3.5 (*Performance against the MSS Benchmarks – Performance worse than the MSS Rectification Plan Benchmark*) of Schedule 8.2 (*MSS Regime*), then the Operator shall be relieved from its obligation to produce a Draft MSS Rectification Plan in respect of the same;
 - (b) paragraph 3.6.1 (*Performance against the MSS Benchmarks – Performance worse than the MSS Remedial Plan Benchmark*) of Schedule 8.2 (*MSS Regime*), then the provisions of Schedule 17.2 (*Quality Regime Remedial Plans and Remedial Agreements*) shall not apply in respect of the same;
- 3.1.2 to the extent that an Excusing Cause (Schedule 8) results in the MSS MAA Score being less than the MSS Remedial Plan Benchmark, then the provisions of Schedule 17.2 (*Quality Regime Remedial Plans and Remedial Agreements*) shall not apply.

4 Impact on Schedule 8.3 (Customer Satisfaction Regime)

- 4.1 If an Excusing Cause (Schedule 8) occurs, then in respect of Schedule 8.3 (*Customer Satisfaction Regime*) any visit for the purposes of populating the CSS Questionnaire for the purposes of paragraph 2.1 (*Surveys and Methodology – Carrying out of Surveys*) of Schedule 8.3 (*Customer Satisfaction Regime*) that has been affected by such Excusing Cause (Schedule 8) shall be excluded from the relevant Customer Satisfaction Survey and shall not be used to determine the CSS Score.

5 Impact on Schedule 8.4 (Quality Performance Regime)

- 5.1 If an Excusing Cause (Schedule 8) occurs, then in respect of Schedule 8.4 (*Quality Performance Regime*) any visit for the purposes of populating the Station & Staff Information Survey pursuant to paragraph 2.1.3 (*Methodology and Surveys – Carrying out Surveys*) of Schedule 8.4 (*Quality Performance Regime*) that has been affected by such Excusing Cause (Schedule 8) shall be excluded from the relevant Station & Staff Information Survey and shall not be used for the purposes of determining the QPR Score.

Schedule 9
Ticketless Travel Incentive Regime

Schedule 9: Ticketless Travel Incentive Regime

Schedule 9
Ticketless Travel Incentive Regime

1 General Ticket Revenue Protection Obligations

1.1 The Operator shall:

- 1.1.1 efficiently and effectively protect Ticket Revenue and implement measures in line with the retail obligations set out in Schedule 3.2 (*Fares Selling*) and the revenue protection obligations set out in Schedule 3.3 (*Ticket and Non-Ticket Revenue*), in each case to ensure that passengers are in possession of a valid ticket before boarding a train; and
- 1.1.2 ensure regular and effective Ticket Revenue protection activity across all Passenger Services, without diminishing the wider passenger interests of:
 - (a) safety required by applicable Law; or
 - (b) security and customer service required by this Agreement.

2 Ticketless Travel Surveys

Carrying out Surveys

- 2.1 RfL or its nominee shall carry out Ticketless Travel Surveys in accordance with the Ticketless Travel Survey Methodology during all periods of operation of the Passenger Services. The Operator shall provide all reasonable assistance to RfL and its nominee in connection with the carrying out of Ticketless Travel Surveys, including ensuring those persons carrying out a Ticketless Travel Survey are:
 - 2.1.1 are given unrestricted access to Operator Managed Stations and the Passenger Services; and
 - 2.1.2 are not required to sign in before accessing an Operator Managed Station or Passenger Service,in either case, for the purpose of undertaking a Ticketless Travel Survey.

Results of Surveys and Representations

- 2.2 RfL shall:
 - 2.2.1 procure that the results of any Ticketless Travel Survey are provided to the Operator as soon as reasonably practicable following completion of any such survey; and
 - 2.2.2 to the extent reasonably practicable, allow the Operator a reasonable opportunity to make representations to RfL concerning the results of any such survey, but RfL shall not be obliged by those representations to make any adjustments to the calculations to be

performed pursuant to paragraph 3 (*Performance against the Ticketless Travel Target*).

- 2.3 The results of the Ticketless Travel Survey for any Survey Period shall be used by RfL to calculate the Ticketless Travel Rate in that Survey Period in accordance with the Ticketless Travel Survey Methodology.
- 2.4 If, following any Ticketless Travel Survey, the Ticketless Travel Rate for that Ticketless Travel Survey is higher than the Ticketless Travel Target, then the Managing Director shall attend a meeting with representatives of RfL as soon as reasonably practicable thereafter, at which the Operator shall:
- 2.4.1 explain why the Ticketless Travel Rate for that Ticketless Travel Survey was higher than the Ticketless Travel Target for the Concession Year in which that Ticketless Travel Survey was carried out; and
- 2.4.2 propose the steps that the Operator will take to ensure that the Ticketless Travel Rate for future Ticketless Travel Surveys is equal to or below the Ticketless Travel Target for the Concession Year in which each such Ticketless Travel Survey is to be carried out.

Use of the Ticketless Travel Survey Methodology

- 2.5 The Operator agrees that:
- 2.5.1 it shall only use the Ticketless Travel Survey Methodology as contemplated by this Agreement, including for the purposes of:
- (a) determining whether RfL or its nominee referred to in paragraph 2.1 (*Ticketless Travel Surveys - Carrying out Surveys*) has carried out any Ticketless Travel Survey in accordance with that methodology; and
- (b) the Operator itself analysing trends in ticketless travel on the Passenger Services; and
- 2.5.2 the Ticketless Travel Survey Methodology is subject to the terms of Schedule 16.2 (*Confidentiality, Freedom of Information Act and Data Protection Requirements*) and the Operator shall not disclose that methodology or any part of it except as it is permitted to do so under that Schedule.

3 **Performance against the Ticketless Travel Target**

As soon as reasonably practicable after completion of any Ticketless Travel Survey (the "**Relevant Ticketless Travel Survey**"), RfL shall, subject to paragraph 2.3 (*Ticketless Travel Surveys - Results of Surveys and Representations*), calculate the Operator's performance against the Ticketless Travel Target on a moving annual average basis (the "**Ticketless Travel MAA Rate**") in accordance with the following:

$$TT_{\text{maa}}R = \frac{TTR + PTTR}{4}$$

where:

- "**TT_{maa}R**" means the Ticketless Travel MAA Rate;
- "**TTR**" means the Ticketless Travel Rate determined pursuant to the Relevant Ticketless Travel Survey; and
- "**PTTR**" means, subject to paragraph 7 (*Surveys in first Concession Year*), the aggregate of the Ticketless Travel Rate for the three (3) Ticketless Travel Surveys carried out immediately prior to the Relevant Ticketless Travel Survey.

4 Ticketless Travel Adjustment

- 4.1 If, following any Ticketless Travel Survey, the resulting Ticketless Travel MAA Rate, calculated in accordance with paragraph 3 (*Performance against the Ticketless Travel Target*) is equal to the Ticketless Travel Target, then no Ticketless Travel Adjustment shall be made by RfL to the Operator or vice versa, in each case in relation thereto.
- 4.2 If, following any Ticketless Travel Survey, the resulting Ticketless Travel MAA Rate, calculated in accordance with paragraph 3 (*Performance against the Ticketless Travel Target*) is either less or more than, as appropriate, the Ticketless Travel Target, then on the Payment Date of the Reporting Period after RfL calculates the Operator's performance pursuant to paragraph 3 (*Performance against the Ticketless Travel Target*), the following amount shall be payable by way of a Ticketless Travel Adjustment:

$$TTA = (TT_{maa}R - TTT) \times TTPR$$

where:

- "**TTA**" means the Ticketless Travel Adjustment for the Survey Period to which that Ticketless Travel Survey relates:
- (a) payable by the Operator to RfL where the Ticketless Travel MAA Rate is more than the Ticketless Travel Target; and
 - (b) payable by RfL to the Operator (as a positive amount) where the Ticketless Travel MAA Rate is less than the Ticketless Travel Target;
- "**TT_{maa}R**" means the Ticketless Travel MAA Rate (measured to two (2) decimal places);
- "**TTT**" means the Ticketless Travel Target (measured to two (2) decimal places); and
- "**TTPR**" means [REDACTED] (such sum being expressed at the Indexation Base Month and which shall be indexed in accordance with paragraph 3 (*Indexation by Reference to CPI*) of Schedule 11.2 (*Annual Concession Payments and Indexation*)).

- 4.3 Any Ticketless Travel Adjustment calculated pursuant to paragraph 4.2 (*Ticketless Travel Adjustment*) shall be made on the Payment Date of the next Reporting Period after the completion of any Ticketless Travel Survey by way of an adjustment to Concession Payments in accordance with paragraph 1.1 (*Concession Payments*) of Schedule 11.1 (*Concession Payments*).

5 Performance against Remedial Plan Thresholds

- 5.1 As soon as reasonably practicable after completion of any Ticketless Travel Survey, RfL shall, subject to paragraph 2.3 (*Ticketless Travel Surveys - Results of Surveys and Representations*), calculate the Operator's performance against the Ticketless Travel Remedial Plan Benchmark by:
- 5.1.1 calculating the Ticketless Travel Rate resulting from that Ticketless Travel Survey; and
 - 5.1.2 comparing the Ticketless Travel Rate against the Ticketless Travel Remedial Plan Benchmark.
- 5.2 If, following any Ticketless Travel Survey, the Ticketless Travel Rate is equal to or higher than the Ticketless Travel Remedial Plan Benchmark, then:
- 5.2.1 a contravention of this Agreement shall have occurred; and
 - 5.2.2 the provisions of Schedule 17.1 (*Remedial Plans and Remedial Agreements*) shall apply.

6 Performance against Default Thresholds

- 6.1 As soon as reasonably practicable after the completion of any Ticketless Travel Survey, RfL shall, subject to paragraph 2.3 (*Ticketless Travel Surveys - Results of surveys and representations*), calculate the Operator's performance against the Ticketless Travel Default Benchmark by:
- 6.1.1 calculating the Ticketless Travel MAA Rate in accordance with paragraph 3 (*Performance against the Ticketless Travel Target*); and
 - 6.1.2 comparing the Ticketless Travel MAA Rate against the Ticketless Travel Default Benchmark.
- 6.2 If, following any Ticketless Travel Survey, the Ticketless Travel MAA Rate is equal to or higher than the Ticketless Travel Default Benchmark, then:
- 6.2.1 an Event of Default shall have occurred; and
 - 6.2.2 the provisions of Schedule 17 (*Remedies, Termination and Expiry*) shall apply.

7 Surveys in first Concession Year

Where RfL or its nominee has conducted less than four (4) Ticketless Travel Surveys during the Concession Period, RfL shall, for the purposes of performing the calculation specified in paragraph 3 (*Performance against the Ticketless Travel Target*), assume that the Operator has performed at the Ticketless Travel Target for such number of

notional Ticketless Travel Surveys as is necessary for the purposes of generating a Ticketless Travel MAA Rate in accordance with paragraph 3 (*Performance against the Ticketless Travel Target*).

Schedule 10
Committed Obligations and Concession Specific Obligations

Schedule 10.1: List of Committed Obligations and Committed Obligation Payments

Schedule 10.2: Miscellaneous Provisions and Late/Non Completion of Committed Obligations

Schedule 10.3: Concession Specific Obligations

Schedule 10.1

List of Committed Obligations and Committed Obligation Payments

Column 1	Column 2	Column 3	Column 4	Column 5	Column 6	Column 7
No.	Committed Obligation	Delivery Date	Nature of COP ('RP' or 'PB')	Committed Obligation Payment (£)	Does para 11.4 of Sched 10.2 apply? (Y/N)	Specimen Scheme (Y/N)
CO1	The Operator shall incur expenditure of not less than:	The end of each Concession Year	PB		N	N
	(a) (in the case of the Concession Year commencing on the Start Date) [REDACTED] in aggregate; and			[REDACTED] (in the case of the first Concession Year)		
	(b) (in the case of each subsequent Concession Year) [REDACTED] in aggregate (or, in respect of a Concession Year commencing on or after 1 April 2026 that is less than thirteen (13) Reporting Periods, a pro rata amount of [REDACTED]),			[REDACTED] (in the case of each subsequent Concession Year and pro-rated in respect of any Concession Year that is less than thirteen (13) Reporting Periods)		
	in order to improve the engagement of Concession Employees with the Operator, promote the					

Schedule 10.1
List of Committed Obligations and Committed Obligation Payments

Column 1	Column 2	Column 3	Column 4	Column 5	Column 6	Column 7
No.	Committed Obligation	Delivery Date	Nature of COP ('RP' or 'PB')	Committed Obligation Payment (£)	Does para 11.4 of Sched 10.2 apply? (Y/N)	Specimen Scheme (Y/N)
	<p>Operator's vision, mission and values with the Concession Employees and reduce absence levels and staff turnover amongst Concession Employees, including:</p> <ol style="list-style-type: none"> 1. launching and then utilising the 'GTS' brand with Concession Employees, including at recruitment fairs, rail industry events and/or community events; 2. conducting with all Concession Employees in each Concession Year (being a Concession Year of not less than seven (7) Reporting Periods): (i) an opinion survey (which shall include, not less than every two (2) Concession Years, questions on the safety culture within the Operator's organisation in order to measure and monitor the standard of managing occupational health and safety risks in respect of the performance of the Concession Services and identify any potential performance improvement measures for safety); and (ii) two 'pulse' surveys (or, in the case of a Concession Year of less than thirteen (13) Reporting Periods, one 'pulse' survey) and the Operator shall procure that the first 'pulse' survey is carried out by 30 November 2025; 3. establishing an engagement benchmark for all opinion surveys and 'pulse' surveys to guide future action plans and set targets for improvement; 4. providing to RfL its engagement benchmark for such surveys, together with (in respect of each such survey undertaken) how the Operator 					

Schedule 10.1
List of Committed Obligations and Committed Obligation Payments

Column 1	Column 2	Column 3	Column 4	Column 5	Column 6	Column 7
No.	Committed Obligation	Delivery Date	Nature of COP ('RP' or 'PB')	Committed Obligation Payment (£)	Does para 11.4 of Sched 10.2 apply? (Y/N)	Specimen Scheme (Y/N)
	<p>performs against such benchmark and a summary of the results of the survey;</p> <p>5. in each Concession Year: (i) hosting a recognition event for Concession Employees; (ii) hosting two (2) 'peer to peer' award events (or, in respect of a Concession Year of less than thirteen (13) Reporting Periods, one (1) peer to peer awards event) for Concession Employees; and (iii) other initiatives to recognise the achievements of Concession Employees; and</p> <p>6. (i) internal communication campaigns for Concession Employees; (ii) an intranet site for Concession Employees for internal news; and (iii) other initiatives to improve communication with Concession Employees.</p>					
CO2	The Operator shall incur expenditure of not less than:	The end of each Concession Year	PB		N	N
	(a) (in the case of each Concession Year commencing on the Start Date, 1 April 2026 and 1 April 2027) [REDACTED] in aggregate;			[REDACTED] (in the case of each Concession Year commencing on the Start Date, 1 April 2026 and 1 April 2027) (These amounts are pro-rated in respect of any		

Schedule 10.1
List of Committed Obligations and Committed Obligation Payments

Column 1	Column 2	Column 3	Column 4	Column 5	Column 6	Column 7
No.	Committed Obligation	Delivery Date	Nature of COP ('RP' or 'PB')	Committed Obligation Payment (£)	Does para 11.4 of Sched 10.2 apply? (Y/N)	Specimen Scheme (Y/N)
				Concession Year commencing on or after 1 April 2026 that is less than thirteen (13) Reporting Periods)		
	(b) (in the case of each Concession Year commencing on 1 April 2028, 1 April 2030 and 1 April 2032) [REDACTED] in aggregate; and			[REDACTED] (in the case of each Concession Year commencing on 1 April 2028, 1 April 2030 and 1 April 2032) (These amounts are pro-rated in respect of any Concession Year that is less than thirteen (13)		

Schedule 10.1
List of Committed Obligations and Committed Obligation Payments

Column 1	Column 2	Column 3	Column 4	Column 5	Column 6	Column 7
No.	Committed Obligation	Delivery Date	Nature of COP ('RP' or 'PB')	Committed Obligation Payment (£)	Does para 11.4 of Sched 10.2 apply? (Y/N)	Specimen Scheme (Y/N)
				Reporting Periods)		
	(c) (in the case of each Concession Year commencing on 1 April 2029 and 1 April 2031) [REDACTED] in aggregate,			[REDACTED] (in the case of each Concession Year commencing on 1 April 2029 and 1 April 2031) (These amounts are pro-rated in respect of any Concession Year that is less than thirteen (13) Reporting Periods)		
	(or, in respect of a Concession Year commencing on or after 1 April 2026 that is less than thirteen (13) Reporting Periods, a pro rata amount of the applicable amount) to promote the learning and development of the Operator's executive team (which, for the purposes of this Committed					

Schedule 10.1
List of Committed Obligations and Committed Obligation Payments

Column 1	Column 2	Column 3	Column 4	Column 5	Column 6	Column 7
No.	Committed Obligation	Delivery Date	Nature of COP ('RP' or 'PB')	Committed Obligation Payment (£)	Does para 11.4 of Sched 10.2 apply? (Y/N)	Specimen Scheme (Y/N)
	<p>Obligation includes the Managing Director, Concession Delivery Director, Engineering Director, People Director, Train Service Delivery Director, Customer Service Director, Health, Safety and Environment Director, and Finance & Business Systems Director (or such equivalent roles in the event of a reorganisation of the Operator's Executive)), senior team (which, for the purposes of this Committed Obligation includes roles that are level 7 and 8 according to the list of all job titles for TUPE staff 2-24-03-30 contained in the ITT Data Room, as well as new 'Head of' and 'Director' roles) and line managers (which, for the purposes of this Committed Obligation includes roles that are level 5 and 6 according to the list of all job titles for TUPE staff 2-24-03-30 contained in the ITT Data Room, as well as new roles at such levels), including on:</p> <ol style="list-style-type: none"> the development and provision with Tokyo Metro Co., Ltd. of online and in-person learning, management and development training, branded as 'GTS Academy', including, in the case of the first Concession Year: (i) in-person attendance management training for people managers; (ii) in-person EDI unconscious bias training for recruiting managers; (iii) in-person joint procedural (discipline, grievance) training with trade unions and line managers by no later than [REDACTED]; and (iv) intersectionality training; 					

Schedule 10.1
List of Committed Obligations and Committed Obligation Payments

Column 1	Column 2	Column 3	Column 4	Column 5	Column 6	Column 7
No.	Committed Obligation	Delivery Date	Nature of COP ('RP' or 'PB')	Committed Obligation Payment (£)	Does para 11.4 of Sched 10.2 apply? (Y/N)	Specimen Scheme (Y/N)
	<p>2. executive coaching and team away days that shall be open to the Managing Director, Concession Delivery Director, Engineering Director, People Director, Train Service Delivery Director, Customer Service Director, Finance & Business Systems Director, and the Health, Safety and Environment Director (or such equivalent roles in the event of a reorganisation of the Operator's Executive) from 30 November 2025, including during each Concession Year (or, in respect of a Concession Year of less than thirteen (13) Reporting Periods, a pro rata number of executive team away days or team management events, as applicable): (i) not less than two (2) executive team away days; (ii) (from the Concession Year commencing on 1 April 2028) not less than two (2) senior management events, which shall be open to all roles that are level 7 and 8 according to the list of all job titles for TUPE staff 2-24-03-30 contained in the ITT Data Room (including but not limited to heads of department and directors), as well as the new 'Head of' and Director roles that the Operator will create through its initiatives, which will be equivalent to level 7 and 8 respectively; and (iii) an annual management conference, which shall be open to all roles that are level 5 and above according to the list of all job titles for TUPE staff 2-24-03-30 contained in the ITT Data Room, as well as any new roles that the</p>					

Schedule 10.1
List of Committed Obligations and Committed Obligation Payments

Column 1	Column 2	Column 3	Column 4	Column 5	Column 6	Column 7
No.	Committed Obligation	Delivery Date	Nature of COP ('RP' or 'PB')	Committed Obligation Payment (£)	Does para 11.4 of Sched 10.2 apply? (Y/N)	Specimen Scheme (Y/N)
	<p>Operator creates through its initiatives that are of equivalent level. The Operator shall share with RfL in a report from each executive away day, team management day and team away day its view of best practice and knowledge relevant to the Concession Services, together with any lessons learned and recommendations for improving any aspect of the Concession Services; and/or</p> <p>3. (i) the development and delivery of an online customer service course by Tokyo Metro Co., Ltd., which shall be launched by 31 March 2026 (including a minimum of six (6) hours of accompanying training material for station staff); (ii) exchange visits to Tokyo Metro Co., Ltd.'s training academy by Concession Employees (who shall be selected by the Operator's Executive); (iii) an in-person audit of the Operator's training arrangements by personnel from Tokyo Metro Co., Ltd. in the Concession Year beginning on 1 April 2026; and/or (iv) other collaborative initiatives with Tokyo Metro Co., Ltd.</p>					
CO3	<p>The Operator shall incur expenditure with a human resources consultancy of not less than [REDACTED] in aggregate on a programme to design, establish and deliver to Concession Employees a 'culture transformation programme', which is intended to embed the Operator's vision, mission, and values. The Operator shall provide RfL with a copy of the materials to be used in the 'culture transformation programme' and a</p>	31 March 2028	PB	[REDACTED]	N	N

Schedule 10.1
List of Committed Obligations and Committed Obligation Payments

Column 1	Column 2	Column 3	Column 4	Column 5	Column 6	Column 7
No.	Committed Obligation	Delivery Date	Nature of COP ('RP' or 'PB')	Committed Obligation Payment (£)	Does para 11.4 of Sched 10.2 apply? (Y/N)	Specimen Scheme (Y/N)
	<p>timetable for delivery or roll out of the same, which the Operator shall complete by 31 March 2028.</p> <p>As part of the culture transformation programme, the Operator shall procure that:</p> <ol style="list-style-type: none"> 1. with effect from the first Concession Year, all Concession Employees engaged in providing the Concession Services have completed mandatory forty five (45) minute equality, diversity and inclusion training as set out in the Operator's EDI Action Plan; 2. deliver a one day course to train recruitment managers ("TRMs"), train resource assistants ("TRAs"), Elizabeth Line Route Control Centre ("Control Centre") staff and drivers on 'Working With Drivers And Improved Communication', which will cover: (i) a day in the life of a driver (a simulation exercise where Control Centre staff and drivers will receive a detailed look at how drivers effectively administer their duties in a practical setting); (ii) a day in the life of a control (a simulation exercise where Control Centre staff and drivers will receive a detailed look at how Control Centre staff effectively administer their duties in a practical setting); (iii) how to deliver amended diagrams to drivers (which will include open discussions on how long it can take to produce a diagram and cover the process for delivering them); and (iv) an assessment at the end of the course, which will 					

Schedule 10.1
List of Committed Obligations and Committed Obligation Payments

Column 1	Column 2	Column 3	Column 4	Column 5	Column 6	Column 7
No.	Committed Obligation	Delivery Date	Nature of COP ('RP' or 'PB')	Committed Obligation Payment (£)	Does para 11.4 of Sched 10.2 apply? (Y/N)	Specimen Scheme (Y/N)
	<p>be built into the assessment for driver and Control Centre staff roles;</p> <p>3. in conjunction with Infrastructure Managers, carry out tactical commander and strategic commander training on coordinated incident management; and</p> <p>4. without prejudice to CO3(1) above, where the Operator has engaged a third party provider to provide alternative bus and/or licensed taxi services in accordance with paragraph 7.2.1(a)(ii) (<i>Alternative Transport Arrangements - Requirement to Provide Alternative Transport</i>) of Schedule 1.3 (<i>Managing Changes to the Passenger Services</i>) all drivers of alternative bus and/or licensed taxi services have completed disability awareness training as may be specified in the EDI Action Plan.</p>					
CO4	The Operator shall:	Start Date	RP	[REDACTED]	Y (under paragraph 11.4, the COP will be reduced pro rata by reference to the number of roles that have been filled during the	N
	<p>(a) procure that from the Start Date SCTM Rail Holdings Limited seconds and maintains in each Concession Year until the Concession Year ending 31 March 2029 personnel that are equivalent to not less than two (2) full time employees to promote collaboration between the Operator, Sumitomo Corporation and Tokyo Metro Co., Ltd. and the sharing of their best practice; and</p> <p>(b) procure at its own cost that the Operator's proposed Head of Business</p>					

Schedule 10.1
List of Committed Obligations and Committed Obligation Payments

Column 1	Column 2	Column 3	Column 4	Column 5	Column 6	Column 7
No.	Committed Obligation	Delivery Date	Nature of COP ('RP' or 'PB')	Committed Obligation Payment (£)	Does para 11.4 of Sched 10.2 apply? (Y/N)	Specimen Scheme (Y/N)
	Change and Centre of Excellence spends not less than twenty (20) Business Days in Tokyo, Japan with Tokyo Metro Co., Ltd. prior to the Start Date in order to facilitate the sharing of best practice.				applicable Reporting Period)	
CO5	The Operator shall incur expenditure of:	The end of each Concession Year	PB		N	N
	(a) in respect of the Concession Year commencing on the Start Date, [REDACTED] in aggregate; and			[REDACTED] (in the case of the Concession Year commencing on the Start Date)		
	(b) (in the case of each subsequent Concession Year), not less than [REDACTED] in aggregate in each Concession Year (or, in respect of a Concession Year commencing on or after 1 April 2026 that is less than thirteen (13) Reporting Periods, a pro rata amount of [REDACTED]),			[REDACTED] (in the case of each subsequent Concession Year and on the basis that this amount is pro-rated in respect of any such Concession Year that is		

Schedule 10.1
List of Committed Obligations and Committed Obligation Payments

Column 1	Column 2	Column 3	Column 4	Column 5	Column 6	Column 7
No.	Committed Obligation	Delivery Date	Nature of COP ('RP' or 'PB')	Committed Obligation Payment (£)	Does para 11.4 of Sched 10.2 apply? (Y/N)	Specimen Scheme (Y/N)
				less than thirteen (13) Reporting Periods)		
	(the " Employee Owned Fund "). The Operator shall procure that the Employee Owned Fund is controlled by a nominated group of Concession Employees (who are not members of the Operator's Executive) and is used to improve the working environment of Concession Employees, including in relation to: 1. mess room equipment; 2. shared facilities; 3. Equality Diversity and Inclusion activities (with expenditure of not less than [REDACTED] of the [REDACTED] set out in CO5(b) above on such Equality, Diversity and Inclusion activities in each Concession Year commencing on or after 1 April 2026 (or, in respect of a Concession Year of less than thirteen (13) Reporting Periods, a pro rata amount of [REDACTED])); 4. staff social events; and/or 5. employee forums.					
CO6	The Operator shall appoint and maintain a new [REDACTED], including appointing by no later than 31 May 2026 (unless specified otherwise below) and thereafter maintaining for the duration of the Concession Period (save as specified below) suitably qualified or experienced persons to the following roles:	31 May 2026	RP	[REDACTED] per Reporting Period	Y (under paragraph 11.4, the COP will be reduced pro rata by	N

Schedule 10.1
List of Committed Obligations and Committed Obligation Payments

Column 1	Column 2	Column 3	Column 4	Column 5	Column 6	Column 7
No.	Committed Obligation	Delivery Date	Nature of COP ('RP' or 'PB')	Committed Obligation Payment (£)	Does para 11.4 of Sched 10.2 apply? (Y/N)	Specimen Scheme (Y/N)
	<p>1. a [REDACTED] by 30 November 2025 who shall have responsibility for leading in the development and implementation of the Operator's health, safety and environment strategy and establishing the new, independent [REDACTED] by 31 May 2026;</p> <p>2. a [REDACTED] who shall have responsibility for managing the Operator's document register and document control system;</p> <p>3. a [REDACTED] who shall have responsibility to assist the [REDACTED] in producing data lead reports;</p> <p>4. a [REDACTED] who shall be trained to assist with research and coordination of 'environmental champions' meetings, and support the 'responsible procurement' team with supplier reporting;</p> <p>5. a [REDACTED] who shall have responsibility for managing project risk registers and owning risk assessments, which role shall remain in place until 31 March 2030;</p> <p>6. a [REDACTED] who shall have responsibility for managing the safety management of change process for all ongoing projects, which role shall remain in place until 31 March 2030;</p> <p>7. a [REDACTED] who shall have responsibility for providing an internal audit of all project related activities and managing the closure of identified actions, which role shall remain in place until 31 March 2030;</p> <p>8. a [REDACTED] who shall have responsibility for delivering Concession and periodic reporting, working with the Operator's supply chain to reduce</p>				reference to the number of roles that have been filled or maintained during the applicable Reporting Period)	

Schedule 10.1
List of Committed Obligations and Committed Obligation Payments

Column 1	Column 2	Column 3	Column 4	Column 5	Column 6	Column 7
No.	Committed Obligation	Delivery Date	Nature of COP ('RP' or 'PB')	Committed Obligation Payment (£)	Does para 11.4 of Sched 10.2 apply? (Y/N)	Specimen Scheme (Y/N)
	environmental impact, and leading the roll-out of environmental initiatives, which role shall remain in place until 31 March 2027; and 9. a [REDACTED] who shall be trained in supporting the three (3) main project safety roles with administrative, planning, and coordinating activities, which role shall remain in place until 31 March 2030.					
CO7	<p>The Operator shall deliver or make available:</p> <ol style="list-style-type: none"> 1. to all Concession Employees who are managers (being Concession Employees with a job level that is level 4 or above (or equivalent) according to the list of all job titles for TUPE staff 2-24-03-30 contained in the ITT Data Room) and in person, two (2) day, classroom based non-technical skills training course on safety culture and the issues confronted by Concession Employees engaged in frontline safety critical activities; and 2. to all train driver and other Concession Employees (excluding the participants in the training set out at CO7(1)) an on-line, part-day non-technical skills training on safety culture and the issues confronted by Concession Employees engaged in frontline safety critical issues. <p>Completion of the training will be evidenced by Concession Employees' training records, held in the Learning Management System.</p> <p>Without prejudice to the foregoing, the Operator shall also create and ensure that a non-technical</p>	[REDACTED]	PB	[REDACTED]	N	N

Schedule 10.1
List of Committed Obligations and Committed Obligation Payments

Column 1	Column 2	Column 3	Column 4	Column 5	Column 6	Column 7
No.	Committed Obligation	Delivery Date	Nature of COP ('RP' or 'PB')	Committed Obligation Payment (£)	Does para 11.4 of Sched 10.2 apply? (Y/N)	Specimen Scheme (Y/N)
	skills programme (the " NTS Programme ") is available to all Concession Employees on the Operator's learning management system. The scope of such NTS Programme shall include: (a) situational awareness; (b) conscientiousness; (c) communication; (d) decision making and action; (e) cooperation and working with others; (f) workload management; and (g) self-management.					
CO8	The Operator shall procure a report by a third-party safety consultancy (the identity of which shall be agreed in advance with RfL) on improvements that may be made to the Operator's Safety Management System in order to provide an industry best practice benchmark. The Operator shall provide RfL with a copy of the report promptly once the same is completed.	1 February 2026	PB	[REDACTED]	N	N
CO9	In the Concession Years commencing on each of 1 April 2026, 1 April 2028, 1 April 2030 and 1 April 2032 respectively, the Operator shall, taking account of any Concession Employees survey responses on the Operator's safety culture as described in CO1(2) above and carried out in the preceding Contract Year, incur expenditure of not less than [REDACTED] (or, in respect of a Concession Year that is less than thirteen (13)	The end of each specified Concession Year	PB	[REDACTED] in each relevant Concession Year (This amount is pro-rated in respect of any relevant	N	N

Schedule 10.1
List of Committed Obligations and Committed Obligation Payments

Column 1	Column 2	Column 3	Column 4	Column 5	Column 6	Column 7
No.	Committed Obligation	Delivery Date	Nature of COP ('RP' or 'PB')	Committed Obligation Payment (£)	Does para 11.4 of Sched 10.2 apply? (Y/N)	Specimen Scheme (Y/N)
	Reporting Periods, a pro rata amount of [REDACTED]) on schemes that improve and promote the safety culture in relation to the performance of the Concession Services.			Concession Year that is less than thirteen (13) Reporting Periods)		
CO10	<p>The Operator shall:</p> <ol style="list-style-type: none"> 1. obtain, implement and thereafter for the duration of the Concession Period maintain accreditation for ISO 45001 (an international standard that specifies requirements for an occupational health and safety management system, which provides a framework for organisations to manage risks and improve occupational health and safety performance); and 2. obtain, implement and thereafter for the duration of the Concession Period maintain accreditation for ISO 45003 (international guidelines for psychological health and safety at work, which enables organisations to prevent work-related injury and ill-health of their workers and other interested parties and to promote well-being at work). 	13 December 2026	RP	[REDACTED] per Reporting Period	N	N
CO11	<p>The Operator shall, in order to improve the mental and physical well-being of Concession Employees:</p> <ol style="list-style-type: none"> 1. appoint and maintain a suitably qualified person to the role of 'Head of Occupational Health and Well Being' who shall have responsibility for driving improvements in employee wellbeing and attendance management; 	31 March 2027	RP	[REDACTED] per Reporting Period	Y	N

Schedule 10.1
List of Committed Obligations and Committed Obligation Payments

Column 1	Column 2	Column 3	Column 4	Column 5	Column 6	Column 7
No.	Committed Obligation	Delivery Date	Nature of COP ('RP' or 'PB')	Committed Obligation Payment (£)	Does para 11.4 of Sched 10.2 apply? (Y/N)	Specimen Scheme (Y/N)
	<p>2. establish a health promotion scheme under which the Operator subsidises the cost of flu jabs, gym memberships, health fairs, screenings and other matters that promote mental and physical well-being; and</p> <p>3. host welcome events, health roadshows and annual safety roadshows (which the Operator's Executive shall participate in), including hiring an electric bus for the purposes of facilitating such welcome events, health roadshows and annual safety roadshows, and thereafter maintain the same for the duration of the Concession Period.</p>					
CO12	<p>The Operator shall incur aggregate expenditure of not less than [REDACTED] in order to obtain and thereafter for the duration of the Concession Period maintain accreditation for ISO 44001 (an international standard that specifies requirements for the effective identification, development and management of collaborative business relationships within or between organisations). The Operator shall share the best practices specified by ISO 44001 with RfL and implement the same in its relationship with RfL.</p> <p>This Committed Obligation is a Specimen Scheme because it is dependent on whether RfL wishes this or would prefer to direct the expenditure elsewhere. The Specimen Scheme Output is the establishment of a collaborative business relationship between the Operator and RfL.</p>	31 March 2027	PB	[REDACTED]	N	Y

Column 1	Column 2	Column 3	Column 4	Column 5	Column 6	Column 7
No.	Committed Obligation	Delivery Date	Nature of COP ('RP' or 'PB')	Committed Obligation Payment (£)	Does para 11.4 of Sched 10.2 apply? (Y/N)	Specimen Scheme (Y/N)
CO13	The Operator shall:					
	(a) with assistance from a third-party consultant: 1. create a virtual collaboration workspace using SharePoint by Microsoft (or an equivalent package from an alternative supplier) for RfL and the Operator (and potentially Infrastructure Manager(s) and/or the Rolling Stock Provider) in order to host and track information including: (i) key performance indicator dashboards for the Elizabeth Line; (ii) shared goals for the Elizabeth Line; (iii) project-specific workspaces; (iv) templates for project proposals, safety reports and risk registers; (v) centralised version control features for shared documents; and (vi) customised approval workflows. The collaboration workspace shall be developed by an ISO44001-certified IT consultant and shall be supported by a full-time resource within The Go-Ahead Group Limited, such resource to specialise in Sharepoint management (or such alternative package) and who shall be responsible for maintaining the workspace for the remaining duration of the Concession Period; and 2. deliver in person collaborative training to thirty (30) users (such users including, but not limited to, a mix of Concession Employees and those RfL employees	31 March 2027	PB	[REDACTED]	N	N

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No.	Committed Obligation	Delivery Date	Nature of COP ('RP' or 'PB')	Committed Obligation Payment (£)	Does para 11.4 of Sched 10.2 apply? (Y/N)	Specimen Scheme (Y/N)
	selected by RfL) on the application of ISO 44001 and use of such virtual collaboration workspace. The core training modules shall include as a minimum an introduction to the core concepts of collaborative working, understanding cultures and behaviours, managing the risks and benefits inherent to collaboration and the use of collaboration workspace. The Operator shall procure that this training is delivered through half-day training sessions in central London to balance attendees' operational responsibilities and minimise travel time. The delivery of this training shall be repeated annually and shall take place irrespective of whether RfL and the Operator agree an Alternative Scheme in place of CO12; and					
	(b) undertake a review of the virtual collaboration workspace contemplated by CO13(a)1. to consider whether any improvements should be made to improve such workspace to facilitate improved collaboration between its users and the Operator shall provide a report setting out its recommendations, together with any proposed improvements to RfL for approval.	31 March 2030	PB	[REDACTED]	N	N
CO14	Without prejudice to the obligations in CO2(2), the Operator shall incur expenditure of not less than [REDACTED] in each Concession Year organising and hosting one (1) annual away day for the executive teams of the Operator and RfL in order	31 March in each Concession Year	PB	[REDACTED] in each Concession Year	N	N

Column 1	Column 2	Column 3	Column 4	Column 5	Column 6	Column 7
No.	Committed Obligation	Delivery Date	Nature of COP ('RP' or 'PB')	Committed Obligation Payment (£)	Does para 11.4 of Sched 10.2 apply? (Y/N)	Specimen Scheme (Y/N)
	to enhance collaborative working and share best practices.					
CO15	The Operator shall:					
	(a) create a new [REDACTED] to optimise the reliability of the Optional Unit Fleet from Acceptance, including appointing by 7 December 2025 and maintaining until 31 March 2027 (provided that each of these dates may be deferred with the agreement of RfL if and to the extent that it is reasonably anticipated by the Operator that the Acceptance of the Optional Units will be delayed) a suitably qualified person to each of the following roles: 1. a [REDACTED] (one (1) full time equivalent) who shall have responsibility for the Operator's role in pre-acceptance examinations and system functionality testing, as well as fault diagnosis and rectification during both the pre-acceptance phase and usual operations; and 2. a [REDACTED] (one (1) full time equivalent) who shall have responsibility for acting as the primary point of contact between the [REDACTED], to facilitate testing and trial running and to ensure that operational requirements are met; and	7 December 2025 (or such later date if and to the extent that it is reasonably anticipated that the acceptance of the Optional Units will be delayed and RfL has agreed to the same)	RP	[REDACTED] per Reporting Period	Y (under paragraph 11.4, the COP will be reduced pro rata by reference to the number of roles that have been filled during the applicable Reporting Period)	N
	(b) provide personnel that are equivalent to not less than two (2) full time equivalent test	1 February 2026 (or such later date if	RP	[REDACTED] per Reporting Period	Y (under paragraph 11.4,	N

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No.	Committed Obligation	Delivery Date	Nature of COP ('RP' or 'PB')	Committed Obligation Payment (£)	Does para 11.4 of Sched 10.2 apply? (Y/N)	Specimen Scheme (Y/N)
	drivers and two (2) full time equivalent engineers to support fault free running of the Optional Units between 1 February 2026 and 31 October 2026 (provided that each of these dates may be deferred with the agreement of RfL if and to the extent that it is reasonably anticipated by the Operator that fault free running will be delayed). The new [REDACTED] shall seek to minimise the impact of the introduction of the Optional Units on delivery of the Concession Services and manage risk areas associated with new train introduction.	and to the extent that it is reasonably anticipated that the fault free running of the Optional Units will be delayed and RfL has agreed to the same)			the COP will be reduced pro rata by reference to the number of roles that have been filled during the applicable Reporting Period)	
CO16	Subject to the Operator using reasonable endeavours to secure funding for the roles from a Network Change, the Operator shall appoint a suitably qualified person to each of the following roles: 1. a [REDACTED] (zero point five (0.5) of a full time equivalent) in respect of the introduction of the Optional Unit Fleet, Old Oak Common Station (and interface with High Speed 2) who shall have responsibility for: i. overall programme management and leadership of the Optional Units programme and act as the primary interface between the Operator and the	For item 1, 7 December 2025 For items 2 and 3, 31 March 2026 (provided that, with the agreement of RfL, this date may be deferred to reflect any delay to the	RP	[REDACTED]	Y (under paragraph 11.4, the COP will be reduced pro rata by reference to the number of roles filled and/or maintained)	N

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No.	Committed Obligation	Delivery Date	Nature of COP ('RP' or 'PB')	Committed Obligation Payment (£)	Does para 11.4 of Sched 10.2 apply? (Y/N)	Specimen Scheme (Y/N)
	<p>ii. Rolling Stock Provider and RfL on matters related to this programme; and overall programme management and leadership of the SLC2 introduction, including readiness for and implementation of the SLC2 timetable; readiness for and commencement of the Operator's operation of the Elizabeth Line platforms at Old Oak Common Station; and acting as the Operator's representative in the Old Oak Common Station project and industry fora, and the Operator shall maintain such role until at least 31 March 2030;</p> <p>2. an [REDACTED] who shall have responsibility for managing the day-to-day collaborative working with all other organisations involved in the Old Oak Common Station programme and the Operator shall maintain such role until 30 June 2032 (provided that, with the agreement of RfL, this date may be deferred to reflect any delay to the construction of Old Oak Common Station and associated works); and</p> <p>3. a [REDACTED] who shall have responsibility for platform and train interface testing, liaising with Old Oak Common Station's engineering teams and developing the station management plan (including commissioning, station staff training, customer service and communications and the Operator shall maintain such role until at least 31 March 2029 (provided that, with the agreement of</p>	construction of Old Oak Common Station and associated works)				

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No.	Committed Obligation	Delivery Date	Nature of COP ('RP' or 'PB')	Committed Obligation Payment (£)	Does para 11.4 of Sched 10.2 apply? (Y/N)	Specimen Scheme (Y/N)
	<p>RfL, this date may be deferred to reflect any delay to the construction of Old Oak Common Station and associated works).</p> <p>If, having used reasonable endeavours, the Operator is unable to secure funding for the roles from a Network Change, then: (i) the Operator shall not be required to fill the roles set out in this CO16; (ii) there shall be no payment by the Operator to RfL to reflect the expenditure that is avoided as a result of the condition not being satisfied on the basis that the Financial Model assumes that the expenditure is fully funded by Network Change compensation; and (iii) there shall be no payment by the Operator to RfL to reflect the loss of value to RfL of the output not being delivered because the loss of value to RfL is automatically reflected by the ten per cent (10%) uplift on the Network Change income assumed in the Financial Model (as set out in more detail in the Record of Assumptions).</p>					
CO17	The Operator shall procure and configure twelve (12) ultra lightweight train simulators from [REDACTED] (or an equivalent product from an alternative supplier), which will generally be located at either Gidea Park driver depot or Old Oak Common driver depot together with an instructor station for the purpose of driver training	31 March 2027	PB	[REDACTED]	N	N

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No.	Committed Obligation	Delivery Date	Nature of COP ('RP' or 'PB')	Committed Obligation Payment (£)	Does para 11.4 of Sched 10.2 apply? (Y/N)	Specimen Scheme (Y/N)
	to increase the opportunity for and outcomes of group learning in traincrew training scenarios, including new and qualified driver training, competency training and driver skills workshops.					
CO18	<p>The Operator shall appoint and maintain a suitably qualified person to each of the following roles:</p> <ol style="list-style-type: none"> 1. a [REDACTED] who shall have responsibility for developing a simulator usage strategy and associated training materials to support and improve the competencies of the Operator's drivers and working with the simulator supplier to rollout and maintain the simulators; 2. a [REDACTED] who shall have responsibility for developing and maintaining a live suite of driver training materials, activities and standards; and 3. a [REDACTED] who shall have responsibility for line management for all apprentice train drivers, providing coaching, performance management and mentoring and ensuring apprentice driver training programmes are delivered to schedule, and thereafter maintain the same for the duration of the Concession Period. 	31 May 2026	RP	[REDACTED] per Reporting Period	Y (under paragraph 11.4, the COP will be reduced pro rata by reference to the number of roles that have been filled or maintained during the applicable Reporting Period)	N
CO19	The Operator shall appoint and maintain suitably qualified persons to twelve (12) [REDACTED] roles who shall have responsibility for effective communication between traincrew, control and the wider resourcing team, marshalling traincrew and conveying instructions during disruption and thereafter maintain the same for the duration of the Concession Period.	31 May 2026	RP	[REDACTED] per Reporting Period	Y (under paragraph 11.4, the COP will be reduced pro rata by reference to the number of roles	N

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					that have been filled or maintained during the applicable Reporting Period)	
CO20	<p>Subject to the agreement of Network Rail, the Operator shall incur expenditure of not less than [REDACTED] in respect of each Concession Year (or, in respect of a Concession Year that is less than thirteen (13) Reporting Periods, a pro rata amount of [REDACTED]) as a contribution towards the cost of Network Rail appointing from 9 November 2025 and thereafter maintaining the same for the duration of the Concession Period a new Elizabeth Line Route Director role, on the basis that such Elizabeth Line Route Director assumes responsibility for leading a joint performance management board to improve performance on the Elizabeth Line and promote collaboration between the Infrastructure Managers.</p> <p>This Committed Obligation is a Specimen Scheme because it depends on Network Rail's agreement. The Specimen Scheme Output is to promote collaboration between the Infrastructure Managers and represent the end-to end operational interests across the Elizabeth Line.</p>	9 November 2025	RP	[REDACTED] per Reporting Period	N	Y
	The Operator shall incur the expenditure set out below in contributing towards initiatives to	31 March in each			N	

Column 1	Column 2	Column 3	Column 4	Column 5	Column 6	Column 7
No.	Committed Obligation	Delivery Date	Nature of COP ('RP' or 'PB')	Committed Obligation Payment (£)	Does para 11.4 of Sched 10.2 apply? (Y/N)	Specimen Scheme (Y/N)
CO21	improve operational performance on the Elizabeth Line, including Network Rail's infrastructure as follows:	Concession Year	PB			N
	(a) not less than [REDACTED] in the Concession Year that commences on the Start Date			[REDACTED] in the Concession Year that commences on the Start Date		
	(b) not less than [REDACTED] in the Concession Years that commence on each of 1 April 2026 and 1 April 2027; and			[REDACTED] in the Concession Years that commence on 1 April 2026 and 1 April 2027		
	(c) not less than [REDACTED] in each subsequent Concession Year that commences on or after 1 April 2028 and until the Concession Year that commences on 1 April 2032,			[REDACTED] in each applicable subsequent Concession Year that commences on or after 1 April 2028 until the Concession Year that commences		

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	<p>(together the "Operational Performance Improvement Fund").</p> <p>For illustrative purposes, initiatives carried out for the purposes of this CO21 using the Operational Performance Fund may include: (i) working with the Rolling Stock Provider in the first Concession Year to diagnose issues with the cameras and monitoring system on the Units and, if it is agreed that the existing cameras and monitoring system is flawed, then the Operator shall work with Transmission Dynamics (or an equivalent supplier) to install Panda AI cameras on Units by the end of the second Concession Year; (ii) working with the Rolling Stock Provider to improve train wash reliability; and/or (iii) implementing initiatives agreed at the Joint Performance Alliance.</p>			<p>on 1 April 2032</p> <p>(pro-rated in each case in respect of any Concession Year (excluding the first Concession Year) that is less than thirteen (13) Reporting Periods)</p>		
CO22	<p>The Operator shall appoint and thereafter maintain for the duration of the Concession Period a suitably qualified person to the role of [REDACTED] who shall have responsibility for supporting the Engineering Director on:</p> <ol style="list-style-type: none"> 1. managing the Operator's rights and obligations under the RSPA Agency Agreement; 2. delivering continuity, empowerment and resilience in relation to contractual arrangements for the Class 345 Fleet; and 	7 December 2025	RP	[REDACTED] per Reporting Period	N	N

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No.	Committed Obligation	Delivery Date	Nature of COP ('RP' or 'PB')	Committed Obligation Payment (£)	Does para 11.4 of Sched 10.2 apply? (Y/N)	Specimen Scheme (Y/N)
	3. supporting the coordination of, and promoting collaborative working with, the Rolling Stock Provider.					
CO23	The Operator shall appoint and thereafter, subject to CO26, maintain for the duration of the Concession Period a suitably qualified person to the role of a [REDACTED], who shall have responsibility for recording reactionary delays to the Passenger Services in accordance with the Network Rail Delay Attribution Rules and thereby enabling interrogation of such data to learn lessons that may improve future operational performance and who shall review emergent technology and report on the same to RfL each Concession Year.	7 December 2025	RP	[REDACTED] per Reporting Period	N	N
CO24	Without prejudice to the obligations in CO2(2) and CO14, the Operator shall incur expenditure of not less than [REDACTED] in each Concession Year organising and hosting an annual away day for the executive teams of the Operator, Network Rail and other train operators in order to enhance collaborative working and share best practices.	The end of each Concession Year	PB	[REDACTED] (This amount is pro-rated in respect of any Concession Year commencing on or after 1 April 2026 that is less than thirteen (13) Reporting Periods)	N	N
CO25	The Operator shall:	22 June 2025	PB	[REDACTED]	N	N

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	<ol style="list-style-type: none"> purchase licences for software from [REDACTED] (or an alternative supplier of equivalent software) that enables four (4) users to analyse in parallel the performance of the Passenger Services and support visualisation of the worst performing Passenger Services to identify effective interventions; make the licence for one (1) of the users of such software available to a nominee of RfL at no charge to RfL, and thereafter for the duration of the Concession Period utilise such software to analyse and report to RfL on the five per cent. (5%) of Passenger Services operated by the Operator during the period between the penultimate Timetable Change and the immediately preceding Timetable Change with the worst performance, as identified by Kestrel. 	(for items 1 and 2)				
CO26	Subject to the agreement of the Rail Safety and Standards Board (" RSSB ") (which the Operator shall use reasonable endeavours to obtain by 31 March 2027), the Operator shall incur expenditure of not less than [REDACTED] in contributing to a review by the RSSB to prove, by reference to the Elizabeth Line, the concept of automated recording of reactionary delays to Passenger Services in accordance with Network Rail's Delay Attribution Rules by carrying out a pilot exercise comparing the percentage of reactionary delays which are correctly automatically attributed against the	31 March 2027	PB	[REDACTED]	N	Y

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	percentage of reactionary delays which are correctly manually attributed by the [REDACTED]. This Committed Obligation is a Specimen Scheme because it is dependent on the agreement of the RSSB. The Specimen Scheme Output is improved efficiency of delay attribution in accordance with Network Rail's Delay Attribution Rules.					
CO27	The Operator shall procure the [REDACTED] stock and crew systems (or equivalent systems by an alternative supplier) to replace the following stock and crew related systems: [REDACTED]; [REDACTED]; [REDACTED]; and [REDACTED].	12 December 2027	PB	[REDACTED]	N	N
CO28	Subject to Network Rail implementing its traffic management system in respect of the Elizabeth Line by 31 March 2027, the Operator shall procure that such traffic management system interfaces with the Operator's stock and crew related systems via [REDACTED] (or via an equivalent product by an alternative supplier). The Operator agrees that notwithstanding any failure of Network Rail to implement its traffic management system in respect of the Elizabeth Line by 31 March 2027 such that the Operator is unable to meet this CO, the Committed Obligation Payment shall be payable on 31 March 2030.	31 March 2030	PB	[REDACTED]	N	N
CO29	The Operator shall, as part of Operator's Service Excellence Organisation located at the Elizabeth Line's Romford Route Control Centre, appoint and thereafter maintain for the duration of the Concession Period a [REDACTED] team, including	31 January 2026	RP	[REDACTED] per Reporting Period	Y (under paragraph 11.4, the COP will be reduced pro	N

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	<p>appointing to such team and maintaining a suitably qualified or experienced person to each of the following roles:</p> <ol style="list-style-type: none"> 1. a [REDACTED] who shall have responsibility for leading continuous improvement strategy; developing and maintaining the governance structure of continuous improvement activities; working closely with Infrastructure Managers to meet strategic objectives related to service recovery; and sponsorship of the post incident review process; and 2. three (3) [REDACTED] who shall have responsibility for delivering continuous improvement processes within their respective geographic areas, including interfacing with Infrastructure Managers and leading the post incident review and process (reducing to two (2) [REDACTED] from 31 March 2031 and the Operator agrees that the Committed Obligation Payment remains as specified in Column 5 and shall not be reduced to take into account the reduction in the number of [REDACTED]). Subject to the agreement of Network Rail, the Operator shall locate one (1) of these [REDACTED] in Network Rail's integrated control centre in Swindon (should Network Rail's agreement not be obtained, the role will be located in Romford Route Control Centre); and 3. a [REDACTED] who shall have responsibility for developing contingency plans, service group guidance plans, and other recovery type plans 				<p>rata by reference to the number of additional roles that have not been filled or maintained)</p>	
		31 January 2026	RP	[REDACTED] per Reporting Period	N	N

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	for the control to use when managing disruption; leading the modelling process for developing accurate and precise contingency plans according to industry best practice; leading a regular review process to ensure all plans are kept up to date in line with timetable changes; continuously improving the detail of the plans to ensure they meet industry best practice and incorporating lessons learned from post incident reviews.					
CO30	<p>Subject to the agreement of Network Rail, the Operator shall incur expenditure [REDACTED] appointing and thereafter maintaining for the duration of the Concession Period suitably qualified persons [REDACTED].</p> <p>This Committed Obligation is a Specimen Scheme because it is dependent on the agreement of Network Rail. The Specimen Scheme Output is to improve collaboration and integration between the Operator and Network Rail.</p>	31 March 2026	RP	[REDACTED] per Reporting Period	Y (under paragraph 11.4, the COP will be reduced pro rata by reference to the number of roles appointed or maintained)	Y
CO31	By 31 March 2026 and thereafter for the duration of the Concession Period the Operator shall commission and maintain [REDACTED] (or an equivalent alternative supplier) to review the Operator's performance incident mitigation plan(s) by reference to the criteria at paragraph 5.2 (<i>Approved Performance Incident Mitigation Plans</i>) of Schedule 7.4 (<i>General Operating Performance Provisions</i>).	31 March 2026	RP	[REDACTED] per Reporting Period	N	N
CO32	The Operator shall incur expenditure of not less than [REDACTED] instructing [REDACTED] (or an	31 March 2029	PB	[REDACTED]	N	N

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	alternative supplier) to implement strategies and schemes to simulate the impact, and responses to, disruption to the Operator's passenger rail services (e.g. use of signallers' simulators, or signaller / controller-in-the-loop role playing e.g. using Graffica HERMES or BRAVE).					
CO33	<p>The Operator shall, in the Concession Years commencing on each of 1 April 2026, 1 April 2027, 1 April 2028, 1 April 2029, 1 April 2030 and 1 April 2031, incur expenditure of not less than [REDACTED] (pro-rated in respect of a Concession Year that is less than thirteen (13) Reporting Periods) to facilitate continuous improvement activities within the Operator's 'Service Excellence Organisation', including post-incident review, incident learning & training and competency management. This shall include the Operator procuring that:</p> <ol style="list-style-type: none"> 1. all persons engaged in Service Excellence Organisation roles have competence in developing and using Integrated Train Service Recovery ("ITSR")-aligned contingency plans and processes by 31 March 2026. This training shall involve (among other things) enhancing non-technical skills to embed quicker decision making within the Control Centre to ensure the delivery of an exemplary contingency plan approach and the restoration of Passenger Services; and 2. a wider ITSR training package is delivered on how to develop joint contingency plans with other train operating companies, Infrastructure 	The end of the applicable Concession Year	PB	[REDACTED]	N	N

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	Managers, the Rolling Stock Provider and such other partners as may be agreed between the Operator and RfL.					
CO34	The Operator shall in each Concession Year incur expenditure of [REDACTED] (pro-rated in respect of a Concession Year that is less than thirteen (13) Reporting Periods) with [REDACTED] (or an equivalent alternative supplier) to undertake simulation of any passenger timetable to be submitted by the Operator in relation to any Timetable Change.	The end of each Concession Year	PB	[REDACTED]	N	N
CO35	The Operator shall, in the case of the Concession Years commencing on each of 1 April 2027, 1 April 2028, 1 April 2029, 1 April 2030, 1 April 2031 and 1 April 2032, incur expenditure of not less than [REDACTED] (pro-rated in respect of a Concession Year that is less than thirteen (13) Reporting Periods) in connection with implementing the findings from any post-incident review(s), continuous improvement activities identified pursuant to CO33, and/or revisions to processes and collaborative activities with Infrastructure Managers.	The end of the applicable Concession Year	PB	[REDACTED]	N	N
CO36	The Operator shall:					
	(a) [REDACTED];	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
	(b) [REDACTED]; and	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

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	(c) carry out a risk assessment and consultation with trade unions, RfL(I) and the Operator's 'Driver Functional Council' on the acceptance of Global System for Mobile Communication – Railway (" GSM-R ") calls in the driver's cab in all Units and use by drivers of the same for communication with the Control Centre, TRMs and TRAs.					
CO37	[REDACTED]	[REDACTED]	[REDACTED]	[[REDACTED]	[REDACTED]	[REDACTED]
CO38	<p>The Operator shall appoint and thereafter maintain for the duration of the Concession Period a rotating group of four (4) full time (or equivalent) 'Customer Excellence Coaches'. Such 'Customer Excellence Coaches':</p> <ol style="list-style-type: none"> 1. shall be selected by the Operator from the teams of 'Customer Service Assistants' at Elizabeth Line Stations (or the successor teams of 'Customer Ambassadors') and seconded to perform the 'Customer Excellence Coach' role for a twelve (12) month term; and 2. shall, during the secondment term, be responsible for coaching and training the Operator's customer-facing Elizabeth Line Station staff on providing excellent service to customers, including 'class-room based' sessions, at 'work location' sessions and 'one-to-one' sessions. 	9 November 2025	RP	[REDACTED] per Reporting Period	Y (under paragraph 11.4, the COP will be reduced pro rata by reference to the number of 'Customer Excellence Coach' roles that have been filled or maintained during the applicable Reporting Period)	N
CO39	The Operator shall procure, enable (and once enabled maintain) a cloud-based information control system (and a suite of supporting modules) from [REDACTED] (or an equivalent					N

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No.	Committed Obligation	Delivery Date	Nature of COP ('RP' or 'PB')	Committed Obligation Payment (£)	Does para 11.4 of Sched 10.2 apply? (Y/N)	Specimen Scheme (Y/N)
	product from an alternative supplier) which aggregates and manages data from a variety of sources (including information feeds from Network Rail) in order to combine customer information with disruption information and enable the provision of information by the Operator to customers during disruption that is current, consistent (across customer information systems and the hand-held devices of Concession Employees located at stations) and actionable:					
	(a) first, for the Eastern Section and the Western Section only; and					
	(b) then, from the date set out in Column 3, for the Eastern Section, the Western Section and the CCOS.	31 March 2028	RP	[REDACTED] per Reporting Period	N	N
CO40	<p>The Operator shall incur expenditure of not less than [REDACTED] on a technical solution which enables the provision during disruption of audible and visual information on the passenger information system on the Class 345 Fleet which is consistent with disruption provision information from the Elizabeth Line Route Control Centre and other information channels.</p> <p>The Operator shall consult with RfL (in its capacity as lessor of the Class 345 Fleet) in relation to the proposed technical solution, together with the proposed cost and associated arrangements with the Rolling Stock Provider. The Operator may only implement the proposed solution with the consent of RfL (such consent being in RfL's absolute</p>	31 March 2027	PB	[REDACTED]	N	Y

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Column 1	Column 2	Column 3	Column 4	Column 5	Column 6	Column 7
No.	Committed Obligation	Delivery Date	Nature of COP ('RP' or 'PB')	Committed Obligation Payment (£)	Does para 11.4 of Sched 10.2 apply? (Y/N)	Specimen Scheme (Y/N)
	<p>discretion, which may be given subject to conditions and which may include any consents required from the Unit Owner).</p> <p>The Operator shall ensure that any such technical solution is deployed to each Optional Unit upon or as soon as reasonably practicable following the introduction of such Optional Unit.</p> <p>This Committed Obligation is a Specimen Scheme because it depends on cooperation by the Rolling Stock Provider, the cost of the initiative and the functionality of the passenger information system on the Class 345 Fleet. The Specimen Scheme Output is to improve the provision of information to customers during disruption.</p>					
CO41	The Operator shall enable and maintain a public address IP-PA System at each of the Operator Leased Stations that utilises internet protocol for audio broadcasting and communication.	31 March 2027	PB	[REDACTED]	N	N
CO42	<p>The Operator shall:</p> <p>(a) replace the platform edge customer information screens (an aggregate of one hundred and eighty-four (184) individual digital screen faces) at the Operator Leased Stations with 'SMART' platform edge customer information screens; and</p> <p>(b) install on the platforms at the Operator Leased Stations a further twenty (20) 'SMART' customer information screens (an aggregate of twenty (20) individual digital screen faces) at such locations proposed by</p>	31 March 2027	PB	[REDACTED]	N	N

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Column 1	Column 2	Column 3	Column 4	Column 5	Column 6	Column 7
No.	Committed Obligation	Delivery Date	Nature of COP ('RP' or 'PB')	Committed Obligation Payment (£)	Does para 11.4 of Sched 10.2 apply? (Y/N)	Specimen Scheme (Y/N)
	the Operator and approved by RfL (such approval not to be unreasonably withheld or delayed).					
CO43	<p>The Operator shall install:</p> <p>(a) a 'ribbon array' customer information screen, each with fourteen (14) individual digital screen faces, at each of Ilford Station concourse and Romford Station concourse (an aggregate of twenty-eight (28) individual digital screen faces); and</p> <p>(b) a 'wonderwall' customer information screen on platforms, in a waiting room or other location at each Operator Leased Station (excluding Abbey Wood Station) (an aggregate of sixty-nine (69) individual digital screen faces).</p> <p>In relation to the 'wonderwall' customer information screens contemplated by paragraph (b), the Operator shall consult with RfL about the locations within particular identified Operator Leased Stations at which it proposes to install such screens and shall take into account any RfL representations thereon in revising its proposals. The revised list of locations within particular identified Operator Leased Stations at which the Operator proposes to install such screens shall be subject to RfL approval (such approval not to be unreasonably withheld or delayed).</p>	14 November 2026	PB	[REDACTED]	N	N
CO44	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

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Column 1	Column 2	Column 3	Column 4	Column 5	Column 6	Column 7
No.	Committed Obligation	Delivery Date	Nature of COP ('RP' or 'PB')	Committed Obligation Payment (£)	Does para 11.4 of Sched 10.2 apply? (Y/N)	Specimen Scheme (Y/N)
CO45	The Operator shall incur expenditure of not less than, in aggregate:				N	N
	(a) (in the case of the Concession Year commencing on the Start Date) [REDACTED];	The final day of each Concession Year	PB	[REDACTED]		
	(b) (in the case of each subsequent Concession Year) [REDACTED] per Concession Year (or in respect of any subsequent Concession Year that is less than thirteen (13) Reporting Periods, a pro rata amount of [REDACTED]),		PB	[REDACTED]		
	in each case by providing grants of up to [REDACTED] to promote engagement with local communities and passengers, to build and grow awareness of the railway, to educate users and/or to promote inclusive, safe, confident and active travel. As soon as reasonably practicable following the Start Date, the Operator shall prepare and submit to RfL for approval its proposed criteria for how grants will be allocated, together with any eligibility criteria and the proposed application process (the " Grant Criteria ") (and the Operator shall update such proposed Grant Criteria to take into account any representations made by RfL thereon). The Operator shall thereafter act in accordance with the Grant Criteria in providing			The amounts set out in this Committed Obligation above are to be pro-rated for a Concession Year of less than thirteen (13) Reporting Periods.		

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Column 1	Column 2	Column 3	Column 4	Column 5	Column 6	Column 7
No.	Committed Obligation	Delivery Date	Nature of COP ('RP' or 'PB')	Committed Obligation Payment (£)	Does para 11.4 of Sched 10.2 apply? (Y/N)	Specimen Scheme (Y/N)
CO46	any such grants contemplated by this Committed Obligation.	31 May 2026	RP (Reporting Period)	[REDACTED] per Reporting Period	N	N
	The Operator shall create, apply and maintain throughout the remainder of the Concession Period a policy which allows Concession Employees (excluding train drivers) to take up to two (2) volunteering days (pro-rated for part-time employees) per Concession Year (based on a full Concession Year of thirteen (13) Reporting Periods).					

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No.	Committed Obligation	Delivery Date	Nature of COP ('RP' or 'PB')	Committed Obligation Payment (£)	Does para 11.4 of Sched 10.2 apply? (Y/N)	Specimen Scheme (Y/N)
CO47	<p>The Operator shall incur expenditure of not less than [REDACTED] in order to procure the installation of twelve (12) electrical vehicle charging points for use by Concession Employees across the following locations: Abbey Wood driver depot; Plumstead driver depot; Shenfield driver depot; Ilford driver depot; Old Oak Common driver depot; PAD LL driver depot; Ealing Broadway driver depot and Maidenhead (CINCOM) driver depot.</p> <p>This Committed Obligation is a Specimen Scheme because it is dependent on approval of a Station Change Proposal or Depot Change Proposal (as applicable) at each location. The Specimen Scheme Output is to support RfL in achieving its Corporate Environmental Goals (including achieving Net Zero Carbon Emissions for Scope 1 and Scope 2 emissions (as defined in the Greenhouse Gas Protocol) by 2030).</p> <p>The Operator shall incur expenditure of not less than, in aggregate:</p>	1 April 2028	PB	[REDACTED]	N	Y
CO48	<p>(a) (in the case of the Concession Years commencing on 1 April 2026 and 1 April 2027) [REDACTED]; and</p>	The end of the applicable Concession Year	PB	[REDACTED] (in the case of the Concession Years commencing on 1 April 2026 and 1 April 2027)	N	Y

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No.	Committed Obligation	Delivery Date	Nature of COP ('RP' or 'PB')	Committed Obligation Payment (£)	Does para 11.4 of Sched 10.2 apply? (Y/N)	Specimen Scheme (Y/N)
	(b) (in the case of each subsequent Concession Year) [REDACTED],		PB	[REDACTED] (in the case of each subsequent Concession Year)		
	in each case on voltage optimisation, LED lighting and/or sub-metering at certain of the Operator Leased Stations. This Committed Obligation is a Specimen Scheme because the activity (if any) undertaken at each Operator Leased Station will depend on surveys and the particular circumstances at each Operator Leased Station. The Specimen Scheme Output is to support RfL in achieving its Corporate Environmental Goals (including achieving Net Zero Carbon Emissions for Scope 1 and Scope 2 emissions (as defined in the Greenhouse Gas Protocol) by 2030).			The amounts set out in this Committed Obligation above are to be pro-rated for a Concession Year of less than thirteen (13) Reporting Periods.		
CO49	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
CO50	The Operator shall: 1. create and apply a responsible procurement charter that is in accordance with ISO 20400 (sustainable procurement standard); and	31 March 2027	PB	[REDACTED]	N	N

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Column 1	Column 2	Column 3	Column 4	Column 5	Column 6	Column 7
No.	Committed Obligation	Delivery Date	Nature of COP ('RP' or 'PB')	Committed Obligation Payment (£)	Does para 11.4 of Sched 10.2 apply? (Y/N)	Specimen Scheme (Y/N)
CO51	2. (with effect from the Concession Year commencing on 1 April 2026) host in each Concession Year an annual supplier awards event to celebrate sustainable procurement and share best practice.	31 March 2027 and the end of each succeeding Concession Year	RP (Reporting Period)	[REDACTED] per Reporting Period	Y (under paragraph 11.4, the Committed Obligation Payment will be reduced by reference to the expenditure incurred during the applicable Concession Year)	N
	The Operator shall procure and install drinking water machines and water bottle recycling stations at not less than ten (10) Elizabeth Line Stations (the identity of such Elizabeth Line Stations to be proposed by the Operator and agreed in writing in advance by RfL in its absolute discretion but which may include Canary Wharf, Woolwich, Hayes and Harlington, Custom House, Forest Gate, Chadwell Heath and Goodmayes) and in so doing the Operator's Sustainability Project Manager (or equivalent role) shall work with Co-Cre8 (or such equivalent other supplier).	31 March 2026	PB	[REDACTED]	N	N
CO52	The Operator shall, from the Delivery Date set out in Column 3, incur expenditure of not less than [REDACTED] per Concession Year (pro-rated for a Concession Year that is less than thirteen (13) Reporting Periods) to procure and operate a	25 November 2025	RP (Reporting Period)	[REDACTED] per Reporting Period	Y (under paragraph 11.4, the Committed Obligation	Y

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No.	Committed Obligation	Delivery Date	Nature of COP ('RP' or 'PB')	Committed Obligation Payment (£)	Does para 11.4 of Sched 10.2 apply? (Y/N)	Specimen Scheme (Y/N)
	<p>mobile waste sorting unit for all waste generated at the Operator Leased Stations to be located at the car parks at each of Hayes & Harlington Station and Romford Station (at such location within such car parks as may be agreed in advance in writing by RfL).</p> <p>This Committed Obligation is a Specimen Scheme because it is dependent on RfL agreeing to the mobile waste sorting unit occupying car parking spaces at the identified Operator Leased Stations. The Specimen Scheme Output is to support RfL in achieving its Corporate Environmental Goals (including achieving Net Zero Carbon Emissions for Scope 1 and Scope 2 emissions (as defined in the Greenhouse Gas Protocol) by 2030).</p>				Payment will be reduced pro rata by reference to the number of mobile waste sorting units procured during the applicable Reporting Period)	
CO53	The Operator shall obtain and thereafter maintain for the remainder of the Concession Period the National Equality Standard certification from [REDACTED] (or equivalent certification) to promote and demonstrate high levels of Diversity, Equity and Inclusion proficiency within the Operator's business.	<p>31 March 2028 (initial)</p> <p>31 March in each Concession Year thereafter</p>	RP (Reporting Period)	[REDACTED] per Reporting Period	N	N
CO54	The Operator shall procure that the Parents jointly undertake an audit of the Operator's governance arrangements and structures (which shall include stress tests to assess the preparedness of the Operator to respond to major disruption) and prepare a report setting out the findings of such audit, together with recommendations for how the Operator's governance arrangements and	31 March 2029	RP	[REDACTED] per Reporting Period	N	N

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No.	Committed Obligation	Delivery Date	Nature of COP ('RP' or 'PB')	Committed Obligation Payment (£)	Does para 11.4 of Sched 10.2 apply? (Y/N)	Specimen Scheme (Y/N)
	structures can be improved. The Operator shall provide a copy of such audit report to RfL, together with a summary of the steps the Operator proposes to implement to respond to the findings of such audit.					
CO55	The Operator shall:					
	<p>(a) deliver in-person workshops to all of the Operator's Executive Team and all Concession Employees who are senior managers (which, for the purposes of this Committed Obligation includes all roles that are level 7 and 8 according to the list of all job titles for TUPE staff 2-24-03-30 contained in the ITT Data Room (effectively heads of department and directors), as well as the new 'Head of' and Director roles that the Operator will create through its initiatives, which will be equivalent to level 7 and 8 respectively). The purposes of such workshops shall include:</p> <ol style="list-style-type: none"> reinforcing the need for continuous improvement and innovation in the delivery of the Concession Services; incorporating the Operator's initiatives set out in this Agreement into strategic planning; and 	31 March 2026	PB	[REDACTED]	Y (under paragraph 11.4, the COP will be reduced pro rata by reference to the proportion of in-person workshops that have been delivered)	N

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No.	Committed Obligation	Delivery Date	Nature of COP ('RP' or 'PB')	Committed Obligation Payment (£)	Does para 11.4 of Sched 10.2 apply? (Y/N)	Specimen Scheme (Y/N)
	3. recognising individual contributions to the Operator's business; and					
	(b) establish a minimum of three (3) working groups whose purpose shall be to develop and implement ideas for improvements and innovations across the Operator's business (and which shall work collaboratively with the Global Expert Forum established under CO57 to share and understand best practice and innovation with members of that forum).	30 November 2025	RP	[REDACTED] per Reporting Period	Y (under paragraph 11.4, the COP will be reduced pro rata by reference to the number of working groups that have been established)	N
	The Operator shall:					
CO56	(a) procure the deployment of a trial 'one team stations' scheme (" One Team Stations ") at [REDACTED] station. The One Team Stations trial shall include: <ul style="list-style-type: none"> 1. joint training programmes for non-safety- critical roles; 2. pooled procurement for station supplies; 3. undertaking joint recruitment drives (with representatives of each stakeholder participating in interview panels); 	31 March 2026	RP	[REDACTED] for each Reporting Period in which the report is not delivered to RfL	N	N

Column 1	Column 2	Column 3	Column 4	Column 5	Column 6	Column 7
No.	Committed Obligation	Delivery Date	Nature of COP ('RP' or 'PB')	Committed Obligation Payment (£)	Does para 11.4 of Sched 10.2 apply? (Y/N)	Specimen Scheme (Y/N)
	<p>4. delivering a colleague newsletter for all persons forming part of the One Team Stations trial;</p> <p>5. holding 'One Team' roadshow engagement events for all persons forming part of the One Team Stations trial to attend;</p> <p>6. holding 'Have your say' sessions for persons forming part of the One Team Stations trial to provide feedback and provide suggestions on areas for improvement; and</p> <p>7. deploying a 'One Team Meeting' structure, comprised of station governance and local management forums,</p> <p>and the Operator shall provide a report to RfL which evaluates the results and outcomes of the One Team Stations trial and sets out its informed opinion about any adjustments which should be made to the One Team Station at [REDACTED], together with its proposals (if any) about implementing such One Team Stations structure at each of Bond Street station, Liverpool Street (CCOS) station, Tottenham Court Road station and Whitechapel station;</p>					

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No.	Committed Obligation	Delivery Date	Nature of COP ('RP' or 'PB')	Committed Obligation Payment (£)	Does para 11.4 of Sched 10.2 apply? (Y/N)	Specimen Scheme (Y/N)
	<p>(b) subject to the outcome of the One Team Stations trial referred to in paragraph (a) of this CO56, the Operator shall deploy the 'One Team Stations' scheme (including such changes as may be made to reflect lessons learned from the trial) at:</p> <ol style="list-style-type: none"> 1. Bond Street station; 2. Liverpool Street (CCOS) station; 3. Tottenham Court Road station; and 4. Whitechapel station. <p>This paragraph (b) is a Specimen Scheme because it is dependent on the outcome of the One Team Stations trial described in paragraph (a) of this CO56. The Specimen Scheme Output is to deliver efficiencies and a joined-up approach to customer experience at Elizabeth Line Stations where more than one passenger service operator calls; and</p>	31 March 2027	RP	[REDACTED] per Reporting Period	Y (under paragraph 11.4, the COP will be reduced pro rata by reference to the number of stations at which the 'One Team Stations' scheme is deployed)	Y
	<p>(c) subject to the outcome of the One Team Stations trial referred to in paragraph (a) of this CO56 and to the approval of the applicable Facility Owner, the Operator shall deploy the 'One Team Stations' scheme (including such changes as may be made to reflect lessons learned from the trial) at:</p>	31 March 2027	RP	[REDACTED] per Reporting Period	Y (under paragraph 11.4, the COP will be reduced pro rata by reference to the number of	Y

Column 1	Column 2	Column 3	Column 4	Column 5	Column 6	Column 7
No.	Committed Obligation	Delivery Date	Nature of COP ('RP' or 'PB')	Committed Obligation Payment (£)	Does para 11.4 of Sched 10.2 apply? (Y/N)	Specimen Scheme (Y/N)
	<ol style="list-style-type: none"> 1. Heathrow Terminal 4 station; 2. Heathrow Terminal 5 station; 3. Heathrow Terminals 2&3 station; 4. Liverpool Street (Main Line) station; 5. Paddington (Main Line) station; 6. Stratford station; and 7. Reading station. <p>This paragraph (c) is a Specimen Scheme because it is dependent on the outcome of the One Team Stations trial described in paragraph (a) of this CO56 and to the approval of the applicable Facility Owner. The Specimen Scheme Output is to deliver efficiencies and a joined-up approach to customer experience at Elizabeth Line Stations where more than one passenger service operator calls.</p>				stations at which the 'One Team Stations' scheme is deployed)	
CO57	<p>The Operator shall establish or procure access to (and thereafter maintain throughout the remainder of the Concession Period) a GTS Centre of Excellence (the "Centre of Excellence") and a Global Expert Forum (the "Expert Forum").</p> <p>The purposes of the Centre of Excellence shall include:</p> <p style="padding-left: 40px;">(a) drawing on international best practice, expertise and global knowledge of each of</p>	31 August 2025	RP	[REDACTED] per Reporting Period	Y (under paragraph 11.4, the COP will be reduced by fifty per cent (50%) if GTS only establishes either the GTS Centre of	N

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	<p>the Parents (and Affiliates of each of the Parents);</p> <p>(b) gaining access to expertise and knowledge through secondment opportunities (either from a Parent to the Operator as contemplated by CO4 or, subject to paragraph 2.6 (<i>Providing only the Concession Services</i>) of Schedule 2.1 (<i>Obligations in Relation to Concession Services</i>), from the Operator to a Parent);</p> <p>(c) promoting improvement and innovation in the delivery of the Concession Services;</p> <p>(d) subject to the provision of funding through a Network Change process, the provision of full time, dedicated, expertise; and</p> <p>(e) upskilling members of the Operator's business through access to training and exposure to international business operations.</p> <p>The purposes of the Expert Forum shall include:</p> <p>(a) provision of access by the Operator's governance groups to the experience and expertise of the operating business Affiliates of each Parent;</p> <p>(b) encouraging dialogue about and the promotion of industry best practice;</p>				Excellence or the Global Expert Forum)	

Column 1	Column 2	Column 3	Column 4	Column 5	Column 6	Column 7
No.	Committed Obligation	Delivery Date	Nature of COP ('RP' or 'PB')	Committed Obligation Payment (£)	Does para 11.4 of Sched 10.2 apply? (Y/N)	Specimen Scheme (Y/N)
	<p>(c) ensuring the Operator's sustainability and environmental teams have access to forums and a steering group for the purposes of discussing global expertise to promote innovation for the Elizabeth Line;</p> <p>(d) the promotion of innovation and understanding lessons from other global operating businesses to drive continuous improvement in the delivery of the Concession Services by the Operator;</p> <p>(e) the transfer of knowledge, global expertise and experience to the Operator to drive continuous improvement in the delivery of the Concession Services by the Operator; and</p> <p>(f) gaining access to specialist expertise and experience on various matters (including the Environmental Management Plan and Carbon Reduction Plan).</p>					
CO58	The Operator shall procure the establishment of a cross-industry steering committee (" Post Incident ISC ") formed of representatives of the Operator, RfL, Network Rail (Western Route), Network Rail (Eastern Route), HAL, the East Anglia Train Operator and the Great Western Train Operator. The purposes of the Post Incident ISC shall include:	31 January 2026	RP	[REDACTED] per Reporting Period	N	Y

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No.	Committed Obligation	Delivery Date	Nature of COP ('RP' or 'PB')	Committed Obligation Payment (£)	Does para 11.4 of Sched 10.2 apply? (Y/N)	Specimen Scheme (Y/N)
	<p>(a) reviewing incidents occurring on or adjacent to the Elizabeth Line Route to identify the root causes of such incidents;</p> <p>(b) identifying learnings from the occurrence of incidents on or adjacent to the Elizabeth Line Route;</p> <p>(c) agreeing actions to be implemented within the Operator's Elizabeth Line Route Control Centre, within the real-time information teams, or within the wider Elizabeth Line teams, in each case to drive continuous improvement in responding to incidents (and ensuring the timely delivery of those actions);</p> <p>(d) agreeing actions to be implemented by an infrastructure manager and/or another train operator, in either case to drive continuous improvement in responding to incidents (and ensuring the timely delivery of those actions);</p> <p>(e) agreeing wider industry actions where there are multiple interfaces between organisations, to drive continuous improvement in responding to incidents (and ensuring the timely delivery of those actions);</p>					

Column 1	Column 2	Column 3	Column 4	Column 5	Column 6	Column 7
No.	Committed Obligation	Delivery Date	Nature of COP ('RP' or 'PB')	Committed Obligation Payment (£)	Does para 11.4 of Sched 10.2 apply? (Y/N)	Specimen Scheme (Y/N)
CO59	<p>(f) providing impartial leadership and input to each of the matters contemplated by the foregoing paragraphs of this CO58; and</p> <p>(g) considering whether the Operational Performance Improvement Fund established under CO21 should be used to fund improvements or support the delivery of actions.</p> <p>This Committed Obligation is a Specimen Scheme because it is dependent on whether representatives of RfL, Network Rail (Western Route), Network Rail (Eastern Route), HAL, the East Anglia Train Operator and the Great Western Train Operator participate in the steering committee. The Specimen Scheme Output is the establishment of collaborative post-incident review processes between the Operator, RfL, Network Rail (Western Route), Network Rail (Eastern Route), HAL, the East Anglia Train Operator and the Great Western Train Operator.</p>					
	<p>The Operator shall collaborate with RfL with the intention of reducing overall energy consumption in undertaking the Concession Services by delivering a programme of solar panel installations at appropriate Operator Leased Stations. Without prejudice to the generality of the foregoing, the Operator shall:</p>					

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No.	Committed Obligation	Delivery Date	Nature of COP ('RP' or 'PB')	Committed Obligation Payment (£)	Does para 11.4 of Sched 10.2 apply? (Y/N)	Specimen Scheme (Y/N)
	(a) prepare and submit a report to RfL which sets out a potential longlist of Operator Leased Stations at which the Operator reasonably believes it will be possible to install such solar panels, taking into account roof suitability, compatibility and condition, sunlight exposure, usable roof area and optimal tilt angle of such solar panels;	30 November 2025	RP	[REDACTED] per Reporting Period	N	N
	(b) prepare and submit a report to RfL which sets out a shortlist of Operator Leased Stations at which the Operator proposes to install such solar panels, having: <ol style="list-style-type: none"> engaged with RfL (in its capacity as landlord of the Devolved Stations) and Network Rail (in its capacity as landlord of the Leased Stations (West) and Stratford (NR) Station) and seeking the support of RfL or Network Rail (as the case may be) for such installation; and taken into account such further information relating to the matters contemplated in paragraph (a) of this CO59 as may have become available through the engagement process referred to in paragraph (b)1. of this CO59; 	25 May 2026	RP	[REDACTED] per Reporting Period	N	N

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No.	Committed Obligation	Delivery Date	Nature of COP ('RP' or 'PB')	Committed Obligation Payment (£)	Does para 11.4 of Sched 10.2 apply? (Y/N)	Specimen Scheme (Y/N)
	(c) work with [REDACTED] (or an equivalent organisation) to develop a plan for the installation of such solar panels, agree such plan with RfL and then use all reasonable endeavours to secure funding for such installation; and	30 November 2026	RP	[REDACTED] per Reporting Period	N	N
	(d) (where funding has been secured, planning permission has been granted and any other relevant approval has been granted for such installation) install such solar panels in accordance with the plan agreed with RfL under paragraph (c) of this CO59. This paragraph (d) is a Specimen Scheme because it is dependent on securing funding, planning permission and any other relevant approval for the installation of such solar panels. The Specimen Scheme Output is to support RfL in achieving its Corporate Environmental Goals (including achieving Net Zero Carbon Emissions for Scope 1 and Scope 2 emissions (as defined in the Greenhouse Gas Protocol) by 2030).	12 months following the conditions for the Specimen Scheme being satisfied	RP	[REDACTED] per Reporting Period	Y (under paragraph 11.4, the COP will be reduced pro rata by reference to the proportion of solar panels in the plan installed)	Y
CO60	Drawing on each Parent's experience and expertise, the Operator shall conduct a fatal flaw analysis of the Old Oak Common Station development programme (and Network Rail and HS2 Limited's roles within that programme) to identify and assess critical vulnerabilities within	26 August 2025	RP	[REDACTED]	N	N

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CO61	that programme which could lead to insurmountable obstacles. The Operator shall prepare and submit to RfL a summary of the outcomes of such fatal flaw analysis, together with its recommendations about steps which should be taken to mitigate the likelihood of the identified critical vulnerabilities occurring.	31 March 2028	RP	[REDACTED] per Reporting Period	Y (under paragraph 11.4, the COP will be reduced pro rata by reference to the proportion of customer-facing Concession Employees' smart devices on which the feed is available)	N
	<p>The Operator shall implement and thereafter maintain a British sign language ("BSL") feed which is available to all customer-facing Concession Employees on their smart devices and to all customers via scanning a QR code placed by the Operator in visible locations across Elizabeth Line Stations and on the Units. The BSL feed shall:</p> <ul style="list-style-type: none"> (a) provide access to real-time information about the performance of the Passenger Services, any disruption thereto and any issues affecting the use of any Elizabeth Line Station; (b) provide access to real-time information about the particular Passenger Service that the customer is using; and (c) be delivered using BSL to facilitate accessibility to the Passenger Services. 					
CO62	The Operator shall:					

Column 1	Column 2	Column 3	Column 4	Column 5	Column 6	Column 7
No.	Committed Obligation	Delivery Date	Nature of COP ('RP' or 'PB')	Committed Obligation Payment (£)	Does para 11.4 of Sched 10.2 apply? (Y/N)	Specimen Scheme (Y/N)
	<p>(a) provide a real-time overview on the status of the Passenger Services and facilities at Elizabeth Line Stations to all customer-facing Concession Employees on their smart devices and to all customers via all relevant customer information channels. Such real-time overview shall include information about:</p> <ol style="list-style-type: none"> the performance of the Passenger Services and any disruption thereto; any temporary or extended non-availability of a station facility (including escalators, lifts and toilets) at any Elizabeth Line Station; and any temporary or extended non-availability of step-free access at any Elizabeth Line Station; 	31 March 2028	PB	[REDACTED]	N	N
	<p>(b) appoint a suitably qualified individual to the role of [REDACTED] (and thereafter maintain such role throughout the remainder of the Concession Period) whose responsibilities shall include:</p> <ol style="list-style-type: none"> accountability for customer and real-time information daily delivery 	31 January 2026	RP	[REDACTED] per Reporting Period	N	N

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No.	Committed Obligation	Delivery Date	Nature of COP ('RP' or 'PB')	Committed Obligation Payment (£)	Does para 11.4 of Sched 10.2 apply? (Y/N)	Specimen Scheme (Y/N)
CO63	<p>processes, including all customer information activities;</p> <p>2. leading the development of real-time information standards and overall team development; and</p> <p>3. elevating the importance of customer information; and</p>	31 January 2026	RP	[REDACTED] per Reporting Period	Y (under paragraph 11.4, the COP will be reduced by fifty per cent (50%) if GTS only appoints one qualified individual)	N
	<p>(c) appoint at least two (2) suitably qualified individuals to the roles of [REDACTED] (and thereafter maintain such role throughout the remainder of the Concession Period) whose responsibilities shall include:</p> <p>1. leading the delivery of customer information outputs to stations and customer touch points;</p> <p>2. acting as the main touch points for all TfL and RfL customer information activities; and</p> <p>3. developing team competences and delivering customer information key performance indicators.</p>					
	[REDACTED]					
	(a) [REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

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CO64	(b) [REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
	<p>The Operator shall procure that:</p> <p>1. each qualified train driver who drives Passenger Services during a Reporting Period shall have, during such Reporting Period, diversionary route knowledge to Liverpool Street (Main Line) station and Paddington (Main Line) station; and</p>	31 December 2027	RP	[REDACTED] per Reporting Period	<p>Y</p> <p>(under paragraph 11.4, the COP will be multiplied by reference to the number of qualified train drivers who have been driving in the Reporting Period that do not have the specified route knowledge during the applicable Reporting Period)</p>	N
	<p>2. each qualified train driver who drives Passenger Services during a Reporting Period and is based at Shenfield driver depot, Gidea park driver depot or Ilford driver depot shall have, during such Reporting Period,</p>	31 December 2027	RP	[REDACTED] per Reporting Period	<p>Y</p> <p>(under paragraph 11.4, the COP will be multiplied by reference to the number of</p>	N

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	diversionary route knowledge to West Drayton (Hayes and Harlington to West Drayton); and				qualified train drivers who have been driving in the Reporting Period that do not have the specified route knowledge during the applicable Reporting Period)	
	3. subject to the qualifications set out below, that each driver based at a particular driver depot set out below has and maintains the corresponding route knowledge and competency relating to the Elizabeth Line Route:					
	(a) Old Oak Common driver depot: the entirety of the Elizabeth Line Route;	Start Date	RP	[REDACTED] per driver per rostered day for each rostered day on which such driver does not hold the corresponding route	N	N

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				knowledge and competency		
	(b) Gidea Park driver depot: <ol style="list-style-type: none"> Liverpool Street (CCOS) to Shenfield; Abbey Wood to Paddington (CCOS); Paddington (CCOS) to Heathrow Terminal 4 and Heathrow Terminal 5; 	Start Date	RP	[REDACTED] per driver per rostered day for each rostered day on which such driver does not hold the corresponding route knowledge and competency	N	N
	(c) Ilford driver depot: <ol style="list-style-type: none"> Liverpool Street (CCOS) to Shenfield; Abbey Wood to Paddington (CCOS); Paddington (CCOS) to Heathrow Terminal 4 and Heathrow Terminal 5; 	Start Date	RP	[REDACTED] per driver per rostered day for each rostered day on which such driver does not hold the corresponding route knowledge	N	N

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No.	Committed Obligation	Delivery Date	Nature of COP ('RP' or 'PB')	Committed Obligation Payment (£)	Does para 11.4 of Sched 10.2 apply? (Y/N)	Specimen Scheme (Y/N)
		Start Date	RP	and competency	N	N
	(d) Maidenhead driver depot:			[REDACTED] per driver per rostered day for each rostered day on which such driver does not hold the corresponding route knowledge and competency		
	<ol style="list-style-type: none"> 1. Abbey Wood to Paddington (CCOS); 2. Paddington (CCOS) to Heathrow Terminal 4 and Heathrow Terminal 5; 3. Hayes & Harlington to West Drayton; 4. West Drayton to Maidenhead; 5. Maidenhead to Reading; and 					
	(e) Abbey Wood driver depot:	Start Date	RP	[REDACTED] per driver per rostered day for each rostered day on which such driver does not hold the corresponding route knowledge and competency	N	N
	<ol style="list-style-type: none"> 1. Liverpool Street (CCOS) to Shenfield; 2. Abbey Wood to Paddington (CCOS); 3. Paddington (CCOS) to Heathrow Terminal 4 and Heathrow Terminal 5; 4. Hayes & Harlington to West Drayton; 5. West Drayton to Maidenhead; 					

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	6. Maidenhead to Reading;					
	(f) Shenfield driver depot: 1. Liverpool Street (CCOS) to Shenfield; 2. Abbey Wood to Paddington (CCOS); 3. Paddington (CCOS) to Heathrow Terminal 4 and Heathrow Terminal 5;	Start Date	RP	[REDACTED] per driver per rostered day for each rostered day on which such driver does not hold the corresponding route knowledge and competency	N	N
	(g) Plumstead driver depot: 1. Liverpool Street (CCOS) to Shenfield; 2. Abbey Wood to Paddington (CCOS); 3. Paddington (CCOS) to Heathrow Terminal 4 and Heathrow Terminal 5; 4. Hayes & Harlington to West Drayton; 5. West Drayton to Maidenhead; 6. Maidenhead to Reading,	Start Date	RP	[REDACTED] per driver per rostered day for each rostered day on which such driver does not hold the corresponding route knowledge and competency	N	N

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No.	Committed Obligation	Delivery Date	Nature of COP ('RP' or 'PB')	Committed Obligation Payment (£)	Does para 11.4 of Sched 10.2 apply? (Y/N)	Specimen Scheme (Y/N)
	and for the purposes of paragraph 2 (<i>Continuation of Availability</i>) of Schedule 10.2 (<i>Miscellaneous Provisions and Late/Non Completion of Committed Obligations</i>) the driver route knowledge described in paragraphs (a) to (g) above shall be a "facility" which the Operator shall maintain throughout the remainder of the Concession Period.					
	<p>For the purposes of this CO64, the qualifications are:</p> <ul style="list-style-type: none"> (i) if a driver is absent for an extended period of time as a result of ill health, that driver shall not be required to maintain all corresponding route knowledge and competency for that driver depot until a reasonable period has passed following their return to work; (ii) if a driver is absent for an extended period of time as a result of leave (including maternity and paternity leave), that driver shall not be required to maintain all corresponding route knowledge and competency for that driver depot until a reasonable period has passed following their return to work; (iii) if a driver is undergoing their initial period of training (including route 					

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	<p>knowledge and competency for the driver depot at which they are employed) following their employment, that driver shall be disregarded for the purposes of this Committed Obligation until that initial period of training has been completed;</p> <p>(iv) if a driver changes between driver depots, where that driver is undergoing an initial period of route knowledge and competency training for that new driver depot, that driver shall be disregarded for the purposes of this Committed Obligation until that initial period of route knowledge and competency training has been completed;</p> <p>(v) if a driver is suspended under a disciplinary procedure or in a period of 'operational stand down' ('off-track') following a serious incident and pending a development plan;</p> <p>(vi) if a driver is undertaking trade union duties that require them to have an amended roster pattern (such as working on a trade union company council or working as a union representative on a particular project);</p>					

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CO65	<p>(vii) if a driver has flexible working agreements or temporary work pattern accommodations or if the driver is a part time driver employed for the purpose of delivering Service Modification C;</p> <p>(viii) if a driver is seconded to another role in the business, including but not limited to the role of test driver for the testing and commissioning of the Optional Units or the testing and commissioning of Old Oak Common station; and</p> <p>(ix) subject to approval by RfL, any other extenuating circumstance that prevents a driver from working their usual roster pattern.</p>	Start Date	RP	[REDACTED] for each day that the IT service desk is not available 24/7	N	N
	The Operator shall:					
	(a) procure that an IT service desk is available twenty-four (24) hours a day on each day of the Concession Period for the resolution of technology related issues (including the reporting of cyber security-related concerns);					
	(b) ensure that members of the Operator's Information Security team receive ongoing professional development training from a	31 March in each	RP	[REDACTED] in each relevant	Y	N

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	range of sources (including cyber security technology suppliers, reviewing guidance published by the National Cyber Security Centre and attending and participating in meetings of the Rail Cyber Security Council) to help ensure they remain up-to-date about the latest and emerging cyber security threats which may affect the provision of the Concession Services and/or otherwise impact the Operator, any Affiliate of the Operator, RfL or any member of the TfL Group;	Concession Year		Concession Year (This amount is pro-rated in respect of any relevant Concession Year that is less than thirteen (13) Reporting Periods)	(under paragraph 11.4, the COP will be reduced pro rata by reference to the proportion of training that has been delivered)	
	(c) implement a compulsory training and awareness programme in relation to cyber security matters for all existing and new Concession Employees and any relevant employees of existing and new third party contractors involved in connection with the Concession Services (and which shall include annual compulsory refresher training for all such persons on cyber security matters);	31 March in each Concession Year	RP	[REDACTED] in each relevant Concession Year (This amount is pro-rated in respect of any relevant Concession Year that is less than thirteen (13) Reporting Periods)	Y (under paragraph 11.4, the COP will be reduced pro rata by reference to the proportion of training that has been delivered)	N

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	<p>(d) (in addition to the training contemplated by paragraph (c) of this CO65) at least Quarterly, undertake phishing email simulations for all Concession Employees described in paragraph (c) and, subject to such requirements complying with Law, for any employees of existing and new third party contractors involved in connection with the Concession Services who have an email address with the Operator or otherwise have access to the Operator's information technology systems. If any such person fails such phishing email simulation by clicking on the phishing link, the Operator shall:</p> <ol style="list-style-type: none"> procure that such person undertakes further compulsory cyber security training; and (in the case of a person who fails to undertake such further compulsory cyber security training by a date that is three (3) weeks after their phishing email simulation failure) rescind such person's access to the Operator's networks and systems from the date that is three (3) weeks (or such other period of time as agreed between RfL and the Operator) after the phishing email simulation failure and shall 	31 March in each Concession Year	RP	<p>[REDACTED] in each Quarter in each Concession Year in which such phishing email simulation is not undertaken (This amount is pro-rated in respect of any relevant Concession Year that is less than thirteen (13) Reporting Periods)</p>	<p>Y (under paragraph 11.4, the COP will be reduced pro rata by reference to the proportion of training that has been delivered)</p>	N

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No.	Committed Obligation	Delivery Date	Nature of COP ('RP' or 'PB')	Committed Obligation Payment (£)	Does para 11.4 of Sched 10.2 apply? (Y/N)	Specimen Scheme (Y/N)
	procure that such person undertakes further compulsory cyber security training before it regrants access to the Operator's networks and systems;					
	(e) proactively publish regular cyber security communications to all persons subject to the programme described in paragraph (c) of this CO65 (including by email, via Teams and through the use of posters in communal areas);	31 March in each Concession Year	RP	[REDACTED] in each relevant Concession Year (This amount is pro-rated in respect of any relevant Concession Year that is less than thirteen (13) Reporting Periods)	Y (under paragraph 11.4, the COP will be reduced pro rata by reference to the proportion of training that has been delivered)	N
	(f) at least once in each Concession Year, hold a cyber security awareness month with the intention of promoting positive cyber security behaviours to all Concession Employees and which shall include: 1. ensuring that communications to and meetings with Concession Employees include items intended to share	31 March in each Concession Year	RP	[REDACTED] per Concession Year	N	N

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	information and tips to reduce the level of the Operator's cyber security risk; 2. a poster competition amongst Concession Employees to highlight cyber security risks and offer tips to mitigate against those risks; and 3. drop-in sessions available to all Concession Employees intended to provide information on the safe use of devices and technology within and outside of the workplace;					
	(g) [REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
	(h) without prejudice to paragraph 4.1(e)(iii) (<i>Architecture and Configuration</i>) of Appendix 1 (<i>Cyber Security Requirements</i>) to Schedule 6.2 (<i>Cyber Security</i>), require multi-factor authentication for access to all systems operating or supporting the Operator's essential services (save in respect of a system which the Operator has provided evidence to the reasonable satisfaction of RfL that: (i) such multi-factor authentication is not reasonably practicable; and (ii) the authentication arrangements for such system are appropriate);	31 August 2025	RP	[REDACTED] per Reporting Period	N	N

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	(i) ensure that robust procedures are in place for the activation, operation, co-ordination and communication needed to respond to a disruptive situation (including the occurrence of a cyber security incident); and	Start Date	RP	[REDACTED] per Reporting Period	N	N
	(j) appoint one (1) additional (compared with the number employed by the Incumbent Operator) full time equivalent person as part of the team responsible for the Operator's management of cyber security matters, including the specific obligations set out in this Agreement.	Start Date	RP	[REDACTED] per Reporting Period	N	N
CO66	<p>In addition to the requirements set out in Schedule 6.1 (<i>Security</i>), the Operator shall create (and thereafter maintain as an Updated Supporting Plan contemplated by paragraph 3 (<i>Business Plans</i>) of Schedule 16.1 (<i>Records, Plans and Reporting</i>)) a plan which sets out how the Operator will deal with vulnerable people using any element of the Concession Services and which shall include as a minimum the following:</p> <p>(a) the results of a survey of customers and community groups to understand how to make them feel safer on the network conducted by Community Ambassadors;</p>	25 May 2026	RP	[REDACTED] per Reporting Period	N	N

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	(b) an audit of all Elizabeth Line Stations to identify areas for improvement in safety, e.g. visibility of closed-circuit television and lighting improvements; (c) review of Customer Satisfaction Survey scores (safety and security) by station; (d) feedback and suggestions from Concession Employees, SFOs, and suppliers; and (e) TfL's customer feedback (praise and complaints).					
CO67	The Operator shall:	31 March 2026	RP	[REDACTED] per Reporting Period	N	N
	(a) measure and monitor the impact of the equality, diversity and inclusion training undertaken by the Operator against the baseline position determined by the Operator in the first Concession Year (including through monitoring feedback on equality, diversity and inclusion training, anonymous surveys, equality, diversity and inclusion workplaces issues, time spent by Concession Employees on the Operator's resource hub and supply chain feedback) and prepare and submit to RfL a report summarising the Operator's findings and					

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	any recommendations it intends to implement;	Start Date	RP	[REDACTED] per Reporting Period	N	N
	(b) become, and throughout the Concession Period remain, a signatory to the EDI Charter for Rail promoted by the Railway Industry Association and Women in Rail;					
	(c) undertake a workshop on intersectionality to champion equality, diversity and inclusion and promote peer-to-peer learning, to which the Operator shall invite the Operator's Executive, Concession Employee network group leads, the Operator's equality, diversity and inclusion champions, representatives from RfL (as may be identified by RfL), and suitable representatives of Network Rail and the Rolling Stock Provider (together with any other stakeholders identified by the Operator);	31 March 2027	RP	[REDACTED] per Reporting Period	N	N
	(d) actively participate in rail industry equality, diversity and inclusion events and forums and report on its participation, together with any recommendations it intends to implement, as part of the Periodic Concession Report; and	21 June 2025	RP	[REDACTED] per Reporting Period	N	N

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CO68	(e) provide email updates to all Concession Employees about the Operator's progress in relation to equality, diversity and inclusion (including through the Operator's participation in the Fairness Inclusion and Respect programme).	Quarterly	RP	[REDACTED] per Reporting Period	Y (under paragraph 11.4, the COP will be reduced pro rata by reference to the proportion of email updates delivered)	N
	The Operator shall ensure that each Concession Employee is able to opt in to an electric vehicle salary sacrifice scheme whereby that Concession Employee can lease an electric vehicle and obtain access to an application providing such persons with a set of tools to assist in the making of vehicle charging decisions, recording journeys, managing mileage and expenses and setting a vehicle charging schedule.	31 March 2026	RP	[REDACTED] per Reporting Period	N	N
CO69	The Operator shall undertake a review of the use of single use plastics in connection with the provision of the Concession Services and provide a report to RfL which identifies high impact products and baseline usage of single use plastics, sets targets for the reduction of usage of single use plastics and describes the steps the Operator will take to achieve the targets set (the " SUP Report "). The Operator shall take into account	30 November 2025 (for delivery of the SUP Report)	RP	[REDACTED] per Reporting Period	N	N

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	any representations made by RfL on the SUP Report and implement the steps set out in the SUP Report (as may have been adjusted to take into account any RfL representations).					
CO70	The Operator shall develop and deliver a one (1) day training course (or such training courses as when taken together are equivalent to a one day training course) to promote the consideration and reduction of carbon in everyday decision making (such training to be consistent with the Carbon Literacy Framework used by TfL and, where elected by RfL, to be developed in collaboration with RfL or such other member of the TfL Group nominated by RfL). The content of such training course shall be updated by the Operator annually for the benefit of new joiners based on best practice and other developments relating to the use of carbon. The training course will be available to all roles that are level 5 and above according to the list of all job titles for TUPE staff 2-24-03-30 contained in the ITT Data Room.	31 March 2028	PB	[REDACTED]	Y (under paragraph 11.4, the COP will be reduced pro rata by reference to the proportion of training that has been delivered)	N
CO71	The Operator shall:					
	(a) install air quality sensors at a minimum of ten (10) Operator Leased Stations (such locations to be proposed by the Operator to RfL and, where considered appropriate to do so, agreed by RfL) to better	31 March 2026	PB	[REDACTED]	Y (under paragraph 11.4, the COP will be	N

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	understand air pollutant emissions and how best to reduce them, and provide to RfL a report setting out its proposed targets for air pollution reduction based on the information obtained from the use of such air quality sensors; and	Each Periodic Concession Report following the Delivery Date of paragraph (a) of CO71	RP	[REDACTED] per Reporting Period	reduced pro rata by reference to the proportion of air quality sensors that have been installed) N	N
	(b) include a section in each Periodic Concession Report on air quality data and the Operator's progress towards achieving the air pollution reduction targets identified in paragraph (a) of this CO71.					
CO72	The Operator shall:	16 August 2025	RP	[REDACTED] per Reporting Period	Y (under paragraph 11.4, the COP will be reduced pro rata by reference to the number of Environmental Champions that	N
	(a) designate a minimum of thirty (30) Concession Employees as Environmental Champions whose role shall include the sharing of ideas and developing initiatives to minimise the Operator's impact on the environment, promoting a sustainable work environment for Concession Employees and promoting awareness and engagement with the Operator's environmental activities;					

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		16 August 2025	PB	[REDACTED]	have been designated)	N
	(b) implement a behavioural change campaign based on resources from the Waste and Resources Action Programme, with the intention of highlighting the resources available to reduce food waste in areas used exclusively by Concession Employees (including removing barriers to surplus food redistribution, raising awareness of 'use by' and 'best before' labels); and				N	
	(c) enter into a minimum of one (1) agreement with a charity relating to the redistribution of food left over from events held by Concession Employees and events held by the employees of retailers at Operator Leased Stations.	31 March 2026	RP	[REDACTED] per Reporting Period	N	N
C073	The Operator shall:					
	(a) obtain (and thereafter maintain throughout the remainder of the Concession Period) accreditation to each of ISO 14001 and ISO 50001 standards for the Operator's Energy and Environmental Management System; and	25 May 2026	RP	[REDACTED] per Reporting Period	N	N

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CO74	(b) ensure (and thereafter maintain throughout the remainder of the Concession Period) that its procurement systems and processes are aligned with the ISO 20400 standard relating to sustainable procurement with the intention of embedding sustainable practices within the Operator's supply chain.	31 March 2026	RP	[REDACTED] per Reporting Period	N	N
	<p>The Operator shall establish (and thereafter maintain throughout the remainder of the Concession Period) an access advisory panel (the "Access Advisory Panel") which the Operator shall procure meets each Quarter and with membership of the Access Advisory Panel being refreshed annually. The purposes of the Access Advisory Panel shall be:</p> <p>(a) to be a forum where representatives from accessibility groups and Disabled Persons will get together to discuss accessibility-related matters relevant to the provision of the Concession Services;</p> <p>(b) to be an advocate for the Passenger Services in the communities served by the Passenger Services;</p> <p>(c) to promote the Operator's accessibility initiatives within the community (including</p>	Each Quarter during the Concession Period	RP	[REDACTED] for each Quarter in which the Access Advisory Panel does not meet	N	N

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CO75	<p>across focus groups and by way of school visits); and</p> <p>(d) to support continuous improvement in accessibility throughout the Concession Period and to provide feedback to the Operator on areas for improvement, and the Operator shall provide the draft terms of reference for the Access Advisory Panel to RfL prior to the Start Date and take into account any representations which RfL may have thereon in finalising such terms of reference.</p>	25 May 2026	PB	[REDACTED]	Y (under paragraph 11.4, the COP will be reduced pro rata by reference to the number of workshops that have been delivered)	N
	<p>Working collaboratively with stakeholders (including Network Rail, RfL(I) and the BTP) the Operator shall deliver a minimum of four (4) safety and security workshops (the "Safety Workshops") at such key interface stations identified by the Operator where the Operator considers safety and security issues are most prevalent as a result of the number of passengers using those stations. The purposes of each such Safety Workshop shall be:</p> <p>(a) to educate on safety and security awareness;</p> <p>(b) to highlight potential risks;</p> <p>(c) to explain ways of reporting any safety and security issues encountered whilst at any</p>					

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No.	Committed Obligation	Delivery Date	Nature of COP ('RP' or 'PB')	Committed Obligation Payment (£)	Does para 11.4 of Sched 10.2 apply? (Y/N)	Specimen Scheme (Y/N)
	<p>Operator Managed Station or whilst travelling on a Passenger Service;</p> <p>(d) to promote the work of the Operator's safety and security teams to keep customers and communities safe;</p> <p>(e) to remove barriers to travel on and to build confidence in using the Passenger Services; and</p> <p>(f) to highlight the importance of purchasing valid tickets for travel on the Passenger Services.</p>					
CO76	The Operator shall:					
	<p>(a) prepare and submit to RfL an annual community engagement report (the "Annual Community Engagement Report") which (as a minimum) includes the following:</p> <p>1. a plan for the immediately succeeding Concession Year which shall set out:</p> <p>(i) the Operator's priorities, objectives and strategy for the delivery of the Operator's community engagement activities, outputs and outcomes for that Concession Year (and, in doing so, take into</p>	<p>Not more than three (3) Reporting Periods and not less than one (1) Reporting Period prior to the start of each Concession Year</p>	RP	[REDACTED] per Reporting Period	N	N

Column 1	Column 2	Column 3	Column 4	Column 5	Column 6	Column 7
No.	Committed Obligation	Delivery Date	Nature of COP ('RP' or 'PB')	Committed Obligation Payment (£)	Does para 11.4 of Sched 10.2 apply? (Y/N)	Specimen Scheme (Y/N)
	<p>account the learnings contemplated by CO76(a)4.); and</p> <p>(ii) the Operator's proposed use of the funding contemplated by CO45 in accordance with the Grant Criteria described in that Committed Obligation;</p> <p>2. an annual customer engagement plan for the immediately succeeding Concession Year which shall set out the Operator's proposed strategy for engaging with communities, customers and stakeholders, including communities where there are significant growth targets and housing development schemes;</p> <p>3. the specific activities the Operator proposes to implement in the immediately succeeding Concession Year in connection with the Operator's education outreach programme (a programme intended to inspire young people to consider a career in rail, learn more about the Concession Services and feel supported to have safer, accessible and enjoyable journeys on the Passenger Services) including:</p>					

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	<p>(i) working with schools along the Elizabeth Line Route to develop activities and materials to inspire, build awareness and promote careers in the rail industry and to educate on safety, security and revenue protection;</p> <p>(ii) working with higher education and training organisations along the Elizabeth Line Route to develop training materials to educate on safety, security and revenue protection, as well as promoting careers in the rail industry; and</p> <p>(iii) delivering presentations in schools and higher education organisations along the Elizabeth Line Route on the importance of buying valid tickets,</p> <p>the "Education Outreach Programme";</p> <p>4. with effect from the end of the first Concession Year onwards, a summary of the Operator's learnings in that Concession Year relating to barriers and opportunities for enhancing the attractiveness, awareness and accessibility of the Passenger Services and the Operator's proposed actions,</p>					

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	<p>including based on the following activity:</p> <ul style="list-style-type: none"> (i) a community and stakeholder survey undertaken by the Operator; (ii) an analysis of complaints and other feedback in relation to the Concession Services; (iii) community and stakeholder forums, meetings and roadshows facilitated by the Operator; (iv) conversations and feedback through business activities, including reports from the Community Ambassadors contemplated by paragraphs CO76(c) and CO76(d); and (v) "Meet the Manager" events undertaken by the Operator; and <p>5. with effect from the end of the first Concession Year onwards, an impact report for the then-current Concession Year which shall set out:</p> <ul style="list-style-type: none"> (i) the outputs and outcomes, success stories and positive impacts delivered (including as part of the Education Outreach Programme) 					

Column 1	Column 2	Column 3	Column 4	Column 5	Column 6	Column 7
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	<p>against the priorities, objectives and strategy set out in the Annual Community Engagement Report for that Concession Year; and</p> <p>(ii) how the Operator has used the funding contemplated by CO45 in accordance with the Grant Criteria described in that Committed Obligation in the past twelve (12) months,</p>					
	and:					
	<p>A. the Annual Community Engagement Report shall thereafter be updated by the Operator as an Updated Supporting Plan in accordance with paragraph 3 (<i>Business Plans</i>) of Schedule 16.1 (<i>Records, Plans and Reporting</i>)); and</p> <p>B. the Operator shall deliver those elements of the Annual Community Engagement Report contemplated by paragraphs CO76(a)1., CO76(a)2. and CO76(a)3.;</p>					
	(b) report on the Operator's progress in delivering the priorities, objectives and strategy set out in the Annual Community Engagement Report for the then-applicable	Delivery date of the Periodic Concession Report	RP	[REDACTED] per Reporting Period	N	N

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	Concession Year (as contemplated by paragraph CO76B.) as part of the Periodic Concession Reports relating to the fourth (4 th) and tenth (10 th) Reporting Periods in that Concession Year;	relating to the 4 th and 10 th Reporting Period in each Concession Year				
	<p>(c) procure that there are designated a minimum of four (4) Community Ambassadors and a further one (1) Community Ambassador Team Leader, whose roles and responsibilities shall include:</p> <ol style="list-style-type: none"> 1. using data-driven systems and processes to prioritise and deliver the Operator's community engagement strategies (including the Annual Community Engagement Plan contemplated by paragraph (c) of this CO76); 2. building strong relationships between the Operator and local communities and businesses; 3. delivering a minimum of four (4) community networking events across a range of locations on the Elizabeth Line Route to keep communities and other stakeholders informed about the Concession Services, supporting the Operator's continuous improvement in 	Start Date	RP	[REDACTED] per Reporting Period	Y (under paragraph 11.4, the COP will be reduced pro rata by reference to the number of Community Ambassadors)	N

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	service delivery by obtaining feedback on service delivery, testing ideas for improvements and sharing positive stories about the Elizabeth Line; and					
	(d) implement an online customer relationship management system and procure the provision to RfL of at least one (1) licence and other access requirements (to such persons nominated by RfL from time to time) to facilitate access to such system.	Start Date	RP	[REDACTED] per Reporting Period	N	N
CO77	In addition to the building within which the RfL Accommodation is located (as contemplated by paragraph 1 (<i>Accommodation for RfL Management Team</i>) of Schedule 15.2 (<i>Co-location</i>) the Operator shall establish satellite offices:					
	(a) at Old Oak Common Depot;	31 March 2026	RP	[REDACTED] per Reporting Period	N	Y
	(b) at Paddington (CCOS) station; and	31 March 2026	RP	[REDACTED] per Reporting Period	N	Y
	(c) at or in close proximity to Stratford (NR) station).	31 March 2026	PB	[REDACTED]	N	N
	Paragraphs (a) and (b) of this Committed Obligation are Specimen Schemes because they					

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	are dependent on RfL and/or RfL(I) agreeing to the Operator establishing such satellite offices within the relevant premises of RfL and/or RfL(I) for no charge. The Specimen Scheme Output is the establishment of a collaborative business relationship with RfL and/or RfL(I).					
CO78	Without prejudice to paragraph 2 (<i>Old Oak Common Station</i>) of Schedule 10.3 (<i>Concession Specific Obligations</i>):					
	(a) and working with all applicable stakeholders (including Network Rail and HS2), the Operator shall prepare and submit to RfL a robust mobilisation plan for the commissioning, bringing into use, readiness activities and operation of Old Oak Common Station (which shall include, as a minimum, supporting with the preparation of station evacuation plans, Technical Specifications for Interoperability compliance and Authorisation and Placing into Service by the ORR). In advance of such submission to RfL, the Operator shall procure that subject matter experts from each of its Parents peer reviews and provides input into such mobilisation plan (and the Operator shall update the mobilisation plan to take into account such peer review and input; and	30 November 2027 (provided that, with the approval of RfL, this date may be deferred to reflect any delay to the construction of Old Oak Common Station and associated works)	RP	[REDACTED] per Reporting Period	N	N

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	(b) the Operator shall make available a team of at least [REDACTED] driver team managers to undertake all relevant testing and commissioning activities connected with the opening of Old Oak Common Station that are the responsibility of the Operator (including infrastructure testing and platform interface testing with the Units).	From 1 December 2028 to 31 January 2031 (provided that, with the approval of RfL, these dates may be deferred to reflect any delay to the construction of Old Oak Common Station and associated works)	RP	[REDACTED] per Reporting Period	Y (under paragraph 11.4, the COP will be reduced pro rata by reference to the number of driver team managers that have been made available)	N
CO79	The Operator shall either upgrade or replace the Compass system with a system which has at least the same functionality as the then-existing system and also includes a means of transferring information to RfL that meets RfL's reasonable requirements, and the Operator shall procure that: (a) any system which interfaces with the Compass system (or any replacement of a system which interfaces with the Compass system) continues to be available and interfaces with such upgraded or replacement system without interruption;	31 March 2028	PB	[REDACTED]	N	N

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	(b) any existing use of the Compass system (including the Incident Reporting and Investigations module and iSafety application) has an appropriate equivalent within such upgraded or replacement system.					
CO80	The Operator shall:					
	(a) undertake a trial of direct Elizabeth Line Control Centre to train human announcements on Passenger Services operating on the CCOS (using a library of pre-recorded announcements and process automation). The Operator shall provide a report to RfL summarising the result of the trial and its recommendations in connection therewith (including whether it should be implemented on a permanent basis and across the Elizabeth Line Route); and	31 March 2027	RP	[REDACTED] per Reporting Period	N	N
	(b) [REDACTED] to be aligned with the requirements of this Agreement (including paragraph 14 (<i>Provision of Information on Trains</i>) of Schedule 2.2 (<i>List of Concession Services</i>)) and other key performance indicators so that areas for improvement can be identified (and coaching provided where appropriate to do so).	31 March 2026	RP	[REDACTED] per Reporting Period	N	N

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CO81	The Operator shall replace each of the thirty four (34) TVMs which, as at the Start Date, are accredited by Worldline with modern replacement TVMs which (as a minimum) offer equivalent functionality to those TVMs being replaced (including cash acceptance). The Operator shall explore the inclusion of additional functionality on such replacement TVMs, in particular at key interchange and airport locations (which may include integrating direct access options to connect customers with a Concession Employee for assistance).	28 February 2026	PB	[REDACTED]	Y (under paragraph 11.4, the COP will be reduced pro rata by reference to the number of TVMs which have been installed)	N
CO82	In the event that RfL calls Service Modification C, the Operator shall procure the development (by a training provider approved to deliver End Point Assessment for the Train driver Level 3 Apprenticeship (ST0645)) of a bespoke part-time driver training programme and training materials for drivers to operate Units forming Passenger Services on the CCOS and those parts of the NR Network referred to in limbs (d), (e) and (h) of the definition of Western Section (and, upon its opening, to Old Oak Common station). The Operator shall provide an electronic copy of the training materials to RfL.	Six (6) Reporting Periods following notice by RfL to the Operator that Service Modification C is to be implemented	RP	[REDACTED] per Reporting Period	N	N
CO83	The Operator shall seek to drive continuous improvement in the delivery of the Concession Services and in its response to disruption affecting	At least twice in each Concession Year	RP	[REDACTED] per tabletop exercise not	N	N

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	<p>the Concession Services by holding tabletop training days with representatives from other rail industry stakeholders (such as representatives of the Operator, Network Rail (Western Route), Network Rail (Eastern Route), RfL(I), freight services delivery managers, HAL, LUL, the Rolling Stock Provider and/or other train operators). The purposes of such tabletop exercises shall include:</p> <ul style="list-style-type: none"> (a) helping improve the efficacy of control-based communications; (b) refreshing core skills; (c) improving non-technical communications skills; (d) considering key protocols for disruption management; (e) using real-life examples from the Elizabeth Line Route to show how processes will be implemented in real-life scenarios; and (f) empowering team members across organisations to better understand their role in driving a swift, safe, disruption management process and work more effectively to minimise the impact on customers. 			held per Concession Year		
CO84	The Operator shall implement and thereafter maintain throughout the remainder of the Concession Period a "Voice of the Customer"	30 November 2025	RP	[REDACTED] for each Reporting	N	N

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No.	Committed Obligation	Delivery Date	Nature of COP ('RP' or 'PB')	Committed Obligation Payment (£)	Does para 11.4 of Sched 10.2 apply? (Y/N)	Specimen Scheme (Y/N)
	<p>programme (the "VoC Programme") to place customers at the heart of what the Operator does and use data from multiple sources to drive improvements in customer experience. In connection with the VoC Programme, the Operator shall create a customer dashboard (which shall be made freely available and accessible to RfL and persons nominated by RfL) which aggregates data and information relating to the Operator's performance under this Agreement in an easily accessible form, including the following data and information:</p> <ul style="list-style-type: none"> (a) the results of the Customer Satisfaction Regime, Quality Performance Regime and Ticketless Travel Surveys; (b) feedback from customers, Concession Employees and the Access Advisory Panel established under CO74; (c) targeted improvement actions which the Operator is taking or is proposing to take in connection with limbs (a) and (b) of this CO84; (d) a summary of any changes in customer needs identified by the Operator and how the Operator is taking or proposes to take steps to meet such customer needs; (e) any other relevant continuous improvement initiatives which the Operator 			Period in which the customer dashboard is not available		

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CO85	<p>is taking or proposes to take to improve the delivery of the Concession Services;</p> <p>(f) a summary of how international best practice and experience from the Parents (and train or station operating Affiliates of the Parents) is influencing the steps the Operator is taking or proposes to take (as contemplated by this CO84); and</p> <p>(g) a summary of how the voice of the customer is forming part of the Operator's governance framework and decision-making processes.</p>	31 January 2026	RP	[REDACTED] per Reporting Period	Y (under paragraph 11.4, the COP will be reduced pro rata by reference to the number of Communications Champions that have been designated)	N
	<p>The Operator shall designate four (4) Concession Employees located in an Elizabeth Line Route Control Centre as communications champions (the "Communications Champions") whose role shall be to provide exemplary communications in the control context, encourage others to follow their example and communicate with the Great Western Train Operator, the East Anglia Train Operator and freight users on the Elizabeth Line Route. The Operator shall prepare and submit to RfL each of the following:</p> <p>(a) an annual Communications Champions plan for the immediately succeeding Concession Year which shall set out the Operator's priorities, objectives and</p>					

Column 1	Column 2	Column 3	Column 4	Column 5	Column 6	Column 7
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CO86	<p>anticipated outcomes for the Communications Champions for the applicable Concession Year (the "Annual Communications Champions Plan"); and</p> <p>(b) an annual Communications Champions report for the then-current Concession Year which shall set out the outputs and outcomes and impacts delivered against the priorities, objectives and anticipated outcomes set out in the Annual Communications Champions Plan for that Concession Year (the "Annual Communications Champions Report"),</p> <p>and the Annual Communications Champions Plan and the Annual Communications Champions Report shall thereafter each be updated as an Updated Supporting Plan in accordance with paragraph 3 (<i>Business Plans</i>) of Schedule 16.1 (<i>Records, Plans and Reporting</i>)).</p>					
	<p>In connection with the deployment of the customer information and disruption information systems referred to in CO39 and with the intention of delivering an integrated system that works to deliver real-time, consistent and actionable customer information the Operator shall:</p>					

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	<p>(a) enhance existing systems and data structures, including:</p> <ol style="list-style-type: none"> improving support tools to provide timely and high quality disruption information across the Elizabeth Line Route; using the digital poster network at Elizabeth Line Stations to deploy information relating to disruption affecting the Passenger Services; and in collaboration with TfL's Customer Information Coordination Group and TfL's Digital team, ensuring the Operator's customer information standards are consistent with those used across other TfL modes and channels; <p>(b) ensure appropriate Concession Employees are fully trained to make best use of the outputs of CO39, CO42 and CO43; and</p>	31 March 2027	RP	[REDACTED] per Reporting Period	N	N
	<p>(c) integrate the Operator's control system with customer information and disruption information channels across the Elizabeth Line Route, which shall include:</p> <ol style="list-style-type: none"> deployment of staff applications; 	31 March 2028	RP	Payment is costed under CO39	N	N

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No.	Committed Obligation	Delivery Date	Nature of COP ('RP' or 'PB')	Committed Obligation Payment (£)	Does para 11.4 of Sched 10.2 apply? (Y/N)	Specimen Scheme (Y/N)
CO87	<p>2. connectivity with other Facility Owners of Elizabeth Line Stations, Network Rail and connectivity with the rail industry's "Darwin" train running and real-time arrivals and departures information system; and</p> <p>3. deployment of a single source of information for all customers, Concession Employees, RfL, Network Rail and other Facility Owners of Elizabeth Line Stations (and other stakeholders).</p>	25 May 2026	RP	[REDACTED] per Reporting Period	N	N
	<p>The Operator shall implement a "Try a Train" trial and shall submit a report to RfL setting out the successes and areas for learning emerging from such trial (together with any other recommendations and whether such trial should be expanded, and if so how). The "Try a Train" trial:</p> <p>(a) is intended to give Disabled Persons with visible and non-visible disabilities confidence to travel on the Passenger Services;</p> <p>(b) is intended to assist persons with other barriers to travelling on the Passenger Services (such as senior citizens and non-</p>					

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	<p>English speakers) overcome those barriers and have confidence to so travel;</p> <p>(c) will allow persons within the categories contemplated by paragraphs CO87(a) and (b) above to visit Elizabeth Line Stations and experience a journey on a Passenger Service to improve their confidence in so travelling; and</p> <p>(d) will ensure representatives of the Operator work with accessibility groups to seek to engage Disabled Persons to use the Passenger Services,</p> <p>with the intention of giving such persons confidence to travel again on the Passenger Services.</p>					
CO88	The Operator shall:					
	<p>(a) procure that all Concession Employees are provided with a replacement mobile device for use in connection with the Concession Services. The Operator shall make available for each such replacement mobile device the following functionality (as a minimum):</p> <ol style="list-style-type: none"> 1. a tool facilitating the reporting of ticketing and fare evasion issues to facilitate data analysis of any patterns, individuals or locations where or in 	Start Date	PB	[REDACTED]	<p>Y</p> <p>(under paragraph 11.4, the COP will be reduced pro rata by reference to the number of Concession Employees who have received</p>	N

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	<p>relation to which fare evasion is considered to be an issue;</p> <p>2. the ability to report faults within the scope of the KPI regime set out in Schedule 8.1 (<i>KPI Regime</i>) of this Agreement, other faults relating to assets and facilities such as lifts, escalators and toilets and other service quality issues;</p> <p>3. [REDACTED] back office revenue protection application;</p> <p>4. functionality to enable the provision of booked and unbooked passenger assist requests, including those contemplated by paragraphs 4 (<i>Additional Obligations relating to Persons with Disabilities</i>) and 5 (<i>Passenger Assistance</i>) of Schedule 4.4 (<i>Persons with Disabilities and Disability Discrimination</i>);</p> <p>5. the iSafety app (or equivalent);</p> <p>6. a translation application for other language translation; and</p> <p>7. a Microsoft Teams (or equivalent) application with specific groups for individual and cross-functional teams;</p>				replacement mobile devices)	

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	<p>(b) shall make available for each such replacement mobile device the following functionality:</p> <ol style="list-style-type: none"> 1. a tool for reporting incidents including safety concerns, operational issues, assaults, threats, abuse and anti-social behaviour; 2. information about real-time accessibility and facility information; 3. an application to support the provision of support during periods of disruption affecting the Passenger Services including the outputs contemplated by CO37; and 4. an application relating to the Operator's recognition scheme for Concession Employees; 	31 March 2026	RP	[REDACTED] per Reporting Period	Y (under paragraph 11.4, the COP will be reduced by twenty five per cent. (25%) for each required functionality made available)	N
	<p>(c) shall procure that:</p> <ol style="list-style-type: none"> 1. an application for the visually impaired which connects blind and partially sighted people to provide guidance when travelling is available 	31 March 2028	RP	[REDACTED] per Reporting Period	Y (under paragraph 11.4, the COP will be reduced by fifty per cent. (50%))	N

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	for download onto mobile devices; and 2. an application providing customers with the functionality contemplated by CO61 is available for download onto mobile devices; and				if GTS procures one of the two applications)	
	(d) procure that each Concession Employee's mobile device referred to in CO88(a) is refreshed.	31 March 2029	PB	[REDACTED]	Y (under paragraph 11.4, the COP will be reduced pro rata by reference to the number of Concession Employees who have had their mobile devices refreshed)	N
CO89	The Operator shall develop a bespoke and tailored training programme for the delivery of best-in-class information, systems and processes relating to the provision of information to customers (the " Information Training Programme "). Such Information Training Programme shall:	30 November 2027	PB	[REDACTED]	Y (under paragraph 11.4, the COP will be reduced pro rata by reference to the	N

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	<p>(a) be developed following the Operator undertaking a comprehensive review to:</p> <ol style="list-style-type: none"> 1. identify the relevant competencies required to deliver best-in-class information, systems and processes relating to the provision of information to customers; and 2. evaluate the technical skills (including grasp of processes, communication abilities and the customer experience mindset) of all Concession Employees in roles involving the provision of information to customers and who are based either at the Operator's Elizabeth Line Route Control Centre or at one or more Elizabeth Line Stations; <p>(b) include a mix of classroom training, online courses, workshops, simulations, on-the-job training and mentoring and which shall also include:</p> <ol style="list-style-type: none"> 1. Concession Employees based at one or more Elizabeth Line Stations spending time at the Operator's Elizabeth Line Route Control Centre; 2. Concession Employees based at the Operator's Elizabeth Line Route Control Centre spending time at Elizabeth Line Stations; and 				proportion of training that has been delivered)	

Column 1	Column 2	Column 3	Column 4	Column 5	Column 6	Column 7
No.	Committed Obligation	Delivery Date	Nature of COP ('RP' or 'PB')	Committed Obligation Payment (£)	Does para 11.4 of Sched 10.2 apply? (Y/N)	Specimen Scheme (Y/N)
	<p>3. the further training contemplated by paragraph 2 of CO3); and</p> <p>(c) be further developed to take into account feedback,</p> <p>and following its development, the Operator shall procure that each Concession Employee in a role described in paragraph (a) undertakes the Information Training Programme and is provided with the opportunity and is given the support to practice and apply the skills learned on the Information Training Programme.</p>					

1 Indexation

The Committed Obligation Payments specified in Column 5 of the Table above are references to amounts as at the Indexation Base Month and shall be indexed in accordance with paragraph 3 (*Indexation by Reference to CPI*) of Schedule 11.2 (*Annual Concession Payments and Indexation*).

Schedule 10.2

Miscellaneous Provisions and Late/Non Completion of Committed Obligations

1 Application

This Schedule 10.2 (*Miscellaneous Provisions and Late/Non Completion of Committed Obligations*) sets out further terms which apply to the Committed Obligations set out in Schedule 10.1 (*List of Committed Obligations and Committed Obligation Payments*) and the references to Committed Obligations in this Schedule 10.2 (*Miscellaneous Provisions and Late/Non Completion of Committed Obligations*) are only to the Committed Obligations in Schedule 10.1 (*List of Committed Obligations and Committed Obligation Payments*).

2 Continuation of Availability

2.1 Save as expressly provided in this Schedule 10 (*List of Committed Obligations and Committed Obligation Payments*), the Operator shall maintain facilities established in accordance with each Committed Obligation throughout the remainder of the Concession Period.

2.2 The Operator shall be treated as maintaining Committed Obligations notwithstanding temporary non-availability due to accidental damage or vandalism or maintenance, repair or replacement activities, or temporary staff absence (for sickness or holiday), subject in each case to the Operator taking all reasonable steps to keep any such period of temporary non-availability to a minimum.

2.3 Where Schedule 10.1 (*List of Committed Obligations and Committed Obligation Payments*) includes a commitment regarding staffing or particular appointments it plans to make:

2.3.1 the obligation of the Operator applies, but shall not be regarded as being contravened by:

- (a) temporary absences (for sickness or holiday); or
- (b) temporary non-fulfilment of a relevant post whilst the Operator is recruiting for that post, subject to the Operator using all reasonable endeavours to keep the duration between appointments as short as reasonably practicable; and

2.3.2 the Operator's rights in relation to the numbers or deployment of its other staff remain unaffected.

3 Expenditure Commitments

Annual Expenditure

3.1 Where Schedule 10.1 (*List of Committed Obligations and Committed Obligation Payments*) provides for the expenditure of an annual amount (or an amount over some other period) by the Operator, that amount:

3.1.1 is net of Value Added Tax;

- 3.1.2 is the amount required to be expended by the Operator itself or procured by the Operator to be expended; and
- 3.1.3 will, for those Concession Years of less than twelve (12) months, be reduced pro-rata by reference to Reporting Periods (unless otherwise stated in Schedule 10.1 (*List of Committed Obligations and Committed Obligation Payments*)) where the commitment is for the expenditure of an amount per Concession Year or calendar year.

Expenditure Commitments

- 3.2 All expenditure commitments set out in Schedule 10.1 (*List of Committed Obligations and Committed Obligation Payments*), to the extent they have not already been incurred by the Operator, are amounts as at the Indexation Base Month and shall be indexed in accordance with paragraph 3 (*Indexation by Reference to CPI*) of Schedule 11.2 (*Annual Concession Payments and Indexation*).

Expenditure by Infrastructure Managers

- 3.3 All amounts which the Operator has committed (whether unconditionally or otherwise) pursuant to Schedule 10.1 (*List of Committed Obligations and Committed Obligation Payments*) to expend in connection with improvements to track or Elizabeth Line Stations shall be in addition to any expenditure made by any Infrastructure Manager as part of its infrastructure improvements or maintenance programme to the extent such expenditure is not directly funded or reimbursed by the Operator.

4 Liaison and Co-operation

Where the Operator is committed to liaison and co-operation under Schedule 10.1 (*List of Committed Obligations and Committed Obligation Payments*), it shall participate actively in the relevant measures including through the application of management time and internal resources, correspondence and attendance at meetings, in each case as the Operator reasonably considers in all the circumstances to be an appropriate use of its resources and effective to help achieve the relevant objective.

5 Nature of Commitment

- 5.1 Any Committed Obligation shall be in addition to any obligation of the Operator elsewhere in this Agreement and nothing in this Schedule 10 (*Committed Obligations and Concession Specific Obligations*) shall limit or restrict an obligation imposed on the Operator elsewhere in this Agreement.
- 5.2 Save as expressly provided in Schedule 10.1 (*List of Committed Obligations and Committed Obligation Payments*), each Committed Obligation is a separate obligation from any other Committed Obligation and satisfaction of or steps taken towards the satisfaction of one (1) Committed Obligation will not amount to or contribute towards satisfaction of any other Committed Obligation.
- 5.3 Where in Schedule 10.1 (*List of Committed Obligations and Committed Obligation Payments*), references are made to particular manufacturers, suppliers of equipment or services or products, the Operator may fulfil its relevant commitment by using reasonable equivalents.

- 5.4 Each commitment under this Schedule 10 (*Committed Obligations and Concession Specific Obligations*) shall come to an end on expiry of the Concession Period for whatever reason, save in respect of any accrued payments owed pursuant to Schedule 10.1 (*List of Committed Obligations and Committed Obligation Payments*) but not yet paid.

6 Review of Compliance

- 6.1 Progress in delivering Committed Obligations is an agenda item for Concession Performance Meetings and the Operator shall ensure that at such meetings, RfL is given such progress reports to such level of detail and in such format as it may in each case reasonably request.
- 6.2 In addition to its obligation under paragraph 6.1 (*Review of Compliance*), the Operator shall from time to time promptly provide such evidence of its compliance with any Committed Obligation as RfL may reasonably request.

7 Late Completion or Non-Delivery of Committed Obligations

If the Operator fails to deliver in full a Committed Obligation in accordance with and by the timeframe specified for its delivery in Schedule 10.1 (*List of Committed Obligations and Committed Obligation Payments*), such late, partial or non-delivery shall constitute a contravention of this Agreement.

8 Specimen Schemes

- 8.1 The Operator may propose to undertake an Alternative Scheme in place of a Specimen Scheme. Any such Alternative Scheme must:
- 8.1.1 be intended to deliver as a minimum the relevant Specimen Scheme Output;
 - 8.1.2 require the Operator to incur expenditure of no less than the expenditure which the Operator is committed to incur in relation to the relevant Specimen Scheme; and
 - 8.1.3 deliver at least an equivalent level of benefits (whether to passengers, RfL, the wider rail industry or otherwise) as the Specimen Scheme.
- 8.2 If the Operator wishes to propose an Alternative Scheme, the Operator will provide RfL with such details of the Alternative Scheme as RfL may reasonably require.
- 8.3 RfL shall not be obliged to accept any proposal by the Operator to undertake an Alternative Scheme in place of a Specimen Scheme and may choose whether to accept such Alternative Scheme in its absolute discretion. If:
- 8.3.1 RfL approves such Alternative Scheme then it shall replace the relevant Specimen Scheme and Schedule 10.1 (*List of Committed Obligations and Committed Obligation Payments*) shall be amended accordingly;
 - 8.3.2 the Operator does not propose or RfL does not approve an Alternative Scheme then the Operator shall remain obliged to deliver the relevant Specimen Scheme in accordance with Schedule 10.1

(List of Committed Obligations and Committed Obligation Payments) and the Committed Obligation Payment shall continue to be payable by the Operator in accordance with paragraph 11 (*Committed Obligation Payments*).

9 **Third Party Consents, Agreement and Conditions**

Where any Committed Obligation is expressed to be conditional upon the satisfaction of any condition (including the occurrence of any event or the obtaining of any third party consents, approvals and/or entering into any agreement or arrangement with a third party) the Operator shall use all reasonable endeavours to procure that such condition is satisfied within such timescales as would enable the Operator to deliver such Committed Obligation by the delivery date specified in respect of such Committed Obligation.

10 **Reasonable Endeavours**

Where in respect of any Committed Obligation the Operator is obliged to use all reasonable endeavours or reasonable endeavours to do or procure that something is done by a specified date then, without prejudice to any other rights RfL may have (whether under this Agreement or otherwise) in respect of any contravention arising if the same is not achieved by such specified date, the Operator shall consult with RfL and if required by RfL shall continue to use all reasonable endeavours or reasonable endeavours (as applicable) to do or procure that the relevant thing is done as soon as reasonably practicable thereafter.

11 **Committed Obligation Payments**

Obligation to Pay

11.1 In addition to being a contravention of this Agreement, if any of the Committed Obligations referred to in the Table set out in the Schedule 10.1 (*List of Committed Obligations and Committed Obligation Payments*) is not delivered in full by the date specified for that Committed Obligation in Column 3 of the Table set out in Schedule 10.1 (*List of Committed Obligations and Committed Obligation Payments*), then the Operator shall pay to RfL the relevant Committed Obligation Payment as indicated in Column 5 of such Table.

Nature of Committed Obligation Payments

11.2 Where, in relation to any Committed Obligation, "**RP**" is marked in Column 4 of the Table set out in Schedule 10.1 (*List of Committed Obligations and Committed Obligation Payments*) next to the Committed Obligation Payment in Column 5 of the Table that is payable in respect of the non-delivery of that Committed Obligation, then the Operator shall pay to RfL:

11.2.1 in respect of each relevant period (whether a Reporting Period, Concession Year or other time period) or part thereof for which that Committed Obligation remains undelivered in full; and

11.2.2 until the Committed Obligation is delivered in full,

the Committed Obligation Payment set out in Column 5 of that Table, as adjusted in accordance with paragraph 11.4 (*Committed Obligation Payments*)

- *Pro-Rating of Committed Obligation Payments where Partial Delivery*) (if appropriate), and Column 6 of that Table shall specify whether paragraph 11.4 (*Committed Obligation Payments - Pro-Rating of Committed Obligation Payments where Partial Delivery*) shall apply to each Committed Obligation specified therein, should any such Committed Obligation be partially delivered by the date specified for that Committed Obligation in Column 3 of that Table.

- 11.3 Where, in relation to any Committed Obligation, "**PB**" is marked in Column 4 of the Table in Schedule 10.1 (*List of Committed Obligations and Committed Obligations Payments*) next to the Committed Obligation Payment in Column 5 of that Table, then the Operator shall pay to RfL a Committed Obligation Payment equal to the balance of the amount set out in Column 5 of that Table that remains unspent by the Operator by the date specified for delivery of that Committed Obligation in Column 3 of that Table.

Pro-Rating of Committed Obligation Payments where Partial Delivery

- 11.4 Where:

11.4.1 in relation to any Committed Obligation that is to be subject to the terms of this paragraph 11.4 (*Committed Obligation Payments - Pro-Rating of Committed Obligation Payments where Partial Delivery*) (as marked "**Y**" in Column 6 of the Table in Schedule 10.1 (*List of Committed Obligations and Committed Obligation Payments*)) is expressed in that Table in terms of a requirement to deliver or carry out activities in respect of a specified number of facilities; and

11.4.2 the Operator has delivered or carried out the relevant activity in respect of one (1) or more but not all of the number of facilities specified in that Committed Obligation by the relevant delivery date,

then the relevant Committed Obligation Payment shall be reduced pro rata by reference to the number of facilities so delivered or by reference to the number of those activities that have been carried out (as appropriate).

Adjustment to Committed Obligation Payment where Partial Spend

- 11.5 Where, in relation to any Committed Obligation that is expressed in terms of a requirement to spend a specified sum in fulfilling its stated objective, the Operator is able to achieve that stated objective within the timeframe specified for its delivery without investing the full amount referred to in that Committed Obligation, whether because of cost savings or securing additional investment from third parties, the Operator may apply to RfL for the consent referred to in paragraph 11.6 (*Committed Obligation Payments - Adjustment to Committed Obligation Payment where Partial Spend*).

- 11.6 RfL's consent for the purposes of paragraph 11.5 (*Committed Obligation Payments - Adjustment to Committed Obligation Payment where Partial Spend*) is its consent for the Operator to invest any unspent amount towards the fulfilment of such other commitments as the Operator proposes at that time. That consent may not be unreasonably withheld.

11.7 If RfL consents to an application pursuant to paragraph 11.5 (*Committed Obligation Payments - Adjustment to Committed Obligation Payment where Partial Spend*) in respect of any Committed Obligation, then:

11.7.1 Schedule 10.1 (*List of Committed Obligations and Committed Obligation Payments*) shall be amended to reflect the terms of any new commitments; and

11.7.2 no Committed Obligation Payment shall be payable in respect of the unspent amount that relates to that Committed Obligation.

12 **Committed Obligation Payment Adjustments**

Any Committed Obligation Payment Adjustment for any Reporting Period shall be the aggregation of all Committed Obligation Payments that are payable in that Reporting Period.

13 **Waiver of Payments under Schedule 10.1**

13.1 RfL may, at its reasonable discretion, decide to waive its right to receive any Committed Obligation Payment.

13.2 In deciding whether to waive such rights RfL may, but shall not be obliged to, take into consideration the circumstances under which the late, partial or non-delivery arose.

Schedule 10.3
Concession Specific Obligations

1 HS2

- 1.1 The construction of High Speed 2 and associated works on or in proximity to the NR Network is anticipated to impact on the provision of the Concession Services during the Concession Period, although as at the date of this Agreement (and subject to paragraph 2 (*Old Oak Common Station*) below) it is not possible to predict with confidence precisely what impact High Speed 2 will have on the Concession Services.
- 1.2 Without prejudice to the Operator's obligations under paragraph 8 (*Timetable Development Rights during a Timetable Planning Period*) of Schedule 1.1 (*Timetable and Service Development*), paragraph 3 (*Obligation to use All Reasonable Endeavours*) of Schedule 1.2 (*Passenger Service Operating Obligations*), and paragraphs 1 (*Infrastructure Manager Proposals to Change the Applicable Timetable*) and 2 (*Co-operation with Restrictions of Use*) of Schedule 1.3 (*Managing Changes to the Passenger Services*), the Operator shall co-operate with RfL, the Secretary of State, HS2, any relevant Infrastructure Manager and/or any other third party relevant to the construction of High Speed 2 and associated works on or in proximity to the NR Network, in developing the best overall solution for the associated construction works, and in so doing, shall use all reasonable endeavours to optimise the potentially competing needs to:
- 1.2.1 minimise disruption to the Concession Services during the implementation of any High Speed 2 construction works and associated works on or in proximity to the NR Network;
- 1.2.2 facilitate construction with the objective of securing the best service level output for passengers from the construction of High Speed 2 and associated works on or to the NR Network;
- 1.2.3 maximise value for money to the taxpayer from the construction of High Speed 2 and associated works on or to the NR Network; and
- 1.2.4 maximise value for money to RfL and other members of the TfL Group in connection with the subject matter of this Agreement.
- 1.3 Without prejudice to paragraph 2 (*Old Oak Common Station*), in fulfilling its obligation to co-operate pursuant to paragraph 1.2 (*HS2*) above, the Operator shall, among other things:
- 1.3.1 make suitably senior and qualified personnel available from time to time to attend:
- (a) meetings of the HS2 project team; and
- (b) such other meetings with RfL, the Secretary of State, any Infrastructure Manager and/or any other third party relevant to the construction of High Speed 2 and associated works on or in proximity to the NR Network, in each case as those parties reasonably require;
- 1.3.2 procure that those employees are proactive in:

- (a) seeking to identify industry solutions that minimise overall rail industry costs; and
 - (b) communicating those solutions and the Operator's informed opinion on any other relevant matter regarding High Speed 2, including its informed opinion in respect of High Speed 2's construction timetable and schedule of works or any implementation timetable or schedule of works in respect of a particular element of High Speed 2;
- 1.3.3 use all reasonable endeavours to agree in advance of any phase of construction works comprising part of High Speed 2:
 - (a) the costs associated with any such phase, where possible, on a fixed cost basis; and
 - (b) suitable compensation arrangements with any relevant third party to the extent that such phase of the work will or is reasonably likely to impact on Concession Services;
- 1.3.4 provide to RfL as and when reasonably requested by it within such reasonable period as RfL may specify, the Operator's informed assessment of High Speed 2's impact on the Concession Services;
- 1.3.5 record the costs it incurs as a consequence of the implementation of High Speed 2 on a transparent and open-book basis, providing such evidence for the costs as RfL may reasonably require from time to time; and
- 1.3.6 on reasonable notice, grant or procure the granting of access to any Operator Managed Station to any employees or agents of RfL, the Secretary of State and/or any other third party relevant to the construction of High Speed 2 as is reasonably necessary in order to further the development or construction of High Speed 2.

2 **Old Oak Common Station**

General

- 2.1 The construction of Old Oak Common Station and associated works on or in proximity to the NR Network is anticipated to impact on the provision of Concession Services between the Start Date and the scheduled opening of Old Oak Common Station in [REDACTED].
- 2.2 The Operator shall become and thereafter be a trusted partner, working proactively, co-operatively and constructively with RfL, Network Rail, HS2 and/or any other third party relevant to the construction of High Speed 2 in the design, construction, commissioning, bringing into use and operation of Old Oak Common Station. This shall include ensuring that the station design caters for the required train dispatch and driver requirements to enable the Operator to provide the Passenger Services or such passenger services to be operated by the Operator as may reasonably be expected to be provided from Old Oak Common Station following its opening.
- 2.3 At all times, the Operator shall maintain an open and collaborative dialogue with RfL in connection with the matters set out in this paragraph 2 (*Old Oak*

Common Station) with the intention of ensuring that the aims, objectives and strategy of RfL and other members of the TfL Group are fully represented in all matters relating to the design, construction, testing, commissioning and bringing into use of Old Oak Common Station.

Resource and Meetings

- 2.4 The Operator shall procure that it has the relevant resource and expertise to satisfy its obligations in this paragraph 2 (*Old Oak Common Station*), and shall recover such costs either:

2.4.1 as part of the Network Change process; or

2.4.2 pursuant to the terms of a Protective Provisions Agreement and/or further protective undertaking agreed between TfL and HS2.

If the Operator believes that it needs to appoint additional Concession Employees or consultants for the management of its obligations set out in this paragraph 2 (*Old Oak Common Station*), the Operator shall use all reasonable endeavours to obtain such funding from HS2 or Network Rail and shall have no recourse to RfL in connection therewith.

- 2.5 The Operator shall procure that appropriately skilled person(s) attend and proactively engage in all meetings as may be called by RfL, HS2 and Network Rail (including any working groups set up by the same) in connection with the design, construction, testing, commissioning and bringing into use of Old Oak Common Station.

- 2.6 The Operator shall be proactive in its engagement with RfL, HS2 and Network Rail including providing its informed input at all stages of the project lifecycle to:

2.6.1 ensure that operational requirements and constraints are identified at inception and embedded in the project requirements;

2.6.2 ensure that the operational requirements and constraints remain appropriate as the design of Old Oak Common Station is developed;

2.6.3 identify any adjustments to the Operator's operating practices that may be required and put measures in place to resolve the same; and

2.6.4 review and comment on design proposals in a timely manner including procuring informed input from its safety representatives to the extent reasonably required.

- 2.7 The Operator shall promptly report to RfL on the outcome and/or content of its meetings with HS2 and Network Rail pursuant to paragraph 2.4 (*Old Oak Common Station – Resource and Meetings*) (and in any event within five (5) Business Days of the same) and shall give RfL its informed opinion on the progress of the design, construction, commissioning, bringing into use and operation of Old Oak Common Station, including with regard to the potential impact on the operation of Concession Services.

Blockades and Speed Restrictions

- 2.8 The Operator has been provided with and acknowledges the contents of the Blockades and Speed Restrictions Document. The Operator agrees and

acknowledges that the Blockades and Speed Restrictions Document may be amended and/or supplemented as the design, construction, testing and commissioning of Old Oak Common Station proceeds, including as a result of any meetings held pursuant to paragraph 2.4 (*Old Oak Common Station – Resource and Meetings*) above. The Operator shall take the Blockades and Speed Restrictions Document (as amended and/or supplemented from time to time) into account in its Train Plan for the Timetable to be developed in accordance with Schedule 1.1 (*Timetable and Service Development*) after 25 December 2026 as part of complying with its obligations in paragraph Schedule 1.23 (*Obligation to use All Reasonable Endeavours*) of Schedule 1.2 (*Passenger Service Operating Obligations*) and the other requirements of this Agreement.

Station Access Agreement

- 2.9 As at the date of this Agreement it is anticipated that Network Rail will be the Facility Owner of Old Oak Common Station with effect from its opening and that the Operator shall obtain access by entering into a Station Access Agreement with Network Rail. The Operator shall consult with RfL with regards to:
- 2.9.1 the operating boundaries to be agreed with Network Rail as part of the Station Access Agreement; and
 - 2.9.2 the access charges to be paid under the Station Access Agreement.
- 2.10 Where the Operator enters into a Station Access Agreement with Network Rail in respect of Old Oak Common Station, then the Operator shall:
- 2.10.1 not, without the prior written consent of RfL, effect any amendment to the Station Access Agreement (except to the extent directed by the ORR);
 - 2.10.2 unless otherwise instructed by RfL, at all times comply with its obligations and covenants and enforce its rights under the Station Access Agreement;
 - 2.10.3 not either:
 - (a) suspend or terminate or agree to suspend or terminate in whole or in part, or take or omit to take any other action which might result in the termination of the Station Access Agreement; or
 - (b) assign all or part of its interest under the Station Access Agreement,in either case unless otherwise directed by RfL or the ORR.
- 2.11 If it is decided that RfL or any member of the TfL Group will own and manage Old Oak Common Station, the Operator and RfL shall work together to procure that the Operator becomes the Facility Owner of Old Oak Common Station (including the entry into or amendment of any relevant Station Lease).
- 2.12 With effect from:

- 2.12.1 (where paragraph 2.10 (*Old Oak Common Station – Station Access Agreement*) applies) the Station Access Agreement in respect of Old Oak Common Station being entered into; or
- 2.12.2 (where paragraph 2.11 (*Old Oak Common Station – Station Access Agreement*) applies) a Station Lease being entered into or amended to include Old Oak Common Station,

the following shall apply:

- (a) Old Oak Common Station shall become an Elizabeth Line Station;
and
- (b) where:
 - (i) paragraph 2.10 (*Old Oak Common Station – Station Access Agreement*) applies, Old Oak Common Station shall become an NR Managed Station; and
 - (ii) paragraph 2.11 (*Old Oak Common Station – Station Access Agreement*) applies, Old Oak Common Station shall become an Operator Managed Station,

and the provisions of this Agreement shall apply accordingly. RfL and the Operator shall be entitled (but shall not be obliged) to make such amendments to this Agreement as may be reasonably required to reflect the delivery of Old Oak Common Station and its impact on this Agreement.

Testing and Commissioning

- 2.13 During the testing, commissioning and bringing into use of Old Oak Common Station, the Operator shall co-operate with HS2 and Network Rail and each of their agents and sub-contractors in the carrying out of such activities as may be reasonably required to facilitate the same, including taking part in any commissioning exercises that are specified or required by HS2 or Network Rail (as the same are discussed and agreed pursuant to paragraph 2.4 (*Old Oak Common Station – Resource and Meetings*) above.
- 2.14 The Operator shall procure that all drivers are aware of and competent in operating Passenger Services to and from Old Oak Common Station to the extent relevant to the provision of the Passenger Services and any changes to existing railway infrastructure, including carrying out such briefing sessions and driver training as may be reasonably required in connection with the same.
- 2.15 Without prejudice to paragraph 2.13 (*Old Oak Common Station – Testing and Commissioning*) above, the Operator shall undertake its own commissioning and bringing into service activities to assure itself that it can deliver Passenger Services from the date on which Old Oak Common Station opens in revenue-earning passenger service, and so as to meet any relevant safety needs in respect of the provision of Passenger Services including:
 - 2.15.1 platform interface testing;
 - 2.15.2 commissioning the train dispatch system into use, including platform cameras; and

2.15.3 ensuring that the required driver equipment is available and operational on platforms.

- 2.16 The Operator shall be responsible for any and all costs incurred in carrying out its obligations under paragraph 2.15 (*Old Oak Common Station – Testing and Commissioning*).

Station Staffing

- 2.17 The Operator acknowledges that multiple Train Operators will deliver passenger services at Old Oak Common Station. The Operator shall work proactively, co-operatively and constructively with such Train Operators, Network Rail and (where relevant) RfL or another member of the TfL Group in connection therewith and using such model as may be agreed for the operation of the station.
- 2.18 The Operator shall ensure that a minimum of one (1) Concession Employee (which for the purposes of this paragraph shall be deemed to include agency workers) shall be assigned per island platform allocated to the Passenger Services at Old Oak Common Station. The Operator shall procure that such Concession Employees receive training to safely dispatch Units to support degraded operation and are trained in assisting with manual boarding. If the Operator recovers all or any portion of the costs of performing the obligations set out in this paragraph from any other train operator by way of the Qualifying Expenditure (as defined in the relevant Station Access Agreement) component of the access charge, the Operator shall pay to RfL (as an Other Adjustment) an amount equal to the sum so recovered from such other train operator.
- 2.19 The Operator shall procure that each Unit which completes a Passenger Service at Old Oak Common Station is cleaned on turnaround and that the relevant Train Plan allows for the same.

Old Oak Common Depot Walkways

- 2.20 If TfL elects to construct or procure the construction of an enhanced walking route for drivers between Old Oak Common Depot and Old Oak Common Station then the Operator shall work proactively, co-operatively and constructively with RfL, such other members of the TfL Group identified by RfL and the Rolling Stock Provider in the design, construction and use of the walking route including providing informed input into any relevant project documentation, reviewing and commenting on design proposals in a timely manner and using all reasonable endeavours to engage with drivers and procure their use of such walking route.

Optional Units

- 2.21 To the extent that the Optional Units have not already been Accepted and put into Passenger Service in accordance with paragraph 5.3 (*Operator's Passenger Service Development Opinions - Planning to Operate the Train Plan in the Peak*) of Schedule 1.1 (*Timetable and Service Development*) and paragraph Schedule 5.32.2 (*Design Assurance - Changes to the Train Fleet*) of Schedule 5.3 (*The Train Fleet*), the Operator shall ensure that the Optional Units are used to provide the Passenger Services (in

substantially the same manner as the Class 345 Fleet) in accordance with SLC2 with effect from the implementation of such Service Level Commitment.

- 2.22 As at the date of this Agreement, the Operator agrees that the intention is for the Optional Units to be stabled at Old Oak Common Depot, provided that the Operator and RfL may discuss and agree (or RfL may reasonably determine) such additional stabling as may be reasonably required by the Operator along or in proximity to the Elizabeth Line Route to accommodate the use of the Optional Units in any Train Plan.

Schedule 11
Payments and [REDACTED]

Schedule 11.1: Concession Payments

Schedule 11.2: Annual Concession Payments and Indexation

Appendix 1: Annual Concession Payment Figures

Appendix 2: Assumed Traction Electricity Prices

Appendix 3: Assumed Ilford Depot Usage Charges

Appendix 4: Assumed Policing Services Agreement (Standard) Charges

Appendix 5: [REDACTED]

Schedule 11.3: Pass Through Access Charge Adjustments

Schedule 11.4: Profit Share

Appendix 1: Threshold Profit

Appendix 2: Components of AFA

Schedule 11.5 [REDACTED]

Schedule 11.1
Concession Payments

1 Concession Payments

- 1.1 The Concession Payment for any Reporting Period shall be an amount equal to:

$$ECP = PCP + PA + PTA + OA$$

where:

"**ECP**" means the Concession Payment for that Reporting Period;

"**PCP**" means an amount equal to:

$$ACP \times \frac{RPD}{FYD}$$

where:

"**ACP**" means the Annual Concession Payment for the relevant Concession Year (or part thereof), as determined in accordance with paragraph 1 of Schedule 11.2 (*Annual Concession Payments and Indexation*);

"**RPD**" means the number of days in that Reporting Period; and

"**FYD**" is equal to the number of days in the relevant Concession Year (or part thereof, as shown in Appendix 1 (*Reporting Period and Annual Concession Payment Figures*) to Schedule 11.2 (*Annual Concession Payments and Indexation*));

"**PA**" means the Performance Adjustment to made on that Reporting Period's Payment Date, calculated in accordance with paragraph 2 (*Performance Adjustments*);

"**PTA**" means the Pass Through Adjustment to made on that Reporting Period's Payment Date, calculated in accordance with paragraph 3 (*Pass Through Adjustments*); and

"**OA**" means the Other Adjustment to be made on that Reporting Period's Payment Date.

- 1.2 The parties agree that:

1.2.1 each of ECP, PA, PTA and OA may be a positive or negative number in any Reporting Period;

1.2.2 where any of the adjustments that are to be made to PCP in any Reporting Period:

- (a) is positive, RfL shall pay to the Operator that adjustment as an addition to PCP on the Payment Date for that Reporting Period; and

- (b) is negative, the Operator shall pay to RfL that adjustment as a reduction to PCP on the Payment Date for that Reporting Period;
- 1.2.3 where £CP is a positive number in any Reporting Period, RfL shall pay that amount to the Operator on the Payment Date for that Reporting Period; and
- 1.2.4 where £CP is a negative number in any Reporting Period, the Operator shall pay the corresponding positive amount to RfL on the Payment Date for that Reporting Period.
- 1.3 Where expressly provided for in this Agreement, other amounts may become payable by the Parties under this Agreement which are not included in the formula set out in this paragraph 1 (*Concession Payments*).

2 Performance Adjustments

Calculation of Performance Adjustments

- 2.1 The Performance Adjustment for any Reporting Period shall be an amount equal to:

$$PA = OPA + QPA + TTA + COPA$$

where:

- "**PA**" means the Performance Adjustment for that Reporting Period;
- "**OPA**" means the Operating Performance Adjustment to be made on that Reporting Period's Payment Date, calculated in accordance with paragraph 2.3 (*Performance Adjustments – Calculation of Operating Performance Adjustments*);
- "**QPA**" means the Quality Performance Adjustment to be made on that Reporting Period's Payment Date, calculated in accordance with paragraph 2.4 (*Performance Adjustments – Calculation of Quality Performance Adjustments*);
- "**TTA**" means the Ticketless Travel Adjustment to be made on that Reporting Period's Payment Date, calculated in accordance with paragraph 4 (*Ticketless Travel Adjustment*) of Schedule 9 (*Ticketless Travel Incentive Regime*); and
- "**COPA**" means the Committed Obligation Payment Adjustment to be made on that Reporting Period's Payment Date, calculated in accordance with paragraph 11 (*Committed Obligation Payments*) of Schedule 10.2 (*Miscellaneous Provisions and Late/Non Completion of Committed Obligations*).

- 2.2 The parties agree that:

- 2.2.1 OPA and COPA shall be zero or a negative number in any Reporting Period; and

- 2.2.2 each of QPA and TTA may be a positive or negative number in any Reporting Period.

Calculation of Operating Performance Adjustments

- 2.3 The Operating Performance Adjustment for any Reporting Period shall be the aggregate of the adjustments listed in this paragraph 2.3 to be made in that Reporting Period, each as calculated in accordance with Schedule 7.1 (*Operating Performance Regime*):

- 2.3.1 the Availability Adjustment;
- 2.3.2 the Cancellation Adjustment;
- 2.3.3 the Headway Adjustment; and
- 2.3.4 the Delay Adjustment.

Calculation of Quality Performance Adjustments

- 2.4 The Quality Performance Adjustment for any Reporting Period shall be the net of the adjustments listed in this paragraph 2.4 (*Calculation of Quality Performance Adjustments*) to be made in that Reporting Period:

- 2.4.1 the KPI Adjustment, calculated in accordance with Schedule 8.1 (*KPI Regime*);
- 2.4.2 the CSS Adjustment, calculated in accordance with Schedule 8.3 (*Customer Satisfaction Regime*); and
- 2.4.3 the QPR Performance Adjustment, calculated in accordance with Schedule 8.4 (*Quality Performance Regime*).

3 Pass Through Adjustments

Calculation of Pass Through Adjustments

- 3.1 The Pass Through Adjustment for any Reporting Period shall be an amount equal to:

$$PTA = ATA + TALA - ASA + TAAPA + ACA + TEA$$

where:

- "**PTA**" means the Pass Through Adjustment for that Reporting Period;
- "**ATA**" means the Alternative Timetable Adjustment to be made on that Reporting Period's Payment Date, calculated in accordance with paragraph 9.1 (*Alternative Timetable Adjustments*) of Schedule 1.3 (*Managing Changes to the Passenger Services*);
- "**TALA**" means the Ticketing and Account Liabilities Adjustment to be made on that Reporting Period's Payment Date, calculated in accordance with paragraph 5.4 (*Payments from the Revenue Account to RfL - Ticketing and Account Liabilities Adjustment*) of Schedule 3.3 (*Ticket and Non-Ticket Revenue*);

"ASA" means the Additional Services Adjustment to be made on that Reporting Period's Payment Date, determined in accordance with paragraph 2.4 (*Maintenance, Repair and Cleaning of the Train Fleet - Additional Services*) of Schedule 5.2 (*Operation and Maintenance*);

"TAAPA" means the Track Access Agreement Performance Adjustment to be made on that Reporting Period's Payment Date, calculated in accordance with paragraph 3.3 (*Pass Through Adjustments - Calculation of Track Access Agreement Performance Adjustments*);

"ACA" means the Access Charge Adjustment to be made on that Reporting Period's Payment Date, calculated in accordance with paragraph 3.4 (*Pass Through Adjustments - Calculation of Access Charge Adjustments*); and

"TEA" means the Traction Electricity Adjustment (if any) to be made on that Reporting Period's Payment Date, calculated in accordance with paragraph 3.5 (*Pass Through Adjustments - Calculation of TEA Adjustments*).

3.2 The parties agree that:

3.2.1 each of PTA, ATA, TALA, TAAPA, ACA and TEA may be a positive or negative number in any Reporting Period; and

3.2.2 ASA may be a positive number only in any Reporting Period.

Calculation of Track Access Agreement Performance Adjustments

3.3 The Track Access Agreement Performance Adjustment for any Reporting Period shall be the aggregate of the payments listed in this paragraph 3.3 (*Pass Through Adjustments - Calculation of Track Access Agreement Performance Adjustments*) to be made in that Reporting Period, each as calculated in accordance with Schedule 7.2 (*Performance Payments under Track Access Agreements*):

3.3.1 any Network Rail (Schedule 8) Payment;

3.3.2 any HAL (Schedule 8) Payment; and

3.3.3 any RfL(I) (Schedule 8) Payment.

Calculation of Access Charge Adjustments

3.4 The Access Charge Adjustment for any Reporting Period shall be the net of the adjustments listed in this paragraph 3.4 (*Pass Through Adjustments - Calculation of Access Charge Adjustments*) to be made in that Reporting Period, each as calculated in accordance with the relevant paragraph of Schedule 11.3 (*Pass Through Access Charge Adjustments*):

3.4.1 the Track Access Adjustment;

3.4.2 the Station Charge Adjustment; and

3.4.3 the CCOS Access Charge Adjustment (if any).

Calculation of TEA Adjustments

- 3.5 The Traction Electricity Adjustment for any Reporting Period in or, in respect of any wash-up undertaken by Network Rail under the Traction Electricity Rules in relation to, any Concession Year shall be an amount equal to:

$$TEA = \left(AV \times \frac{YTD}{FYD} \times (TEC - ATEC) \right) - PTEA$$

where:

- "TEA"** means the periodic Traction Electricity Adjustment for assumed traction electricity price per kWh based on the assumed traction electricity consumption in kWh on the Elizabeth Line Route (other than the CCOS) in that Concession Year;
- "AV"** means the assumed traction electricity consumption (in kWh) relating to the Elizabeth Line Route (other than the CCOS) specified in relation to that Concession Year (or the component parts of that Concession Year) in Column 3 of the table in Appendix 2 (*Assumed Traction Electricity Prices and Consumption*) to Schedule 11.2 (*Annual Concession Payments and Indexation*);
- "YTD"** means the number of days in that Concession Year to date, up to and including the last day of the immediately preceding Reporting Period;
- "FYD"** is equal to the number of days in the relevant Concession Year;
- "TEC"** means the mean average traction electricity price per kWh that the Operator is charged under the terms of the traction electricity purchasing arrangement specified by RfL pursuant to paragraph 3.7 (*Pass Through Adjustments – Calculation of TEA Adjustments*) in relation to that Concession Year (up to and including the last day of the immediately preceding Reporting Period in that Concession Year);
- "ATEC"** means the assumed mean average traction electricity price per kWh specified in relation to that Concession Year in Column 2 of the table in Appendix 2 (*Assumed Traction Electricity Prices and Consumption*) to Schedule 11.2 (*Annual Concession Payments and Indexation*), indexed by CPI in accordance with paragraph 3 (*Indexation by Reference to CPI*) of Schedule 11.2 (*Annual Concession Payments and Indexation*); and
- "PTEA"** means the net sum of all previous payments of "TEA" taken into account as part of the Concession Payment which have previously been made in relation to that Concession Year.

- 3.6 The value of "TEA" will be calculated in respect of assumed traction electricity price per kWh based on the assumed traction electricity consumption in kWh on the Elizabeth Line Route (other than the CCOS) for each Concession Year and Reporting Periods occurring within that Concession Year. Where the Operator receives information or an invoice from Network Rail in relation

thereto, it shall be attributed to the Concession Year in which such traction electricity consumption took place (and accordingly there may be multiple values of "TEA" at any one time, each such value relating to a specific Concession Year in which traction electricity usage charged by Network Rail is consumed).

- 3.7 RfL may notify the Operator from time to time of the means by which it requires the Operator to purchase traction electricity for the purpose of operating the Train Fleet, and the Operator shall use reasonable endeavours to promptly comply with any such requirement.

4 **Payment of Concession Payments**

Notification of Concession Payments

- 4.1 RfL shall notify the Operator, no less than seven (7) days prior to the end of each Reporting Period, of the amount of the Concession Payment payable in respect of that Reporting Period.
- 4.2 Each such notification shall set out in reasonable detail how the Concession Payment has been calculated. Such notification shall be substantially in the form of the concession payment notification agreed by the parties or determined by RfL under the Conditions Precedent Agreement.

Payment Dates

- 4.3 The Payment Date for a Reporting Period shall be the last Business Day of that Reporting Period.
- 4.4 Each Concession Payment shall be payable by RfL or, as the case may be, the Operator in the amount notified by RfL in accordance with paragraph 4.1 (*Payment of Concession Payments – Notification of Concession Payments*) on the Payment Date of the Reporting Period to which it relates.

Method and Timing of Payment and Invoices

- 4.5 Each Concession Payment shall be made:
- 4.5.1 by automatic electronic funds transfer in pounds sterling to such bank account in the United Kingdom as the payee of such payment may have previously specified to the payer in writing; and
 - 4.5.2 so that cleared funds are received in that account on or before the due date for payment.
- 4.6 The Operator shall submit an invoice for the Concession Payments set out in the notice given by RfL pursuant to paragraph 4.1 (*Payment of Concession Payments – Notification of Concession Payments*) (or such other sum as may have been agreed between the parties prior to submission of such invoice) notwithstanding any dispute as to the amount of any such Concession Payment. Where required by RfL, such invoice shall specify on its face such purchase order number provided by RfL.

Disputes

- 4.7 If either party disputes the amount of a Concession Payment, the dispute shall be resolved in accordance with the Dispute Resolution Rules but shall not affect the obligation of either party to pay a Concession Payment notified in accordance with this paragraph 4 (*Payment of Concession Payments*).

Failure to Pay

- 4.8 If either party fails to pay any amount to the other party on its due date, it shall in addition pay interest on such amount at the Interest Rate, calculated on a daily basis, from the due date for payment to the date on which payment is made.

Corrections

- 4.9 If the amount of any Concession Payment made is agreed or determined to be incorrect and either party has made a payment to the other party:

4.9.1 where the error is equal to or less than [REDACTED], then the amount will be paid to the relevant party as an Other Adjustment as part of the immediately succeeding Concession Payment; or

4.9.2 where the error is greater than [REDACTED], and:

(a) the payment that has been made is greater than it would have made if the amount of the Concession Payment had been correct, then the recipient shall repay the excess within five (5) Business Days of the agreement or determination; or

(b) the payment that has been made is less than it would have made if the amount of the Concession Payment had been correct, then the payer shall pay the amount of any shortfall to the payee within five (5) Business Days of the agreement or determination,

together, in each case, with interest on the amount payable at the Interest Rate, calculated on a daily basis from the date on which the Concession Payment was paid until the date on which such excess amount or shortfall is paid.

5 Payments Free and Clear

All sums payable by either party under this Agreement shall be paid free and clear of any deductions, withholdings, set-offs or counter-claims, save only as may be required by Law or as expressly permitted or required under this Agreement.

6 Value Added Tax

- 6.1 Subject to paragraph 6.2.1 (*Value Added Tax*), all Concession Payments payable by RfL to the Operator under this Agreement are exclusive of Value Added Tax.

6.2 If Value Added Tax is properly chargeable on the supply for which any such Concession Payment is the consideration:

6.2.1 RfL shall:

- (a) make, in a timely manner, such Other Adjustments as are necessary to ensure that the Operator is in funds to meet its Value Added Tax liability arising on those Concession Payments; and
- (b) in any event, pay the balance of that Value Added Tax liability to the Operator by way of a further Other Adjustment following delivery of an appropriate Value Added Tax invoice to RfL and such payment shall be made no less than five (5) Business Days before the Operator is required to account to HM Revenue & Customs for the balance of that Value Added Tax liability; and

6.2.2 the parties shall agree on or before the Start Date the process for the submission of such invoices by the Operator to RfL, including the timing of such submissions and the content of such invoices.

6.3 If it is subsequently determined by HM Revenue & Customs that Value Added Tax was not properly chargeable on the supply for which any such Concession Payment is the consideration, then the Operator shall, promptly following notification of such determination, issue a credit note to RfL and promptly repay an amount equal to the sum of such Value Added Tax to RfL.

Schedule 11.2
Annual Concession Payments and Indexation

1 Annual Concession Payments

The Annual Concession Payment for the relevant Concession Year (or part thereof, as shown in Appendix 1 (*Annual Concession Payment Figures*)) is an amount equal to:

$$ACP = FXD + (VCRPI \times RPI) + (VCCPI \times CPI) + (VCSCI \times SCI) + (PCPI \times CPI)$$

where:

"ACP" equals the Concession Payment in the relevant Concession Year (or part thereof);

"FXD" means the Operator's fixed costs for the relevant Concession Year (or part thereof, as shown in Appendix 1 (*Annual Concession Payment Figures*)) shown in Column 2 and the relevant row of the Table set out in Appendix 1 (*Annual Concession Payment Figures*) to this Schedule 11.2 (*Annual Concession Payments and Indexation*);

"VCRPI" means the Operator's variable costs for that Concession Year (or part thereof, as shown in Appendix 1 (*Annual Concession Payment Figures*)) shown in Column 3 and the relevant row of the Table set out in Appendix 1 (*Annual Concession Payment Figures*) to this Schedule 11.2 (*Annual Concession Payments and Indexation*);

"RPI" is ascertained in accordance with the following formula:

$$RPI_n / RPI_o$$

where:

"RPI_n" means the RPI Index for February in the year immediately preceding the relevant Concession Year; and

"RPI_o" means the RPI Index for the Indexation Base Month;

"VCCPI" means the Operator's variable costs for that Concession Year (or part thereof, as shown in Appendix 1 (*Annual Concession Payment Figures*)) shown in Column 4 and the relevant row of the Table set out in Appendix 1 (*Annual Concession Payment Figures*) to this Schedule 11.2 (*Annual Concession Payments and Indexation*);

"CPI" is ascertained in accordance with the following formula:

$$CPI_n / CPI_o$$

where:

"CPI_n" means the CPI Index for February in the year immediately preceding the relevant Concession Year; and

"CPI_o" means the CPI Index for the Indexation Base Month;

"VCSCI" means the Operator's variable staff costs for that Concession Year (or part thereof, as shown in Appendix 1 (*Annual Concession Payment Figures*)) shown in Column 5 and the relevant row of the Table set out in Appendix 1 (*Annual Concession Payment Figures*) to this Schedule 11.2 (*Annual Concession Payments and Indexation*);

"SCI" is ascertained in accordance with Appendix 5 ([REDACTED]) to this Schedule 11.2 (*Annual Concession Payments and Indexation*), provided that SCI for the relevant Concession Year commencing on 25 May 2025 and ending on 31 March 2026 shall (without prejudice to calculation of the SCI Index in paragraph ([REDACTED]) of Appendix 5 ([REDACTED]) to this Schedule 11.2 (*Annual Concession Payments and Indexation*) for this or subsequent Concession Years) be a value not less than 1; and

"PCPI" means the figure shown in respect of the relevant Concession Year (or part thereof) in Column 6 of the Table set out in Appendix 1 (*Annual Concession Payment Figures*) to this Schedule 11.2 (*Annual Concession Payments and Indexation*), representing the Operator's profit which is to be inflated by the CPI Index.

1A Assumed Electricity Prices and Consumption

- 1A.1 The assumed traction electricity prices per kWh for the purpose of paragraph 3.5 (*Pass through Adjustments – Calculation of TEA Adjustments*) of Schedule 11.1 (*Concession Payments*) are set out in Column 2 of the Table in Appendix 2 (*Assumed Traction Electricity Prices and Consumption*).
- 1A.2 The assumed traction electricity consumption in kWh for the purposes of paragraph 3.5 (*Pass through Adjustments – Calculation of TEA Adjustments*) of Schedule 11.1 (*Concession Payments*) is set out in Column 3 of the Table in Appendix 2 (*Assumed Traction Electricity Prices and Consumption*).

2 Indexation by Reference to RPI

- 2.1 At the start of each Concession Year, indexation shall be applied to those amounts, values and adjustments referred to in this Agreement that are expressly required to be indexed by RPI in accordance with the methodology set out in this paragraph 2 (*Indexation by Reference to RPI*).
- 2.2 Those amounts that are specified in this Agreement to be indexed by RPI in accordance with this paragraph 2 (*Indexation by Reference to RPI*) shall be indexed as follows:

$$IA_n = A \times \frac{RPI_n}{RPI_o}$$

where:

"IA_n" means the indexed relevant amount specified in this Agreement for the relevant Concession Year;

"A" means the relevant amount specified in this Agreement for the relevant Concession Year before indexation;

"**RPI_n**" means the RPI Index for February in the year immediately preceding the relevant Concession Year; and

"**RPI_o**" means the RPI Index for the Indexation Base Month.

3 **Indexation by Reference to CPI**

3.1 At the start of each Concession Year, indexation shall be applied to those amounts, values and adjustments referred to in this Agreement that are expressly required to be indexed by CPI in accordance with the methodology set out in this paragraph 3 (*Indexation by Reference to CPI*).

3.2 Those amounts that are specified in this Agreement to be indexed by CPI in accordance with this paragraph 3 (*Indexation by Reference to CPI*) shall be indexed as follows:

$$IA_n = A \times \frac{CPI_n}{CPI_o}$$

where:

"**IA_n**" means the indexed relevant amount specified in this Agreement for the relevant Concession Year;

"**A**" means the relevant amount specified in this Agreement for the relevant Concession Year before indexation;

"**CPI_n**" means the CPI Index for February in the year immediately preceding the relevant Concession Year; and

"**CPI_o**" means the CPI Index for the Indexation Base Month.

4 **Indexation by Reference to SCI**

4.1 At the start of each Concession Year, indexation shall be applied to those amounts, values and adjustments referred to in this Agreement that are expressly required to be indexed by SCI in accordance with the methodology set out in this paragraph 4 (*Indexation by Reference to SCI*).

4.2 Those amounts that are specified in this Agreement to be indexed by SCI in accordance with this paragraph 4 (*Indexation by Reference to SCI*) shall be indexed as follows:

$$IA_n = A \times \frac{SCI_n}{CPI_o}$$

where:

"**IA_n**" means the indexed relevant amount specified in this Agreement for the relevant Concession Year;

"**A**" means the relevant amount specified in this Agreement for the relevant Concession Year before indexation;

"**SCI_n**" means the SCI Index for the relevant Concession Year ascertained in accordance with paragraph ([REDACTED]) of Appendix 5

([REDACTED]) to this Schedule 11.2 (*Annual Concession Payments and Indexation*); and

"CPI₀" means the CPI Index for the Indexation Base Month.

5 Ilford Depot Usage Charges

5.1 RfL and the Operator acknowledge and agree that:

- 5.1.1 the Concession Payments set out in Appendix 1 (*Annual Concession Payment Figures*) have been determined on the basis that, in respect of each Concession Year, the Ilford Depot Usage Actual Charges will be an amount equal to the IDU Charges Assumption;
- 5.1.2 the IDU Charges Assumption is stated as at the Indexation Base Month and accordingly is to be inflated by the CPI Index;
- 5.1.3 the IDU Charges Assumption is based on a three hundred and sixty-five (365) day year (or three hundred and sixty-six (366) days in a leap year) and accordingly shall be prorated by reference to the actual number of days in a Concession Year where such Concession Year has fewer than three hundred and sixty-five (365) days (or three hundred and sixty-six (366) days in a leap year);
- 5.1.4 it is expected that the Ilford Depot Usage Actual Charges in each Concession Year will not be an amount equal to the IDU Charges Assumption; and
- 5.1.5 the wash up mechanism set out in this paragraph 5 (*Ilford Depot Usage Charges*) is intended to apply in respect of each Concession Year to reconcile the expected difference between the Ilford Depot Usage Actual Charges and the IDU Charges Assumption.

5.2 Promptly:

- 5.2.1 following the end of each Concession Year; and
- 5.2.2 once sufficient information is available to calculate the aggregate amount of the Ilford Depot Usage Actual Charges payable by the Operator to the Facility Owner of Ilford depot in respect of such Concession Year,

the Operator shall provide to RfL:

- (a) a calculation of the IDU Wash Up Amount for that Concession Year calculated in accordance with paragraph 5.4 (*Ilford Depot Usage Charges*); and
- (b) reasonable supporting evidence of how it has calculated the IDU Wash Up Amount (which should include, as a minimum, copies of invoices in respect of the Ilford Depot Usage Actual Charges in such Concession Year),

and in connection therewith the Operator shall provide full visibility, on an open book basis, to RfL in relation to the Ilford Depot Usage Actual Charges.

- 5.3 As soon as reasonably practicable following RfL's request, the Operator shall supply to RfL any additional supporting information that RfL may reasonably require in relation to any calculation provided pursuant to paragraph 5.2 (*Ilford Depot Usage Charges*) and, following receipt of any such information, RfL shall confirm in writing to the Operator whether or not it agrees with such calculation. If RfL:
- 5.3.1 agrees with such calculation, paragraph 5.5.2 or paragraph 5.5.3 or paragraph 5.5.4 (*Ilford Depot Usage Charges*) (as applicable) shall apply; or
- 5.3.2 does not agree with such calculation, paragraph 4.7 (*Payment of Concession Payments – Notification of Concession Payments – Disputes*) of Schedule 11.1 (*Concession Payments*) shall apply.
- 5.4 In respect of each Concession Year, the IDU Wash Up Amount shall be calculated as follows:

$$\text{IDUWUA} = \text{IDUC} - \text{IDUA}$$

where:

"IDUWUA" means the IDU Wash Up Amount;

"IDUC" means the Ilford Depot Usage Actual Charges in respect of that Concession Year; and

"IDUA" means the IDU Charges Assumption in respect of that Concession Year.

- 5.5 The parties agree that:
- 5.5.1 the IDU Wash Up Amount may be a positive or negative number in any Concession Year;
- 5.5.2 where the IDU Wash Up Amount is a positive number, RfL shall pay to the Operator an amount equal to the IDU Wash Up Amount by way of an Other Adjustment;
- 5.5.3 where the IDU Wash Up Amount is a negative number, the Operator shall pay to RfL an amount equal to the IDU Wash Up Amount by way of an Other Adjustment; and
- 5.5.4 where the IDU Wash Up Amount is zero (0), no payment shall be made by either Party to the other,
- and, where a sum is payable by one party to the other, such payment shall be made:
- (a) as part of the Concession Payment in respect of the Reporting Period immediately following agreement or determination of the IDU Wash Up Amount; or
- (b) where the Concession Period has expired or has terminated, promptly following agreement or determination of the IDU Wash Up Amount.

- 5.6 If the Operator is disputing any invoice in respect of any of the Ilford Depot Usage Actual Charges:
- 5.6.1 the IDU Wash Up Amount shall nevertheless be calculated in accordance with the preceding provisions of this paragraph 5 (*Ilford Depot Usage Charges*);
 - 5.6.2 any payments to be made as Other Adjustments pursuant to paragraph 5.5.2 or paragraph 5.5.3 (*Ilford Depot Usage Charges*) shall nevertheless be made;
 - 5.6.3 promptly following the resolution of the invoice dispute, the Operator shall re-calculate the IDU Wash Up Amount in accordance with the preceding provisions of this paragraph 5 (*Ilford Depot Usage Charges*); and
 - 5.6.4 a reconciliation payment shall be promptly paid by the relevant Party to the other (as applicable) as an Other Adjustment.
- 5.7 In this paragraph 5 (*Ilford Depot Usage Charges*):
- 5.7.1 **"IDU Charges Assumption"** means, in respect of each Concession Year, the assumed charges to be incurred by the Operator under the Ilford DAA, being the figure shown in Column 2 and the relevant row of the Table set out in Appendix 3 (*Assumed Ilford Depot Usage Charges*) and indexed by CPI in accordance with paragraph 3 (*Indexation by Reference to CPI*) of this Schedule 11.2 (*Annual Concession Payments and Indexation*);
 - 5.7.2 **"Ilford Depot Usage Actual Charges"** means the aggregate actual charges incurred by the Operator in respect of each Concession Year under the Ilford DAA; and
 - 5.7.3 **"IDU Wash Up Amount"** means an amount calculated in accordance with paragraph 5.4 (*Ilford Depot Usage Charges*).

6 **BTP Policing Services Agreement (Standard) Charges**

- 6.1 RfL and the Operator acknowledge and agree that:
- 6.1.1 the Concession Payments set out in Appendix 1 (*Annual Concession Payment Figures*) have been determined on the basis that, in respect of each Concession Year, the PSA Actual Costs will be an amount equal to the PSA Costs Assumption;
 - 6.1.2 the PSA Costs Assumption is stated as at the Indexation Base Month and accordingly is to be inflated by the CPI Index;
 - 6.1.3 the PSA Costs Assumption is based on a three hundred and sixty-five (365) day year (or three hundred and sixty-six (366) days in a leap year) and accordingly shall be prorated by reference to the actual number of days in a Concession Year where such Concession Year has fewer than three hundred and sixty-five (365) days (or three hundred and sixty-six (366) days in a leap year);

- 6.1.4 it is expected that the PSA Actual Costs in each Concession Year will not be an amount equal to the PSA Costs Assumption; and
- 6.1.5 the wash up mechanism set out in this paragraph 6 (*BTP Policing Services Agreement (Standard) Charges*) is intended to apply in respect of each Concession Year to reconcile the expected difference between the PSA Actual Costs and the PSA Costs Assumption.
- 6.2 Promptly:
- 6.2.1 following the end of each Concession Year; and
- 6.2.2 once sufficient information is available to calculate the aggregate amount of the PSA Actual Costs payable by the Operator to the BTP in respect of such Concession Year,
- the Operator shall provide to RfL:
- (a) a calculation of the PSA Wash Up Amount for that Concession Year calculated in accordance with paragraph 6.4 (*BTP Policing Services Agreement (Standard) Charges*); and
- (b) reasonable supporting evidence of how it has calculated the PSA Wash Up Amount (which should include, as a minimum, copies of invoices in respect of the PSA Actual Costs in such Concession Year),
- and in connection therewith the Operator shall provide full visibility, on an open book basis, to RfL in relation to the PSA Actual Costs.
- 6.3 As soon as reasonably practicable following RfL's request, the Operator shall supply to RfL any additional supporting information that RfL may reasonably require in relation to any calculation provided pursuant to paragraph 6.2 (*BTP Policing Services Agreement (Standard) Charges*) and, following receipt of any such information, RfL shall confirm in writing to the Operator whether or not it agrees with such calculation. If RfL:
- 6.3.1 agrees with such calculation, paragraph 6.5.2 or paragraph 6.5.3 or paragraph 6.5.4 (*BTP Policing Services Agreement (Standard) Charges*) (as applicable) shall apply; or
- 6.3.2 does not agree with such calculation, paragraph 4.7 (*Payment of Concession Payments - Disputes*) of Schedule 11.1 (*Concession Payments*) shall apply.
- 6.4 In respect of each Concession Year, the PSA Wash Up Amount shall be calculated as follows:

$$\text{PSAWUA} = \text{PSAC} - \text{PSAA}$$

where:

"**PSAWUA**" means the PSA Wash Up Amount;

"**PSAC**" means the PSA Actual Costs in respect of that Concession Year;
and

"PSAA" means the PSA Costs Assumption in respect of that Concession Year.

6.5 The parties agree that:

- 6.5.1 the PSA Wash Up Amount may be a positive or negative number in any Concession Year;
- 6.5.2 where the PSA Wash Up Amount is a positive number, RfL shall pay to the Operator an amount equal to the PSA Wash Up Amount by way of an Other Adjustment;
- 6.5.3 where the PSA Wash Up Amount is a negative number, the Operator shall pay to RfL an amount equal to the PSA Wash Up Amount by way of an Other Adjustment; and
- 6.5.4 where the PSA Wash Up Amount is zero (0), no payment shall be made by either Party to the other,

and, where a sum is payable by one party to the other, such payment shall be made:

- (a) as part of the Concession Payment in respect of the Reporting Period immediately following agreement or determination of the PSA Wash Up Amount; or
- (b) where the Concession Period has expired or has terminated, promptly following agreement or determination of the PSA Wash Up Amount.

6.6 If the Operator is disputing any invoice in respect of any of the PSA Actual Costs:

- 6.6.1 the PSA Wash Up Amount shall nevertheless be calculated in accordance with the preceding provisions of this paragraph 6 (*BTP Policing Services Agreement (Standard) Charges*);
- 6.6.2 any payments to be made as Other Adjustments pursuant to paragraph 6.5.2 or paragraph 6.5.3 (*BTP Policing Services Agreement (Standard) Charges*) shall nevertheless be made;
- 6.6.3 promptly following the resolution of the invoice dispute, the Operator shall re-calculate the PSA Wash Up Amount in accordance with the preceding provisions of this paragraph 6 (*BTP Policing Services Agreement (Standard) Charges*); and
- 6.6.4 a reconciliation payment shall be promptly paid by the relevant Party to the other (as applicable) as an Other Adjustment.

6.7 In this paragraph 6 (*BTP Policing Services Agreement (Standard) Charges*):

- 6.7.1 **"PSA Actual Costs"** means the aggregate actual costs incurred by the Operator in respect of each Concession Year under the Policing Services Agreement (Standard);

- 6.7.2 **"PSA Costs Assumption"** means, in respect of each Concession Year, the assumed costs to be incurred by the Operator under the Policing Services Agreement (Standard), being the figure shown in Column 2 and the relevant row of the Table set out in Appendix 4 (*Assumed Policing Services Agreement (Standard) Charges*) and indexed by CPI in accordance with paragraph 3 (*Indexation by Reference to CPI*) of this Schedule 11.2 (*Annual Concession Payments and Indexation*); and
- 6.7.3 **"PSA Wash Up Amount"** means an amount calculated in accordance with paragraph 6.4 (*BTP Policing Services Agreement (Standard) Charges*).

Appendix 1 to Schedule 11.2
Annual Concession Payment Figures

Column 1	Column 2	Column 3	Column 4	Column 5	Column 6
Concession Year	FXD (£)	VCRPI (£)	VCCPI (£)	VCSCI (£)	PCPI (£)
Year 1 25 May 2025 to 31 March 2026	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Year 2 1 April 2026 to 31 March 2027	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Year 3 1 April 2027 to 31 March 2028	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Year 4 1 April 2028 to 31 March 2029	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Year 5 1 April 2029 to 31 March 2030	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Year 6 1 April 2030 to 31 March 2031	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Year 7 1 April 2031 to 31 March 2032	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Year 8 – Part (Core) 1 April 2032 to 29 May 2032	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Year 8 – Part (Schedule 19)	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

Column 1	Column 2	Column 3	Column 4	Column 5	Column 6
Concession Year	FXD (£)	VCRPI (£)	VCCPI (£)	VCSCI (£)	PCPI (£)
continuation or up to seven (7) Reporting Period extension) Potentially 30 May 2032 to 31 March 2033					
Year 9 (Schedule 19 continuation) Potentially 1 April 2033 to 31 March 2034	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Year 10 – Part (Schedule 19 continuation or up to 7 Reporting Period extension) Potentially 1 April 2034 to 9 December 2034	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

Appendix 2 to Schedule 11.2
Assumed Traction Electricity Prices and Consumption

Column 1	Column 2	Column 3
Concession Year	Traction Electricity Charge (pence per kWh)	Assumed Traction Electricity Consumption (in kWh)
Year 1 25 May 2025 to 31 March 2026	[REDACTED]	[REDACTED]
Year 2 1 April 2026 to 31 March 2027	[REDACTED]	[REDACTED]
Year 3 1 April 2027 to 31 March 2028	[REDACTED]	[REDACTED]
Year 4 1 April 2028 to 31 March 2029	[REDACTED]	[REDACTED]
Year 5 1 April 2029 to 31 March 2030	[REDACTED]	[REDACTED]
Year 6 1 April 2030 to 31 March 2031	[REDACTED]	[REDACTED]
Year 7 1 April 2031 to 31 March 2032	[REDACTED]	[REDACTED]
Year 8 – Part (Core) 1 April 2032 29 May 2032	[REDACTED]	[REDACTED]
Year 8 – Part (Schedule 19 continuation or up to seven (7) Reporting Period extension) Potentially 30 May 2032 to 31 March 2033	[REDACTED]	[REDACTED]
Year 9 (Schedule 19 continuation) Potentially 1 April 2033 to 31 March 2034	[REDACTED]	[REDACTED]
Year 10 – Part (Schedule 19 continuation or up to 7 Reporting Period extension) Potentially 1 April 2034 to 9 December 2034	[REDACTED]	[REDACTED]

Appendix 3 to Schedule 11.2
Assumed Ilford Depot Usage Charges

Column 1	Column 2
Concession Year	Assumed Ilford Depot Usage Charge (£)
Each Concession Year	[REDACTED]

Appendix 4 to Schedule 11.2
Assumed Policing Services Agreement (Standard) Charges

Column 1	Column 2
Concession Year	Policing Services Agreement (Standard) Charges (£)
Each Concession Year	[REDACTED]

Appendix 5 to Schedule 11.2
[REDACTED]

[REDACTED]

Schedule 11.3
Pass Through Access Charge Adjustments

1 Track Access Adjustments

- 1.1 The Track Access Adjustment in respect of the Network Rail TAA only to be made in respect of any Reporting Period shall be determined in accordance with the following formula:

$$TAA = (GCA - W) \times \frac{RPD}{FYD}$$

where:

- "**TAA**" means the Track Access Adjustment to be made in that Reporting Period;
- "**GCA**" is the value of "**GC**" for the Concession Year in which the Reporting Period falls under Part 3A of schedule 7 (*Track Charges*) (or its equivalent) of the relevant Track Access Agreement;
- "**W**" is the value of "**W_t**" for the Concession Year in which the Reporting Period falls under Part 2 of schedule 7 (or its equivalent) of the relevant Track Access Agreement;
- "**RPD**" means the number of days in that Reporting Period; and
- "**FYD**" means the number of days in the Concession Year in which that Reporting Period falls.

- 1.2 The Operator shall notify RfL upon becoming aware that any Track Access Adjustment is to be made and shall supply such information as RfL may require in relation thereto. The Operator shall exercise its rights under the relevant Track Access Agreement in such manner and take such other action as RfL may reasonably require in connection with any related payment thereunder (including in relation to any agreement of the amount of any such payment and including submitting any relevant dispute to any relevant dispute resolution procedures). The Operator shall not, without the consent of RfL, agree or propose to agree a value for "**W_t**" or "**GC**" under Parts 2 or 3A of schedule 7 (or its equivalent) of that Track Access Agreement.
- 1.3 The Operator shall provide such evidence of payment as RfL may require (including any certificates) for the purpose of determining the value of W and GCA under paragraph 1.1 (*Track Access Adjustments*).
- 1.4 If no value is ascertained for W or GCA prior to the date on which the Concession Payment for the relevant Reporting Period is determined, then a Track Access Adjustment shall only be determined to the extent such values can be ascertained at such time and, when such values are subsequently ascertained, adjustment shall be made to reflect the full Track Access Adjustment for such Reporting Period.
- 1.5 The values of W and GCA when used in the computation in paragraph 1.1 (*Track Access Adjustments*) shall be taken to exclude any input Value Added

Tax which is recoverable in respect of the payments they represent by the Operator under sections 24 to 26 of the Value Added Tax Act 1994.

2 **Station Charge Adjustment**

- 2.1 The Station Charge Adjustment to be made in respect of any Reporting Period shall be the aggregate of each adjustment determined in accordance with the following formula for each Operator Leased Station, NR Managed Station, Other TOC Station and Heathrow Station (each, an "**Individual Station Charge Adjustment**"):

$$ISCA = L \times \frac{RPD}{FYD}$$

where:

"**ISCA**" means the Individual Station Charge Adjustment for the relevant station for that Reporting Period;

"**L**" is:

- (a) the value of "**L_t**" for the Concession Year in which that Reporting Period falls:
 - (i) under condition F11.2 of the Station Access Conditions (or condition F11.2 of the RfL Station Access Conditions, as the case may be) if that Operator Leased Station is not an NR Managed Station;
 - (ii) under condition 42.2 of the Independent Station Access Conditions if that Operator Access Station is an NR Managed Station; and
- (b) an amount (whether of a positive or negative value) allowed in respect of the financial consequences to HAL in the Concession Year in which that Reporting Period falls following a relevant change of law (as defined in and calculated in accordance with the HAL Station Access Conditions),

but in each case, only to the extent that value represents an amount payable to or by Network Rail or HAL or any other relevant Facility Owner by or to the Operator on its own behalf under the relevant Station Access Agreement (excluding any amount payable to Network Rail or HAL or any other relevant Facility Owner or by the Operator in its capacity as Facility Owner of a station on behalf of a beneficiary which is party to a Station Access Agreement in respect of that Elizabeth Line Station);

"**RPD**" means the number of days in that Reporting Period; and

"**FYD**" means the number of days in the Concession Year in which that Reporting Period falls.

- 2.2 The Operator shall notify RfL upon becoming aware that any Station Charge Adjustment is to be made and shall supply such information as RfL may require in relation thereto. The Operator shall exercise such rights as it may have under any relevant Station Lease or Station Access Agreement in such manner and take such other action as RfL may reasonably require in connection with any related payment thereunder (including in relation to any agreement of the amount of any such payment and including submitting any relevant dispute under any relevant dispute resolution procedures). The Operator shall not, without the consent of RfL, agree or propose to agree a value for "**Lt**" under any relevant Station Lease or Station Access Agreement.
- 2.3 The Operator shall provide such evidence of payment as RfL may require (including any certificates) for the purpose of determining the values of L under paragraph 2.1 (*Station Charge Adjustment*).
- 2.4 If no value is ascertained for any of L prior to the date on which the Concession Payment for the relevant Reporting Period is determined, then a Station Charge Adjustment shall only be determined to the extent such value can be ascertained at such time and, when such value is subsequently ascertained, an adjustment shall be made to reflect the full Station Charge Adjustment for such Reporting Period.
- 2.5 The values of L when used in the computation in paragraph 2.1 (*Station Charge Adjustment*) shall be taken to exclude any input Value Added Tax which is recoverable in respect of the payments it represents by the Operator under sections 24 to 26 of the Value Added Tax Act 1994.
- 2.6 Access Charge Adjustments in respect of the LUL Stations and the RfL(I) Stations shall be made in accordance with paragraph 3 (*Charge for Access to CCOS and RfL(I) Stations*) of this Schedule 11.3 (*Pass Through Access Charge Adjustments*) rather than under this paragraph 2 (*Station Charge Adjustment*).

3 **Charge for Access to CCOS and RfL(I) Stations**

- 3.1 RfL and the Operator acknowledge and agree that:
- 3.1.1 in respect of the CCOS, the Operator is required to enter into the CCOS TAA, the Station Access Agreement(s) with RfL(I) in respect of the RfL(I) Stations and the Station Agreement(s) with LUL in respect of the LUL Stations on the CCOS ("**CCOS Agreements**");
- 3.1.2 the relevant counterparty Facility Owner under each of the CCOS Agreements is another member of the TfL Group;
- 3.1.3 under this Agreement, RfL is required to pay to the Operator a sum equal to the aggregate amount of the access charges which the Operator is required to pay to other members of the TfL Group under the CCOS Agreements by way of CCOS Access Charge Adjustments;
- 3.1.4 the intention is that access charges which become payable by the Operator to the relevant member of the TfL Group under the terms of each of the CCOS Agreements will be set off against sums payable or which would become payable by members of the TfL Group to the

Operator (including pursuant to this Agreement) or will otherwise be directly paid to the relevant member of the TfL Group by the other member of the TfL Group on behalf of the Operator; and

- 3.1.5 RfL will not make a CCOS Access Charge Adjustment in respect of access charges under the CCOS Agreements (including the remaining paragraphs of this paragraph 3 (*Charge for Access to CCOS and RfL(I) Stations*)) to the extent that such amounts have been or will be set off against payments due to other members of the TfL Group under those CCOS Agreements (or are otherwise directly paid by a member of the TfL Group on behalf of the Operator),

and accordingly the remaining paragraphs of this paragraph 3 (*Charge for Access to CCOS and RfL(I) Stations*) shall only apply if RfL provides the Operator with at least three (3) months' notice that they shall apply in respect of any one or more CCOS Agreement with effect from such date or dates as RfL may specify.

- 3.2 It is acknowledged and agreed that the Operator will be charged for access to:

- 3.2.1 the CCOS under the terms of the CCOS TAA; and
- 3.2.2 the RfL(I) Stations under the terms of the relevant Station Access Agreement with RfL(I); and
- 3.2.3 the LUL Stations on the CCOS under the terms of the relevant Station Agreement with LUL.

- 3.3 Accordingly:

- 3.3.1 RfL shall by way of CCOS Access Charge Adjustments, pay to the Operator amounts equal to the amounts that the Operator is charged for such access under the CCOS Agreements from time to time;
- 3.3.2 RfL shall pay the amounts referred to in paragraph 3.3.1 (*Charge for Access to CCOS and RfL(I) Stations*) into an account specifically created by the Operator for the purpose, and the Operator shall grant a charge in favour of RfL on terms acceptable to RfL over amounts standing to the credit of that account from time to time;
- 3.3.3 RfL shall be entitled to withdraw any such amount paid into that account as and when required, including on the same day that it is deposited, for the purpose of paying, as appropriate, RfL(I) or LUL that amount for access to the CCOS or an RfL(I) Station or an LUL Station on the CCOS; and
- 3.3.4 notwithstanding the period which the Operator may have to pay the access charges under the terms of the relevant CCOS TAA, RfL(I) SAA or LUL CCOS SUA, promptly following payment by RfL of the relevant CCOS Access Charge Adjustment into the account described in paragraph 3.3.2 (*Charge for Access to CCOS and RfL(I) Stations*), the Operator shall pay RfL(I) or LUL (as the case may be).

- 3.4 For the purposes of paragraph 3.3.4 (*Charge for Access to CCOS and RfL(I) Stations*) and this paragraph 3.4 (*Charge for Access to CCOS and RfL(I) Stations*), "**promptly**" shall mean on the same day that it is deposited into the account described in paragraph 3.3.2 (*Charge for Access to CCOS and RfL(I) Stations*). If the Operator does not promptly pay RfL(I) or LUL (as the case may be) any of the amounts contemplated by paragraph 3.3.4 (*Charge for Access to CCOS and RfL(I) Stations*), it shall pay to RfL interest on such amount at the Interest Rate, calculated on a daily basis, from date which the amount should have been paid to the date on which the amount is actually paid.

CCOS Track Access Adjustments

- 3.5 The table set out below describes:
- 3.5.1 in Column 1, each access charge component payable by the Operator (if levied by RfL(I)) under the CCOS TAA in respect of a particular Reporting Period (and each as defined in the CCOS TAA);
 - 3.5.2 in Column 2, whether such access charge component (if levied by RfL(I)) is payable by the Operator in advance of a Reporting Period or in arrears following the end of a Reporting Period under the terms of the CCOS TAA; and
 - 3.5.3 in Column 3 and in respect of each access charge component (if levied by RfL(I)), which Concession Payment such access charge component shall form part of as a CCOS Track Access Adjustment, where:
 - (a) "CP_{RP-1}" means the Concession Payment in respect of the Reporting Period occurring immediately prior to the commencement of the Reporting Period to which the access charge component relates;
 - (b) "CP_{RP+1}" means the Concession Payment in respect of the Reporting Period occurring immediately following the commencement of the Reporting Period to which the access charge component relates; and
 - (c) "CP_{t+1}" means the Concession Payment in respect of the Reporting Period occurring immediately following the Reporting Period in which the access charge component is calculated.

Column 1	Column 2	Column 3
Annual Investment Recovery Charge (AIRC _p)	In advance	CP _{RP-1}
Further Train Slot Investment Recovery Charge (FTSIRC _p)	In arrears	CP _{RP+1}
Annual Fixed Costs Charge (AFCC _p)	In advance	CP _{RP-1}

Column 1	Column 2	Column 3
Further Train Slot Fixed Costs Charge (FTSFCC _p)	In arrears	CP _{RP} +1
Costs Directly Incurred Charge (CDIC _p)	In arrears	CP _{RP} +1
Traction Electricity Charge (EC4T _p)	In arrears	CP _{RP} +1
Traction Electricity Charge Adjustment (EA _t)	In arrears	CP _t +1
Further Investment Recovery Charge (FIRC _p)	In advance	CP _{RP} -1

3.6 The CCOS Track Access Adjustment to be made in respect of a particular Reporting Period shall be the aggregate of the relevant access charge components payable in arrears or in advance in accordance with the table in paragraph 3.4 (*Charge for Access to CCOS and RfL(I) Stations – CCOS Track Access Adjustments*). RfL and the Operator acknowledge and agree that:

- 3.6.1 the access charge components marked "CP_{RP}-1" will not form part of the CCOS Track Access Adjustment in respect of the final Reporting Period of the Concession Period (as it is paid in advance of a Reporting Period);
- 3.6.2 the access charge components marked "CP_{RP}+1" will not form part of the CCOS Track Access Adjustment in respect of the first or second Reporting Periods in which such adjustment is made (as it is paid in arrears following the expiry of a Reporting Period); and
- 3.6.3 the access charge components marked "CP_{RP}+1" which relate to the final Reporting Period of the Concession Period shall be paid in accordance with paragraphs 3.3 (*Charge for Access to CCOS and RfL(I) Stations*) and 3.4 (*Charge for Access to CCOS and RfL(I) Stations*) as soon as reasonably practicable following expiry of the Concession Period.

RfL(I) Station and LUL Station Adjustments

3.7 The table set out below describes:

- 3.7.1 in Column 1:
 - (a) the Investment Recovery Charge, the Long Term Charge, the Qualifying Expenditure charge (but only to the extent it relates to the provision of utilities) and the Qualifying Expenditure charge (but only to the extent it relates to the provision of insurances) access charge components payable by the Operator (if levied by RfL(I)) under the RfL(I) SAA in respect of a particular Reporting Period (and each as defined in the relevant RfL(I) SAA); and

- (b) the access charge components payable by the Operator (if levied by RfL(I)) under the LUL CCOS SUA in respect of a particular Reporting Period (and each as defined in the relevant LUL CCOS SUA);
- 3.7.2 in Column 2, whether such access charge component (if levied by RfL(I) or LUL) is payable by the Operator in advance of a Reporting Period or in arrears following the end of a Reporting Period under the terms of the relevant RfL(I) SAA or LUL CCOS SUA; and
- 3.7.3 in Column 3 and in respect of each access charge component, which Concession Payment such access charge component shall form part of as a CCOS Station Adjustment, where:
- (a) "CP_{RP-1}" means the Concession Payment in respect of the Reporting Period occurring immediately prior to the commencement of the Reporting Period to which the access charge component relates; and
- (b) "CP_{RP+1}" means the Concession Payment in respect of the Reporting Period occurring immediately following the commencement of the Reporting Period to which the access charge component relates.

Column 1	Column 2	Column 3
Station Access Agreement with RfL(I) – Access charge components		
Investment Recovery Charge	In advance	CP _{RP-1}
Long Term Charge	In arrears	CP _{RP+1}
Qualifying Expenditure – Utilities	In arrears	CP _{RP+1}
Qualifying Expenditure - Insurances	In arrears	CP _{RP+1}
Further Investment – Recovery Charge	In advance	CP _{RP-1}
Station Agreement with LUL – access charge components		
Common Charges	In arrears	CP _{RP+1}
Long Term Charge	In arrears	CP _{RP+1}

- 3.8 The CCOS Station Adjustment to be made in respect of a particular Reporting Period shall be the aggregate of the relevant access charge components payable in arrears or in advance in accordance with the table in paragraph 3.7 (*Charge for Access to CCOS and RfL(I) Stations – RfL(I) Station and LUL Adjustments*). RfL and the Operator acknowledge and agree that:

- 3.8.1 the access charge components marked "CP_{RP-1}" will not form part of the CCOS Station Adjustment in respect of the final Reporting Period of the Concession Period (as it is paid in advance of a Reporting Period);

- 3.8.2 the access charge components marked "CP_{RP}+1" will not form part of the CCOS Station Adjustment in respect of the first or second Reporting Periods in which such adjustment is made (as it is paid in arrears following the expiry of a Reporting Period);
- 3.8.3 the access charge components marked "CP_{RP}+1" which relate to the final Reporting Period of the Concession Period shall be paid in accordance with paragraphs 3.3 and 3.4 (*Charge for Access to CCOS and RfL(I) Stations*) as soon as reasonably practicable following expiry of the Concession Period; and
- 3.8.4 all components of the access charge payable under the RfL(I) SAA (other than those set out in the table in paragraph 3.7 (*Charge for Access to CCOS and RfL(I) Stations – RfL(I) Station and LUL Adjustments*)) are already funded by RfL under this Concession Agreement and accordingly the Operator shall have no entitlement to recover such amounts as a CCOS Station Adjustment.

Schedule 11.4
Profit Share

1 Overall Purpose

- 1.1 The objective of the profit share arrangements set out in this Schedule 11.4 (*Profit Share*) is to ensure that at the end of the Concession Period, any reconciled cumulative excess profit made by the Operator has been shared between the Operator and RfL.

2 Annual Calculation and Information Provision

- 2.1 Within four (4) Reporting Periods after the end of each Concession Year, the Operator shall provide to RfL a calculation of:
- 2.1.1 the Annual Cumulative Profit Share Amount for that Concession Year calculated in accordance with paragraph 3 (*Annual Cumulative Profit Share Amount Calculation*); and
 - 2.1.2 its proposed Profit Share Payment or Profit Share Reconciliation Payment payable.
- 2.2 The accuracy of any calculations provided pursuant to paragraph 2.1 (*Annual Calculation and Information Provision*) shall be certified by providing:
- 2.2.1 a certificate addressed to RfL (in a format to be specified by RfL from time to time, on the basis of providing RfL with reasonable assurance) and signed by the Finance Director of the Operator, which shall also include a "bridge" between EBIT and Actual Profit, reconciling EBIT (as defined within the definition of Actual Profit) and each of the other components within the definition of Actual Profit with cumulative values shown in the Management Accounts, as reconciled in turn to the Annual Audited Accounts for the relevant year; and
 - 2.2.2 a statement by the Operator's auditors certifying the numbers employed in the bridge between EBIT and Actual Profit and the accuracy of the Annual Cumulative Profit Share Amount as well as the accuracy of the Profit Share Payment or Profit Share Reconciliation Payment calculation.
- 2.3 As soon as reasonably practicable following RfL's request, the Operator shall supply to RfL any additional information that RfL might reasonably require in relation to any calculation provided pursuant to paragraph 2.1 (*Annual Calculation and Information Provision*).
- 2.4 Where, as required by its Parent, the Operator reports its financial results by reference to financial years that have different start and end dates from Concession Years, the Operator shall in performing the calculations pursuant to paragraph 2.1 (*Annual Calculation and Information Provision*):
- 2.4.1 reconcile those financial results to report by reference to Concession Years, extracting and reporting on all relevant information for the purpose of performing the calculation pursuant to paragraph 2.1 (*Annual Calculation and Information Provision*); and

- 2.4.2 procure that its auditor's certification pursuant to paragraph 2.2 (*Annual Calculation and Information Provision*), duly certifies the accuracy of that reconciliation.
- 2.5 Where the Annual Audited Accounts in relation to any previous Concession Year are subject to adjustment or restatement, RfL shall be entitled to require:
 - 2.5.1 the recalculation (and recertification pursuant to paragraph 2.2 (*Annual Calculation and Information Provision*)) of the Annual Cumulative Profit Share Amount for the relevant Concession Year; and
 - 2.5.2 that within twenty (20) Business Days of RfL notifying the Operator that it requires a payment to be made pursuant to this paragraph 2.5 (*Annual Calculation and Information Provision*), a further Profit Share Payment (or Profit Share Reconciliation Payment) is to be made in accordance with paragraph 4.2 (*Profit Share and Profit Share Reconciliation Payments*) or paragraph 4.4 (*Profit Share and Profit Share Reconciliation Payments*) by way of Other Adjustment. Such Other Adjustment shall be for a sum that is equal to the amount which is the difference between the Profit Share Payment actually paid pursuant to paragraph 4.1 (*Profit Share and Profit Share Reconciliation Payments*) and the amount that would have been paid had the Annual Cumulative Profit Share Amount been originally calculated on the basis that such adjustment or revision was included in the Annual Audited Accounts.
- 2.6 The following provisions shall apply in respect of the final Concession Year and following the Concession Period:
 - 2.6.1 the Annual Cumulative Profit Share Amount and the Profit Share Payment or Profit Share Reconciliation Payment for that final Concession Year shall be deemed to be provisional;
 - 2.6.2 as soon as reasonably practicable following their publication, RfL and the Operator shall identify and agree a list of accruals and provisions that are still present in the Annual Audited Accounts;
 - 2.6.3 annually after the end of the Concession Period (and until such time as each identified accrual or provision has been fully unwound), upon filing of each set of Annual Audited Accounts, the Operator shall confirm to RfL whether or not each of the identified accruals or provisions has been unwound and inform RfL of the relevant settled value associated with the unwound accrual or provision. At such time the Operator will also provide RfL with:
 - (a) evidence of the settled value associated with each unwound accrual or provision, to the reasonable satisfaction of RfL; and
 - (b) the information, assurances and certifications required in paragraphs 2.1 (*Annual Calculation and Information Provision*) and 2.2.1 (*Annual Calculation and Information Provision*), based on the Annual Cumulative Profit Share Amount and Profit Share Payment or Profit Share Reconciliation Payment for the final Concession Year being recalculated on the basis

that the value of any unwound accruals or provisions is replaced with the relevant settled value,

and the Operator shall make a subsequent Profit Share Payment or RfL shall make a Profit Share Reconciliation Payment accordingly (a "**Subsequent Profit Share Payment**" or "**Subsequent Profit Share Reconciliation Payment**", respectively) on an annual basis. Such Subsequent Profit Share Payment or Subsequent Profit Share Reconciliation shall be made until each of the identified accruals or provisions has been unwound or until both parties agree in writing that no further Subsequent Profit Share Payment or Subsequent Profit Share Reconciliation Payment is required. Paragraph 4 (*Payment of Concession Payments*) of Schedule 11.1 (*Concession Payments*) shall apply in respect of any such Subsequent Profit Share Payment or Profit Share Reconciliation Payment as if it were a Concession Payment; and

- 2.6.4 the parties agree that the net total of all Subsequent Profit Share Payments and Subsequent Profit Share Reconciliation Payments shall only ever result in a payment being made to RfL (and Subsequent Profit Share Reconciliation Payments shall be adjusted in value to this effect). In no circumstances shall RfL be responsible for making a net payment to the Operator by virtue of this paragraph 2.6 (*Annual Calculation and Information Provision*).
- 2.7 Within twenty (20) Business Days of receiving the calculations pursuant to paragraph 2.1 (*Annual Calculation and Information Provision*) in relation to any Concession Year, or where RfL has requested additional information in accordance with paragraph 2.3 (*Annual Calculation and Information Provision*), within twenty (20) Business Days of such request, RfL shall notify the Operator whether it agrees or disputes any such calculation, including where RfL reasonably considers that in calculating the Annual Cumulative Profit Share Amount, any particular item or transaction has not been accounted for on a reasonable basis (for example, where the accounting treatment looks to the form rather than the substance, of the item or transaction) and in providing any such notification that disputes any such calculation, RfL shall explain in reasonable detail why it disputes such calculation.
- 2.8 Where RfL does reasonably consider that in calculating the Annual Cumulative Profit Share Amount, any particular item or transaction has not been accounted for on a reasonable basis (including where the accounting treatment looks to the form rather than the substance, of the item or transaction), then RfL shall be entitled to require it to be accounted for on such other basis as it may reasonably determine and notify to the Operator pursuant to paragraph 2.7 (*Annual Calculation and Information Provision*), provided that RfL shall not be entitled pursuant to this paragraph 2.8 (*Annual Calculation and Information Provision*) to alter the accounting policies of the Operator from those set out in the Record of Assumptions and applied through the Suite of Models.
- 2.9 In relation to any calculation provided by the Operator in accordance with paragraph 2.1 (*Annual Calculation and Information Provision*), if RfL fails to notify the Operator of its agreement or otherwise with that calculation in

accordance with paragraph 2.7 (*Annual Calculation and Information Provision*), then RfL shall be deemed to have agreed the calculation.

Disputed Calculation

- 2.10 If RfL notifies the Operator in accordance with paragraph 2.7 (*Annual Calculation and Information Provision*) that it disputes any calculation provided by the Operator in accordance with paragraph 2.1 (*Annual Calculation and Information Provision*), the parties shall seek to resolve the dispute through discussion in accordance with paragraphs 2.1 to 2.3 (*Disputes under this Agreement – Escalation Procedure*) (inclusive) of Schedule 20 (*Other Provisions*), provided that, if the dispute cannot be resolved through such discussion within twenty-one (21) Business Days of the date of receipt of that notice by the Operator, either party may refer the matter for expert determination by a single expert in accordance with paragraphs 2.11 to 2.13 (*Annual Calculation and Information Provision – Expert Determination*) inclusive.

Expert Determination

- 2.11 Where pursuant to paragraph 2.10 (*Annual Calculation and Information Provision – Disputed calculation*), either party wishes to refer a dispute of any calculation provided by the Operator in accordance with paragraph 2.1 (*Annual Calculation and Information Provision*) to an expert, that party shall propose to the other party by way of notice, the expert to be appointed, who shall be an accountant. The parties shall seek to agree the choice of expert as soon as reasonably practicable thereafter and in any event, within ten (10) Business Days of receipt of any such notice.
- 2.12 If the parties agree the choice of expert pursuant to paragraph 2.11 (*Annual Calculation and Information Provision – Expert Determination*), the parties shall duly appoint that expert as soon as reasonably practicable thereafter. If no agreement has been reached within ten (10) Business Days of service of the notice referred to in paragraph 2.11 (*Annual Calculation and Information Provision – Expert Determination*), either party may ask the President of the Institute of Chartered Accountants in England and Wales to nominate an expert willing to accept an appointment on the terms set out in paragraph 2.13 (*Annual Calculation and Information Provision – Expert Determination*). That nominated expert shall be appointed by the parties as soon as reasonably practicable thereafter.
- 2.13 The Operator and RfL agree, and the expert appointed is obliged, to follow the terms and principles set out in this paragraph 2.13 (*Annual Calculation and Information Provision – Expert Determination*):
- 2.13.1 the expert must act as an expert and not as an arbitrator;
 - 2.13.2 the Arbitration Act 1996 and the law of arbitration shall not apply to the expert, to the determination procedure or to the expert's decision;
 - 2.13.3 acceptance by the expert of the terms set out in this paragraph 2.13 shall be a condition of appointment of the expert;
 - 2.13.4 the expert shall establish such rules and procedures for the conduct of the determination as they see fit, having regard to the timescale set

out in paragraph 2.13.6 (*Annual Calculation and Information Provision - Expert Determination*);

- 2.13.5 RfL and the Operator shall abide by the rules and procedures established by the expert;
- 2.13.6 the expert shall make their decision in writing available to the parties as soon as reasonably practicable and in any event within thirty (30) Business Days of their appointment;
- 2.13.7 the decision must include full detailed reasons to explain the findings and justify the decision;
- 2.13.8 the decision shall be final and binding;
- 2.13.9 RfL and the Operator shall each bear their own costs in relation to the expert determination, including the costs of providing all data, information and submissions and the costs and expenses of all witnesses and persons retained by, as the case may be, RfL or the Operator; and
- 2.13.10 the costs and expenses of the expert and any independent advisers to the expert and any costs of their appointment, if they are appointed by the President of the Institute of Chartered Accountants in England and Wales, shall be shared equally between RfL and the Operator.

3 **Annual Cumulative Profit Share Amount Calculation**

The Operator shall calculate the "**Annual Cumulative Profit Share Amount**" for the purposes of paragraph 2.1.1 (*Annual Calculation and Information Provision*), in accordance with the following:

$$CPSA = (CAP - CTP) \times 50\%$$

where:

"**CPSA**" is the Annual Cumulative Profit Share Amount;

"**CAP**" is the cumulative Actual Profit for all of the Concession Years from the Start Date up to and including the relevant Concession Year just ended; and

"**CTP**" is the cumulative threshold profit for the relevant Concession Year just ended, determined in accordance with paragraph 5 (*Cumulative Threshold Profit*),

provided that if (CAP – CTP) is a negative number, CPSA shall be zero.

4 **Profit Share and Profit Share Reconciliation Payments**

4.1 A Profit Share Payment shall be payable each Concession Year on the following basis:

- 4.1.1 from the Annual Cumulative Profit Share Amount for the relevant Concession Year shall be subtracted the sum of any Profit Share Payments and Profit Share Reconciliation Payments (the Profit Share Reconciliation Payments having a negative value for the purposes of this calculation) paid in the preceding Concession Years;

- 4.1.2 if the number resulting from the calculation in paragraph 4.1.1 (*Profit Share and Profit Share Reconciliation Payments*) is positive, the Operator shall pay that amount by way of a Profit Share Payment to RfL (a "**Profit Share Payment**");
- 4.1.3 if the number resulting from the calculation in paragraph 4.1.1 (*Profit Share and Profit Share Reconciliation Payments*) is negative, RfL shall pay that amount by way of Profit Share Reconciliation Payment to the Operator (a "**Profit Share Reconciliation Payment**").
- 4.2 The Profit Share Payment or Profit Share Reconciliation Payment, as the case may be, shall be made by way of an Other Adjustment on the next Payment Date immediately following agreement or (if referred for determination pursuant to paragraph 2.10 (*Annual Calculation and Information Provision - Disputed Calculation*)) determination of the Profit Share Payment or Profit Share Reconciliation Payment, provided that if such agreement or determination occurs less than five (5) Business Days before the end of a Reporting Period, payment shall be made on the next following Payment Date.
- 4.3 Where agreement cannot be reached and the dispute is referred for determination pursuant to paragraph 2.10 (*Annual Calculation and Information Provision - Disputed Calculation*), interest shall be paid on the amount of such Profit Share Payment or Profit Share Reconciliation Payment, as the case may be, at a rate equal to the Interest Rate from the date when such payment would have been payable but for that referral until the date of actual payment (after as well as before judgment). Such interest shall accrue from day to day.
- 4.4 In the final Concession Year and subsequent years, payment of the Profit Share Payment or Profit Share Reconciliation Payment shall be made within thirty (30) days of agreement or determination of the relevant amount.

5 Cumulative Threshold Profit

- 5.1 The cumulative threshold profit for the relevant Concession Year just ended as expressed in Column 1 of the table set out in Appendix 1 (*Threshold Profit*) shall be calculated as follows:

$$CTP = CPSA + PO + SMA + SMB + SMC$$

where:

"**CTP**" is the cumulative threshold profit for the relevant Concession Year just ended;

"**CPSA**" is the sum of the amounts specified in Column 2 of the table set out in Appendix 1 (*Threshold Profit*) for all Concession Years (or parts thereof) up to and including the Concession Year just ended (provided that if the Concession Year just ended has fewer days than the number of days in the relevant year (or part-year) shown in Column 1 of the table set out in Appendix 1 (*Threshold Profit*), the figure for such Concession Year shall be taken from Column 2 in that relevant row and shall be prorated accordingly before inclusion in the summation). The figure for each Concession Year shall be indexed in accordance with paragraph

3 (*Indexation by reference to CPI*) of Schedule 11.2 (*Annual Concession Payments and Indexation*) before inclusion in the summation;

"PO" is, where the Priced Option (*Ticket Retailing Modernisation Programme*) has been called by RfL, the sum of the amounts specified in Column 3 of the table set out in Appendix 1 (*Threshold Profit*) for all Concession Years (or parts thereof) up to and including the Concession Year just ended (provided that if the Concession Year just ended has fewer days than the number of days in the relevant year (or part-year) shown in Column 1 of the table set out in Appendix 1 (*Threshold Profit*), the figure for such Concession Year shall be taken from Column 3 in that relevant row and shall be prorated accordingly before inclusion in the summation). The figure for each Concession Year shall be indexed in accordance with paragraph 3 (*Indexation by reference to CPI*) of Schedule 11.2 (*Annual Concession Payments and Indexation*) before inclusion in the summation;

"SMA" is, where Service Modification A ([REDACTED]) has been called by RfL, the sum of the amounts specified in Column 4 of the table set out in Appendix 1 (*Threshold Profit*) for all Concession Years (or parts thereof) up to and including the Concession Year just ended (provided that if the Concession Year just ended has fewer days than the number of days in the relevant year (or part-year) shown in Column 1 of the table set out in Appendix 1 (*Threshold Profit*), the figure for such Concession Year shall be taken from Column 4 in that relevant row and shall be prorated accordingly before inclusion in the summation). The figure for each Concession Year shall be indexed in accordance with paragraph 3 (*Indexation by reference to CPI*) of Schedule 11.2 (*Annual Concession Payments and Indexation*) before inclusion in the summation;

"SMB" is, where Service Modification B ([REDACTED]) has been called by RfL, the sum of the amounts specified in Column 5 of the table set out in Appendix 1 (*Threshold Profit*) for all Concession Years (or parts thereof) up to and including the Concession Year just ended (provided that if the Concession Year just ended has fewer days than the number of days in the relevant year (or part-year) shown in Column 1 of the table set out in Appendix 1 (*Threshold Profit*), shall be taken from Column 5 in that relevant row and shall be prorated accordingly before inclusion in the summation). The figure for each Concession Year shall be indexed in accordance with paragraph 3 (*Indexation by reference to CPI*) of Schedule 11.2 (*Annual Concession Payments and Indexation*) before inclusion in the summation; and

"SMC" is, where Service Modification C ([REDACTED]) has been called by RfL, the sum of the amounts specified in Column 6 of the table set out in Appendix 1 (*Threshold Profit*) for all Concession

Years (or parts thereof) up to and including the Concession Year just ended (provided that if the Concession Year just ended has fewer days than the number of days in the relevant year (or part-year) shown in Column 1 of the table set out in Appendix 1 (*Threshold Profit*), shall be taken from Column 6 in that relevant row and shall be prorated accordingly before inclusion in the summation). The figure for each Concession Year shall be indexed in accordance with paragraph 3 (*Indexation by reference to CPI*) of Schedule 11.2 (*Annual Concession Payments and Indexation*) before inclusion in the summation.

- 5.2 Each of CPSA, PO, SMA, SMB and SMC are amounts stated as at the Indexation Base Month and accordingly are to be inflated by the CPI Index in accordance with paragraph 3 (*Indexation by Reference to CPI*) of Schedule 11.2 (*Annual Concession Payments and Indexation*).

**Appendix 1 to Schedule 11.4
Threshold Profit**

Column 1	Column 2	Column 3	Column 4	Column 5	Column 6
Concession Year	Threshold Profit (£)	Priced Option (Ticket Retailing Modernisation Programme)	Service Modification A ([REDACTED])	Service Modification B ([REDACTED])	Service Modification C ([REDACTED])
		Incremental Threshold Profit to Column 2 (£)	Incremental Threshold Profit to Column 2 (£)	Incremental Threshold Profit to Column 2 (£)	Incremental Threshold Profit to Column 2 (£)
Year 1 25 May 2025 to 31 March 2026	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Year 2 1 April 2026 to 31 March 2027	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Year 3 1 April 2027 to 31 March 2028	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Year 4 1 April 2028 to 31 March 2029	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Year 5 1 April 2029 to 31 March 2030	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Year 6 1 April 2030 to 31 March 2031	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Year 7 1 April 2031 to 31 March 2032	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Year 8 – Part (Core) 1 April 2032 to 29 May 2032	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Year 8 – Part (Schedule 19	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

Column 1	Column 2	Column 3	Column 4	Column 5	Column 6
Concession Year	Threshold Profit (£)	Priced Option (Ticket Retailing Modernisation Programme)	Service Modification A ([REDACTED])	Service Modification B ([REDACTED])	Service Modification C ([REDACTED])
		Incremental Threshold Profit to Column 2 (£)	Incremental Threshold Profit to Column 2 (£)	Incremental Threshold Profit to Column 2 (£)	Incremental Threshold Profit to Column 2 (£)
continuation or up to seven (7) Reporting Period extension) Potentially 30 May 2032 to 31 March 2033					
Year 9 (Schedule 19 continuation) Potentially 1 April 2033 to 31 March 2034	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Year 10 – Part (Schedule 19 continuation or up to 7 Reporting Period extension) Potentially 1 April 2034 to 9 December 2034)	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

Appendix 2 to Schedule 11.4
Components of AFA

Column 1	Column 2
Concession Year	Component of AFA (£)
Year 1 25 May 2025 to 31 March 2026	[REDACTED]
Year 2 1 April 2026 to 31 March 2027	[REDACTED]
Year 3 1 April 2027 to 31 March 2028	[REDACTED]
Year 4 1 April 2028 to 31 March 2029	[REDACTED]
Year 5 1 April 2029 to 31 March 2030	[REDACTED]
Year 6 1 April 2030 to 31 March 2031	[REDACTED]
Year 7 1 April 2031 to 31 March 2032	[REDACTED]
Year 8 – Part (Core) 1 April 2032 to 29 May 2032	[REDACTED]
Year 8 – Part (Schedule 19 continuation or up to seven (7) Reporting Period extension) Potentially 30 May 2032 to 31 March 2033	[REDACTED]
Year 9 (Schedule 19 continuation) Potentially 1 April 2033 to 31 March 2034	[REDACTED]
Year 10 – Part (Schedule 19 continuation or up to 7 Reporting Period extension) Potentially 1 April 2034 to 9 December 2034	[REDACTED]

Schedule 11.5
[REDACTED]

[REDACTED]

Schedule 12
Priced Option and Service Modifications

Schedule 12.1: Priced Option: Ticket Retailing Modernisation Programme

Schedule 12.2: Calling and Implementing the Priced Option

Schedule 12.3: Adjustments to Concession Payments

Schedule 12.4: Anticipated Service Modifications

Appendix 1: List of Anticipated Service Modifications

Appendix 2: Adjustments to Concession Payments

Schedule 12.1

Priced Option: Ticket Retailing Modernisation Programme

1 Description, Objective and Specification

- 1.1 The repurposing by the Operator of, subject to paragraph 1.3 (*Description, Objective and Specification*), the ticket offices at all Operator Leased Stations in accordance with this Priced Option.
- 1.2 This Priced Option requires the Operator to:
 - 1.2.1 within one (1) month of RfL's notice calling this Priced Option, prepare and submit to RfL for approval a programme for implementing the repurposing of ticket offices at the Operator Leased Stations and (as appropriate) the installation of appropriate ticketing facilities to deliver on-demand ticket retailing at the Operator Leased Stations which, when implemented, will have no adverse impact on the ticket retailing capabilities at the Operator Leased Stations (the "**Ticket Retailing Modernisation Programme**") and RfL shall as soon as reasonably practicable (and in any event within one (1) Reporting Period) review and notify the Operator whether or not it approves the Ticket Retailing Modernisation Programme; and
 - 1.2.2 subject to RfL's approval of the Ticket Retailing Modernisation Programme:
 - (a) to lead the statutory consultation process and exercise its rights under the Ticketing and Settlement Agreement to secure the necessary approvals and otherwise to effect the ticket office repurposing at the Operator Leased Stations in accordance with the Ticket Retailing Modernisation Programme;
 - (b) to conduct an equality impact assessment in a form specified by RfL:
 - (i) to assess any of the likely effects of the Ticket Retailing Modernisation Programme and to demonstrate compliance with the Public Sector Equality Duty under the Equality Act 2010;
 - (ii) to detail how the Operator has considered its obligations under the Equality Act and any best practice guidance published by RfL or another member of the TfL Group from time to time;
 - (iii) to develop any actions to mitigate or avoid any potential adverse impacts of the Ticket Retailing Modernisation Programme; and
 - (iv) to detail how the Operator intends to address any inequities (including any direct or indirect discrimination on the basis of a Relevant Protected Characteristic),

Priced Option: Ticket Retailing Modernisation Programme and at all times keeping RfL informed of the results of such assessment and any actions being taken to address any adverse impacts identified;

- (c) to decommission the ticket offices at the Operator Leased Stations, and in so doing:
 - (i) removing and/or relocating all redundant ticket office equipment, furniture and consumables from the ticket office;
 - (ii) retaining all fixtures and fittings, including any air conditioning plant and machinery and/or any fixed/moveable fire appliances;
 - (iii) subject to paragraph (d), applying vinyl over closed ticket office windows, provided that the designs for such vinyls shall be agreed with RfL on a station-by-station basis; and
 - (iv) subject to paragraph (d), procuring that all such ticket offices are locked, fully secured and maintained in a safe and secure manner in accordance with any Licence conditions and the requirements of any Safety Authorisation and/or Safety Management System,

incorporating any mitigations identified from the equality impact assessment conducted in accordance with paragraph (b) above;
- (d) use reasonable endeavours to use such decommissioned ticket office as a Retail Area (and Schedule 4.3 (*Retail and Commercial Agreements*) shall apply in respect of any such Retail Area created following decommissioning of a ticket office); and
- (e) to close:
 - (i) the ticket office of at least one (1) Operator Leased Station in accordance with the Ticket Retailing Modernisation Programme on or before 18 December 2026; and
 - (ii) the ticket offices of all Operator Leased Stations in accordance with the Ticket Retailing Modernisation Programme, with the last such ticket office being closed on or before 20 August 2027.

1.3 In preparing the Ticket Retailing Modernisation Programme, the Operator:

- 1.3.1 shall ensure that the Ticket Retailing Modernisation Programme is fully implemented in accordance with the dates specified in paragraph 1.2.2(e) (*Description, Objective and Specification*), but may otherwise make changes to:

Priced Option: Ticket Retailing Modernisation Programme

- (a) the phasing of the ticket office closures at Operator Leased Stations as it considers appropriate; and/or
 - (b) the location of existing TVMs (having regard to the restrictions on functionality of the existing TVMs on different parts of the Elizabeth Line Route); and
- 1.3.2 may propose that not all ticket offices at Operator Leased Stations close where the Operator reasonably believes that it would not be appropriate to close any such ticket office or where the statutory consultation process concludes that it would not be appropriate.
- 1.4 In implementing the Ticket Retailing Modernisation Programme, the Operator may amend the phasing of the Ticket Retailing Modernisation Programme, providing that the Operator informs RfL promptly of such amendment and such implementation and any such amendment has no adverse impact on the ticket retailing capabilities at each relevant Operator Leased Station.

Price for exercising the Priced Option (in £ base date)

- 1.5 Where this Priced Option is called by RfL in accordance with its terms:
- 1.5.1 the price for this Priced Option shall be the price set out in Table 1 in Schedule 12.3 (*Adjustments to Concession Payments*) and adjustments shall be made to Concession Payments accordingly;
 - 1.5.2 the first milestone payment in Table 2 in Schedule 12.3 (*Adjustments to Concession Payments*) shall be made by way of an Other Adjustment upon the closure of the first ticket office at an Operator Leased Station; and
 - 1.5.3 the second milestone payment in Table 2 in Schedule 12.3 (*Adjustments to Concession Payments*) shall be made by way of an Other Adjustment upon the closure of all ticket offices at Operator Leased Stations.

Notice period for calling the Priced Option to maintain price

- 1.6 The price referred to in paragraph 1.5 (*Description, Objective and Specification - Price for exercising the Priced Option (in £ base date)*) shall apply where RfL calls this Priced Option by issuing a notice to the Operator no later than 19 December 2025.

Effects on the Concession Agreement of exercising the Priced Option

- 1.7 Where RfL calls this Priced Option:
- 1.7.1 the changes to the Concession Payments anticipated by this Priced Option shall be made from the date of closure of the first ticket office at an Operator Leased Station;
 - 1.7.2 the Operator shall continue to staff the stations and supervise the ticket gatelines in accordance with paragraph 5 (*Staffing of Ticket Offices, Gatelines and Station Dispatch*) of Schedule 2.2 (*List of Concession Services*) during and after implementation of the Ticket Retailing Modernisation Programme;

Priced Option: Ticket Retailing Modernisation Programme

- 1.7.3 the Operator shall continue to satisfy the Key Performance Indicator relating to ticket queuing times at Operator Leased Stations in Appendix 1 (*Key Performance Indicators*) to Schedule 8.1 (*KPI Regime*) during and after implementation of the Ticket Retailing Modernisation Programme; and
- 1.7.4 no other changes shall be made to any of the service quality regimes set out in Schedule 8 (*Service Quality and Passenger Perception*).
- 1.8 Where any approvals required pursuant to paragraph 1.2.2(a) (*Description, Objective and Specification*) are not given, a Change shall occur.

Schedule 12.2
Calling and Implementing the Priced Option

1 Intention to call the Priced Option

- 1.1 At any time after the Start Date and before exercising its rights under paragraph 1.5 (*Price for exercising the Priced Option (in £ base date)*) of Schedule 12.1 (*Priced Option: Ticket Retailing Modernisation Programme*), RfL may issue the Operator with an intention to call the Priced Option, in which case:
- 1.1.1 as soon as reasonably practicable (and in any event within one (1) month) following such intention to call the Priced Option being issued, the Operator shall prepare and submit to RfL a draft of the Ticket Retailing Modernisation Plan;
 - 1.1.2 the Operator shall respond promptly to any requests from RfL for clarification or further information;
 - 1.1.3 where requested by RfL, the Operator shall meet with RfL to discuss the plan submitted pursuant to paragraph 1.1.1 (*Intention to call the Priced Option*); and
 - 1.1.4 the Operator shall update the plan submitted pursuant to paragraph 1.1.1 (*Intention to call the Priced Option*) to reflect the clarifications and further information provided pursuant to paragraph 1.1.2 (*Intention to call the Priced Option*) and the outcome of the discussions referred to in paragraph 1.1.3 (*Intention to call the Priced Option*).

2 Terms on which the Priced Option may be called

- 2.1 RfL may call the Priced Option by issuing a written notice to the Operator:
- 2.1.1 in accordance with the terms of the Priced Option set out in Schedule 12.1 (*Priced Option: Ticket Retailing Modernisation Programme*), in which case those terms, including the price specified for the Priced Option in Schedule 12.3 (*Adjustments to Concession Payments*), shall apply; and
 - 2.1.2 subject to paragraph 2.2 (*Terms on which the Priced Option may be called*), on different terms to those specified in the Priced Option, provided that difference is not material (and calling such Priced Option at a later date shall not be a material difference).
- 2.2 Where RfL issues a written notice to the Operator in accordance with paragraph 2.1.2 (*Terms on which the Priced Option may be called*):
- 2.2.1 the parties shall consult for a reasonable period of time after the call of the Priced Option to agree the amendments to this Agreement that are required in order to reflect only that call on different terms; and
 - 2.2.2 such call shall be a Change, but only to the extent of determining the difference from the price specified in Schedule 12.3 (*Adjustments to Concession Payments*) caused only by that call on different terms.

- 2.3 Where any condition specified in Schedule 12.1 (*Priced Option: Ticket Retailing Modernisation Programme*) is not satisfied (other than by reason of failure by the Operator to take reasonable steps to satisfy such condition, where appropriate), then that shall constitute 'different terms' for purposes of paragraph 2.1.2 (*Terms on which the Priced Option may be called*) and paragraph (u)(i) of the definition of Change.

3 **Implementation of the Priced Option**

The Operator shall implement the Priced Option in accordance with:

- 3.1 its terms where RfL has called the Priced Option in accordance with its terms; and
- 3.2 any additional or alternative terms agreed pursuant to paragraph 2.1.2 (*Terms on which the Priced Option may be called*).

Schedule 12.3
Adjustments to Concession Payments

1 Priced Option: Concession Payments

This Table 1 sets out the increments or decrements to the figures for calculation of the Annual Concession Payments and set out in Appendix 1 (*Annual Concession Payment Figures*) to Schedule 11.2 (*Annual Concession Payments and Indexation*) where the Priced Option is called in accordance with paragraph 1.5 (*Description, Objective and Specification - Price for exercising the Priced Option (in £ base date)*) of Schedule 12.1 (*Priced Option: Ticket Retailing Modernisation Programme*).

Table 1:

Column 1	Column 2	Column 3	Column 4	Column 5	Column 6
Concession Year	FXD (£)	VCRPI (£)	VCCPI (£)	VCSCI (£)	PCPI (£)
Year 1 25 May 2025 to 31 March 2026	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Year 2 1 April 2026 to 31 March 2027	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Year 3 1 April 2027 to 31 March 2028	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Year 4 1 April 2028 to 31 March 2029	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Year 5 1 April 2029 to 31 March 2030	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Year 6 1 April 2030 to 31 March 2031	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Year 7	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

Schedule 12.3
Adjustments to Concession Payments

Column 1	Column 2	Column 3	Column 4	Column 5	Column 6
Concession Year	FXD (£)	VCRPI (£)	VCCPI (£)	VCSCI (£)	PCPI (£)
1 April 2031 to 31 March 2032					
Year 8 – Part (Core) 1 April 2032 to 29 May 2032	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Year 8 – Part (Schedule 19 continuation or up to seven (7) Reporting Period extension) Potentially 30 May 2032 to 31 March 2033	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Year 9 (Schedule 19 continuation) Potentially 1 April 2033 to 31 March 2034	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Year 10 – Part (Schedule 19 continuation or up to 7 Reporting Period extension) Potentially 1 April 2034 to 9 December 2034	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

2 **Priced Option: Milestone Payments**

This Table 2 sets out the milestone payments that are:

- 2.1 amounts as at the Indexation Base Month and shall be indexed in accordance with paragraph 3 (*Indexation by reference to CPI*) of Schedule 11.2 (*Annual Concession Payments and Indexation*); and
- 2.2 payable by way of Other Adjustments where the Priced Option is called in accordance with paragraph 1.5 (*Description, Objective and Specification - Price for exercising the Priced Option (in £ base date)*) of Schedule 12.1 (*Priced Option: Ticket Retailing Modernisation Programme*).

Table 2:

Column 1	Column 2
Milestone Payment	Amount (£)
First Milestone Payment	[REDACTED]
Second Milestone Payment	[REDACTED]

Schedule 12.4
Anticipated Service Modifications

1 Calling a Service Modification

Notice of obligation to implement a Service Modification

- 1.1 RfL may issue a written notice to the Operator calling for the implementation of any Service Modification:
- 1.1.1 in accordance with the terms of that Service Modification set out in Appendix 1 (*List of Anticipated Service Modifications*), in which case paragraph 4 (*Consequences of calling a Service Modification*) shall apply; or
 - 1.1.2 subject to paragraph 1.2 (*Calling a Service Modification – Notice of obligation to implement a Service Modification*), on different terms to those specified in that Service Modification and/or by calling for a Service Level Commitment that is different from the Service Level Commitment that is the subject of that Service Modification, provided that difference is not material.

Service Modification to be implemented on different terms

- 1.2 Where RfL issues a written notice to the Operator in accordance with paragraph 1.1.2 (*Calling a Service Modification - Notice of obligation to implement a Service Modification*):
- 1.2.1 the parties shall consult for a reasonable period of time after the call of the relevant Service Modification to agree the amendments to this Agreement that are required in order to reflect only that call on different terms and/or the different Service Level Commitment; and
 - 1.2.2 such call shall be a Change, but only to the extent of determining the difference from the price specified in Appendix 2 (*Adjustments to Concession Payments and Assumed Traction Electricity Consumption*) caused only by that call on different terms and/or that different Service Level Commitment.
- 1.3 Where any condition specified in Appendix 1 (*List of Anticipated Service Modifications*) in relation to a Service Modification is not satisfied (other than by reason of failure by the Operator to take reasonable steps to satisfy such condition, where appropriate), then that shall constitute 'different terms' for the purposes of paragraph 1.2 (*Service Modification to be implemented on different terms*) and paragraph (v) of the definition of Change.

Applicable Service Modification

- 1.4 Where RfL calls any Service Modification, the Service Level Commitment that is the subject of that Service Modification shall be the Service Level Commitment that applies unless and until:

- 1.4.1 the date the Operator is required by RfL to operate an alternative Timetable through the issue of a new Service Level Commitment in accordance with the passenger service development procedure set out Schedule 1.1 (*Timetable and Service Development*) or this Schedule 12.4 (*Anticipated Service Modifications*); or
- 1.4.2 the end of the Concession Period if RfL does not so require.

2 Requirement to implement a Service Modification

- 2.1 Where RfL calls any Service Modification, the Operator shall, subject to the satisfaction of the conditions that apply to that Service Modification, implement that Service Modification in accordance with its terms, whether those terms are as set out in Appendix 1 (*List of Anticipated Service Modifications*) or as notified to the Operator by RfL pursuant to paragraph 1.1.2 (*Calling a Service Modification – Service Modification to be implemented on different terms*).
- 2.2 The requirement to implement a Service Modification shall include an obligation on the Operator:
 - 2.2.1 to use all reasonable endeavours in accordance with the requirements of paragraph 8 (*Timetable Development Rights during a Timetable Planning Period*) of Schedule 1.1 (*Timetable and Service Development*) to obtain the Timetable Development Rights that are necessary in order to provide the Passenger Services that are the subject of that Service Modification;
 - 2.2.2 to consult with the Rolling Stock Provider in a timely manner in order to agree any necessary changes to the relevant maintenance plan to reflect any amended maintenance periodicities as a consequence of operating the Passenger Services that are the subject of that Service Modification; and
 - 2.2.3 to consult such other persons as are appropriate on any operational changes and/or practices in order to operate the Passenger Services that are the subject of that Service Modification within the operating capability and capacity of the existing Elizabeth Line Route.
- 2.3 Where a Service Modification is called by RfL, the Operator shall implement that Service Modification as soon as reasonably practicable thereafter, but in any event shall operate the Passenger Services that are the subject of that Service Modification:
 - 2.3.1 on the earliest date of operation specified in Appendix 1 (*List of Anticipated Service Modifications*); or
 - 2.3.2 where RfL specifies otherwise, on any Passenger Change Date that occurs after the date referred to in paragraph 2.3.1 (*Requirement to implement a Service Modification*) that is after the date which occurs no less than the minimum amount of notice specified in Column 2 of

Appendix 1 (*List of Anticipated Service Modifications*) after that Service Modification is called.

3 Conditions to the requirement to operate Passenger Services

Unless otherwise stated in the Table in Appendix 1 (*List of Anticipated Service Modifications*) as a condition to the operation of the Passenger Services that are the subject of a Service Modification, no infrastructure comprising the Elizabeth Line Route, the wider network or any Elizabeth Line Station need be upgraded or enhanced in any way, or additional rolling stock procured or existing rolling stock comprising the Train Fleet enhanced, in each case in order to operate those Passenger Services.

4 Consequences of calling a Service Modification

Financial consequences where Passenger Services to operate as anticipated

4.1 Where, in accordance with the terms of any Service Modification, RfL calls for the Passenger Services that are the subject of that Service Modification to be operated on the earliest date of operation specified in Appendix 1 (*List of Anticipated Service Modifications*), then from that date of operation of those Passenger Services:

4.1.1 Concession Payments specified in Appendix 1 (*Annual Concession Payment Figures*) to Schedule 11.2 (*Annual Concession Payments and Indexation*) shall be amended to reflect the increments or decrements set out in Table 1A, 1B or 1C (as the case may be) in Appendix 2 (*Adjustments to Concession Payments and Assumed Traction Electricity Consumption*) and the resulting adjusted Concession Payments shall be made accordingly;

4.1.2 the mobilisation payment that is specified in Table 2A, 2B or 2C (as the case may be) in Appendix 2 (*Adjustments to Concession Payments and Assumed Traction Electricity Consumption*) for the Concession Year in which those additional Passenger Services are to be first operated:

(a) is an amount as at the Indexation Base Month and shall be indexed in accordance with paragraph 3 (*Indexation by reference to CPI*) of Schedule 11.2 (*Annual Concession Payments and Indexation*); and

(b) shall be payable as a single Other Adjustment in the Reporting Period in which the Passenger Services that are the subject of the Service Modification are first operated and on no further occasion;

4.1.3 the traction electricity prices specified in Appendix 2 (*Assumed Traction Electricity Prices and Consumption*) to Schedule 11.2 (*Annual Concession Payments and Indexation*) shall apply; and

4.1.4 the assumed traction electricity consumption specified in Appendix 2 (*Assumed Traction Electricity Prices and Consumption*) to Schedule 11.2 (*Annual Concession Payments and Indexation*) shall be

amended to reflect the increments or decrements set out in Table 1A, 1B or 1C (as the case may be) in Appendix 2 (*Adjustments to Concession Payments and Assumed Traction Electricity Consumption*) and the resulting adjusted assumed traction electricity consumption shall be used to calculate the Traction Electricity Adjustment (if any).

Financial consequences where Passenger Services to operate later than anticipated

- 4.2 Where, in accordance with the terms of any Service Modification, RfL calls for the Passenger Services that are the subject of that Service Modification to be operated in the same Concession Year as the Concession Year (the "**Reference Operating Year**") in which the earliest date of operation specified in Appendix 1 (*List of Anticipated Service Modifications*) occurs, but on a later Passenger Change Date, then from that date of operation of those Passenger Services:
- 4.2.1 Concession Payments shall be amended to reflect the increments or decrements set out in relation to the Reference Operating Year in Table 1A, 1B or 1C (as the case may be) in Appendix 2 (*Adjustments to Concession Payments and Assumed Traction Electricity Consumption*) and each subsequent Concession Year as set out in Table 1A, 1B or 1C (as the case may be) in Appendix 2 (*Adjustments to Concession Payments and Assumed Traction Electricity Consumption*);
- 4.2.2 the mobilisation payment that is specified in Table 2A, 2B or 2C (as the case may be) in Appendix 2 (*Adjustments to Concession Payments and Assumed Traction Electricity Consumption*) for the Reference Operating Year:
- (a) is an amount as at the Indexation Base Month and shall be indexed in accordance with paragraph 3 (*Indexation by reference to CPI*) of Schedule 11.2 (*Annual Concession Payments and Indexation*); and
- (b) shall be payable as a single Other Adjustment in the Reporting Period in which the Passenger Services that are the subject of the Service Modification are first operated and on no further occasion;
- 4.2.3 the traction electricity price for the Reference Operating Year shall continue to apply for the remainder of that Concession Year and the relevant traction electricity price for each subsequent Concession Year shall apply as set out in Appendix 2 (*Assumed Traction Electricity Prices and Consumption*) to Schedule 11.2 (*Annual Concession Payments and Indexation*); and
- 4.2.4 the assumed traction electricity consumption specified in Appendix 2 (*Assumed Traction Electricity Prices and Consumption*) to Schedule 11.2 (*Annual Concession Payments and Indexation*) shall be amended to reflect the increments or decrements in relation to that

Reference Operating Year (or remaining part thereof, on a proportionate basis) set out in Table 1A, 1B or 1C (as the case may be) in Appendix 2 (*Adjustments to Concession Payments and Assumed Traction Electricity Consumption*) and each subsequent Concession Year as set out in Table 1A, 1B or 1C (as the case may be) in Appendix 2 (*Adjustments to Concession Payments and Assumed Traction Electricity Consumption*).

- 4.3 Where, in accordance with the terms of any Service Modification, RfL calls for the Passenger Services that are the subject of that Service Modification to be operated in a later Concession Year (the "**Operating Year**") than the Reference Operating Year, then from that date of operation of those Passenger Services:
- 4.3.1 Concession Payments shall be amended to reflect the increments or decrements set out in relation to the Operating Year in Table 1A, 1B or 1C (as the case may be) in Appendix 2 (*Adjustments to Concession Payments and Assumed Traction Electricity Consumption*) and each subsequent Concession Year as set out in the Table 1A, 1B or 1C (as the case may be) in Appendix 2 (*Adjustments to Concession Payments and Assumed Traction Electricity Consumption*), provided that those Concession Payments will not be amended to reflect the Concession Payments set out in Table 1A, 1B or 1C (as the case may be) in Appendix 2 (*Adjustments to Concession Payments and Assumed Traction Electricity Consumption*) for the Reference Operating Year or any other preceding Concession Year;
- 4.3.2 the mobilisation payment that is specified in Table 2A, 2B or 2C (as the case may be) in Appendix 2 (*Adjustments to Concession Payments and Assumed Traction Electricity Consumption*) for the Operating Year:
- (a) is an amount as at the Indexation Base Month and shall be indexed in accordance with paragraph 3 (*Indexation by reference to CPI*) of Schedule 11.2 (*Annual Concession Payments and Indexation*); and
- (b) shall be payable as a single Other Adjustment in the Reporting Period in which the Passenger Services that are the subject of the Service Modification are first operated and on no further occasion;
- 4.3.3 the traction electricity price for the Operating Year shall be the price that is set out in Appendix 2 (*Assumed Traction Electricity Prices and Consumption*) to Schedule 11.2 (*Annual Concession Payments and Indexation*) for the Operating Year and the traction electricity price for each subsequent Concession Year shall also apply as set out in Schedule 11.2 (*Annual Concession Payments and Indexation*); and
- 4.3.4 the assumed traction electricity consumption specified in Appendix 2 (*Assumed Traction Electricity Prices and Consumption*) to Schedule

11.2 (*Annual Concession Payments and Indexation*) shall be amended to reflect the increments or decrements in relation to that Operating Year (or remaining part thereof, on a proportionate basis) in Table 1A, 1B or 1C (as the case may be) in Appendix 2 (*Adjustments to Concession Payments and Assumed Traction Electricity Consumption*), provided that those assumed traction electricity consumption figures will not be amended to reflect the assumed traction electricity consumption set out in Table 1A, 1B or 1C for the Reference Operating Year or any other preceding Concession Year.

Appendix 1 to Schedule 12.4
List of Anticipated Service Modifications

Column 1	Column 2
Service Modification Description	Conditions to implementation of Service Modification
A [REDACTED]	
This Service Modification A requires the Operator within the period following notice specified in Column 2 to [REDACTED] as more particularly described in SLC1 or SLC2 (as the case may be).	<p>The following is the condition to the operation of the [REDACTED] that is the subject of this Service Modification A:</p> <p>RfL providing the Operator with a minimum of fifty (50) weeks' notice of the requirement to operate those Passenger Services, which date of operation shall be no earlier than the Passenger Change Date occurring in [REDACTED].</p>
B [REDACTED]	
This Service Modification B requires the Operator within the period following notice specified in paragraph 1 of Column 2 to operate an [REDACTED] as more particularly described in in SLC1 or SLC2 (as the case may be).	<p>The following are conditions to the operation of an [REDACTED] that is the subject of this Service Modification B:</p> <ol style="list-style-type: none"> 1 RfL providing the Operator with a minimum of fifty (50) weeks' notice of the requirement to operate those Passenger Services, which date of operation shall be no earlier than the Passenger Change Date occurring in [REDACTED]; and 2 the Operator obtaining the Timetable Development Rights that are necessary in order to provide the Passenger Services that are the subject of this Service Modification B.
C [REDACTED]	
This Service Modification C requires the Operator within the period following notice specified in paragraph 1 of	The following are conditions to the operation of an [REDACTED] that is the subject of this Service Modification C:

Column 1	Column 2
Service Modification Description	Conditions to implementation of Service Modification
Column 2 to operate an [REDACTED] as more particularly described in in SLC1 or SLC2 (as the case may be).	<ol style="list-style-type: none"> 1 RfL providing the Operator with a minimum of eighteen (18) months' notice of the requirement to operate those Passenger Services, which date of operation shall be no earlier than the Passenger Change Date occurring in [REDACTED]; and 2 the Operator obtaining the Timetable Development Rights that are necessary in order to provide the Passenger Services that are the subject of this Service Modification C.

Appendix 2 to Schedule 12.4
Adjustments to Concession Payments and Assumed Traction Electricity Consumption

1 Service Modification A: [REDACTED]

1.1 The figures in:

1.1.1 Columns 2 to 6 inclusive of Table 1A below show the increments or decrements to the figures for calculation of the Annual Concession Payments set out in Appendix 1 (*Annual Concession Payment Figures*) to Schedule 11.2 (*Annual Concession Payments and Indexation*) where Service Modification A is called in accordance with the relevant terms set out in Schedule 12.4 (*Anticipated Service Modifications*); and

1.1.2 Column 7 of Table 1A below shows the decrements to the figures for the assumed traction electricity consumption (in kWh) set out in Appendix 2 (*Assumed Traction Electricity Prices and Consumption*) to Schedule 11.2 (*Annual Concession Payments and Indexation*) where Service Modification A is called in accordance with the relevant terms set out in Schedule 12.4 (*Anticipated Service Modifications*).

Table 1A:

Column 1 Concession Year	Column 2 FXD (£)	Column 3 VCRPI (£)	Column 4 VCCPI (£)	Column 5 VCSCI (£)	Column 6 PCPI (£)	Column 7 Decrement in Traction Electricity Consumption (in kWh)
Year 1 25 May 2025 to 31 March 2026	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Year 2 1 April 2026 to 31 March 2027	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Year 3 1 April 2027 to 31 March 2028	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Year 4 1 April 2028 to 31 March 2029	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

Column 1	Column 2	Column 3	Column 4	Column 5	Column 6	Column 7
Concession Year	FXD (£)	VCRPI (£)	VCCPI (£)	VCSCI (£)	PCPI (£)	Decrement in Traction Electricity Consumption (in kWh)
Year 5 1 April 2029 to 31 March 2030	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Year 6 1 April 2030 to 31 March 2031	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Year 7 1 April 2031 to 31 March 2032	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Year 8 – Part (Core) 1 April 2032 to 29 May 2032	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Year 8 – Part (Schedule 19 continuation or up to seven (7) Reporting Period extension) Potentially 30 May 2032 to 31 March 2033	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Year 9 (Schedule 19 continuation) Potentially 1 April	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

Column 1	Column 2	Column 3	Column 4	Column 5	Column 6	Column 7
Concession Year	FXD (£)	VCRPI (£)	VCCPI (£)	VCSCI (£)	PCPI (£)	Decrement in Traction Electricity Consumption (in kWh)
2033 to 31 March 2034						
Year 10 – Part (Schedule 19 continuation or up to 7 Reporting Period extension) Potentially 1 April 2034 to 9 December 2034)	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

1.2 Column 2 of Table 2A below shows the one-off mobilisation payment that applies and which:

1.2.1 is indexed pursuant to, as the case may be, paragraph 4.1.2(a) (*Consequences of calling a Service Modification – Financial consequences where Passenger Services to operate as anticipated*), 4.2.2(a) (*Consequences of calling a Service Modification – Financial consequences where Passenger Services to operate later than anticipated*) or 4.3.2(a) (*Consequences of calling a Service Modification – Financial consequences where Passenger Services to operate later than anticipated*) in each case of Schedule 12.4 (*Anticipated Service Modifications*); and

1.2.2 will be payable as a single Other Adjustment in the Reporting Period in which the Passenger Services that are the subject of Service Modification A are first operated.

Table 2A:

Column 1	Column 2
Milestone Payment	Amount (£)
Service Modification A Mobilisation Payment	[REDACTED]

2 **Service Modification B: [REDACTED]**

2.1 The figures in:

2.1.1 Columns 2 to 6 inclusive of Table 1B below show the increments or decrements to the figures for calculation of the Annual Concession Payments set out in Appendix 1 (*Annual Concession Payment Figures*) to Schedule 11.2 (*Annual Concession Payments and Indexation*) where Service Modification B is called in accordance with the relevant terms set out in Schedule 12.4 (*Anticipated Service Modifications*); and

2.1.2 Column 7 of Table 1B below shows the increments to the figures for the assumed traction electricity consumption (in kWh) set out in Appendix 2 (*Assumed Traction Electricity Prices and Consumption*) to Schedule 11.2 (*Annual Concession Payments and Indexation*) where Service Modification B is called in accordance with the relevant terms set out in Schedule 12.4 (*Anticipated Service Modifications*).

Table 1B:

Column 1 Concession Year	Column 2 FXD (£)	Column 3 VCRPI (£)	Column 4 VCCPI (£)	Column 5 VCSCI (£)	Column 6 PCPI (£)	Column 7 Increment in Traction Electricity Consumption (in kWh)
Year 1 25 May 2025 to 31 March 2026	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Year 2 1 April 2026 to 31 March 2027	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Year 3 1 April 2027 to 31 March 2028	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Year 4 1 April 2028 to 31 March 2029	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Year 5 1 April 2029 to 31 March 2030	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

Column 1	Column 2	Column 3	Column 4	Column 5	Column 6	Column 7
Concession Year	FXD (£)	VCRPI (£)	VCCPI (£)	VCSCI (£)	PCPI (£)	Increment in Traction Electricity Consumption (in kWh)
Year 6 1 April 2030 to 31 March 2031	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Year 7 1 April 2031 to 31 March 2032	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Year 8 – Part (Core) 1 April 2032 to 29 May 2032	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Year 8 – Part (Schedule 19 continuation or up to seven (7) Reporting Period extension) Potentially 30 May 2032 to 31 March 2033	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Year 9 (Schedule 19 continuation) Potentially 1 April 2033 to 31 March 2034	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Year 10 – Part	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

Column 1	Column 2	Column 3	Column 4	Column 5	Column 6	Column 7
Concession Year	FXD (£)	VCRPI (£)	VCCPI (£)	VCSCI (£)	PCPI (£)	Increment in Traction Electricity Consumption (in kWh)
(Schedule 19 continuation or up to 7 Reporting Period extension) Potentially 1 April 2034 to 9 December 2034)						

2.1 Column 2 of Table 2B below shows the one-off mobilisation payment that applies and which:

- 2.1.1 is indexed pursuant to, as the case may be, paragraph 4.1.2(a) (*Consequences of calling a Service Modification – Financial consequences where Passenger Services to operate as anticipated*), 4.2.2(a) (*Consequences of calling a Service Modification – Financial consequences where Passenger Services to operate later than anticipated*) or 4.3.2(a) (*Consequences of calling a Service Modification – Financial consequences where Passenger Services to operate later than anticipated*) in each case of Schedule 12.4 (*Anticipated Service Modifications*); and
- 2.1.2 will be payable as a single Other Adjustment in the Reporting Period in which the Passenger Services that are the subject of Service Modification B are first operated.

Table 2B:

Column 1	Column 2
Milestone Payment	Amount (£)
Service Modification B Mobilisation Payment	[REDACTED]

3 **Service Modification C: [REDACTED]**

3.1 The figures in:

3.1.1 Columns 2 to 6 inclusive of Table 1C below show the increments or decrements to the figures for calculation of the Annual Concession Payments set out in Appendix 1 (*Annual Concession Payment Figures*) to Schedule 11.2 (*Annual Concession Payments and Indexation*) where Service Modification C is called in accordance with the relevant terms set out in Schedule 12.4 (*Anticipated Service Modifications*); and

3.1.2 Column 7 of Table 1C below shows the increments to the figures for the assumed traction electricity consumption (in kWh) set out in Appendix 2 (*Assumed Traction Electricity Prices and Consumption*) to Schedule 11.2 (*Annual Concession Payments and Indexation*) where Service Modification C is called in accordance with the relevant terms set out in Schedule 12.4 (*Anticipated Service Modifications*).

Table 1C:

Column 1 Concession Year	Column 2 FXD (£)	Column 3 VCRPI (£)	Column 4 VCCPI (£)	Column 5 VCSCI (£)	Column 6 PCPI (£)	Column 7 Increment in Traction Electricity Consumption (in kWh)
Year 1 25 May 2025 to 31 March 2026	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Year 2 1 April 2026 to 31 March 2027	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Year 3 1 April 2027 to 31 March 2028	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Year 4 1 April 2028 to 31 March 2029	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Year 5 1 April 2029 to 31 March 2030	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

Column 1	Column 2	Column 3	Column 4	Column 5	Column 6	Column 7
Concession Year	FXD (£)	VCRPI (£)	VCCPI (£)	VCSCI (£)	PCPI (£)	Increment in Traction Electricity Consumption (in kWh)
Year 6 1 April 2030 to 31 March 2031	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Year 7 1 April 2031 to 31 March 2032	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Year 8 – Part (Core) 1 April 2032 to 29 May 2032	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Year 8 – Part (Schedule 19 continuation or up to seven (7) Reporting Period extension) Potentially 30 May 2032 to 31 March 2033	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Year 9 (Schedule 19 continuation) Potentially 1 April 2033 to 31 March 2034	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Year 10 – Part	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

Column 1	Column 2	Column 3	Column 4	Column 5	Column 6	Column 7
Concession Year	FXD (£)	VCRPI (£)	VCCPI (£)	VCSCI (£)	PCPI (£)	Increment in Traction Electricity Consumption (in kWh)
(Schedule 19 continuation or up to 7 Reporting Period extension) Potentially 1 April 2034 to 9 December 2034						

3.1 Column 2 of Table 2C below shows the one-off mobilisation payment that applies and which:

- 3.1.1 is indexed pursuant to, as the case may be, paragraph 4.1.2(a) (*Consequences of calling a Service Modification – Financial consequences where Passenger Services to operate as anticipated*), 4.2.2(a) (*Consequences of calling a Service Modification – Financial consequences where Passenger Services to operate later than anticipated*) or 4.3.2(a) (*Consequences of calling a Service Modification – Financial consequences where Passenger Services to operate later than anticipated*) in each case of Schedule 12.4 (*Anticipated Service Modifications*); and
- 3.1.2 will be payable as a single Other Adjustment in the Reporting Period in which the Passenger Services that are the subject of Service Modification C are first operated.

Table 2C:

Column 1	Column 2
Milestone Payment	Amount (£)
Service Modification C Mobilisation Payment	[REDACTED]

Schedule 13
Changes and Variations

Schedule 13.1: Financial Consequences of Change

Schedule 13.2: Identity of the Suite of Models

Schedule 13.3: Runs of the Model Suite

Schedule 13.4: Variations

Schedule 13.1
Financial Consequences of Change

1 Financial Consequences of a Change

1.1 When there is or is to be a Qualifying Change:

1.1.1 each of the:

- (a) mileage adjustment rates in the Appendix (*Mileage Adjustment Rates*) to Schedule 1.3 (*Managing Changes to the Passenger Services*) for each Concession Year (or part thereof);
- (b) values of FXD, VCRPI, VCCPI, VCSCI and PCPI to be specified for each Concession Year (or part thereof) in Appendix 1 (*Annual Concession Payment Figures*) to Schedule 11.2 (*Annual Concession Payments and Indexation*);
- (c) assumed consumption of traction current for each Concession Year (or part thereof) specified in Appendix 2 (*Assumed Traction Electricity Prices and Consumption*) to Schedule 11.2 (*Annual Concession Payments and Indexation*);
- (d) values of threshold profit set out in Appendix 1 (*Threshold Profit*) to Schedule 11.4 (*Profit Share*) for each Concession Year (or part thereof);
- (e) values of the components of AFA set out in Appendix 2 (*Components of AFA*) to Schedule 11.4 (*Profit Share*) for each Concession Year (or part thereof);
- (f) adjustments to the values of FXD, VCRPI, VCCPI, VCSCI and PCPI to be specified for each Concession Year (or part thereof) in paragraph 1 (Priced Option: Concession Payments) of Schedule 12.3 (Adjustments to Concession Payments);
- (g) milestone payments in respect of the Priced Option set out in Column 2 of the table in paragraph 2 (Priced Option: Milestone Payments) of Schedule 12.3 (Adjustments to Concession Payments);
- (h) values of FXD, VCRPI, VCCPI, VCSCI and PCPI to be specified for each Concession Year (or part thereof) in Table 1A, Table 1B and Table 1C in Schedule 12.4 (*Anticipated Service Modifications*);
- (i) increments or decrements to the assumed consumption of traction current for each Concession Year (or part thereof)

specified in Column 7 of Table 1A, Table 1B and Table 1C in Schedule 12.4 (*Anticipated Service Modifications*); and

- (j) values of the Service Modification Mobilisation Payment set out in Table 2A, Table 2B and Table 2C in Schedule 12.4 (*Anticipated Service Modifications*),

shall be restated in the amounts and values ascertained by a Run of the Model Suite in accordance with Schedule 13.3 (*Runs of the Model Suite*); but

- 1.1.2 after taking into account any reconciliation payment relating to Estimated Revisions pursuant to paragraph 7 (*Estimated Revisions*) of Schedule 13.3 (*Runs of the Model Suite*).

- 1.2 Where a Run of the Model Suite is required it shall be performed:

- 1.2.1 where it is reasonably practicable to do so, at least three (3) Reporting Periods prior to the Qualifying Change; or

- 1.2.2 as soon as reasonably practicable thereafter.

- 1.3 The restated amounts and values shall have effect on and from the later of:

- 1.3.1 the date of the Qualifying Change or the date of the last Change pursuant to paragraph 3.1 (*Changes beneath Threshold Amount*) (as the case may be); and

- 1.3.2 the date on which RfL approves or the Model Suite Run Auditor certifies the results of the Run of the Model Suite.

- 1.4 RfL may stipulate (on or before the date on which RfL approves or the Model Suite Run Auditor certifies the results of the Run of the Model Suite) that those amounts and values are to apply for a limited period of time only, with provision thereafter, if appropriate, for a further Run of the Model Suite with new Revised Inputs based on information available at that time.

2 **Estimated Financial Consequences**

- 2.1 Where:

- 2.1.1 there is or is to be a Change before there is a Run of the Model Suite in relation to it; and

- 2.1.2 RfL reasonably determines that the Change is likely to be a Qualifying Change,

then RfL shall in accordance with paragraph 2.3 (*Estimated Financial Consequences*) notify to the Operator a reasonable estimate of the:

- (a) mileage adjustment rates in the Appendix (*Mileage Adjustment Rates*) to Schedule 1.3 (*Managing Changes to the Passenger Services*) for each Concession Year (or part thereof);

- (b) values of FXD, VCRPI, VCCPI, VCSCI and PCPI to be specified for each Concession Year (or part thereof) in Appendix 1 (*Annual Concession Payment Figures*) to Schedule 11.2 (*Annual Concession Payments and Indexation*);
- (c) assumed consumption of traction current for each Concession Year (or part thereof) specified in Appendix 2 (*Assumed Traction Electricity Prices and Consumption*) to Schedule 11.2 (*Annual Concession Payments and Indexation*);
- (d) values of threshold profit set out in Appendix 1 (*Threshold Profit*) to Schedule 11.4 (*Profit Share*) for each Concession Year (or part thereof);
- (e) values of the components of AFA set out in Appendix 2 (*Components of AFA*) to Schedule 11.4 (*Profit Share*) for each Concession Year (or part thereof);
- (f) adjustments to the values of FXD, VCRPI, VCCPI, VCSCI and PCPI to be specified for each Concession Year (or part thereof) in paragraph 1 (Priced Option: Concession Payments) of Schedule 12.3 (Adjustments to Concession Payments);
- (g) milestone payments in respect of the Priced Option set out in Column 2 of the table in paragraph 2 (Priced Option: Milestone Payments) of Schedule 12.3 (Adjustments to Concession Payments);
- (h) values of FXD, VCRPI, VCCPI, VCSCI and PCPI to be specified for each Concession Year (or part thereof) in Table 1A, Table 1B and Table 1C in Schedule 12.4 (*Anticipated Service Modifications*);
- (i) increments or decrements to the assumed consumption of traction current for each Concession Year (or part thereof) specified in Column 7 of Table 1A, Table 1B and Table 1C in Schedule 12.4 (*Anticipated Service Modifications*); and
- (j) values of the Service Modification Mobilisation Payment set out in Table 2A, Table 2B and Table 2C in Schedule 12.4 (*Anticipated Service Modifications*),

which a Run of the Model Suite using RfL's view of Revised Inputs and any Model Changes would produce (the "**Estimated Revisions**").

2.2 In the circumstances described in paragraph 2.1 (*Estimated Financial Consequences*) the:

- 2.2.1 mileage adjustment rates in the Appendix (*Mileage Adjustment Rates*) to Schedule 1.3 (*Managing Changes to the Passenger Services*) for each Concession Year (or part thereof);
- 2.2.2 values of FXD, VCRPI, VCCPI, VCSCI and PCPI to be specified for each Concession Year (or part thereof) in Appendix 1 (*Annual*

Concession Payment Figures) to Schedule 11.2 (*Annual Concession Payments and Indexation*);

- 2.2.3 assumed consumption of traction current for each Concession Year (or part thereof) specified in Appendix 2 (*Assumed Traction Electricity Prices and Consumption*) to Schedule 11.2 (*Annual Concession Payments and Indexation*);
- 2.2.4 values of threshold profit set out in Appendix 1 (*Threshold Profit*) to Schedule 11.4 (*Profit Share*) for each Concession Year (or part thereof);
- 2.2.5 values of the components of AFA set out in Appendix 2 (*Components of AFA*) to Schedule 11.4 (*Profit Share*) for each Concession Year (or part thereof);
- 2.2.6 adjustments to the values of FXD, VCRPI, VCCPI, VCSCI and PCPI to be specified for each Concession Year (or part thereof) in paragraph 1 (Priced Option: Concession Payments) of Schedule 12.3 (Adjustments to Concession Payments);
- 2.2.7 milestone payments in respect of the Priced Option set out in Column 2 of the table in paragraph 2 (Priced Option: Milestone Payments) of Schedule 12.3 (Adjustments to Concession Payments);
- 2.2.8 values of FXD, VCRPI, VCCPI, VCSCI and PCPI to be specified for each Concession Year (or part thereof) in Table 1A, Table 1B and Table 1C in Schedule 12.4 (*Anticipated Service Modifications*);
- 2.2.9 increments or decrements to the assumed consumption of traction current for each Concession Year (or part thereof) specified in Column 7 of Table 1A, Table 1B and Table 1C in Schedule 12.4 (*Anticipated Service Modifications*); and
- 2.2.10 values of the Service Modification Mobilisation Payment set out in Table 2A, Table 2B and Table 2C in Schedule 12.4 (*Anticipated Service Modifications*),

shall be restated in the amounts and values of the Estimated Revisions, and Concession Payments shall be paid accordingly until the Run of the Model Suite has taken place and its results have been put into effect.

- 2.3 RfL shall use all reasonable endeavours to provide the notification required by paragraph 2.1 (*Estimated Financial Consequences*) at least two (2) Reporting Periods before it considers the Change is likely to occur. If, having exercised all reasonable endeavours, RfL cannot provide two (2) Reporting Periods' notice, it shall provide such notification as soon as reasonably practicable afterwards.
- 2.4 The restated amounts and values shall have effect on and from the later of:
 - 2.4.1 the date of the Change; and

- 2.4.2 the date on which RfL notifies the Operator of the Estimated Revisions.

3 **Changes Beneath Threshold Amount**

- 3.1 Subject to paragraph 3.3 (*Changes Beneath Threshold Amount*), paragraph 1 (*Financial Consequences of a Change*) shall also apply to any two (2) or more Changes which do not exceed the Threshold Amount taken alone but which do exceed it when taken together (any such Change being a "**Sub-Threshold Change**").
- 3.2 If either party believes that two (2) or more Sub-Threshold Changes, when taken together, exceed the Threshold Amount, such that paragraph 3.1 (*Changes Beneath Threshold Amount*) applies, such party shall notify the other party within the time limit prescribed in paragraph 4.2.2(c) (*Time Limits - Requirement to notify a Qualifying Change*).
- 3.3 Where the parties have aggregated two (2) or more Sub-Threshold Changes pursuant to paragraph 3.1 (*Changes Beneath Threshold Amount*) and consequently performed a Run of the Model Suite in accordance with paragraph 1 (*Financial Consequences of a Change*) in relation to those Sub-Threshold Changes, upon the performance of that Run of the Model Suite and any restatement of the:
- 3.3.1 mileage adjustment rates in the Appendix (*Mileage Adjustment Rates*) to Schedule 1.3 (*Managing Changes to the Passenger Services*) for each Concession Year (or part thereof) ;
 - 3.3.2 values of FXD, VCRPI, VCCPI, VCSCI and PCPI to be specified for each Concession Year (or part thereof) in Appendix 1 (*Annual Concession Payment Figures*) to Schedule 11.2 (*Annual Concession Payments and Indexation*);
 - 3.3.3 assumed consumption of traction current for each Concession Year (or part thereof) specified in Appendix 2 (*Assumed Traction Electricity Prices and Consumption*) to Schedule 11.2 (*Annual Concession Payments and Indexation*);
 - 3.3.4 values of threshold profit set out in Appendix 1 (*Threshold Profit*) to Schedule 11.4 (*Profit Share*) for each Concession Year (or part thereof);
 - 3.3.5 values of the components of AFA set out Appendix 2 (*Components of AFA*) to Schedule 11.4 (*Profit Share*) for each Concession Year (or part thereof);
 - 3.3.6 adjustments to the values of FXD, VCRPI, VCCPI, VCSCI and PCPI to be specified for each Concession Year (or part thereof) in paragraph 1 (Priced Option: Concession Payments) of Schedule 12.3 (Adjustments to Concession Payments);

- 3.3.7 milestone payments in respect of the Priced Option set out in Column 2 of the table in paragraph 2 (Priced Option: Milestone Payments) of Schedule 12.3 (Adjustments to Concession Payments);
- 3.3.8 values of FXD, VCRPI, VCCPI, VCSCI and PCPI to be specified for each Concession Year (or part thereof) in Table 1A, Table 1B and Table 1C in Schedule 12.4 (*Anticipated Service Modifications*);
- 3.3.9 increments or decrements to the assumed consumption of traction current for each Concession Year (or part thereof) specified in Column 7 of Table 1A, Table 1B and Table 1C in Schedule 12.4 (*Anticipated Service Modifications*); and
- 3.3.10 values of the Service Modification Mobilisation Payment set out in Table 2A, Table 2B and Table 2C in Schedule 12.4 (*Anticipated Service Modifications*),

then:

- (a) those Sub-Threshold Changes shall be disregarded and no longer aggregated to determine whether the Threshold Amount has been exceeded; and
- (b) it shall once again be necessary for the purpose of paragraph 3.1 (*Changes Beneath Threshold Amount*) for two (2) or more subsequent Sub-Threshold Changes to exceed, when taken together, the Threshold Amount in order for a Run of the Model Suite to be performed thereunder.

4 Time Limits

Requirement to Notify a Change

- 4.1 Each party shall (acting reasonably and in good faith) notify the other party of the occurrence of a Change as soon as reasonably practicable following:
 - 4.1.1 that notifying party becoming aware of the Change; or
 - 4.1.2 such date as the notifying party ought reasonably to have been aware of the occurrence of the Change, having regard to the nature of the Change and the circumstances relating to the Change.

Where:

- (a) the Operator fails to notify RfL of a Change within ten (10) Business Days of the circumstance set out in paragraph 4.1.1 (*Time Limits – Requirement to notify a Change*) or 4.1.2 (*Time Limits – Requirement to notify a Change*) (as the case may be); and
- (b) such failure to notify does not result from any act, omission or breach of this Agreement by RfL,

then, to the extent that the impact of the occurrence of such Change:

- (i) increases or would reasonably be expected to increase the Operator's costs, the Operator shall only be entitled to recover such additional costs from RfL up to the date on which it ought to have served notice in accordance with this paragraph 4.1 (*Time Limits – Requirement to notify a Change*) and no later; and
 - (ii) decreases or would reasonably be expected to decrease the Operator's costs, RfL shall be entitled to recover the full amount of such decreased costs from the Operator irrespective of the date upon which the notice is served.
- 4.2 Subject to paragraph 3 (*Variations Agreed in writing*) of Schedule 13.4 (*Variations*), either party may require there to be a Run of the Model Suite in respect of a Change provided that:
 - 4.2.1 there are good reasons for considering that a Change is likely to be a Qualifying Change; and
 - 4.2.2 that party notifies the other party of its requirement within six (6) months of:
 - (a) the notification or agreement of any Change that is a Variation pursuant to paragraph 1 (*Variations to this Agreement*) of Schedule 13.4 (*Variations*);
 - (b) becoming aware of any other Change; or
 - (c) where the claim is pursuant to paragraph 3.1 (*Changes beneath Threshold Amount*), the occurrence of the last Sub-Threshold Change.
- 4.3 Unless otherwise agreed between the parties, there shall be no entitlement to a Run of the Model Suite unless the claiming party has notified the other party within the six (6) month period referred to in paragraph 4.2 (*Time Limits – Requirement to notify a Change*).

Requirement to Notify a Sub-Threshold Change

- 4.4 Subject to paragraph 3 (*Variations Agreed in writing*) of Schedule 13.4 (*Variations*), each party shall promptly notify the other party where that notifying party, acting reasonably and in good faith, believes there are good reasons for considering that a Sub-Threshold Change has occurred. Such notification shall also specify the notifying party's best estimate of the financial impact of any such Sub-Threshold Change.
- 4.5 The Operator shall keep a register of any Sub-Threshold Changes that have been notified pursuant to paragraph 4.4 (*Time Limits – Requirement to notify a Sub-Threshold Change*) and promptly update that register and make it available to RfL following the notification of any Sub-Threshold Change pursuant to paragraph 4.4 (*Time Limits – Requirement to notify a Sub-Threshold Change*).

Register of Changes

- 4.6 The Operator shall keep a register of any Qualifying Changes that have been notified pursuant to paragraph 4.2.1 (*Time Limits – Requirement to notify a Change*) (which may form part of the register kept by the Operator under paragraph 4.5 (*Time Limits – Requirement to notify a Sub-Threshold Change*)) and the current status of such Qualifying Change. The Operator shall make such register available to RfL as part of the periodic reporting under Schedule 15 (*Concession Management Provisions*) and promptly following receipt of a request from RfL to make available such register.

Schedule 13.2
Identity of the Suite of Models

1 Operator's Obligations

- 1.1 The Operator shall deliver a copy of each of the Financial Model, each of the Operational Models and the Record of Assumptions (the "**Escrow Documents**") in the agreed form in electronic format (which, unless otherwise notified by RfL, shall be non-rewritable and password protected) to such electronic contract management system established by RfL in accordance with paragraph 2.1.2 (*RfL's Obligations*), accompanied by an Escrow Documents Letter:
- 1.1.1 on the date of this Agreement;
 - 1.1.2 within seven (7) days of the Start Date, but updated only as strictly necessary for any elapsed time between the actual Start Date and the date assumed to be the Start Date in the Initial Business Plan; and
 - 1.1.3 within seven (7) days of any approval or audit of a Run of the Model Suite as provided for in paragraph 1.3 (*Run of the Model Suite*) of Schedule 13.3 (*Runs of the Model Suite*), but updated with the Revised Inputs and any Model Changes.
- 1.2 The Operator shall deliver with each such deposit of the Escrow Documents all of the following information to the extent that it is relevant:
- 1.2.1 details of the Escrow Documents deposited (including full filename and version details, any details required to access the Escrow Documents including media type, backup command/software used, compression used, archive hardware and operating system details);
 - 1.2.2 the names and contact details of persons who are able to provide support in relation to accessing and interpreting the Escrow Documents; and
 - 1.2.3 if required by RfL and at the Operator's cost, a certificate from independent auditors approved by RfL, confirming that the deposited version of the Escrow Documents is in the agreed form in accordance with paragraph 1.1.1 (*Operator's Obligations*) or (as the case may be) is in accordance with paragraphs 1.1.2 (*Operator's Obligations*) or 1.1.3 (*Operator's Obligations*).

2 RfL's Obligations

- 2.1 RfL shall:
- 2.1.1 within three (3) Business Days following receipt, acknowledge receipt to the Operator of any version of the Escrow Documents delivered to it for the purposes of being Placed in Escrow;

- 2.1.2 save as provided under paragraph 2.1.3 (*RfL's Obligations*), store the Escrow Documents on an electronic contract management system (which may include Sharepoint or an equivalent system) in a read-only format and use all reasonable endeavours to ensure that each copy of the Escrow Documents is at all times kept in a safe and secure environment. In so doing, RfL shall be deemed to have Placed in Escrow the Escrow Documents for the purposes of this Agreement;
 - 2.1.3 notify the Operator if it becomes aware at any time during the term of this Agreement that any copy of the Escrow Documents or part thereof stored in a particular location has been lost, damaged or destroyed; in such an event, RfL shall be permitted to create a new copy of the Escrow Documents or part thereof from any other copy Placed in Escrow at RfL's own cost and shall within seven (7) Business Days notify the Operator accordingly and afford it the right to make reasonable inspections in order to satisfy itself that a "complete and accurate" copy has been made. Following the making of such a new copy of the Escrow Documents, RfL shall retain all copies of the Escrow Documents in accordance with paragraph 2.1.2 (*RfL's Obligations*);
 - 2.1.4 within seven (7) Business Days of receipt of a notice from the Operator stating that the Escrow Documents are required for the purposes of an indicative or actual Run of the Model Suite in relation to any Change, or should RfL itself so decide, release one (1) copy of the Escrow Documents to the Operator and retain one (1) copy of the Escrow Documents in escrow in accordance with paragraph 2.1.2 (*RfL's Obligations*);
 - 2.1.5 maintain a record of any release of any copy of any version of the Escrow Documents made, including details of any version released and the date of release as well as the identity of the person to whom the Escrow Documents are released;
 - 2.1.6 have no obligation or responsibility to any person whatsoever to determine the existence, relevance, completeness, accuracy, effectiveness or any other aspect of the Escrow Documents; and
 - 2.1.7 not be liable for any loss, damage or destruction caused to the Operator arising from any loss of, damage to or destruction of the Escrow Documents.
- 2.2 If the Operator fails to perform a Run of the Model Suite pursuant to paragraph 1.1.1 (*Run of the Model Suite*) of Schedule 13.3 (*Runs of the Model Suite*) and fails to return the copy of the Escrow Documents released pursuant to paragraph 2.1.4 (*RfL's Obligations*):
- 2.2.1 such failure to return the released copy to RfL shall be a contravention of this Agreement;
 - 2.2.2 RfL may release the other copy of the Escrow Documents that are Placed in Escrow and take a copy thereof (the "**Replacement**

Copy") in order that RfL may perform a Run of the Model Suite pursuant to paragraph 1.1.2 (*Runs of the Model Suite*) of Schedule 13.3 (*Runs of the Model Suite*) at the Operator's cost;

- 2.2.3 once copied, the Replacement Copy shall be Placed in Escrow; and
- 2.2.4 once the Run of the Model Suite has been approved or audited as provided for in paragraph 1.3 (*Runs of the Model Suite*) of Schedule 13.3 (*Runs of the Model Suite*) the Replacement Copy shall also be Placed in Escrow.

Schedule 13.3
Runs of the Model Suite

1 Run of the Model Suite

- 1.1 Any Run of the Model Suite that is required for the purposes of this Agreement shall be performed after making any Model Changes and utilising the Revised Inputs and shall be performed by:
 - 1.1.1 the Operator promptly on receiving notification of the Revised Inputs and any Model Changes from RfL pursuant to paragraph 2.3 (*Revised Inputs and Model Changes*); or
 - 1.1.2 RfL if the Operator fails to do so.
- 1.2 The party that performs the Run of the Model Suite pursuant to paragraph 1.1 (*Run of the Model Suite*) shall provide the non performing party with a reasonable opportunity to be in attendance and shall promptly notify such other party of the New Results.
- 1.3 RfL, as soon as reasonably practicable after receiving or generating the New Results pursuant to paragraph 1.2 (*Run of the Model Suite*), shall either:
 - 1.3.1 certify to the Operator its approval of the New Results; or
 - 1.3.2 notify the Operator that it requires the Run of the Model Suite and its results to be audited by the Model Suite Run Auditor.
- 1.4 For purposes of paragraph 1.3.2 (*Run of the Model Suite*), the requirement for an audit is one that requires the Model Suite Run Auditor either to certify:
 - 1.4.1 that the New Results have been produced by applying the Revised Inputs (as provided to the Operator by RfL pursuant to paragraph 2.3 (*Revised Inputs and Model Changes*)) to the Financial Model after making the Model Changes (as provided to the Operator by RfL pursuant to paragraph 2.3 (*Revised Inputs and Model Changes*)); or
 - 1.4.2 each of the:
 - (a) mileage adjustment rates in the Appendix (*Mileage Adjustment Rates*) to Schedule 1.3 (*Managing Changes to the Passenger Services*) for each Concession Year (or part thereof);
 - (b) values of FXD, VCRPI, VCCPI, VCSCI and PCPI to be specified for each Concession Year (or part thereof) in Appendix 1 (*Annual Concession Payment Figures*) to Schedule 11.2 (*Annual Concession Payments and Indexation*);
 - (c) assumed consumption of traction current for each Concession Year (or part thereof) specified in Appendix 2 (*Assumed Traction Electricity Prices and Consumption*) to Schedule 11.2 (*Annual Concession Payments and Indexation*);

- (d) values of threshold profit set out in Appendix 1 (*Threshold Profit*) to Schedule 11.4 (*Profit Share*) for each Concession Year (or part thereof);
- (e) values of the components of AFA set out in Appendix 2 (*Components of AFA*) to Schedule 11.4 (*Profit Share*) for each Concession Year (or part thereof);
- (f) adjustments to the values of FXD, VCRPI, VCCPI, VCSCI and PCPI to be specified for each Concession Year (or part thereof) in paragraph 1 (Priced Option: Concession Payments) of Schedule 12.3 (Adjustments to Concession Payments);
- (g) milestone payments in respect of the Priced Option set out in Column 2 of the table in paragraph 2 (Priced Option: Milestone Payments) of Schedule 12.3 (Adjustments to Concession Payments);
- (h) values of FXD, VCRPI, VCCPI, VCSCI and PCPI to be specified for each Concession Year (or part thereof) in Table 1A, Table 1B and Table 1C in Schedule 12.4 (*Anticipated Service Modifications*);
- (i) increments or decrements to the assumed consumption of traction current for each Concession Year (or part thereof) specified in Column 7 of Table 1A, Table 1B and Table 1C in Schedule 12.4 (*Anticipated Service Modifications*); and
- (j) values of the Service Modification Mobilisation Payment set out in Table 2A, Table 2B and Table 2C in Schedule 12.4 (*Anticipated Service Modifications*),

by itself applying the Revised Inputs (as provided to the Operator by RfL pursuant to paragraph 2.3 (*Revised Inputs and Model Changes*)) to the Financial Model after making the Model Changes (as provided to the Operator by RfL pursuant to paragraph 2.3 (*Revised Inputs and Model Changes*)).

- 1.5 The parties shall procure that any Model Suite Run Auditor is, as soon as reasonably practicable after his appointment, able to discharge the audit requirements.
- 1.6 The results as certified by RfL pursuant to paragraph 1.3 (*Run of the Model Suite*) or by the Model Suite Run Auditor pursuant to paragraph 1.4 (*Run of the Model Suite*) shall be final and binding on the parties, except in the case of manifest error.
- 1.7 The costs of any audit shall be met as the Model Suite Run Auditor may direct.

2 Revised Inputs and Model Changes

2.1 "Revised Inputs" means:

2.1.1 the data that the Suite of Models utilised in order to produce the Old Results, as such data is recorded in the Suite of Models released to the Operator by RfL pursuant to paragraph 2.1.4 (*RfL's Obligations*) of Schedule 13.2 (*Identity of the Suite of Models*) or released by RfL pursuant to paragraph 2.2 (*RfL's Obligations*) of Schedule 13.2 (*Identity of the Suite of Models*) for the purposes of a Run of the Model Suite; but

2.1.2 amended, whether by way of increase, reduction or other alterations to such data, (if at all) only as the parties may agree or RfL may reasonably determine is required by the provisions of paragraphs 3 (*Agreement or Determination of Revised Inputs*) to 7 (*Estimated Revisions*) (inclusive) in respect of a Change in order to produce the New Results.

2.2 "**Model Changes**" means any changes that the parties may agree or RfL may reasonably determine are required to the Financial Model and/or the Operational Models, as released to the Operator by RfL pursuant to paragraph 2.1.4 (*RfL's Obligations*) of Schedule 13.2 (*Identity of the Suite of Models*) or released by RfL pursuant to paragraph 2.2 (*RfL's Obligations*) of Schedule 13.2 (*Identity of the Suite of Models*) for purposes of a Run of the Model Suite, as a consequence of and in order to give effect to the Revised Inputs.

2.3 RfL shall provide a written statement of the Revised Inputs and any Model Changes to the Operator for purposes of paragraph 1.1 (*Run of the Model Suite*) promptly after they have been agreed or determined.

3 Agreement or Determination of Revised Inputs

Subject to paragraph 3 (*Variations Agreed in writing*) of Schedule 13.4 (*Variations*), the parties shall agree or RfL shall reasonably determine the Revised Inputs that are required in respect of a Change:

3.1 on the basis of the general adjustments and/or assumptions referred to in paragraph 4 (*General Adjustments/Assumptions*);

3.2 on the basis of the assumptions in the Record of Assumptions as added to and/or amended (if at all) in accordance with paragraph 5 (*Assumptions in the Record of Assumptions*);

3.3 so as to provide for profit in accordance with paragraph 6 (*Revised Input for Profit*); and

3.4 so as to provide for Estimated Revisions in accordance with paragraph 7 (*Estimate of Revisions*).

4 **General Adjustments/Assumptions**

- 4.1 Revised Inputs are to be agreed between the parties or reasonably determined by RfL on the basis that:
- 4.1.1 any increase in costs relating to a Change; and/or
 - 4.1.2 any reduction in revenues relating to a Change,
- that is attributable to any activities, actions or omissions of the Operator which are not permitted under, or would otherwise constitute a contravention of, the terms of this Agreement, is to be disregarded.
- 4.2 Revised Inputs are to be agreed between the parties or reasonably determined by RfL on the basis that:
- 4.2.1 any reduction in costs relating to a Change; and/or
 - 4.2.2 any increase in revenues relating to a Change,
- that is attributable to any activities, actions or omissions of the Operator which are not permitted under, or would otherwise constitute a contravention of, the terms of this Agreement, is to be taken into account.
- 4.3 Revised Inputs are also to be agreed between the parties or reasonably determined by RfL on the basis that:
- 4.3.1 the Operator will use all reasonable endeavours to:
 - (a) reduce any costs that may arise or income that may be foregone; and
 - (b) increase any revenue that may arise and avoid any cost that may be avoided,as a consequence of a Change; and
 - 4.3.2 any requirement for borrowing in respect of Capital Expenditure by the Operator is dealt with in accordance with paragraph 2 (*Capital Expenditure*) of Schedule 13.4 (*Variations*).

5 **Assumptions in the Record of Assumptions**

- 5.1 The parties shall (unless to do so would be contrary to paragraph 4 (*General Adjustments/Assumptions*)) agree or RfL shall reasonably determine Revised Inputs that are in accordance with the assumptions that are contained in the Record of Assumptions, as added to or modified pursuant to paragraph 5.2 (*Assumptions in the Record of Assumptions*) or paragraph 5.3 (*Assumptions in the Record of Assumptions*).
- 5.2 Where RfL reasonably considers that additional assumptions are required in relation to circumstances not dealt with by the assumptions in the Record of Assumptions, the parties shall agree or RfL shall reasonably determine additional assumptions for this purpose.

5.3 Where RfL reasonably considers that:

5.3.1 a Change is likely to result in an increase in either or both of the costs of the Operator and the revenues of the Operator; and

5.3.2 an assumption relevant to the Change contained in the Record of Assumptions does not accord with what would be achievable by, or experienced by, an economic and efficient Train Operator,

then the parties shall agree or RfL shall reasonably determine a modification to the assumption so that, as modified, it does accord with what would be achievable by, or experienced by, an economic and efficient Train Operator.

6 Revised Input for Profit

6.1 The parties shall agree or RfL shall reasonably determine Revised Inputs in relation to profit:

6.1.1 where a Change is forecast to result in an increase to the Operator's costs and/or revenue, that provide for an increase in the amount of profit in any Concession Year equal to the lower of:

(a) the profit margin for the applicable Concession Year as set out in Column 2 of the table below:

Column 1	Column 2
Concession Year	Profit Margin (%)
Year 1 25 May 2025 to 31 March 2026	[REDACTED]
Year 2 1 April 2026 to 31 March 2027	[REDACTED]
Year 3 1 April 2027 to 31 March 2028	[REDACTED]
Year 4 1 April 2028 to 31 March 2029	[REDACTED]
Year 5 1 April 2029 to 31 March 2030	[REDACTED]
Year 6 1 April 2030 to 31 March 2031	[REDACTED]
Year 7 1 April 2031 to 31 March 2032	[REDACTED]
Year 8 – Part (Core)	[REDACTED]

Column 1	Column 2
Concession Year	Profit Margin (%)
1 April 2032 to 29 May 2032	
Year 8 – Part (Schedule 19 continuation or up to seven (7) Reporting Period extension) Potentially 30 May 2032 to 31 March 2033	[REDACTED]
Year 9 (Schedule 19 continuation) Potentially 1 April 2033 to 31 March 2034	[REDACTED]
Year 10 – Part (Schedule 19 continuation or up to 7 Reporting Period extension) Potentially 1 April 2034 to 9 December 2034)	[REDACTED]

; or

- (b) the average profit margin in the current Business Plan for the remaining Concession Period,

of the forecast increase in costs for that Concession Year; and/or

6.1.2 where a Change is forecast to result in a reduction in the Operator's costs and/or revenue, that provide for a decrease in the amount of profit in any Concession Year equal to the lower of:

- (a) the profit margin for the applicable Concession Year as set out in Column 2 of the table below

Column 1	Column 2
Concession Year	Profit Margin (%)
Year 1 25 May 2025 to 31 March 2026	[REDACTED]

Column 1	Column 2
Concession Year	Profit Margin (%)
Year 2 1 April 2026 to 31 March 2027	[REDACTED]
Year 3 1 April 2027 to 31 March 2028	[REDACTED]
Year 4 1 April 2028 to 31 March 2029	[REDACTED]
Year 5 1 April 2029 to 31 March 2030	[REDACTED]
Year 6 1 April 2030 to 31 March 2031	[REDACTED]
Year 7 1 April 2031 to 31 March 2032	[REDACTED]
Year 8 – Part (Core) 1 April 2032 to 29 May 2032	[REDACTED]
Year 8 – Part (Schedule 19 continuation or up to seven (7) Reporting Period extension) Potentially 30 May 2032 to 31 March 2033	[REDACTED]
Year 9 (Schedule 19 continuation) Potentially 1 April 2033 to 31 March 2034	[REDACTED]
Year 10 – Part (Schedule 19 continuation or up to 7 Reporting Period extension)	[REDACTED]

Column 1	Column 2
Concession Year	Profit Margin (%)
Potentially 1 April 2034 to 9 December 2034)	

; or

- (b) the average profit margin in the current Business Plan for the remaining Concession Period,

provided that, the Revised Input in relation to profit where any such Change is a Charge Variation shall ensure that the Operator does not earn any additional profit or suffer any reduced profit as a consequence of a change to access charges resulting from that Charge Variation.

- 6.2 In agreeing or determining Revised Inputs in respect of any Change, the parties or RfL shall effect such change (if any) in the amount attributable to profit in paragraph 6.1 (*Revised Input for Profit*) as they agree or RfL reasonably determines to reflect the risk for the Operator in continuing to provide the Concession Services on the terms of this Agreement after and as a result of the Change.

- 6.3 In agreeing or determining Revised Inputs for the purposes of any Protected Proposal, the parties or RfL shall effect such change (if any) to the amount attributable to profit as they agree or RfL reasonably determines:

- 6.3.1 fairly rewards the Operator for proposing the Protected Proposal; and
- 6.3.2 reasonably incentivises the Operator to propose further Protected Proposals,

by sharing with the Operator a reasonable amount of the additional profit that is expected to arise from implementing the Protected Proposal.

7 Estimated Revisions

- 7.1 This paragraph 7 (*Estimated Revisions*) applies only where and to the extent that, prior to the Run of the Model Suite, payments made between RfL and the Operator have been altered in accordance with Estimated Revisions notified by RfL to the Operator pursuant to paragraph 2 (*Estimated Financial Consequences*) of Schedule 13.1 (*Financial Consequences of Change*).

- 7.2 No Revised Inputs shall be made for Estimated Revisions that have been paid or are to be paid in respect of any Change.

- 7.3 Where Estimated Revisions have been paid and/or are to be paid then, as soon as reasonably practicable after the performance of the related Run of the Model Suite, the parties shall agree or RfL shall reasonably determine the difference (the "**Reconciliation Amount**") between:

- 7.3.1 the total amount of Estimated Revisions paid and/or to be paid; and

- 7.3.2 the total amount of the payments, as determined by that Run of the Model Suite, in respect of the same period as the period over which Estimated Revisions have been paid/or are to be paid.
- 7.4 The Reconciliation Amount shall be paid by the Operator to RfL where it is positive and paid by RfL to the Operator where it is negative, in either case, on the first Payment Date after agreement or determination by way of Other Adjustment.

Schedule 13.4
Variations

1 Variations to this Agreement

Right to Vary

1.1 The terms of this Agreement may be varied as follows but not otherwise:

1.1.1 by RfL, in relation to:

- (a) any aspect of the Concession Services; and
- (b) any provision of this Agreement other than those provisions specified in paragraph 1.2 (*Variations to this Agreement – Restricted Provisions*),

by service of a notice on the Operator referring to this paragraph 1.1.1 (*Variations to this Agreement – Right to Vary*) and setting out the variation to the terms of this Agreement; and

1.1.2 in relation to any other provision of this Agreement, by agreement in writing between the parties to that effect,

each a "**Variation**".

Restricted Provisions

1.2 Without prejudice to RfL's rights under paragraph 1.1.1 (*Variations to this Agreement – Right to Vary*), the terms of each of Clause 4 (*Term*) (to the extent any Variation would have the effect of shortening the Concession Period), Schedule 11 (*Payments and [REDACTED]*), Schedule 12 (*Priced Options and Service Modifications*), Schedule 13 (*Changes and Variations*), Schedule 14 (*Financial Obligations and Credit Support*), Schedule 17 (*Remedies, Termination and Expiry*), Schedule 18 (*Continuity, Restrictions on Dealing and Transfer*) and Schedule 19 (*Continuation of Elizabeth Line Concession*) shall not be varied at any time other than in accordance with the terms of this Agreement or with the agreement of the parties.

TfL Direct Investment and Variations

1.3 Where a Variation involves TfL Direct Investment and such TfL Direct Investment will have, in RfL's reasonable opinion, the effect of making it easier for the Operator to satisfy any Performance Threshold than is the case before that TfL Direct Investment is made, then that Variation shall also include an adjustment to make that Performance Threshold more challenging in order to maintain the risk to the Operator that applies before that TfL Direct Investment is made of satisfying that Performance Threshold.

Representations

1.4 RfL shall, to the extent reasonably practicable, allow the Operator a reasonable opportunity to make representations to RfL concerning any Variation to be made in accordance with paragraph 1.1.1 (*Variations to this Agreement – Right to vary*), prior to making any such Variation.

Variation Procedures

- 1.5 RfL may:
 - 1.5.1 issue, revise and withdraw from time to time procedures that it requires to be followed for the purposes of orderly consideration of Variations. This will include for the purpose of establishing in relation to any Change whether it is a Qualifying Change; and
 - 1.5.2 require the Operator to provide any information that RfL reasonably requires for this purpose (including in relation to prospective change to profit, costs and revenue as a consequence of proceeding with the Variation).
- 1.6 Procedures issued pursuant to paragraph 1.5 (*Variations to this Agreement – Variation Procedures*) may provide for indicative iterations of Runs of the Model Suite at the Operator's cost in relation to one (1) or more Changes that RfL is considering and may also provide for any number of Changes to be grouped together as a single Change for the purposes of agreeing or determining Revised Inputs and then performing a Run of the Model Suite.
- 1.7 Procedures issued pursuant to paragraph 1.5 (*Variations to this Agreement – Variation Procedures*) shall have contractual effect between the parties in accordance with their terms and any contravention of the procedures issued pursuant to paragraph 1.5 (*Variations to this Agreement – Variation Procedures*) shall entitle RfL to issue a Remedial Plan Notice in accordance with paragraph 1.1 (*Remedial Plan Notices and Remedial Agreements – RfL Right to Issue a Remedial Plan Notice*) of Schedule 17.1 (*Remedial Plans and Remedial Agreements*).

Operator Proposed Variations and Protected Proposals

- 1.8 The Operator may notify RfL of any proposal for a Variation by notice setting out the proposed method of implementing such Variation including:
 - 1.8.1 the timescale for doing so;
 - 1.8.2 the effect (if any) on the timing of the performance of its other obligations under this Agreement;
 - 1.8.3 the impact of effecting the proposed Variation on the provision of the Concession Services and the Operator's proposals as to how to minimise such impact; and
 - 1.8.4 the financial consequences of implementing the Variation proposed by the Operator in terms of the Revised Inputs that the Operator considers the Variation would require.
- 1.9 RfL shall be under no obligation to consider a Variation proposed by the Operator but if it wishes to do so, it shall do so pursuant to paragraph 1.1 (*Variations to this Agreement – Right to Vary*).
- 1.10 Where the Operator proposes a Variation in sufficient detail for it to be apparent that its implementation is likely to result in an increase in the overall profitability of the Operator through costs saving measures (a "**Protected**

Proposal"), RfL may not proceed with the Protected Proposal or seek to implement the substance of it by proposing a Variation of its own without complying with the provisions of paragraph 6 (*Revised Input for Profit*) of Schedule 13.3 (*Runs of the Model Suite*).

2 **Capital Expenditure**

Capital Expenditure Threshold

2.1 The Operator shall notify RfL promptly if it reasonably expects that a Change to which paragraph 1 (*Variations to this Agreement*) relates would require it to incur, singly or in aggregate with other Changes from time to time, Capital Expenditure in excess of:

2.1.1 [REDACTED] of its annual Turnover as disclosed by its latest available Annual Audited Accounts in any of the first four (4) Concession Years; and

2.1.2 [REDACTED] (inflated by reference to the CPI Index in accordance with paragraph 3 (*Indexation by Reference to CPI*) of Schedule 11.2 (*Annual Concession Payments and Indexation*)) thereafter,

and, in each case, when so notified, RfL shall either:

- (a) withdraw the Change;
- (b) undertake to meet the excess through additional funding as and when such Capital Expenditure is incurred; or
- (c) direct the Operator to use all reasonable endeavours to borrow or otherwise raise the money required to fund any Change on commercial terms and at rates which are consistent with market conditions at the time.

Operator to Seek Finance

2.2 If RfL elects to require the Operator to use all reasonable endeavours as described in paragraph 2.1.2 (*Capital Expenditure – Capital Expenditure Threshold*) then the Operator shall:

2.2.1 seek finance from a representative range of lending institutions and other financial institutions including those which at that time provide finance to the Operator and each Parent;

2.2.2 if it is unable to raise funding, provide RfL with all information RfL may reasonably require in relation to the efforts made by the Operator and the reasons for a failure to raise additional finance;

2.2.3 so far as it is able (having used all reasonable efforts to do so), the Operator shall provide to RfL letters from lenders and financiers it has approached for finance stating their reasons for refusing to provide it and if RfL so requires, arrange and attend meetings with them for RfL to discuss those reasons; and

2.2.4 if funding is not available, or is not available on terms that RfL considers to be commercial terms or at rates which are consistent with market conditions at that time RfL may:

- (a) withdraw the Change; or
- (b) undertake to fund the Capital Expenditure as and when such Capital Expenditure is incurred.

Treatment of Borrowings in Revised Inputs

2.3 In calculating the Revised Inputs for the purposes of any Change referred to in this paragraph 2 (*Capital Expenditure*), the Operator shall account for the Capital Expenditure in accordance with international accounting standards, taking into account the basis on which such Capital Expenditure has been financed.

Meaning of Capital Expenditure

2.4 The expression "**Capital Expenditure**" when used in this Schedule 13.4 (*Variations*) refers to the nature of the expenditure incurred by the Operator and, accordingly, does not include expenditure incurred under operating leases.

3 **Variations Agreed in Writing**

Where the parties agree a Variation or Variations to the terms of this Agreement in accordance with paragraph 1.1.2 (*Variations to this Agreement – Right to Vary*) (including any Variation that would otherwise be treated as a Change, a Qualifying Change or a Sub-Threshold Change for the purposes of this Agreement), then:

- 3.1 the provisions in paragraphs 1.2 (*Financial Consequences of a Change*) and 4.1 (*Time Limits – Requirement to notify a Change*) of Schedule 13.1 (*Financial Consequences of a Change*) shall not apply in respect of such Variation; and
- 3.2 the parties agree that the Operator shall perform a Run of the Model Suite to reflect the terms of the Variation or Variations at the same time as the Operator is required to carry out a Run of the Model Suite to reflect a Change or a Qualifying Change in accordance with Schedule 13.1 (*Financial Consequences of a Change*), including at the time the parties enter into any amendments to this Agreement to formally incorporate any such Variations agreed in accordance with paragraph 1.1.2 (*Variations to this Agreement – Right to Vary*). The Operator shall not be entitled to any additional or reduced remuneration as a consequence of such Run of the Model Suite (such additional or reduced remuneration to be addressed in accordance with the terms of the Variation or Variations).

Schedule 14
Financial Obligations and Credit Support

Schedule 14: Financial Obligations and Credit Support

Appendix 1: Form of Performance Bond

Appendix 2: Form of Guarantee

Schedule 14
Financial Obligations and Credit Support

1 Obligations

Except to the extent provided for in this Agreement, or as RfL may otherwise agree from time to time, the Operator shall not:

- 1.1 incur any liability or financial indebtedness except in the ordinary course of providing and operating the Concession Services;
- 1.2 make any loan or grant any credit, or have or permit to subsist any loan or any credit, to any person (other than the deposit of cash with a Bank as permitted under paragraph 1.4 (*Financial Obligations and Credit Support*) or to an employee in the ordinary course of its business);
- 1.3 create or permit to subsist any Security Interest over any of its assets or property or give any guarantee or indemnity to or for the benefit of any person or otherwise assume liability or become obliged (actually or contingently) in respect of any obligation of any other person, in each case other than in the ordinary course of the business of providing and operating the Concession Services; or
- 1.4 create or acquire any subsidiary or make or have any investment in any other entity, except for the deposit of cash with a Bank.

2 Performance Bond and Guarantee

Requirement to Procure a Performance Bond and Guarantee

- 2.1 The Operator shall, on or prior to the date of this Agreement, procure the provision of an executed:
 - 2.1.1 Performance Bond with a value of [REDACTED] as security to RfL for the payment of all sums that the Operator may be liable from time to time to pay to RfL under this Agreement, including any liability arising under paragraphs 2.4 (*Consequences of Termination or Expiry - Retendering Costs*) and 2.5 (*Consequences of Termination or Expiry - Retendering Costs*) of Schedule 17.4 (*Termination and Expiry*); and
 - 2.1.2 Guarantee as security to RfL for the performance by the Operator of all of its obligations under this Agreement.
- 2.2 The Operator shall maintain the continuing validity and effectiveness of the Performance Bond (including any replacement thereof) and the Guarantee:
 - 2.2.1 from, in each case, the date that such security is provided to RfL in executed form and for the duration of the Concession Period; and
 - 2.2.2 following the end of the Concession Period, for the period that obligations or liabilities of the Operator in connection with this Agreement remain outstanding or unperformed, provided that, in the case of:

- (a) the Performance Bond, such period shall expire one (1) year after the end of the Concession Period (as may be extended in accordance with this Agreement) (the "**Performance Bond Longstop Date**"); and
- (b) the Guarantee, such period shall expire three (3) years after the end of the Concession Period, save to the extent any claim has been made under the Guarantee prior to the expiry of that period, in which case the Guarantee shall remain in full force and effect in relation to any such claim until the date of its withdrawal, satisfaction or dismissal by a final and binding order of a court of competent jurisdiction.

Replacement or Renewal of Performance Bond

- 2.3 The Operator shall replace, renew or extend the Performance Bond with a replacement Performance Bond issued by a Bond Provider with the Required Rating and that meets the requirements of paragraphs 2.1 (*Performance Bond and Guarantee – Requirement to Procure a Performance Bond and Guarantee*) and 2.2 (*Performance Bond and Guarantee – Requirement to Procure a Performance Bond and Guarantee*):
- 2.3.1 within fifteen (15) Business Days of the Bond Provider's rating falling below the Required Rating; and
 - 2.3.2 if the Performance Bond is due to expire prior to the Performance Bond Longstop Date (the "**Interim Performance Bond Expiry Date**"), on or before the date falling fifteen (15) Business Days prior to any Interim Performance Bond Expiry Date.

Demands under the Performance Bond

- 2.4 The Performance Bond shall be on terms that it is payable without further enquiry by the Bond Provider to RfL for the full amount (or permitted balance thereof if a demand or demands have already been made) in London in accordance with RfL's written demand(s) on the Bond Provider, certifying as to any one or more of the following:
- 2.4.1 whether or not this Agreement is, or is to be, terminated as a result thereof:
 - (a) the Operator has failed to pay any sum to RfL which is due and payable under the terms of this Agreement; or
 - (b) an Event of Default has occurred and is continuing and RfL expects to incur additional costs in connection with early termination of this Agreement, including costs referred to in paragraph 2.4 (*Consequences of Termination or Expiry – Retendering Costs*) and paragraph 2.5 (*Consequences of Termination or Expiry - Retendering Costs*) of Schedule 17.4 (*Termination and Expiry*);

- 2.4.2 that this Agreement has either terminated or expired and, in either case, there are liabilities or obligations outstanding from the Operator to RfL;
 - 2.4.3 that the Operator has failed to perform or comply with its obligations under the Supplemental Agreement; or
 - 2.4.4 the Operator has not provided a replacement, renewed or extended Performance Bond when required pursuant to paragraph 2.3 (*Performance Bond and Guarantee – Replacement or Renewal of Performance Bond*).
- 2.5 If RfL makes a demand under paragraph 2.4.4 (*Performance Bond and Guarantee – Demands under the Performance Bond*), then:
- 2.5.1 any such amount demanded shall be paid by the Bond Provider into an interest-bearing account with a clearing bank in London and held on trust for RfL and the Operator for application in or towards amounts in respect of which RfL would have been entitled to make any demand under the Performance Bond;
 - 2.5.2 any interest accruing in such account and any balance remaining at the Performance Bond Longstop Date shall, subject to RfL's right of set-off under paragraph 6 (*Set-off*) of Schedule 20 (*Other Provisions*), belong to the Operator; and
 - 2.5.3 if the Operator subsequently delivers a replacement, renewed or extended Performance Bond that meets the requirements of paragraphs 2.1 (*Performance Bond and Guarantee – Requirement to Procure a Performance Bond and Guarantee*) and 2.2 (*Performance Bond and Guarantee – Requirement to Procure a Performance Bond and Guarantee*), the balance standing to the credit of the account referred to in paragraph 2.5.2 (*Performance Bond and Guarantee – Demands under the Performance Bond*) (including any interest) shall belong to the Operator, and RfL shall promptly take such steps as are reasonably requested by the Operator to ensure the release of such balance to the Operator.
- 2.6 Any reference in this Agreement to circumstances in which RfL may issue a demand notice or take any other action under the Performance Bond or the Guarantee shall be without prejudice to the generality of paragraph 2.1.1 (*Performance Bond and Guarantee – Requirement to Procure a Performance Bond and Guarantee*) or 2.1.2 (*Performance Bond and Guarantee – Requirement to Procure a Performance Bond and Guarantee*) respectively.

3 **Financial Ratio**

Lock-up Period

- 3.1 The Operator may not without RfL's prior consent:
 - 3.1.1 declare or pay any dividend (equity or preference) or make any other distribution, including surrendering any taxable losses to any of its

Affiliates, or pay any of its Affiliates in respect of taxable losses that they wish to surrender to the Operator;

3.1.2 pay management charges to any of its Affiliates in excess of those specified in the Initial Business Plan or any Updated Business Plan; or

3.1.3 make payment under any intra-group borrowings,

during any Lock-up Period if either of the circumstances referred to in paragraph 3.2 (*Financial Ratio – Lock-up Period*) apply.

3.2 The restrictions described in paragraph 3.1 (*Financial Ratio – Lock-up Period*) shall apply where:

3.2.1 the ratio of Current Assets to Current Liabilities is less than the ratio of 1:1 and/or the Operator's minimum cash balance is less than [REDACTED], in each case as shown in the latest Management Accounts, in which case, the Lock-up Period shall continue until the ratio of Current Assets to Current Liabilities, as shown in the latest Management Accounts, is once again equal to or more than the ratio of 1:1; or

3.2.2 the Management Accounts for any three (3) Reporting Periods out of any thirteen (13) consecutive Reporting Periods (the "**Financial Performance Measurement Period**") disclose that the ratio of Current Assets to Current Liabilities is less than the ratio of 1:1 and/or the Operator's minimum cash balance is less than [REDACTED], in which case, the Lock-up Period shall continue for a period of thirteen (13) consecutive Reporting Periods commencing with the next Reporting Period after the Financial Performance Measurement Period, regardless of whether the ratio of Current Assets to Current Liabilities, as shown in any Management Accounts relating to any of the Reporting Periods in that Lock-up Period, is equal to or more than the ratio of 1:1,

and for the purpose of calculating the ratios in paragraphs 3.2.1 (*Financial Ratio – Lock-up Period*) and 3.2.2 (*Financial Ratio – Lock-up Period*) above, the Current Assets and the Current Liabilities shall exclude:

- (a) any asset or liability that is associated with passenger revenue collection or settlement;
- (b) any asset or liability which relates to a CCOS Access Charge Adjustment; and
- (c) any liability to repay the Facility Loan (such expression having the meaning given to it in the Inter-company Loan Facility) and any interest thereon.

In connection therewith, the Operator shall:

- (i) perform and present its calculation of the Current Assets and Current Liabilities in the Management Accounts in accordance with the

definitions of those terms (disregarding paragraphs (a) and (b) above);

- (ii) identify as individual subsets of Current Assets and Current Liabilities any asset or liability falling within paragraphs (a) or (b) above; and
- (iii) allow RfL to perform and present separately the calculation of Current Assets and Current Liabilities in the Management Accounts in accordance with the definitions of those terms (taking into account paragraphs (a) and (b) above).

3.3 Where any Lock-up Period referred to in paragraph 3.2.2 (*Financial Ratio – Lock-up Period*) occurs, the next Financial Performance Measurement Period shall not commence until the next Reporting Period after the end of that Lock-up Period, provided that the Lock-up Period referred to in paragraph 3.2.1 (*Financial Ratio – Lock-up Period*) may apply from the next Reporting Period after the end of any Financial Performance Measurement Period where either of the circumstances referred to in paragraph 3.2.1 (*Financial Ratio – Lock-up Period*) apply.

4 **Inter-company Loan Facility Agreement and Inter-company Loan Facility Guarantee**

4.1 The Operator shall on or prior to the date of this Agreement:

- 4.1.1 procure the provision of the executed Inter-company Loan Facility Agreement such that the Inter-company Loan Facility is available to it on the terms set out in the Inter-company Loan Facility Agreement with effect from the date of this Agreement and for the entirety of the Concession Period; and
- 4.1.2 procure the provision of an executed Inter-company Loan Facility Guarantee as security for the performance by the Members of their obligations under the Inter-company Loan Facility Guarantee.

**Appendix 1 to Schedule 14
Form of Performance Bond**

Dated 20[]

[*Bond Provider*]

Rail for London Limited

On-Demand Performance Bond

This Bond is made as a deed on 20[]

Between:

- (1) [**Bond Provider**] whose registered office is at [*registered office*] and registered number is [*registered number*] (the "**Bond Provider**"); and
- (2) **Rail for London Limited** whose registered office is at 5 Endeavour Square, London E20 1JN and registered number is 05965930 ("**RfL**").

Recitals

- (A) By a concession agreement [to be] made [on or about the date of this Bond/dated [*date*]¹ between RfL and GTS Rail Operations Limited (the "**Operator**") (the "**Concession Agreement**"), as amended or varied from time to time, the Operator is to be or was awarded the right to operate the services relating to the concession in accordance with the terms of the Concession Agreement, as more particularly specified and defined in the Concession Agreement.
- (B) Under the Concession Agreement, the Operator is to be obliged to procure, in favour of RfL, a performance bond.
- (C) The Bond Provider has agreed with RfL, at the request of the Operator, to provide this performance bond in satisfaction of the Operator's obligation referred to in Recital (B) (this "**Bond**").

The Parties Agree as Follows:

1 Obligation to Meet Demands Under this Bond

The Bond Provider irrevocably and unconditionally undertakes to pay to RfL or its assigns, in full immediately on receipt of the first and all subsequent written demands to the Bond Provider, the sum stated in each such demand, without proof or conditions. RfL may at any time make any number of demands under this Bond provided that the maximum aggregate liability of the Bond Provider under this Bond shall not exceed the sum of £[] (the "**Maximum Amount**").

2 Primary Obligation

The Bond Provider's obligation to make payment under this Bond shall be a primary, independent, irrevocable and absolute obligation and it shall not be entitled to delay or withhold payment for any reason whatsoever.

3 Demand is Conclusive Evidence of Liability

- 3.1 A demand shall be conclusive evidence of the Bond Provider's liability and of the amount of the sum or sums which it is liable to pay to RfL, notwithstanding any objection made by the Operator or any other person. The Bond Provider shall have no right and shall not be under any duty or responsibility to enquire:

¹ **Note:** Wording to be tailored depending on the date of the Performance Bond. For the first Performance Bond, the first option will be applicable. In any replacement bond, it will be updated to refer to the actual date of the Concession Agreement.

- 3.1.1 into the reason or circumstances of any demand;
 - 3.1.2 the respective rights, obligations and/or liabilities of RfL and the Operator under the Concession Agreement; or
 - 3.1.3 the authenticity of any written demand made by or the authority of the persons signing any written demand by RfL.
- 3.2 RfL shall not be obliged, before enforcing any of its rights or remedies conferred upon it by this Bond or by law, to take any step or action, including, without limitation:
- 3.2.1 the taking of any legal proceedings or action or the obtaining of any judgment against the Operator in any court, arbitration or adjudication;
 - 3.2.2 the making or filing of any claim in bankruptcy, liquidation, winding up or dissolution of the Operator; or
 - 3.2.3 the pursuance or exhaustion of any other right or remedy against the Operator,
- and the liabilities of the Bond Provider under this Bond may be enforced irrespective of whether any legal proceedings are being or have been taken against the Operator.

4 **No Claims**

The Bond Provider must not (so long as the Operator has any actual or contingent obligations pursuant to the Concession Agreement) by reason of performance by it of its obligations under this Bond or on any other ground:

- 4.1 claim or recover by the institution of proceedings or the threat of proceedings or otherwise any sum from the Operator or claim any set-off or counterclaim against the Operator; or
- 4.2 claim or prove in a liquidation or other insolvency proceeding of the Operator in competition with RfL,

in respect of any payment by the Bond Provider under this Bond and in case the Bond Provider receives any sums from the Operator in respect of any payment of the Bond Provider under this Bond, the Bond Provider must hold such monies on trust for RfL so long as any sums are payable (contingently or otherwise) under this Bond.

5 **Payments**

All payments under this Bond shall be in pounds sterling and shall be made free and clear of, and without any set-off, counterclaim, withholding or deduction on account of any liability whatsoever including, without limitation, any present or future taxes, duties, charges, fees, deductions or withholdings of any nature whatsoever and by whomsoever imposed.

6 **Duration**

This Bond is a continuing obligation and shall remain in full force and effect until the earlier of:

6.1 the payment by the Bond Provider to RfL of a sum or sums in aggregate which equals or equal the Maximum Amount; or

6.2 []²,

when it shall expire and cease to be valid, whether or not this Bond is returned to the Bond Provider except in respect of any demand made by RfL in accordance with Clause 1 (*Obligation to meet demands under this Bond*) on or before such date.

7 Requirements for Making Demands

All demands to be made in accordance with Clause 1 (*Obligation to meet demands under this Bond*) must be in writing and be sent by hand, courier, prepaid first-class post or recorded delivery to the Bond Provider at [address]³ (marked for the attention of [addressee]⁴), and:

7.1 any demands sent by prepaid first-class post or recorded delivery will be deemed (in the absence of evidence of earlier receipt) to have been delivered at 9.00 a.m. on the second business day (which expression means a day (excluding Saturdays) on which banks generally are open in the City of London for the transaction of normal banking business) after posting;

7.2 any demands sent by courier will be deemed to have been delivered on the date and at the time that the courier's delivery receipt is signed; and

7.3 the Bond Provider may by five (5) days' written notice to RfL change its postal address or addressee for receipt of such demands.

8 Transfer

8.1 RfL may assign, transfer or novate the benefit of, and its rights under, this Bond to any person to whom the Concession Agreement is assigned, transferred or novated by RfL without having to obtain the consent of the Bond Provider, and RfL shall notify the Bond Provider of the identity of any such assignee, transferee or novatee within twenty (20) Business Days of any such assignment, transfer or novation.

8.2 The Bond Provider shall not assign, transfer or novate this Bond in whole or in part.

9 Valid and Binding Obligation

The Bond Provider hereby covenants, warrants and represents that it is duly authorised to enter into, deliver and perform its obligations under this Bond and that it constitutes valid, binding and enforceable obligations of the Bond Provider in accordance with its terms.

10 Rights of Third Parties

A person who is not a party to this Bond has no rights under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Bond.

² **Note:** This will be inserted with the Expiry Date of the particular Bond. The total period of bond coverage (whether made up of a series of bonds or a single bond) is required to be twelve (12) months after the Concession Period.

³ **Note:** Address of Bond Provider to be included in each individual Bond.

⁴ **Note:** Addressee details to be included in each individual Bond.

11 Invalidity

If any provision of this Bond is or becomes invalid, illegal or unenforceable in any respect under any law, the validity, legality and enforceability of the remaining provisions shall not be affected or impaired in any way.

12 Entire Agreement

The terms of this Bond constitute the entire agreement and understanding between the parties to this Bond in connection with the subject matter to this Bond. Neither party to this bond has relied upon any representation by the other party except as expressly set out in this Bond.

13 Governing Law and Jurisdiction⁵

13.1 This Bond and any dispute, controversy, proceedings or claim of whatever nature arising out of or in any way relating to this Bond or its formation (including any non-contractual disputes or claims) shall be governed by and construed in accordance with English law.

13.2 The parties irrevocably agree that the courts of England shall have exclusive jurisdiction to hear and decide any suit, action or proceedings, and/or to settle any disputes, which may arise out of or in any way relate to this Bond or its formation and, for these purposes, each party irrevocably submits to the jurisdiction of the courts of England. Nothing in this Clause 13.2 (*Governing Law and Jurisdiction*) shall affect the ability of RfL to enforce any judgment against the Bond Provider in any jurisdiction.

⁵ **Note:** If the Bond Provider is not a legal entity incorporated in England and Wales, a legal opinion must be provided in form and substance satisfactory to RfL.

In Witness whereof this Bond has been executed and delivered as a **Deed** on the date first above written.

Executed as a Deed for and on behalf of [*Bond Provider*]

Director: }

Director/Secretary:

Executed as a Deed for and on behalf of Rail for London Limited acting by its attorney in the presence of a witness:

Signature of attorney
.....

Name of attorney
.....

Signature of witness
.....

Name of witness
.....

Address of witness
.....
.....
.....

Occupation of witness
.....

**Appendix 2 to Schedule 14
Form of Guarantee**

Dated 20[]

The Go-Ahead Group Limited

Sumitomo Corporation

Tokyo Metro Co., Ltd.

Rail for London Limited

Guarantee

This Deed is made on 20[]

Between:

- (1) **The Go-Ahead Group Limited** (a company incorporated in the United Kingdom) whose registered office is at 3rd Floor, 41-51 Grey Street, Newcastle Upon Tyne, Tyne & Wear, NE1 6EE and registered number is 02100855;
- (2) **Sumitomo Corporation** (a company incorporated in Japan) whose registered office is at 3-2 Otemachi 2-chome, Chiyoda-ku, Tokyo 100-8601, Japan and registered number is 0100-01-008692; and
- (3) **Tokyo Metro Co., Ltd.** whose registered office is at 3-19-6, Higashi-ueno, Taito-ku, Tokyo, Japan and registered number is 4010501022810,

(each, a **Guarantor** and together, the **Guarantors**); and
- (4) **Rail for London Limited** whose registered office is at 5 Endeavour Square, London E20 1JN and registered number is 05965930 ("**RfL**").

Recitals

- (A) By a concession agreement made between RfL and GTS Rail Operations Limited (the "**Operator**") on [date] (the "**Concession Agreement**"), as amended or varied from time to time, the Operator was awarded the right to operate the Elizabeth line in accordance with the terms of the Concession Agreement, as more particularly specified and defined in the Concession Agreement.
- (B) The Guarantors have agreed with RfL, at the request of the Operator, to guarantee the due and proper performance of the Operator's obligations under the Concession Agreement upon the terms and conditions of this Guarantee.

The parties agree as follows:

1 Definitions and Interpretation

- 1.1 In this Guarantee, words and phrases commencing with capital letters will, unless defined below or a contrary intention appears, have the same meaning ascribed to them under the Concession Agreement and:

"Guaranteed Obligations" has the meaning given to it in Clause 2.1.1 (*Guarantee and Indemnity - Guarantee*);

"Relevant Right" has the meaning given to it in Clause 11 (*Waiver of Relevant Rights*); and

"Taxes" means any kind of tax, duty, levy or other charge (other than Value Added Tax) whether or not similar to any in force at the date of this Guarantee and whether imposed by a local, governmental or other relevant authority in the United Kingdom or elsewhere.

- 1.2 In the event of any conflict between the Concession Agreement and this Guarantee, the latter will prevail.

2 **Guarantee and Indemnity**

Guarantee

2.1 In consideration of RfL entering into the Concession Agreement with the Operator, the Guarantors, irrevocably and unconditionally:

2.1.1 jointly and severally guarantee to RfL (and its successors, transferees and assignees) the due, punctual and complete performance and observance by the Operator of each and all of its duties and obligations (whether express, implied, actual or contingent) under the Concession Agreement (the "**Guaranteed Obligations**") when they or any part of them become due and performable according to the terms of the Concession Agreement; and

2.1.2 jointly and severally covenant with and undertake to RfL fully to perform and observe such Guaranteed Obligations (or to procure the full performance and observance thereof) within thirty (30) Business Days of written demand in accordance with the terms of this Guarantee if the Operator shall fail in any respect to perform and observe the same.

Indemnity

2.2 The Guarantors, as principal obligors and as a separate and independent obligation and liability from their obligations and liabilities under Clause 2.1 (*Guarantee and Indemnity – Guarantee*), jointly and severally agree to indemnify RfL against all loss, debt, damage, interest, liability, cost and expense (including legal expenses) incurred or suffered by RfL by reason of a failure by the Operator to perform any or all of the Guaranteed Obligations when they are due and performable and undertake to pay to RfL immediately on RfL's first written demand, the amount of that loss, debt, damage, interest, liability, cost and expense without set-off or counterclaim and free and clear of, and without deduction for or on account of, any present or future taxes, duties, charges, fees, deductions or withholdings of any nature whatsoever.

2.3 The Guarantors, as principal obligors and as a separate and independent obligation and liability from their obligations and liabilities under Clause 2.1 (*Guarantee and Indemnity – Guarantee*), jointly and severally agree to indemnify RfL against any loss incurred by RfL as a result of any of the Guaranteed Obligations under or pursuant to the Concession Agreement being or becoming void, voidable, unenforceable, invalid, or otherwise ineffective as against the Operator for any reason whatsoever (whether or not known to RfL), the amount of such loss being an amount which RfL would otherwise have been entitled to recover from the Operator under the terms of the Concession Agreement.

More than one Demand

2.4 RfL may serve more than one (1) demand under this Clause 2 (*Guarantee and Indemnity*).

Awards

2.5 The Guarantors agree to satisfy and discharge any court, arbitrator or adjudicator's award made against the Operator in favour of RfL.

Right to Amend Concession Agreement

- 2.6 The Guarantors irrevocably authorise RfL and the Operator to make any amendment or variation to the terms of the Concession Agreement in their absolute discretion and the Guarantors shall be bound by and shall guarantee all of the Guaranteed Obligations under the Concession Agreement as amended or varied.

Limit of Liability

- 2.7 Without prejudice to Clause 10 (*Costs and Expenses*) and notwithstanding any other provision of this Guarantee:

2.7.1 the maximum aggregate liability of each Guarantor hereunder shall not exceed an amount equal to the Overall Liability Cap; and

2.7.2 the maximum aggregate liability of the Guarantors hereunder shall not exceed an amount equal to the Overall Liability Cap,

provided that the Guarantors' liability shall be unlimited in relation to those matters set out in the Concession Agreement that are either expressed to be unlimited or are unlimited by operation of law.

3 Preservation of Rights

- 3.1 The obligations of the Guarantors under this Guarantee are in addition to and independent of any other security that RfL may at any time hold in respect of the Guaranteed Obligations.

- 3.2 The Guarantors' obligations and liabilities under this Guarantee will remain in full force and effect and are not to be discharged, diminished or affected in any way by reason of any of the following:

3.2.1 the insolvency, bankruptcy, liquidation, winding-up, dissolution, administration, receivership, incapacity, amalgamation, reconstruction, re-organisation or any analogous proceeding relating to the Operator or any Guarantor;

3.2.2 any change in the status, function, constitution, control or ownership of the Operator, any Guarantor or RfL;

3.2.3 the taking, variation, compromise, renewal, release or refusal or neglect to perfect or enforce any right, remedies or securities against the Operator or any other person;

3.2.4 any purported obligation of the Operator or any other person to RfL (or any security for that obligation) becoming wholly or in part void, invalid, illegal or unenforceable for any reason;

3.2.5 any incapacity, lack of power, authority or legal personality or any change in the constitution of, or any amalgamation or reconstruction of, the Operator, RfL or any other person;

3.2.6 any variation to or amendment of the Concession Agreement (including, without limitation, any extension of time for performance, or any concession or waiver by RfL in respect of the Operator's obligations under the Concession

Agreement) so that references to the Concession Agreement in this Guarantee shall include each such variation or amendment;

- 3.2.7 any provision of the Concession Agreement being or becoming illegal, invalid, void, voidable or unenforceable for any reason whatsoever;
- 3.2.8 any failure of supervision or detection or prevention of any default of the Operator under or in connection with the Concession Agreement;
- 3.2.9 any additional or advance payment to the Operator under or in connection with the Concession Agreement;
- 3.2.10 the suspension or termination of the Concession Agreement or of the employment of the Operator under the Concession Agreement for any reason whatsoever;
- 3.2.11 any indulgence, forbearance or waiver of any right of action or remedy of RfL against the Operator or negligence by RfL in enforcing any such right of action or remedy;
- 3.2.12 any compromise of any dispute with the Operator arising out of or in connection with the Concession Agreement; and
- 3.2.13 any other fact, circumstance, act, event, omission or provision of statute or law or otherwise which but for this Clause might operate to discharge, impair or otherwise affect any of the obligations of each Guarantor under this Guarantee or any of the rights, powers or remedies conferred on RfL by this Guarantee or by law.

4 No Competition

- 4.1 Each Guarantor must not (so long as the Operator has any actual or contingent obligations pursuant to the Concession Agreement) by reason of performance by it of its obligations under this Guarantee or on any other ground:
 - 4.1.1 exercise any right it may have to be subrogated to or otherwise entitled to share in, any security or monies held, received or receivable by RfL or to claim any right of contribution in relation to any payment made by a Guarantor under this Guarantee;
 - 4.1.2 following a claim being made on any Guarantor under this Guarantee, exercise any right it may have to demand or accept repayment of any monies due from the Operator or claim any set-off or counterclaim against the Operator;
 - 4.1.3 claim or recover by the institution of proceedings or the threat of proceedings or otherwise any sum from the Operator or claim any set-off or counterclaim against the Operator;
 - 4.1.4 take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of RfL under the Concession Agreement or otherwise; or
 - 4.1.5 claim or prove in a liquidation or other insolvency proceeding of the Operator in competition with RfL in respect of any payment by a Guarantor or the Guarantors under this Guarantee or otherwise be entitled in competition with

RfL to claim or have the benefit of any security which RfL has or may hold for any monies or liabilities due or incurred by the Operator to RfL and in case any Guarantor receives any sums from the Operator in respect of any payment of a Guarantor under this Guarantee the Guarantor must hold such monies on trust for RfL so long as any sums are payable (contingently or otherwise) under this Guarantee.

- 4.2 Each Guarantor undertakes to RfL that it has not taken and will not take any security from the Operator in respect of the Guarantor's obligations under this Guarantee and any security taken and all monies received by a Guarantor in breach of this provision will be held on trust for RfL as security for the obligations of such Guarantor.

5 **Immediate Recourse**

RfL will not be obliged, before enforcing any of its rights or remedies conferred upon it by this Guarantee or by law, to take any step or action, including, without limitation:

- 5.1 the taking of any legal proceedings or action or the obtaining of any judgment against the Operator in any court, arbitration or adjudication;
- 5.2 the making or filing of any claim in bankruptcy, liquidation, winding-up or dissolution of the Operator; or
- 5.3 the pursuance or exhaustion of any other right or remedy against the Operator,

and the liabilities of the Guarantors under this Guarantee may be enforced irrespective of whether any legal proceedings are being or have been taken against the Operator. Each Guarantor hereby waives any right it may have of first requiring RfL to proceed against or enforce any rights or security or claim payment from any person before claiming it under this Guarantee.

6 **Representations and Warranties**

- 6.1 Each Guarantor, in respect of itself, represents and warrants to RfL in the terms set out in Clauses 6.5 to 6.7 (inclusive) (*Representations and Warranties*).

Incorporation

- 6.2 The Go-Ahead Group Limited represents and warrants to RfL that it is duly incorporated and validly existing with limited liability under the laws of the United Kingdom and has the power to own its assets and carry on its business.
- 6.3 Sumitomo Corporation represents and warrants to RfL that it is duly incorporated and validly existing with limited liability under the laws of the Japan and has the power to own its assets and carry on its business.
- 6.4 Tokyo Metro Co., Ltd. represents and warrants to RfL that it is duly incorporated and validly existing with limited liability under the laws of the Japan and has the power to own its assets and carry on its business.

Power and Capacity

- 6.5 Each Guarantor has the power and capacity to enter into and comply with its obligations under this Guarantee.

Authorisation

6.6 Each Guarantor has taken all necessary action:

- 6.6.1 to authorise the entry into and compliance with its obligations under this Guarantee;
- 6.6.2 to ensure that its obligations under this Guarantee are valid, legally binding and enforceable in accordance with their terms; and
- 6.6.3 to make this Guarantee admissible in evidence in the courts of England.

Consents

- 6.6.4 All consents and filings required by each Guarantor for the conduct of its business as presently conducted and in connection with the entry into, performance, validity, enforceability and admissibility in evidence of this Guarantee have been unconditionally obtained and are in full force and effect.

No Contravention

6.7 Neither the entry into of this Guarantee by each Guarantor nor the performance of any of its obligations under it do now or will:

- 6.7.1 conflict with their constitutional documents;
- 6.7.2 contravene any law, regulation, judgment or order to which the Guarantor are subject; or
- 6.7.3 breach any agreement or the terms of any consent binding on the Guarantor.

7 Continuing Obligation

- 7.1 The Guarantors' obligations under this Guarantee are primary and not by way of surety.
- 7.2 This Guarantee is a continuing guarantee and will, subject to Clause 18 (*Expiry*), remain in full force and effect until each and every part of the Guaranteed Obligations have been discharged and performed in full.

8 Suspense Account

Until all Guaranteed Obligations have been irrevocably satisfied in full, RfL may place and keep any money received or recovered from the Guarantors in relation to the Guaranteed Obligations in a suspense account and interest accrued shall be credited to that account.

9 Payments

- 9.1 All payments to be made by the Guarantors to RfL under this Guarantee shall be made to RfL in immediately available cleared funds and paid in full in pounds sterling (or a successor currency) without set-off or counterclaim free of any present or future Taxes, deduction, levies, charges, fees or withholding whatsoever. If a Guarantor is obliged by law to make any deduction or withholding from any such payment, the amount due from such Guarantor in respect of such payment shall be increased to the extent necessary to ensure that, after the making of such deduction or withholding, RfL

receives a net amount equal to the amount RfL would have received had no such deduction or withholding been made.

9.2 The Guarantors shall pay interest to RfL on all amounts due from them under this Guarantee from the date any such demand is made until payment of such amounts (both before and after any judgment) calculated on a daily basis at the Interest Rate.

9.3 All payments by the Guarantors under this Guarantee must be made to RfL to its account at a bank in the United Kingdom as RfL may notify the Guarantors on the date of this Guarantee or otherwise in any notice of demand served under the terms of Clause 2 (*Guarantee and Indemnity*).

9.4 If a payment under this Guarantee is due on a day that is not a Business Day, the due date for that payment will instead be the next Business Day.

10 **Costs and Expenses**

The Guarantors, on a joint and several basis, will pay to RfL on demand the amount of all costs and expenses (including legal fees and other out-of-pocket expenses and any Value Added Tax or similar tax thereon) incurred by RfL in connection with the negotiation, preparation, execution, amendment, release, enforcement or attempted enforcement of, or preservation of RfL's rights under, this Guarantee, or in consequence of any payment made under this Guarantee (whether made by the Guarantors or a third person) being declared void for any reason whatsoever.

11 **Waiver of Relevant Rights**

For the benefit of RfL and the Operator, the Guarantors waive any right or remedy that they have or may have to subrogation, indemnification or payment on any other basis by the Operator and any other remedy against the Operator (each a "**Relevant Right**") by reason of or in connection with the performance of the Guarantors' obligations under this Guarantee in circumstances where the Operator promotes, enters into, or implements a voluntary arrangement (under Part 26 of the Companies Act 2006). Damages shall not be an adequate remedy for RfL or the Operator in respect of a breach of this Clause 11 (*Waiver of Relevant Rights*) and the parties shall consent to any application brought by RfL or the Operator for injunctive relief to prevent any such Relevant Right being enforced.

12 **Assignment**

RfL may assign, novate or otherwise transfer the benefit of, and its rights under, this Guarantee to any person to whom the Concession Agreement is assigned without having to obtain the consent of the Guarantors. The Guarantors shall not assign, novate or otherwise transfer this Guarantee or any right or obligation arising or pursuant to this Guarantee to any person.

13 **Third Party Rights**

Except for the Operator's rights under Clause 10 (*Costs and Expenses*), a person who is not a party to this Guarantee has no rights under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Guarantee.

14 **Partial Invalidity**

If any provision of this Guarantee is or becomes invalid, illegal or unenforceable in any respect under any law, the validity, legality and enforceability of the remaining provisions shall not be affected or impaired in any way.

15 **Governing Law**

This guarantee and any dispute, controversy, proceedings or claim of whatever nature arising out of or in any way relating to this Guarantee or its formation (including any non-contractual disputes or claims), shall be governed by and construed in accordance with English law.

16 **Jurisdiction**

The parties irrevocably agree that the courts of England shall have exclusive jurisdiction to hear and decide any suit, action or proceedings, and/or to settle any disputes, which may arise out of or in any way relate to this Guarantee or its formation and, for these purposes, each party irrevocably submits to the jurisdiction of the courts of England. Nothing in this Clause 16 (*Jurisdiction*) shall affect the ability of RfL to enforce any judgment against the Guarantor(s) in any jurisdiction.

17 **Notices**

17.1 All demands and notices to be given under this Guarantee must be in writing and sent by hand, courier, prepaid first-class post or recorded delivery to the address of the relevant party set out in Clause 17.2 (*Notices*) or such other address as that party may by notice in writing nominate for the purpose of service and any demands or notices:

17.1.1 sent by prepaid first-class post or recorded delivery will be deemed (in the absence of evidence of earlier receipt) to have been delivered at 9.00 a.m. on the second Business Day after posting; and

17.1.2 sent by courier will be deemed to have been delivered on the date and at the time that the courier's delivery receipt is signed.

17.2 Unless notified otherwise, all demands and notices shall be addressed to the parties as follows:

The Go-Ahead Group Limited

Address: 3rd Floor, 41-51 Grey Street, Newcastle Upon Tyne, Tyne & Wear, NE1 6EE

Attention: Group Legal Director

Sumitomo Corporation

Address: 3-2 Otemachi 2-chome, Chiyoda-ku, Tokyo 100-8601, Japan

Attention: Head, Transportation Systems & Infrastructure Business Unit

Tokyo Metro Co., Ltd.

Address: 3-19-6, Higashi-ueno, Taito-ku, Tokyo, Japan

Attention: Director, International Business Department

RfL

Address: 5 Endeavour Square, London E20 1JN

Attention: Elizabeth Line 2 Concession Manager

with a copy of such demand or notice being sent by email to
ElizabethLineConcessionTeam@tfl.gov.uk

17.3 *Service of process*

17.3.1 Sumitomo Corporation irrevocably appoints SCTM Rail Holdings Limited of Vintners' Place, 68 Upper Thames Street, London EC4V 3BJ (Attention: Directors) as its agent to receive on its behalf in England or Wales service of any demands and notices to be given under this Guarantee. Such service shall be deemed completed on delivery to the agent (whether or not it is forwarded to and received by Sumitomo Corporation) and shall be valid until such time as RfL has received prior written notice that the agent has ceased to act as agent. If for any reason the agent ceases to be able to act as agent or no longer has an address in England or Wales, Sumitomo Corporation shall immediately appoint a substitute acceptable to RfL and deliver to RfL the new agent's name and address within England and Wales.

17.3.2 Tokyo Metro Co., Ltd. irrevocably appoints SCTM Rail Holdings Limited of Vintners' Place, 68 Upper Thames Street, London EC4V 3BJ (Attention: Directors) as its agent to receive on its behalf in England or Wales service of any demands and notices to be given under this Guarantee. Such service shall be deemed completed on delivery to the agent (whether or not it is forwarded to and received by Tokyo Metro Co., Ltd.) and shall be valid until such time as RfL has received prior written notice that the agent has ceased to act as agent. If for any reason the agent ceases to be able to act as agent or no longer has an address in England or Wales, Tokyo Metro Co., Ltd. shall immediately appoint a substitute acceptable to RfL and deliver to RfL the new agent's name and address within England and Wales.

18 **Expiry**

This Guarantee shall expire on the date which falls three (3) years after the last day of the Concession Period, save to the extent any claim has been made under this Guarantee prior to the expiry of such period, in which case this Guarantee shall remain in full force and effect in relation to any such claim until the date of its withdrawal, satisfaction or dismissal by a final and binding order of a court of competent jurisdiction.

19 **Counterparts**

This Guarantee may be executed in any number of counterparts, each of which shall be deemed an original, but all the counterparts shall together constitute one and the same instrument.

In witness whereof this **deed** has been executed and delivered on the date first above written.

Executed as a Deed for and on behalf of The Go-Ahead Group Limited

.....
signature

.....
print name

Director

.....
signature

.....
print name

Director/
Secretary

Executed as a Deed by affixing the corporate seal of Sumitomo Corporation, a company incorporated in Japan

Executed as a Deed by affixing the corporate seal of Tokyo Metro Co., Ltd., a company incorporated in Japan

**Executed as a Deed for and on
behalf of Rail for London
Limited acting by its attorney
in the presence of a witness:**

Signature of attorney
.....

Name of attorney
.....

Signature of witness
.....

Name of witness
.....

Address of witness
.....
.....
.....

Occupation of witness
.....

Schedule 15
Concession Management Provisions

Schedule 15.1: Personnel, Communications and Access

Schedule 15.2: Co-location

Schedule 15.3: Responsible Procurement

Schedule 15.4: Environment

Schedule 15.5: Pensions

Schedule 15.1
Personnel, Communication and Access

1 Operator's Contract Manager

- 1.1 The Operator shall appoint a competent Contract Manager experienced in managing obligations equivalent to the obligations under this Agreement who shall have full power and authority delegated to them by the Operator to act and to make decisions on behalf of the Operator in relation to this Agreement. The principal responsibilities of the Contract Manager to the Operator shall be, amongst other things:
- 1.1.1 to manage this Agreement on behalf of the Operator;
 - 1.1.2 to ensure that the necessary resources within the Operator's organisation are made available expeditiously for the performance of the Operator's obligations under this Agreement and to co-ordinate the management of those resources so as to:
 - (a) serve as a single point of contact for RfL with regards to the Operator's business and the provision of the Concession Services;
 - (b) ensure RfL is provided with one consistent message about the Operator's performance of its obligations and exercise of its rights under this Agreement; and
 - (c) ensure the Operator's business is presented with one consistent message about RfL's needs and expectations relating to this Agreement and the Operator's performance of its obligations and exercise of its rights under this Agreement;
 - 1.1.3 to ensure that any necessary sub-contracts are placed and managed so that the requirements of this Agreement are fully met;
 - 1.1.4 to facilitate the Operator in fulfilling its obligations under this Agreement to RfL, including where necessary, to procure and co-ordinate the performance of third parties; and
 - 1.1.5 to ensure that information on the Operator's performance of its obligations under this Agreement is provided to RfL in a timely manner.
- 1.2 The Contract Manager may from time to time delegate any of the powers, functions and authorities vested in them to an assistant or agent (provided such agent or assistant shall be competent and have experience in the functions delegated to them) and may at any time revoke any such delegation. Any such delegation or revocation shall be in writing signed by the Contract Manager and shall state which power, function or authority is thereby delegated or revoked and the persons to whom or from whom the same are delegated or revoked respectively. No such delegation or revocation shall have effect until RfL is deemed to have received notice of it in writing in

accordance with paragraph 4.3 (*Notices – Deemed Receipt*) of Schedule 20 (*Other Provisions*).

- 1.3 Except in cases of emergency, a minimum of three (3) months' notice must be given to the Concession Manager of a proposal to replace the Contract Manager, and paragraph 2.3 (*Key Personnel*) shall apply accordingly.

2 Key Personnel

- 2.1 The Operator shall identify a schedule of Key Personnel who shall be employed by the Operator in the performance of this Agreement. This shall include the following persons:

- 2.1.1 a Managing Director;
- 2.1.2 a Contract Manager;
- 2.1.3 a train service delivery manager, whose role will include responsibility for ensuring compliance by the Operator with Schedule 7 (*Operating Performance*);
- 2.1.4 a safety manager, whose role will include responsibility for ensuring that the Operator complies with its legal obligations in relation to the Concession Services including the Safety Certificate and the Safety Authorisation;
- 2.1.5 a finance manager, whose role will include responsibility in relation to the Financial Model (the "**Finance Director**");
- 2.1.6 a manager experienced in the provision of customer service, whose role will include responsibility for overseeing the Operator's compliance with the levels of customer service contemplated by this Agreement;
- 2.1.7 the Strategic Labour Needs and Training Co-ordinator;
- 2.1.8 a security manager, whose role will include responsibility in relation to Schedule 6.1 (*Security*);
- 2.1.9 such members of the Operator's Executive (to the extent not already included in paragraphs 2.1.1 (*Key Personnel*) to 2.1.8 (*Key Personnel*) above) that RfL notifies to the Operator from time to time that it considers to be Key Personnel, provided that at the date of this Agreement RfL has not notified the Operator of any such member of the Operator's Executive.

- 2.2 The Operator shall ensure that the persons who from time to time hold the roles of Key Personnel:

- 2.2.1 have suitable experience and qualifications to carry out their roles; and
- 2.2.2 devote substantially all of their time to performing the duties attached to those posts.

- 2.3 Except in cases of emergency, a minimum of three (3) months' notice must be given to the Concession Manager of a proposal to replace any member of the Key Personnel or any members of the Operator's Executive, together with:
- 2.3.1 the Operator's plan to employ that replacement (including the process it proposes to undertake);
 - 2.3.2 how the Operator's plan to employ that replacement (including the process it proposes to undertake) is consistent (or otherwise) with the Operator's most recent EDI Action Plan; and
 - 2.3.3 details of how the Operator intends to ensure that such replacement member of the Key Personnel meets the requirements of paragraph 2.2 (*Key Personnel*),

(the "**Recruitment Plan**") and the Operator shall:

- (a) make such adjustments to the Recruitment Plan as RfL may reasonably require;
- (b) implement the Recruitment Plan in accordance with its terms; and
- (c) keep RfL regularly updated on progress of implementing the Recruitment Plan, including the identity of any proposed replacement member of the Key Personnel or any members of the Operator's Executive,

provided always that the Operator shall not appoint any of the Key Personnel or any members of the Operator's Executive without the prior written consent of RfL (such consent not to be unreasonably withheld) except where any of those individuals are appointed as a direct consequence of the operation of TUPE.

- 2.4 The Operator shall provide to RfL an organisation chart detailing the responsibilities and reporting lines of each member of the Operator's Executive and any individual sitting at director level within the Operator on or prior to the Start Date and shall update such chart (and provide a copy to RfL promptly thereafter) as and when any changes occur. The Operator shall provide RfL with reasonable notice in advance of any process commencing which may reasonably be expected to result in material changes being made to such organisation chart.

3 **RfL's Concession Manager**

- 3.1 RfL shall appoint a competent Concession Manager who shall have power and authority delegated to them by RfL to act and to make decisions on behalf of RfL in relation to this Agreement and amend this Agreement on behalf of RfL. The principal responsibilities of the Concession Manager to RfL shall be, amongst other things:
- 3.1.1 to manage this Agreement on behalf of RfL;

- 3.1.2 to monitor the Operator's performance of its obligations under this Agreement and where appropriate, issue Remedial Plan Notices and agree the terms of Remedial Agreements;
 - 3.1.3 to ensure that the necessary resources within RfL are made available expeditiously for the performance of RfL's obligations under this Agreement; and
 - 3.1.4 to facilitate RfL in fulfilling its obligations under this Agreement to the Operator, including where necessary, to procure and co-ordinate the performance of third parties.
- 3.2 The Concession Manager may from time to time delegate any of the powers, functions and authorities vested in them to an assistant or agent and may at any time revoke any such delegation. Any such delegation or revocation shall be in writing signed by the Concession Manager and shall state which power, function or authority is thereby delegated or revoked and the persons to whom or from whom the same are delegated or revoked respectively. No such delegation or revocation shall have effect until the Operator is deemed to have received notice of it in writing in accordance with paragraph 4.3 (*Notices - Deemed Receipt*) of Schedule 20 (*Other Provisions*).
- 3.3 Except in cases of emergency, or as a consequence of the proper exercise of disciplinary procedures of RfL, RfL shall give the Contract Manager reasonable notice of a proposal to replace the Concession Manager.

4 **Control of Communications, Information and Documents**

- 4.1 All correspondence between the Operator and RfL (other than correspondence in connection with the matters referred to in paragraph 4.1 (*Notices – General Provisions on Notices*) of Schedule 20 (*Other Provisions*)) shall be sent to the Contract Manager and/or the Concession Manager (as appropriate) in accordance with the terms of paragraph 4.1 (*Notices – General Provisions on Notices*) of Schedule 20 (*Other Provisions*).
- 4.2 The Operator shall use a logical and structured system for correspondence reference. All correspondence between the Operator and RfL shall be given a unique reference number and, wherever possible, correspondence shall be cross-referenced to the relevant clause or paragraph of or schedule to this Agreement, as the context may require.
- 4.3 The Operator shall maintain a sequentially numbered register of all material correspondence relating to the Elizabeth Line on an electronic system (which may include Sharepoint or an equivalent system) that can be accessed by RfL online and which complies with the requirements of the TfL network and Schedule 6.2 (*Cyber Security*). Such register shall record the reference number for each piece of correspondence, its date, a brief description of the topic covered in the correspondence, the date on which a response is due and the date on which a response was made or received. For the purposes of this paragraph 4.3 (*Control of Communications, Information and Documents*) "**material**" includes as a minimum:

- 4.3.1 meeting agendas and minutes;
 - 4.3.2 all formal correspondence between the parties, including letters, Committed Obligations, annual plans, formal reports, formal obligation submissions;
 - 4.3.3 all correspondence in respect of derogations, including in respect of Key Performance Indicators, Committed Obligations;
 - 4.3.4 an active Change log in accordance with paragraph 4.6 (*Time Limits – Register of Changes*) of Schedule 13.1 (*Financial Consequences of Change*) and an active log of the value of any and all Sub-Threshold Changes in accordance with paragraph 4.5 (*Time Limits – Requirement to Notify a Sub-Threshold Change*) of Schedule 13.1 (*Financial Consequences of Change*); and
 - 4.3.5 such other material agreed between RfL and the Operator or otherwise determined by RfL on or after the date of signature of this Agreement.
- 4.4 The correspondence register referred to in paragraph 4.3 (*Control of Communications, Information and Documents*) and any outstanding items shall be reviewed at each Concession Performance Meeting.

5 **Concession Performance Meetings**

- 5.1 The parties shall hold a Concession Performance Meeting once in each Reporting Period at a time and location notified to the Operator by RfL.
- 5.2 The parties shall review the financial, operating and contractual performance of the Operator at each Concession Performance Meeting, using the contents of the latest Periodic Concession Report as a means of informing the agenda.
- 5.3 Each Concession Performance Meeting shall be chaired by the Concession Manager and minuted by the Concession Manager or their nominee from RfL. The minutes shall be published within seven (7) Business Days of each such meeting.
- 5.4 The Operator shall procure that its Managing Director, the Contract Manager and such other members of the Operator's Executive as required by RfL shall attend each Concession Performance Meeting and each such representative shall have full power and authority delegated to them by the Operator to act and to make binding decisions on behalf of the Operator.
- 5.5 RfL shall be entitled to invite representatives of other members of the TfL Group to attend any Concession Performance Meeting.
- 5.6 In addition to the obligation to prepare the Periodic Concession Report pursuant to paragraph 2.2 (*Operating Information - Periodic Concession Report*) of Schedule 16.1 (*Records, Plans and Reporting*), the Operator shall prepare and present such additional reports to each Concession Performance Meeting as RfL may reasonably request. The Operator's obligations under this paragraph 5.6 (*Concession Performance Meetings*) are subject to the

Operator receiving at least twenty (20) Business Days' notice of the requirement to prepare and present any such additional report.

- 5.7 No comment or failure to comment nor any agreement or approval, implicit or explicit by RfL or any other member of the TfL Group at such meetings will relieve the Operator of any of its obligations under this Agreement or will otherwise constitute a waiver by RfL of any of its rights under this Agreement or a waiver of any of the Operator's obligations under this Agreement.

6 **Development of Railway Industry Standards**

- 6.1 The Operator shall at all times during the Concession Period co-operate with TfL, RfL and any other competent authority in the development, modification, agreement and implementation of railway industry standards. References to "**Railway Industry Standards**" in this paragraph 6 (*Development of Railway Industry Standards*) shall include Railway Group Standards, TSIs, recommendations following accident investigations and any consultation documents on any proposed legislative change affecting the railway industry.
- 6.2 In co-operating with RfL and/or any third party in developing any railway industry standards, the Operator shall make appropriately skilled and qualified Concession Employees reasonably available, free of charge, to:
- 6.2.1 attend meetings with RfL and/or such third party to discuss and review the need for the development, agreement, amendment or need for derogation from any Railway Industry Standards;
 - 6.2.2 provide the Operator's opinion on any proposed Railway Industry Standards;
 - 6.2.3 provide the Operator's opinion on any existing Railway Industry Standards or any replacement Railway Industry Standards;
 - 6.2.4 review and comment upon implementation timetables and programmes for any Railway Industry Standards or any replacement Railway Industry Standards;
 - 6.2.5 make recommendations for modifications to any existing or new Railway Industry Standards in the light of operating experience;
 - 6.2.6 make representations to competent authorities to prevent the introduction of new Railway Industry Standards where in the Operator's opinion the introduction of such new Railway Industry Standards would cause disproportionate additional cost; and
 - 6.2.7 make representations to competent authorities to seek derogations from the application of new Railway Industry Standards where such new Railway Industry Standards are judged inappropriate by the Operator.

7 System Interface Committees

- 7.1 The Operator shall at all times during the Concession Period co-operate with the reasonable requirements of any relevant System Interface Committees in the development, modification, agreement and implementation of any system interface recommendations made by those committees.
- 7.2 In co-operating with any relevant System Interface Committee, the Operator shall make appropriately skilled and qualified Concession Employees reasonably available, free of charge to:
- 7.2.1 attend meetings with that committee to discuss and review the need for the development, agreement, amendment or need for derogation from any recommendations made by that committee;
 - 7.2.2 provide the Operator's opinion on any such proposed recommendations;
 - 7.2.3 review and comment upon implementation timetables and programmes for any such recommendations;
 - 7.2.4 make recommendations for modifications to any existing or new system interface recommendations in the light of operating experience; and
 - 7.2.5 make representations to competent authorities to seek derogations from the application of such recommendations where the Operator reasonably believes that such derogations are appropriate.

8 Right of Assessment or Inspection

- 8.1 The Operator shall, if requested by RfL, allow RfL, its representatives, agents and advisors:
- 8.1.1 to inspect and copy any records referred to in Schedule 16.1 (*Records, Plans and Reporting*) and RfL may verify any such records; and
 - 8.1.2 to inspect and copy at any reasonable time any books, records and any other material kept by or on behalf of the Operator (whether in electronic or hard copy), any Subcontractors who are counterparties to Key Contracts and/or its auditors and any assets (including the Concession Assets) used by the Operator in connection with the Concession Services or (in the case of any Subcontractors who are counterparties to Key Contracts) in connection with the Concession Services.
- 8.2 The Operator shall make available to RfL, its representatives, agents and/or advisers (as nominated by RfL) the information referred to in paragraph 8.1 (*Right of Assessment of Inspection*) and grant or procure the grant of such access (including to or from its Subcontractors and third parties) as RfL shall reasonably require in connection therewith.

- 8.3 RfL, its representatives, agents and/or advisers (as nominated by RfL) shall be permitted to take photographs, film or make a video recording, or make any other kind of record of any such inspection.
- 8.4 If any inspection reveals that information previously supplied to RfL, its representatives, agents and/or advisers (as nominated by RfL) was in any material respect inaccurate or if such inspection reveals any other material contravention of the Operator's obligations under this Agreement, the costs of any such inspection shall be borne by the Operator.

9 **Sentinel**

The Operator shall procure that all Concession Employees that are required to by the terms of the Sentinel scheme duly carry Sentinel cards at all relevant times during the Concession Period.

Schedule 15.2
Co-location

1 Accommodation for RfL Management Team

- 1.1 From the date referred to in paragraph 1.6 (*Co-location - Accommodation for the RfL Management Team*) and at all times thereafter during the term of this Agreement, the Operator shall provide secure, separate and fully serviced office accommodation for RfL's concession management team, within the same building as the Operator's management team, which building shall be located within Zone 1, 2 or 3 (the "**RfL Accommodation**").
- 1.2 To the extent that there are any changes to the Operator's design proposal for the RfL Accommodation as has been provided to RfL prior to the date of this Agreement, the Operator shall provide to RfL no later than eight (8) weeks before the Start Date (or such other period as RfL and the Operator has agreed (such period to be such that RfL has the opportunity to review and provide comments in accordance with paragraph 1.3 (*Co-location - Accommodation for the RfL Management Team*))), its revised design proposal for the RfL Accommodation, which shall be available for use without any unreasonable time restrictions through the common part of the building in which it is located and shall meet the following specification as a minimum:
- 1.2.1 one (1) secure suite which RfL shall be able to control access to day-to-day;
 - 1.2.2 one (1) open-plan office that provides sufficient capacity for six (6) workstations;
 - 1.2.3 two (2) separate senior managers' offices, each of not less than one hundred and fifty (150) square feet with facilities to hold meetings and audio-visual conferencing facilities;
 - 1.2.4 adequate furniture for meetings to be held in the offices referred to in paragraph 1.2.3 (*Accommodation for the RfL Management Team*) and in the remainder of the RfL Accommodation in order that RfL's employees may carry out their functions in relation to the performance of this Agreement;
 - 1.2.5 adequate toilet and kitchen facilities for RfL's employees, provided that these facilities may be shared with Concession Employees;
 - 1.2.6 a level of comfort that is, and facilities that are, consistent with the other areas of the building that are used by Concession Employees;
 - 1.2.7 adequate office cleaning and waste disposal services (including secure waste disposal services); and
 - 1.2.8 access to the Operator's wi-fi network (and the Operator shall assist and co-operate with RfL to procure the installation of and access to the TfL wi-fi network).

- 1.3 RfL shall review the Operator's design proposal for the RfL Accommodation and the parties shall, acting reasonably, thereafter no less than six (6) weeks prior to the Start Date, agree the design for the RfL Accommodation.
- 1.4 The Operator shall procure within the building in which the RfL Accommodation is located, that RfL's employees have access to a boardroom-style meeting room, provided that such meeting room may be a shared facility with Concession Employees. Such meeting room shall be of sufficient capacity for those RfL employees that are located at the RfL Accommodation to all meet simultaneously, shall have audio-visual conferencing facilities and shall have access to the Operator's wi-fi network (and the Operator shall assist and co-operate with RfL to procure the installation of and access to TfL wi-fi network in accordance with paragraph 1.2.8 (*Co-location - Accommodation for the RfL Management Team*)).
- 1.5 RfL shall have the right to use:
 - 1.5.1 any unused workstations and/or desks;
 - 1.5.2 any break out areas; and
 - 1.5.3 any bike lockers, showers or other amenities,within either the Operator's areas within the building in which the RfL Accommodation is located or those areas of the building in which the RfL Accommodation is located to which the Operator has access, in each case on request to the Operator (such request not to be unreasonably refused or delayed).
- 1.6 The Operator shall make available the RfL Accommodation from the Start Date.

2 **Support and Services**

- 2.1 The Operator shall co-operate with RfL to assist RfL in the successful mobilisation of its resources and the carrying out of its activities prior to the Start Date, and this co-operation shall include:
 - 2.1.1 regularly consulting RfL (including RfL's information technology representatives) on the Operator's project plans for the Operator's fit out of the RfL Accommodation; and
 - 2.1.2 taking reasonable steps to accommodate RfL's information technology requirements for the RfL Accommodation as soon as reasonably practicable, including assisting and co-operating with RfL to procure the installation of and access to TfL wi-fi network in accordance with paragraph 1.2.8 (*Co-location - Accommodation for RfL Management Team*).
- 2.2 The Operator shall establish a facilities management function prior to making the RfL Accommodation available to RfL and maintain that function, in each case for the purpose of rectifying or procuring the rectification of defects reported or identified in respect of the building in which the RfL

Accommodation is located. The Operator shall procure that any such defects reported to it by RfL are duly recorded by that facilities management function and investigated and rectified promptly following such notification.

Schedule 15.3

Responsible Procurement

1 Compliance with Laws

Bribery Act 2010 and Criminal Finances Act 2017

- 1.1 The Operator shall comply with the Bribery Act 2010 and the Criminal Finances Act 2017 and any guidance issued by the Secretary of State under it.

Crime and Disorder Act 1998

- 1.2 The Operator acknowledges that TfL is under a duty in accordance with section 17 of the Crime and Disorder Act 1998:

- 1.2.1 to have due regard to the impact of crime, disorder and community safety in the exercise of its duties;
- 1.2.2 where appropriate, to identify actions to reduce levels of crime and disorder; and
- 1.2.3 to exercise its functions with due regard to the likely effect of the exercise of those functions on, and the need to do all that it reasonably can to prevent, crime and disorder in its area,

and in the performance of the Concession Services and its obligations under this Agreement, the Operator will assist and co-operate with RfL, and will use reasonable endeavours to procure that its Subcontractors observe these duties and assists and co-operates with RfL where possible to enable TfL to satisfy its duty.

Modern Slavery Act 2015

- 1.3 Where applicable to the Operator and without prejudice to paragraph 16 (*Ethical Sourcing*), the Operator shall comply with the Modern Slavery Act 2015 and any guidance issued by the Secretary of State under it.

Costs of Compliance

- 1.4 In all cases the cost of compliance with this paragraph 1 (*Responsible Procurement - Compliance with Laws*) shall be borne by the Operator.

2 Compliance with Policies

- 2.1 The Operator, at no additional cost to RfL, undertakes to procure that all Concession Employees comply with all of TfL's policies and standards that are relevant to the performance of the Concession Services, including TfL's:

- 2.1.1 'Code of Conduct' including the provisions set out in and those relating to safety, security, and any other on site regulations specified by TfL for personnel working at its premises or accessing TfL's computer systems;

- 2.1.2 TfL Safety and Wellbeing policy, including the 'Drugs and Alcohol Policy'; and
- 2.1.3 the 'Vision Zero Policy' and 'Zero Harm' policies.
- 2.2 RfL shall procure that TfL provides the Operator on request with copies of the policies and standards referred to in paragraph 2.1 (*Responsible Procurement - Compliance with Policies*) that may apply from time to time.

3 **Corrupt Gifts and Payment of Commission**

The Operator shall not, and shall ensure that its employees, agents, Direct Subcontractors and Indirect Subcontractors do not, pay any commission, fees or grant any rebates to any employee, officer or agent of TfL or any member of the TfL Group nor favour any employee, officer or agent of TfL or any member of the TfL Group with gifts or entertainment of significant cost or value nor enter into any business arrangement with employees, officers or agents of TfL or any member of the TfL Group other than as a representative of TfL, without TfL's prior written approval.

4 **Equality and Diversity Statutory Duties**

Duty not to Discriminate

- 4.1 Without limiting any other provision of this Agreement, the Operator shall (and shall procure that its Direct Subcontractors shall), in relation to the Elizabeth Line:

- 4.1.1 not unlawfully discriminate; and
- 4.1.2 procure that the Concession Employees do not unlawfully discriminate,

within the meaning and scope of the Equality Act and any other relevant enactments in force from time to time relating to discrimination in employment.

Equality Act Duties

- 4.2 The Operator acknowledges that under section 149 of the Equality Act, TfL is under a duty to have due regard for the need to, amongst other things:
 - 4.2.1 eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by or under the Equality Act on the grounds of age, disability, gender reassignment, marriage and civil partnerships, pregnancy and maternity, race, religion and belief, sex and sexual orientation (a "**Relevant Protected Characteristic**");
 - 4.2.2 promote equality of opportunity between persons who share a Relevant Protected Characteristic and persons who do not share it. In providing the Concession Services, the Operator shall assist and cooperate with TfL where possible in satisfying this duty; and
 - 4.2.3 foster good relations between people who share a Relevant Protected Characteristic and persons who do not.

- 4.3 The Operator shall inform TfL promptly in writing should it become aware of any proceedings brought against it in connection with this Agreement by any person for breach of the Equality Act.

GLA Act Duties

- 4.4 The Operator, at no additional cost to RfL acknowledges that TfL is under a duty by virtue of a direction under section 155 of the GLA Act in respect of section 404(2) of that act to have due regard to the need to:

- 4.4.1 promote equality of opportunity for all persons irrespective of their race, sex, disability, age, sexual orientation or religion;
- 4.4.2 eliminate unlawful discrimination; and
- 4.4.3 promote good relations between persons of different racial groups, religious beliefs and sexual orientation,

and in providing the Concession Services, the Operator shall assist and co-operate with TfL where possible to enable TfL to satisfy its duty.

Direct Subcontractors

- 4.5 On entering into any agreement with a Direct Subcontractor in relation to this Agreement, the Operator shall impose obligations upon the Direct Subcontractor to comply with this paragraph 4 (*Equality and Diversity Statutory Duties*) as if the Direct Subcontractor was in the position of the Operator.

Gender Neutral Language

- 4.6 For the duration of this Agreement, the Operator shall endeavour to employ gender-neutral language in all communications relating to this Agreement, including communications with job applicants, employees, apprentices, contractors, customers and members of the public. Gender-neutral language includes the avoidance of male or female pronouns and male or female forms of job titles where unnecessary.

5 Equality, Diversity and Inclusion

EDI Policy

- 5.1 Within one (1) Reporting Period following the Start Date, the Operator shall provide RfL with a copy of its EDI Policy. The Operator shall keep its EDI Policy under review for the duration of this Agreement and shall provide RfL with any such revised EDI Policy once available.

Agreed EDI Action Plan

- 5.2 Based on the Initial EDI Action Plan, the Operator shall:
- 5.2.1 further develop the Initial EDI Action Plan to reflect the comments and requirements of RfL; and

- 5.2.2 submit a revised copy of the Initial EDI Action Plan to RfL for approval within twenty (20) Business Days of the signature of this Agreement.
- 5.3 If the Initial EDI Action Plan is:
 - 5.3.1 approved, then it shall be adopted immediately and become the agreed EDI Action Plan; or
 - 5.3.2 not approved, then the Operator shall amend the Initial EDI Action Plan and re-submit it to RfL for approval within the time period agreed in writing between the parties or, in the absence of agreement, determined by RfL. If RfL does not approve the Initial EDI Action Plan following its resubmission, then the matters preventing such approval shall be resolved in accordance with paragraph 2 (*Disputes under this Agreement*) of Schedule 20 (*Other Provisions*).

EDI Action Plan

- 5.4 For the duration of this Agreement, the Operator shall comply with the EDI Action Plan and shall:
 - 5.4.1 procure that each of its Direct Subcontractors; and
 - 5.4.2 in respect of Indirect Subcontractors, use reasonable endeavours to procure that those Indirect Subcontractors,

adopts and implements a Strategic Equality and Diversity Plan in respect of their respective employees engaged in the performance of this Agreement, such plan to be at least as extensive in scope as that agreed between the Operator and RfL and set out in the EDI Action Plan.

Equality Statement

- 5.5 The Operator shall submit and keep under review an Equality Statement setting out how it will embed equality, diversity and inclusion in the performance of this Agreement.

6 **Diversity Monitoring and Reporting**

- 6.1 In this paragraph 6 (*Diversity – Monitoring and Reporting*) "**diversity**" means recognising, respecting and valuing a wide set of differences and understanding that an individual's opportunities are impacted by characteristics beyond those protected by Law, for example class, family background, political views and union membership.
- 6.2 Subject to paragraphs 5.2 (*Equality, Diversity and Inclusion – Agreed EDI Action Plan*) and 5.3 (*Equality, Diversity and Inclusion – Agreed EDI Action Plan*) and without prejudice to paragraph 2 (*Data Protection*) of Schedule 16.2 (*Confidentiality, Freedom of Information Act and Data Protection Requirements*), the Operator shall use reasonable endeavours to provide RfL on the Start Date and subsequently every twelve (12) months from that date

or such other frequency as RfL may reasonably request, with the following information:

6.2.1 subject to paragraph 6.2.2 (*Diversity Monitoring and Reporting*) an annual report on performance and compliance with the equality, diversity and inclusion provisions as set out in paragraphs 5.2 (*Equality, Diversity and Inclusion – Agreed EDI Action Plan*) and 5.3 (*Equality, Diversity and Inclusion – Agreed EDI Action Plan*). The annual report shall set out:

- (a) the performance of the Operator over the past twelve (12) months in relation to the EDI Action Plan;
- (b) employee breakdown: the proportion of Concession Employees and to the extent reasonably possible, the employees of any Direct Subcontractor or Indirect Subcontractor who are:
 - (i) of non-white British origin or who classify themselves as being non-white British;
 - (ii) female; and
 - (iii) Disabled Persons;
- (c) expenditure breakdown: a statement broken down by activity and material type of how the Operator has used and how much has been spent with:
 - (i) SMEs;
 - (ii) BAME businesses;
 - (iii) suppliers from other under-represented or protected groups; and
 - (iv) suppliers demonstrating a diverse workforce composition; and

6.2.2 the Operator shall ensure at all times that it, its Direct Subcontractors and its Indirect Subcontractors comply with the requirements of paragraph 2 (*Data Protection*) of Schedule 16.2 (*Confidentiality, Freedom of Information Act and Data Protection Requirements*) in the collection and reporting of the information to RfL pursuant to paragraph 6.2.1 (*Diversity Monitoring and Reporting*).

6.3 RfL and the Operator will hold progress meetings every Reporting Period on its compliance with paragraph 5 (*Equality, Diversity and Inclusion*) and this paragraph 6.3 (*Diversity Monitoring and Reporting*). The Operator shall provide a written update prior to each progress meeting and may request additional meetings (if necessary) with RfL to discuss progress or seek sign-off for completed actions.

7 Diversity Infractions

- 7.1 If the Operator or any of its Direct Subcontractors commits a Diversity Infraction, RfL shall be entitled (but shall not be obliged), without prejudice to any other right or remedy it might have under this Agreement, to serve written notice upon the Operator identifying in reasonable detail the nature of the Diversity Infraction, and
- 7.1.1 where a Diversity Infraction is committed by the Operator, the Operator shall cease committing and remedy such Diversity Infraction within twenty (20) Business Days of receipt of such notice (or such longer period as may be specified by RfL in the notice); and
- 7.1.2 where the Diversity Infraction is committed by a Direct Subcontractor of the Operator, the Operator shall procure that the relevant Direct Subcontractor ceases committing and remedies the Diversity Infraction within twenty (20) Business Days of receipt by the Operator of such notice (or such longer period as may be specified by RfL in the notice).
- 7.2 If the Operator fails to procure the remedy of any Diversity Infraction referred to in paragraph 7.1.2 (*Diversity Infractions*), then RfL may (in its sole discretion) serve a further written notice upon the Operator. Within twenty (20) Business Days of receipt of such further notice (or such longer period as may be specified by RfL in the notice) the Operator shall terminate the engagement of its Direct Subcontractor under the relevant sub-contract and procure performance of the affected works or services by a replacement Direct Subcontractor which complies with the obligations of paragraphs 4 (*Equality and Diversity Statutory Duties*) to 6 (*Diversity Monitoring and Reporting*) (inclusive).
- 7.3 RfL may, in its sole discretion, require that the Operator to provide evidence to substantiate any replacement Direct Subcontractor's compliance with the obligations specified in paragraphs 4 (*Equality and Diversity Statutory Duties*) to 6 (*Diversity Monitoring and Reporting*) inclusive.

8 Equality and Diversity Audits

- 8.1 RfL (or its nominee) may undertake an audit of any and/or all information relating to the Operator's compliance with paragraphs 4 (*Equality and Diversity Statutory Duties*) to 6 (*Diversity Monitoring and Reporting*) (inclusive) in accordance with paragraph 8 (*Right of Assessment or Inspection*) of Schedule 15.1 (*Personnel, Communication and Access*).
- 8.2 The Operator shall, and shall procure that each of its Direct Subcontractors shall and, where applicable subject to the provisions of paragraphs 4 (*Equality and Diversity Statutory Duties*) to 6 (*Diversity Monitoring and Reporting*) (inclusive), its Indirect Subcontractors shall, maintain and retain the Minimum Records for a minimum of six (6) years with respect to all matters relating to the Operator's performance of and compliance with paragraphs 4 (*Equality and Diversity Statutory Duties*) to 6 (*Diversity Monitoring and Reporting*) (inclusive). The Operator shall procure that each sub-contract between the

Operator and its Direct Subcontractors and, where applicable, subject to the provisions of paragraphs 4 (*Equality and Diversity Statutory Duties*) to 6 (*Diversity Monitoring and Reporting*) (inclusive), each sub-contract between its Direct Subcontractor and any Indirect Subcontractor of the Operator and each sub-contract between the Operator's Indirect Subcontractors shall contain rights of audit in favour of and enforceable by RfL substantially equivalent to those granted by the Operator pursuant to paragraph 8.1 (*Quality and Diversity Audits*).

8.3 The Operator shall promptly provide, and shall procure that its Direct Subcontractors shall and, where applicable subject to the provisions of paragraphs 4 (*Equality and Diversity Statutory Duties*) to 6 (*Diversity Monitoring and Reporting*) (inclusive), its Indirect Subcontractors shall, promptly provide all reasonable co-operation to RfL or its nominated auditor, in each case in relation to any audit, including to the extent reasonably possible in each particular circumstance:

8.3.1 granting or procuring the grant of access to any premises used in the Operator's performance of this Agreement or in any Direct Subcontractor's or Indirect Subcontractor's performance of its sub-contract, whether on the Operator's own premises or otherwise;

8.3.2 granting or procuring the grant of access to any equipment (including all computer hardware and software and databases) used (whether exclusively or non-exclusively) in the performance of the Operator's or any Direct Subcontractor's or Indirect Subcontractor's obligations specified in paragraphs 4 (*Equality and Diversity Statutory Duties*) to 6 (*Diversity Monitoring and Reporting*) (inclusive), wherever situated and whether the Operator owns the equipment or otherwise; and

8.3.3 complying with RfL's (or its nominee's) reasonable requests for access to the Operator's senior personnel engaged in the performance of this Agreement or the relevant Direct Subcontractor's or Indirect Subcontractor's performance of its sub-contract.

9 **Strategic Labour Needs and Training Plan**

9.1 Based on the Initial SLNT Plan, the Operator shall:

9.1.1 further develop the Initial SLNT Plan to reflect the comments and requirements of RfL; and

9.1.2 submit a revised copy of the Initial SLNT Plan to RfL within two (2) Reporting Periods of the date of this Agreement.

9.2 If the Initial SLNT Plan is:

9.2.1 approved by RfL, then it shall be adopted immediately and become the Agreed SLNT Plan; or

- 9.2.2 not approved, then the Operator shall amend the Initial SLNT Plan and re-submit it to RfL for approval within such time period as may be agreed between the parties in writing. If RfL does not approve the Initial SLNT Plan following its resubmission, then the matters preventing such approval shall be resolved in accordance with paragraph 2 (*Disputes under this Agreement*) of Schedule 20 (*Other Provisions*).

9.3 The Operator shall:

- 9.3.1 comply with and implement the provisions of the Strategic Labour Needs and Training Plan; and
- 9.3.2 at no additional cost to RfL and subject to the provisions of paragraph 9.2 (*Strategic Labour Needs and Training Plan*), review and amend the Strategic Labour Needs and Training Plan as a minimum, every twelve (12) months following the Start Date or at such other times as may be requested by RfL, to reflect:
- (a) Good Industry Practice;
 - (b) any changes to the terms of this Agreement; and
 - (c) any amendments proposed by RfL.

- 9.4 Any changes or amendments to the Strategic Labour Needs and Training Plan shall not be implemented until approved in writing by RfL.

10 **Strategic Labour Needs and Training Co-ordinator**

Within twenty (20) Business Days of the Start Date, the Operator shall nominate a member of its personnel with the necessary skills and authority to:

- 10.1 be responsible for the implementation and on-going development and maintenance of the Strategic Labour Needs and Training Plan; and
- 10.2 act as the single point of contact between RfL personnel on all matters concerning the Strategic Labour Needs and Training Plan,

(the "**Strategic Labour Needs and Training Co-ordinator**"), provided that the Strategic Labour Needs and Training Co-ordinator need not be a dedicated resource.

11 **SLNT Monitoring and Reporting**

The Operator shall each Reporting Period provide RfL with a Periodic SLNT Report detailing the Operator's performance against the Strategic Labour Needs and Training Plan.

12 **SLNT Infractions**

If the Operator fails to:

- 12.1 ensure that each output for the monitoring period is delivered in accordance with the Strategic Labour Needs and Training Plan; and/or

- 12.2 review the Strategic Labour Needs and Training Plan in accordance with paragraph 9.3.2 (*Strategic Labour Needs and Training Plan*),

then the Operator shall explain the reasons for such failure in the next Concession Performance Meeting.

13 SLNT Audits

- 13.1 RfL (or its nominee) may undertake an audit of any and/or all information relating to the Operator's compliance with paragraphs 9 (*Strategic Labour Needs and Training Plan*) to 11 (*SLNT Monitoring and Reporting*) (inclusive) in accordance with paragraph 8 (*Right of Assessment or Inspection*) of Schedule 15.1 (*Personnel, Communication and Access*).
- 13.2 The Operator shall maintain and retain records relating to the Strategic Labour Needs and Training Plan and its compliance with the provisions of paragraphs 9 (*Strategic Labour Needs and Training Plan*) to 11 (*SLNT Monitoring and Reporting*) (inclusive) for a minimum of six (6) years.

14 Mayor's Good Work Standard

- 14.1 Within two (2) Reporting Periods of the Start Date the Operator shall:
- 14.1.1 undertake and complete the Good Work Standard self-assessment at the following website: <https://www.london.gov.uk/what-we-do/business-and-economy/supporting-business/what-mayors-good-work-standard#acc-i-54389>; and
- 14.1.2 submit the results to RfL, together with its draft action plan outlining the activities the Operator proposed to undertake in order to meet the 'Achievement' level of the Good Work Standard.
- 14.2 The Operator shall take into account any comments or recommendations made by RfL in respect of the Operator's draft action plan prepared in accordance with paragraph 14.1.2 (*Mayor's Good Work Standard*) and the parties shall agree (or, failing such agreement, RfL shall determine) the final contents of the action plan within three (3) Reporting Periods of the Start Date.

15 London Living Wage

- 15.1 Without prejudice to any other provision of this Agreement, the Operator shall:
- 15.1.1 ensure that no Concession Employee, contracted employee and/or employee of its Direct Subcontractors or Indirect Subcontractors who, in each case is employed in the carrying out of the Operator's rights and obligations under this Agreement or the performance of activities reasonably ancillary thereto, in each case either:
- (a) within the London Boroughs; or
- (b) outside the London Boroughs where employed at a facility in respect of which the Operator is the Facility Owner or at

other premises reasonably proximate to the Elizabeth Line Route,

is paid an hourly wage (or equivalent of an hourly wage) less than the London Living Wage, as adjusted annually;

- 15.1.2 ensure that no Concession Employee and/or employee of its Direct Subcontractors or Indirect Subcontractors who, in each case is employed in the carrying out of the Concession Services is paid less than the amount to which they are entitled in their respective contracts of employment;
 - 15.1.3 implement the annual increase in the rate of the London Living Wage and procure that its Direct Subcontractors and Indirect Subcontractors implement the annual increase in the rate of the London Living Wage on or before 1 April in the year following the publication of the increased rate in the London Living Wage;
 - 15.1.4 provide to RfL such information concerning the London Living Wage and its implementation for the purposes of this paragraph 15 (*London Living Wage*) as RfL or its nominees may reasonably require from time to time;
 - 15.1.5 disseminate on behalf of RfL to its employees engaged in complying with its obligations under this Agreement such perception questionnaires as RfL may reasonably require from time to time and promptly collate and return to RfL responses to such questionnaires; and
 - 15.1.6 co-operate and provide all reasonable assistance in monitoring the effect of the London Living Wage.
- 15.2 RfL reserves the right to audit the provision of the London Living Wage to the employees referred to in paragraph 15.1.1 (*London Living Wage*).
- 15.3 Without prejudice to Part 2 (*Transfer of Retail Areas*) of Schedule 4.3 (*Retail and Commercial Agreements*) or to paragraphs 15.1 (*London Living Wage*) of 15.2 (*London Living Wage*) above, the Operator shall use reasonable endeavours to procure that any Occupational Interest:
- 15.3.1 relating to an Occupational Interest located within the London Boroughs contains a provision under which the tenant shall ensure that all of its employees engaged at such Retail Area are:
 - (a) paid an hourly wage (or equivalent of an hourly wage) which is no less than the London Living Wage as adjusted annually; and
 - (b) paid the annual increase in the rate of the London Living Wage;

15.3.2 relating to an Occupational Interest located outside the London Boroughs contains a provision under which the tenant shall ensure that all of its employees engaged at such Retail Area are:

- (a) paid an hourly wage (or equivalent hourly wage) which is no less than such living wage as may be in place for that area, as adjusted annually; and
- (b) paid the annual increase in the rate of any such living wage.

In complying with the terms of this paragraph 15.3 (*London Living Wage*) the Operator may have regard to the size of the relevant Retail Area, whether the tenant is an SME and the intended use of the Retail Area.

15.4 Any failure by the Operator to comply with the terms of this paragraph 15 (*London Living Wage*) shall be a contravention of this Agreement and the provisions of paragraph 1 (*Remedial Plan Notices and Remedial Agreements*) of Schedule 17.1 (*Remedial Plans and Remedial Agreements*) shall apply.

16 Ethical Sourcing

16.1 RfL is committed to ensuring that workers employed in its supply chains in the United Kingdom and throughout the world are treated fairly, humanely and equitably. In the course of complying with this Agreement, the Operator shall:

16.1.1 comply with and shall procure that its Direct Subcontractors and Indirect Subcontractors comply with the principles of the ETI Base Code or any subsequent website created for the purpose, or an equivalent code of conduct (the "**Ethical Sourcing Principles**") in relation to the provision of the Concession Services; and

16.1.2 implement the Agreed Modern Slavery Action Plan as agreed in accordance with this paragraph 16 (*Ethical Sourcing*).

16.2 Based on the Initial Modern Slavery Action Plan, the Operator shall:

16.2.1 further develop the Initial Modern Slavery Action Plan to reflect the comments and requirements of RfL; and

16.2.2 submit a revised copy of the Initial Modern Slavery Action Plan to RfL within two (2) Reporting Periods of the date of this Agreement.

16.3 If the Initial Modern Slavery Action Plan is:

16.3.1 approved by RfL, then it shall be adopted immediately and become the Agreed Modern Slavery Action Plan; or

16.3.2 not approved, then the Operator shall amend the Initial Modern Slavery Action Plan and re-submit it to RfL for approval within such time period as may be agreed between the parties in writing. If RfL does not approve the Initial Modern Slavery Action Plan following its resubmission, then the matters preventing such approval shall be

resolved in accordance with paragraph 2 (*Disputes under this Agreement*) of Schedule 20 (*Other Provisions*).

- 16.4 The Operator shall update the Agreed Modern Slavery Action Plan on each anniversary of the Start Date (or more regularly when risks of modern slavery, human trafficking, forced and bonded labour and human rights violations in the supply chain used in the performance of the Concession Services are assessed as imminent either by the Operator or RfL) and shall conduct a risk analysis of:

16.4.1 human rights issues; and

16.4.2 labour conditions,

in each case of the supply chains used in the fulfilment of this Agreement and shall agree with RfL a process for managing high-risk supply chains. This may include, where appropriate, the carrying out of social audits and the agreement of corrective action plans.

- 16.5 During the course of this Agreement, if RfL has reasonable cause to believe that the Operator is not complying with any of the Ethical Sourcing Principles, RfL shall notify the Operator and RfL and the Operator shall agree an action plan with appropriate timeframes for compliance by the Operator (the "**Ethical Sourcing Action Plan**"), such Ethical Sourcing Action Plan to be agreed by no later than one (1) Reporting Period following the date on which RfL notified the Operator that remedial action is required or such other period as RfL and the Operator may otherwise agree in writing.

- 16.6 During the course of this Agreement, RfL has the right to request the Operator to carry out one (1) or more audits in accordance with paragraph 8 (*Right of Assessment or Inspection*) of Schedule 15.1 (*Personnel, Communication and Access*) to verify whether the Operator is complying with the Ethical Sourcing Principles (or any associated Ethical Sourcing Action Plan).

17 **Fleet Operator Recognition Scheme Accreditation**

Where the Operator operates Delivery and Servicing Vehicles in performing the Concession Services, it shall within ninety (90) days of the Start Date:

- 17.1 (unless already registered) register for FORS or a scheme which, in the reasonable opinion of RfL, is an acceptable substitute to FORS (the "**FORS Alternative Scheme**"); and

- 17.2 (unless already accredited) have attained the standard of Silver Accreditation (or higher) or the equivalent within the FORS Alternative Scheme and shall maintain the standard of Silver Accreditation (or equivalent standard within the FORS Alternative Scheme) by way of an annual independent audit in accordance with the FORS Standard or take such steps as may be required to maintain the equivalent standard within the FORS Alternative Scheme. Alternatively, if the Operator has attained Gold Accreditation, then the maintenance requirements shall be undertaken in accordance with the periods set out in the FORS Standard.

18 **Safety Features on HGVs**

The Operator shall ensure and procure that every HGV, which is used to provide the Concession Services, shall be fitted with safety features consisted with the FORS Silver Accreditation (or equivalent standard within the FORS Alternative Scheme).

19 **Construction Logistics and Community Safety**

Where applicable the Operator shall:

19.1 comply with the CLOCS Standard;

19.2 ensure that the conditions at all sites and locations where:

19.2.1 the Concession Services are being delivered; or

19.2.2 in connection with the performance of the Concession Services, any waste is being disposed of or supplies are being delivered to or from,

are appropriate for each Category N3 HGV being used in the provision of the Concession Services.

20 **Driver Training**

Where the Operator operates Delivery and Servicing Vehicles to provide the Concession Services, the Operator shall ensure that each of its Drivers attend the Approved Progressive Driver Training throughout the Contract Period.

21 **Collision Reporting**

Where the Operator operates Delivery and Servicing Vehicles in providing the Concession Services, the Operator shall, within fifteen (15) Business Days of the Start Date, provide to RfL a template Collision Report. The Operator shall provide RfL with an updated Collision Report within five (5) Business Days of a written request from RfL at any time or as soon as reasonably practicable (and in any event within five (5) Business Days) of any collision occurring.

22 **Direct Vision Standard**

DVS Plan

22.1 Within two (2) Reporting Periods of the date of this Agreement, the Operator shall provide RfL with a draft DVS Plan. Within fifteen (15) Business Days of the Start Date, RfL shall either:

22.1.1 confirm that the draft DVS Plan is approved, in which case such DVS Plan shall become the Agreed DVS Plan; or

22.1.2 provide the Operator with any comments on and/or amendments to the draft DVS Plan.

22.2 Within thirty (30) Business Days (for the purposes of paragraph 22.1.2 (*Direct Vision Standard – DVS Plan*)) or fifteen (15) Business Days (for the purposes of paragraph 22.3.2 (*Direct Vision Standard – DVS Plan*)) of receipt of any comments and/or amendments from RfL in accordance with

paragraphs 22.1.2 (*Direct Vision Standard – DVS Plan*) or 22.3.2 (*Direct Vision Standard – DVS Plan*) (as the case may be), the Operator shall:

22.2.1 amend the draft DVS Plan to reflect such comments and/or amendments; and

22.2.2 submit an updated DVS Plan to RfL for approval.

22.3 Within fifteen (15) Business Days of receipt of an updated DVS Plan in accordance with paragraph 22.2 (*Direct Vision Standard – DVS Plan*), RfL shall confirm that either the updated DVS Plan is:

22.3.1 approved, in which case it shall become the Agreed DVS Plan; or

22.3.2 not approved and provide its further comments and/or amendments to the Operator and the Operator shall revise and re-submit the draft DVS Plan for approval in accordance with paragraph 22.2 (*Direct Vision Standard – DVS Plan*).

The process set out in this paragraph 22.3 (*Direct Vision Standard – DVS Plan*) shall be repeated until the updated draft DVS Plan is approved by RfL.

22.4 Where RfL, acting reasonable, has not approved the updated DVS Plan following its resubmission, then the Operator may refer that decision for resolution in accordance with paragraph 2 (*Disputes under this Agreement*) of Schedule 20 (*Other Provisions*).

22.5 Without limiting any other provision of this Agreement, the Operator shall, at no additional cost to RfL and as part of the Concession Services:

22.5.1 implement, observe and comply with the Agreed DVS Plan; and

22.5.2 review and amend the Agreed DVS Plan (as necessary) on each anniversary of the Start Date or at such other time as may be requested by RfL to reflect:

(a) any changes to the nature of the Concession Services; and

(b) any comments and/or amendments made or proposed by RfL.

DVS Co-ordinator

22.6 The Operator shall nominate an employee of the Operator Personnel with the necessary experience, competence and authority to:

22.6.1 be responsible for implementation and compliance with the Agreed DVS Plan; and

22.6.2 act as the Operator's authorised representative on all matters concerning the Agreed DVS Plan,

(the "**DVS Co-ordinator**").

Self-certification and Reporting

- 22.7 On each anniversary of the Start Date or at such other time as may be requested by RfL, the Operator shall submit a report to RfL which sets out the Operator's progress in respect of the implementation of the Agreed DVS Plan and confirms (with supporting evidence) that the Operator has complied with the Agreed DVS Plan.

Compliance with DVS

- 22.8 Where applicable the Operator shall:

22.8.1 comply with the DVS;

22.8.2 ensure that all Category N3 HGVs used in the provision of the Concession Services achieve a minimum of three (3) star Direct Vision Standard rating.

23 **Self-Certification of Compliance**

Where the Operator operates Delivery and Servicing Vehicles to provide the Concession Services, within sixty-five (65) Business Days of the Start Date, the Operator shall make a written report to RfL detailing its compliance with paragraphs 17 (*Fleet Operator Recognition Scheme Accreditation*), 18 (*Safety Features on HGVs*), 19 (*Construction Logistics and Community Safety*), 20 (*Driver Training*), 21 (*Collision Reporting*) and 22.8 (*Direct Vision Standard*) (as applicable) (the "**WRRR Self-certification Report**"). The Operator shall provide updates of the WRRR Self-certification Report to RfL on each six (6) month anniversary of its submission of the initial WRRR Self-certification Report.

24 **Obligations of the Operator Regarding Subcontractors**

The Operator shall ensure that those of its Direct Subcontractors and Indirect Subcontractors who operate Category N2 HGVs, Category N3 HGVs, Vans and/or Car-derived Vans to provide the Concession Services shall comply with the following provisions of this Schedule 15.3 (*Responsible Procurement*) of this Agreement:

24.1 paragraphs 17 (*Fleet Operator Recognition Scheme Accreditation*), 20 (*Driver Training*), 21 (*Collision Reporting*), and 23 (*Self-Certification of Compliance*);

24.2 additionally for Category N2 HGVs, paragraph 18 (*Safety Features on HGVs*); and

24.3 additionally for Category N3 HGVs, paragraph 18 (*Safety Features on HGVs*) and where applicable, paragraphs 19 (*Construction Logistics and Community Safety*) and 22.8 (*Direct Vision Standard*),

as if those Direct Subcontractors and Indirect Subcontractors were a party to this Agreement.

25 **Failure to comply with Work Related Road Risk Obligations**

Without limiting the effect of any provision of this Agreement relating to termination, if the Operator fails to comply with any of paragraphs 17 (*Fleet Operator Recognition*

Scheme Accreditation), where applicable 18 (*Safety Features on HGVs*), where applicable 19 (*Construction Logistics and Community Safety*), 20 (*Driver Training*), 21 (*Collision Reporting*), where and as applicable 22 (*Direct Vision Standard*), 23 (*Self-Certification of Compliance*) and 24 (*Obligations of the Operator Regarding Subcontractors*):

- 25.1 the Operator will have contravened this Agreement to a material extent; and
- 25.2 RfL may refuse the Operator, its employees, agents and Delivery and Servicing Vehicles entry onto any property that is owned, occupied or managed by RfL for any purpose (including deliveries).

26 **Single Use Plastic**

- 26.1 RfL is committed to working towards a low carbon, circular economy by its supply chain. The Operator shall use reasonable endeavours to reduce the volume of packaging materials and eliminate the use of unnecessary plastic packaging in delivering the Concession Services.
- 26.2 When requested, the Operator shall produce a written report to RfL on the measures it is taking in relation to paragraph 26.1 (*Single Use Plastic*) and the value or weight of single-use plastic packaging eliminated as a result.

27 **Timber Standards**

Operator's Obligations and RfL's Rights

- 27.1 The Operator shall ensure that all Timber supplied or used in the performance of its obligations under this Agreement shall be Sustainable Timber. If it is not practicable for the Operator to meet this condition, the Operator shall notify RfL in writing prior to the supply of any Timber that is not Sustainable Timber and stating the reason for the inability to comply with this condition. RfL reserves the right, at its absolute discretion, to approve the use of Timber that is not Sustainable Timber. Where RfL exercises its right to reject any Timber, the provisions of paragraph 27.4 (*Timber Standards – Operator's Obligations and RfL's Rights*) shall apply.
- 27.2 Without prejudice to paragraphs 27.1 (*Timber Standards – Operator's Obligations and RfL's Rights*) and 27.3 (*Timber Standards – Operator's Obligations and RfL's Rights*), all Virgin Timber procured by or on behalf of the Operator for supply or use in performance of the obligations under this Agreement shall be Legal Timber.
- 27.3 The Operator shall ensure that the Virgin Timber procured for supply or use in performance of the obligations under this Agreement shall not have derived from any species of tree that is protected under the Convention on International Trade in Endangered Species of Wild Fauna and Flora ("**CITES**") unless the supplier can prove, by producing official documentation, that such supplier has complied with the CITES requirements that permit trading in the particular species of tree so listed under CITES.
- 27.4 RfL reserves the right to reject at any time Timber that does not comply with the conditions of this Agreement or the relevant specification. Where RfL

exercises its right to reject any Timber, the Operator shall supply or procure the supply of contractually compliant alternative Timber, at no additional cost to RfL and without causing delay to the performance of any relevant obligations under this Agreement.

- 27.5 The Operator shall maintain records of all Timber supplied and used in the performance of its obligations under this Agreement. Such information shall be made available to RfL promptly (and in any event within ten (10) Business Days) if requested at any time.

RfL's Reporting Requirements

- 27.6 Unless RfL has given its written approval in accordance with paragraph 27.1 (*Timber Standards – Operator's Obligations and RfL's Rights*) that Timber that is not Sustainable Timber may be used then, if requested, the Operator shall promptly and in any event within ten (10) Business Days) provide evidence to RfL's satisfaction that the Timber is Sustainable Timber.
- 27.7 Where the Operator does not promptly provide the evidence required by RfL pursuant to paragraph 27.6 (*Timber Standards – RfL's Reporting Requirements*) or the evidence provided by the Operator does not satisfy RfL's requirements then (and without prejudice to paragraph 27.10 (*Timber Standards – Evidence of Sustainable Timber*)), RfL reserves the right to retain twenty-five per cent. (25%) of any monies payable to the Operator under this Agreement until such date as RfL is in receipt of such evidence and is satisfied that such evidence establishes that the Timber is Sustainable Timber.
- 27.8 At the end of each Quarter the Operator shall include in the relevant Periodic Concession Report a report on its use of Sustainable Timber in the performance of its obligations under this Agreement.
- 27.9 The Operator shall report on the amount of Timber that has been supplied to the Operator in accordance with paragraph 27.1 (*Timber Standards – Operator's Obligations and RfL's Rights*) which is not Sustainable Timber.

Evidence of Sustainable Timber

- 27.10 RfL reserves the right to determine whether the evidence supplied by the Operator is sufficient to satisfy it that the relevant specification and the conditions of contract have been fully complied with. In the event that RfL is not so satisfied, the Operator shall, on written request by RfL, commission and meet the costs of an Independent Timber Report to:
- 27.10.1 verify the source of the Timber; and
- 27.10.2 assess whether the forests of origin were managed in accordance with the specified local laws and regulations.

Evidence of Legal Timber

- 27.11 Before procuring the delivery of any Virgin Timber under this Agreement, the Operator shall obtain documentary evidence to RfL's satisfaction that the Timber is both Legal Timber and Sustainable Timber. If requested in writing

by RfL, the Operator shall submit such documentary evidence to RfL either prior to delivery or at such other time as RfL may require. The Operator shall identify, as part of the evidence submitted, a chain of custody from the source of the Timber through to delivery of the final product.

- 27.12 RfL reserves the right at any time during the Concession Period and for a term of six (6) years from final delivery of any Timber under this Agreement to require the Operator to produce the evidence required pursuant to paragraph 27.11 (*Timber Standards – Evidence of Legal Timber*) within ten (10) Business Days of RfL's written request.

**Schedule 15.4
Environment**

1 General

- 1.1 Without prejudice to its other obligations contained in this Agreement, the Operator shall ensure that throughout the Concession Period it:
- 1.1.1 complies with all Applicable Requirements related to the environment;
 - 1.1.2 complies with the TfL Corporate Environment Plan and cooperates with TfL in relation to the same;
 - 1.1.3 measures and reports on carbon emissions and develops plans to reduce carbon usage that supports TfL in supporting the Mayor of London's ambition for London to be zero carbon by 2030 and in delivering its programme to improve the energy efficiency of its premises and premises associated with its functions (including stations and depots) that will help decrease emissions and lower costs;
 - 1.1.4 implements the Environmental Management Plan in accordance with paragraph 5 (*Annual Environmental Management Plan*);
 - 1.1.5 creates and implements the Annual Carbon Reduction Plan in accordance with paragraph 6 (*Annual Carbon Reduction Plan*);
 - 1.1.6 carries out its obligations in response to any environmental incidents, including environmental incidents occurring on or about the Elizabeth Line Route, at Ilford Depot or on its own premises in accordance with Good Industry Practice;
 - 1.1.7 complies with the requirements of FORS as set out in Schedule 15.3 (*Responsible Procurement*); and
 - 1.1.8 only uses Sustainable Timber in line with the requirements as set out in Schedule 15.3 (*Responsible Procurement*).

2 Environmental Objectives

- 2.1 The Operator shall be aware of, and contribute towards, the following TfL environmental objectives:
- 2.1.1 reduce greenhouse gas emissions and support TfL's aims to become net-zero by 2030;
 - 2.1.2 reduce pollutant emissions to the air to support the objective of delivering clean air for London;
 - 2.1.3 reduce transport related noise and vibration;
 - 2.1.4 maintain and, where possible, enhance the quality of London's built environment;

- 2.1.5 reduce resource consumption and improve sustainable procurement including through the use of sustainable materials and supporting a circular economy;
- 2.1.6 reduce waste at source by applying the principles of 'reduce, reuse and recycle'; and
- 2.1.7 reduce water consumption.

3 **Environmental Management System**

From the Start Date and throughout the Concession Period, the Operator shall operate an environmental management system (the "**Environmental Management System**") which shall be independently accredited to BS EN ISO 14001 or equivalent within one (1) year of the Start Date.

4 **Procurement of Sustainable Materials**

When procuring materials, the Operator shall consider the principles of circular economy. RfL may from time to time request the Operator to provide evidence of such consideration.

5 **Annual Environmental Management Plan**

Annual Environmental Management Plan Requirements

- 5.1 With effect from the Start Date, the Operator shall:
 - 5.1.1 comply with the prevailing Annual Environmental Management Plan;
 - 5.1.2 implement all activities in accordance with the prevailing Annual Environmental Management Plan;
 - 5.1.3 use best endeavours to ensure that the objectives and targets contained in the prevailing Annual Environmental Management Plan are performed, complied with or achieved (as the case may be); and
 - 5.1.4 ensure that the actions required to meet environmental objectives, targets and initiatives contained in the prevailing Annual Environmental Management Plan are identified and communicated effectively to Concession Employees and to Direct Subcontractors and Indirect Subcontractors where applicable.
- 5.2 Each Annual Environmental Management Plan shall be prepared so as to comply with the Operator's obligations in respect of the environment under the provisions of this Agreement and without prejudice to such obligations shall:
 - 5.2.1 support the environmental objectives specified in paragraph 2 (*Environmental Objectives*);
 - 5.2.2 establish challenging but specific, measurable, achievable, realistic and time orientated environmental objectives and targets covering (but not limited to):

- (a) waste management;
 - (b) water consumption;
 - (c) the reduction of pollutant emissions to the air;
 - (d) for waste management using the waste hierarchy of 'Prevent, Re-use, Recycle, Recover and Dispose';
 - (e) the reduction of energy usage;
 - (f) the reduction of noise created by the Concession Services, including maintenance; and
 - (g) the reduction of environmental incidents;
- 5.2.3 contain initiatives to improve the Operator's environmental culture;
- 5.2.4 detail who within the Operator's organisation is responsible and accountable for each objective, target and initiative;
- 5.2.5 contain sufficient detail to satisfy RfL that the Operator has understood its environmental obligations under this Agreement;
- 5.2.6 contain an associated assurance programme;
- 5.2.7 contain an annual energy management and efficiency strategy developed jointly by the Operator in conjunction with RfL;
- 5.2.8 be consistent with the Annual Carbon Reduction Plan; and
- 5.2.9 have been reviewed, approved and signed by the Operator's Managing Director prior to submission to RfL.
- 5.3 Each Annual Environmental Management Plan shall set out the matters in paragraph 5.2 (*Annual Environmental Management Plan – Annual Environmental Management Plan Requirements*) in such detail as shall reasonably satisfy RfL that the Operator has understood its obligations under this Agreement and will be in a position to satisfy such obligations.

Preparation of Initial Annual Environmental Management Plan

- 5.4 The Operator and RfL shall consult with each other on the content of the Initial Annual Environmental Management Plan for a period of twenty (20) Business Days from the date of this Agreement, provided that RfL may, by giving notice and in its absolute discretion, require revisions to any aspect of the Initial Annual Environmental Management Plan if it fails, in the opinion of RfL, to meet the criteria at paragraphs 5.2 (*Annual Environmental Management Plan – Annual Environmental Management Plan Requirements*) and 5.3 (*Annual Environmental Management Plan – Annual Environmental Management Plan Requirements*). Where RfL gives notice under this paragraph 5.4 (*Annual Environmental Management Plan – Preparation of Initial Annual Environmental Management Plan*), the Operator shall address the issues

raised by RfL and submit revisions to the Initial Annual Environmental Management Plan within ten (10) Business Days of such notice.

- 5.5 If RfL does not, in its absolute discretion, approve the revisions to the Initial Annual Environmental Management Plan submitted in accordance with paragraph 5.4 (*Annual Environmental Management Plan – Preparation of Initial Annual Environmental Management Plan*), it shall inform the Operator, together with its reasons. The Operator shall then prepare further revisions to the Initial Annual Environmental Management Plan, taking into account RfL's reasons. The Operator shall submit such revisions to RfL within ten (10) Business Days of RfL rejecting the Operator's previous revisions. The parties shall repeat this process until RfL approves the Initial Environmental Management Plan, save that if RfL and the Operator cannot agree the revisions to the Initial Environmental Management Plan within forty-five (45) Business Days of the date of this Agreement, then RfL may determine the content of the Initial Annual Environmental Management Plan to ensure that it meets the criteria at paragraphs 5.2 (*Annual Environmental Management Plan – Annual Environmental Management Plan Requirements*) and 5.3 (*Annual Environmental Management Plan – Annual Environmental Management Plan Requirements*).

Preparation of Subsequent Annual Environmental Management Plans

- 5.6 Not more than three (3) Reporting Periods and not less than one (1) Reporting Period prior to the start of each Concession Year (excluding the Concession Year starting on the Start Date) or as otherwise may be requested by RfL, the Operator shall prepare and submit to RfL any proposed updates to the prevailing Annual Environmental Management Plan, to take effect from the commencement of the following Concession Year. The Operator shall propose updates which comply with the requirements set out in paragraphs 5.2 (*Annual Environmental Management Plan – Annual Environmental Management Plan Requirements*) and 5.3 (*Annual Environmental Management Plan – Annual Environmental Management Plan Requirements*).
- 5.7 The Operator and RfL shall consult with each other on the updates to the prevailing Annual Environmental Management Plan proposed by the Operator pursuant to paragraph 5.6 (*Annual Environmental Management Plan – Preparation of Subsequent Annual Environmental Management Plans*) for a period of twenty (20) Business Days from receipt thereof by RfL.
- 5.8 If RfL reasonably considers that the updates provided by the Operator pursuant to paragraph 5.6 (*Annual Environmental Management Plan – Preparation of Subsequent Annual Environmental Management Plans*) do not comply with the requirements of paragraphs 5.2 (*Annual Environmental Management Plan – Annual Environmental Management Plan Requirements*) and 5.3 (*Annual Environmental Management Plan – Annual Environmental Management Plan Requirements*), then RfL may by notice reasonably require the Operator to re-submit such updates to the prevailing Annual Environmental Management Plan, having due regard to RfL's feedback, no later than twenty (20) Business Days prior to the beginning of the relevant Concession Year.

- 5.9 RfL may, at its sole discretion, reduce the required period for consultation under paragraph 5.7 (*Annual Environmental Management Plan – Preparation of Subsequent Annual Environmental Management Plans*) by notice to the Operator.
- 5.10 Without prejudice to the process set out in paragraphs 5.5 (*Annual Environmental Management Plan – Preparation of Subsequent Annual Environmental Management Plans*) to 5.8 (*Annual Environmental Management Plan – Preparation of Subsequent Annual Environmental Management Plans*), the Operator may propose updates to the prevailing Annual Environmental Management Plan at any time (provided that such updates comply with the requirements of paragraphs 5.2 (*Annual Environmental Management Plan – Annual Environmental Management Plan Requirements*) and 5.3 (*Annual Environmental Management Plan – Annual Environmental Management Plan Requirements*)) and RfL may accept or reject such proposed updates in its discretion.

Annual Environmental Management Plan Reporting

- 5.11 Within five (5) Business Days following the end of each Reporting Period, the Operator shall submit to RfL a report relating to the Operator's performance against the requirements of the then current Annual Environmental Management Plan.
- 5.12 The Operator shall have in place processes that define what action is to be taken when an objective or target is not met or it becomes apparent that it will not be met.

RfL Audit of Annual Environmental Management Plan

- 5.13 RfL (or its nominee) may at any time monitor the performance of any activities by the Operator in connection with the Annual Environmental Management Plan, and shall be entitled to audit the report provided in accordance with paragraph 5.11 (*Annual Environmental Management Plan – Annual Environmental Management Plan Reporting*), and the Operator shall provide all necessary assistance to RfL to permit RfL or its contractors, advisers, employees or agents to undertake such monitoring and audit.
- 5.14 If and to the extent the reporting provided in accordance with paragraph 5.11 (*Annual Environmental Management Plan – Annual Environmental Management Plan Reporting*) is incorrect or inadequate in any material regard or if the Operator has not performed all activities which should have been carried out in accordance with the Annual Environmental Management Plan then RfL shall be entitled to require that the Operator perform additional activities in the subsequent Reporting Period to ensure that the requirements of the Annual Environmental Management Plan for the relevant Concession Year are satisfied in full.

6 Annual Carbon Reduction Plan

Annual Carbon Reduction Plan Requirements

- 6.1 With effect from the Start Date, the Operator shall:
- 6.1.1 comply with the prevailing Annual Carbon Reduction Plan;
 - 6.1.2 implement all activities in accordance with the prevailing Annual Carbon Reduction Plan;
 - 6.1.3 use best endeavours to ensure that the objectives and targets contained in the prevailing Annual Carbon Reduction Plan are performed, complied with or achieved (as the case may be); and
 - 6.1.4 ensure that the actions required to meet environmental objectives, targets and initiatives contained in the prevailing Annual Carbon Reduction Plan are identified and communicated effectively to Concession Employees and its Direct Subcontractors and Indirect Subcontractors where applicable.
- 6.2 Each Annual Carbon Reduction Plan shall be prepared so as to comply with the Operator's carbon reduction obligations under this Agreement and without prejudice to such obligations shall:
- 6.2.1 be aligned with and seek to achieve the objectives of, the TfL Corporate Environment Plan;
 - 6.2.2 determine the annual carbon baseline (or 'carbon footprint') for the provision of the Concession Services under this Agreement for the relevant Concession Year with a forecast for the carbon footprint for the provision of the Concession Services for the following five (5) Concession Years;
 - 6.2.3 establish challenging but specific, measurable, achievable, realistic and time orientated environmental objectives and targets, covering (but not limited to):
 - (a) the reduction of carbon emissions by the Operator;
 - (b) the reduction of carbon emissions across the Elizabeth Line Route;
 - (c) the Operator's upstream 'Scope 3' emissions (being all indirect emissions not included in 'Scope 2' that occur in the Operator's value chain, including both upstream and downstream emissions as further described in: ghgprotocol.org/sites/default/files/standards/Corporate-Value-Chain-Accounting-Reporting-Standard_041613_2.pdf);
 - (d) initiatives for the implementation of low carbon maintenance and facilities management;

- (e) proposals to bring best industry practice to reduce carbon in the supply chain; and
 - (f) the reduction of carbon emissions in every subcontract;
- 6.2.4 contain initiatives to improve the Operator's culture towards carbon reduction;
- 6.2.5 detail who within the Operator's organisation is responsible and accountable for each objective, target and initiative;
- 6.2.6 contain sufficient detail to satisfy RfL that the Operator has understood its carbon reduction obligations under this Agreement;
- 6.2.7 contain an associated assurance programme;
- 6.2.8 be consistent with the prevailing Annual Environmental Management Plan;
- 6.2.9 have been reviewed, approved and signed by the Operator's Managing Director prior to submission to RfL; and
- 6.2.10 detail the Operator's electricity monitoring solution for power (traction and non-traction) metering, which shall at a minimum include:
 - (a) continuous measurement of power consumption and power quality characteristics for:
 - (i) each primary operational facility for which the Operator is the Facility Owner;
 - (ii) (where not already captured) each Operator Managed Station;
 - (iii) any other location that is a significant source of non-traction energy use;
 - (b) a facility for incorporating additional sub-metering of site submain circuits (details of which shall be agreed between the Operator and RfL);
 - (c) wireless transmission of consumption measurements to remote monitoring software or systems (provided such wireless transmission is in accordance with this Agreement and Cyber Security Standards); and
 - (d) contain commitments for the Operator to install and maintain, or procure the maintenance of, additional power (traction and non-traction) meters and associated equipment installed to record electricity on the Elizabeth Line Route (including any wireless power meter reading or remote electronic monitoring solutions) that are required to meet the requirements of the Operator's Annual Carbon

Reduction Plan. All meters shall comply and be installed in accordance with applicable standards. All meters installed within TfL-owned property and/or where TfL are the bill payer for the relevant utility/energy shall be commissioned to remotely transmit meter readings to TfL's energy management software.

- 6.3 Each Annual Carbon Reduction Plan shall set out the matters in paragraph 6.2 (*Annual Carbon Reduction Plan – Annual Carbon Reduction Plan Requirements*) in such detail as shall reasonably satisfy RfL that the Operator has understood its obligations under this Agreement and will be in a position to satisfy such obligations.

Preparation of Initial Annual Carbon Reduction Plan

- 6.4 The Operator and RfL shall consult with each other on the content of the Initial Annual Carbon Reduction Plan for a period of twenty (20) Business Days from the date of this Agreement, provided that RfL may, by giving notice and in its absolute discretion, require revisions to any aspect of the Initial Annual Carbon Reduction Plan if it fails, in the opinion of RfL, to meet the criteria at paragraphs 6.2 (*Annual Carbon Reduction Plan – Annual Carbon Reduction Plan Requirements*) and 6.3 (*Annual Carbon Reduction Plan – Annual Carbon Reduction Plan Requirements*).
- 6.5 Where RfL gives notice under paragraph 6.4 (*Annual Carbon Reduction Plan – Preparation of Initial Annual Carbon Reduction Plan*), the Operator shall address the issues raised by RfL and submit revisions to the Initial Annual Carbon Reduction Plan within ten (10) Business Days of such notice.
- 6.6 If RfL does not, in its absolute discretion, approve the revisions to the Initial Annual Carbon Reduction Plan submitted in accordance with paragraph 6.5 (*Annual Carbon Reduction Plan – Preparation of Initial Annual Carbon Reduction Plan*), then it shall inform the Operator, together with its reasons. The Operator shall then prepare further revisions to the Initial Annual Carbon Reduction Plan, taking into account RfL's reasons. The Operator shall submit such revisions to RfL within ten (10) Business Days of RfL rejecting the Operator's previous revisions. The parties shall repeat this process until RfL approves the Initial Annual Carbon Reduction Plan, save that if RfL and the Operator cannot agree the revisions to the Initial Annual Carbon Reduction Plan within forty-five (45) Business Days of the date of this Agreement, then RfL may determine the content of the Initial Annual Carbon Reduction Plan to ensure it meets the criteria at paragraphs 6.2 (*Annual Carbon Reduction Plan – Annual Carbon Reduction Plan Requirements*) and 6.3 (*Annual Carbon Reduction Plan – Annual Carbon Reduction Plan Requirements*).

Preparation of Subsequent Annual Carbon Reduction Plans

- 6.7 No later than 1 November in each Concession Year (excluding the Concession Year starting on the Start Date), the Operator shall prepare and submit to RfL any proposed updates to the prevailing Annual Carbon Reduction Plan, to take effect from the commencement of the immediately succeeding Concession Year. The Operator shall propose updates which comply with the requirements

set out in paragraphs 6.2 (*Annual Carbon Reduction Plan – Annual Carbon Reduction Plan Requirements*) and 6.3 (*Annual Carbon Reduction Plan – Annual Carbon Reduction Plan Requirements*).

- 6.8 The Operator and RfL shall consult with each other on the updates to the prevailing Annual Carbon Reduction Plan proposed by the Operator pursuant to paragraph 6.7 (*Annual Carbon Reduction Plan – Preparation of Subsequent Annual Carbon Reduction Plans*) for a period of twenty (20) Business Days from receipt thereof by RfL.
- 6.9 If RfL reasonably considers that the updates provided by the Operator pursuant to paragraph 6.7 (*Annual Carbon Reduction Plan – Preparation of Subsequent Annual Carbon Reduction Plans*) do not comply with the requirements of paragraphs 6.2 (*Annual Carbon Reduction Plan – Annual Carbon Reduction Plan Requirements*) and 6.3 (*Annual Carbon Reduction Plan – Annual Carbon Reduction Plan Requirements*), then RfL may be notice reasonably require the Operator to re-submit such updates to the prevailing Annual Carbon Reduction Plan, having due regard to RfL's feedback, no later than twenty (20) Business Days prior to the beginning of the relevant Concession Year.
- 6.10 RfL may, at its sole discretion, reduce the required period for consultation under paragraph 6.8 (*Annual Carbon Reduction Plan – Preparation of Subsequent Annual Carbon Reduction Plans*) by notice to the Operator.
- 6.11 Without prejudice to the process set out in paragraphs 6.7 (*Annual Carbon Reduction Plan – Preparation of Subsequent Annual Carbon Reduction Plans*) to 6.10 (*Annual Carbon Reduction Plan – Preparation of Subsequent Annual Carbon Reduction Plans*), the Operator may propose updates to the prevailing Annual Carbon Reduction Plan at any time provided that such updates comply with the requirements of paragraphs 6.2 (*Annual Carbon Reduction Plan – Annual Carbon Reduction Plan Requirements*) and 6.3 (*Annual Carbon Reduction Plan – Annual Carbon Reduction Plan Requirements*) and RfL may accept or reject such proposed updates in its discretion.

Carbon Reduction Plan Reporting

- 6.12 As part of the Periodic Concession Report prepared following the end of each Reporting Period, the Operator shall submit to RfL a report relating to the Operator's performance against the requirements of the then current Annual Carbon Reduction Plan.
- 6.13 The Operator shall have in place processes that define what action is to be taken when an objective or target is not met or it becomes apparent that it will not be met.

RfL Audit of Annual Carbon Reduction Plan

- 6.14 RfL (or its nominee) may at any time monitor the performance of any activities by the Operator in connection with the Annual Carbon Reduction Plan, and shall be entitled to audit the report provided in accordance with paragraph 6.12 (*Annual Carbon Reduction Plan – Carbon Reduction*

Reporting) and the Operator shall provide all necessary assistance to RfL or its contractors, advisers, employees or agents to undertake such monitoring and audit.

- 6.15 If and to the extent the report provided in accordance with paragraph 6.12 (*Annual Carbon Reduction Plan – Carbon Reduction Reporting*) is incorrect or inadequate in any material regard or if the Operator has not performed all activities which should have been carried out in accordance with the Annual Carbon Reduction Plan then RfL shall be entitled to require that the Operator perform additional activities in the subsequent Reporting Period to ensure that the requirements of the Annual Carbon Reduction Plan for the relevant Concession Year are satisfied in full.

7 **Annual Environmental Reporting**

- 7.1 Not later than 28 February in each calendar year, the Operator shall prepare and submit to RfL an annual environmental report (the "**Environmental Report**") which shall:
- 7.1.1 review and describe the extent to which the Operator has complied with its general environmental obligations contained in this Agreement and all Applicable Requirements during the previous twelve (12) month period;
 - 7.1.2 review and describe the extent to which the Operator achieved the specific environmental objectives, targets and initiatives set out in the Annual Environmental Management Plan for the previous twelve (12) month period;
 - 7.1.3 review and describe the extent to which the Operator achieved the specific environmental objectives, targets and initiatives set out in the Annual Carbon Reduction Plan for the previous twelve (12) month period;
 - 7.1.4 identify any common themes arising from any of the above;
 - 7.1.5 identifies which objectives have not been met, the reasons why and the actions taken to address the issue; and
 - 7.1.6 be reviewed, approved by and signed by the Managing Director prior to submission to RfL.

8 **Periodic Environmental Reporting**

- 8.1 The Operator shall include in each Periodic Concession Report a summary of all environmental incidents which have occurred in relation to any of the Elizabeth Line Route and the Operator's premises, including the aggregate number of environmental incidents which have occurred, a description of the incidents and their dates, locations and regulatory impact.
- 8.2 The Operator shall provide RfL with all environmental audit reports, investigations, reviews and inspections carried out as part of the implementation of the Environmental Management System including the

independent accreditation and re-accreditation audits of the Environmental Management System and ongoing assurance audits and/or inspections.

- 8.3 The Operator shall ensure that a governance process is in place to deal with recommendations arising from any environmental-related investigations, audits, reviews or inspections.
- 8.4 The Operator shall report progress of actions arising from environmental-related audits, investigations and inspections in each Periodic Concession Report.
- 8.5 The Operator shall within thirty (30) Business Days of the Start Date submit to RfL for approval a template report for reporting of environmental incidents or incidents that involve environmental impacts and shall thereafter submit reports in the template following any such incident.

9 **Control of Vehicle Emissions**

- 9.1 The Operator shall and shall procure that all Direct Subcontractors and Indirect Subcontractors use zero emission road vehicles wherever feasible in the provision of the Concession Services. Without prejudice to the generality of the foregoing, the Operator shall:
 - 9.1.1 use all reasonable endeavours to procure that with effect from the Start Date the following categories of vehicle (as categorised by the Driver and Vehicle Standards Agency (the "**DVSA**") used in the provision of the Concession Services shall be zero emissions:
 - (a) all M1 category cars not exceeding three thousand five hundred (3,500) kilogram maximum authorised mass; and
 - (b) all N1 category commercial vehicles; and
 - 9.1.2 procure that with effect from 1 January 2030, all Category N2 HGVs and Category N3 HGVs exceeding three thousand five hundred (3,500) kilogram maximum authorised mass shall be fossil fuel free.

For the purposes of paragraph 9.1.1 (*Control of Vehicle Emissions*) if, having used all reasonable endeavours, the Operator is unable to procure that all such vehicles used in the provision of the Concession Services are zero emissions with effect from the Start Date, the Operator shall and shall procure that all such vehicles used in the provision of the Concession Services are zero emissions with effect from the date that falls six (6) months immediately following the Start Date.

- 9.2 The Operator shall procure that each Operator Employee required to drive in connection with the Concession Services shall undertake a 'Safe and Fuel Efficient Driving' (SAFED) course within three (3) months of the Start Date. Such training course shall consist of theoretical training and practical implementation skills and shall be a minimum duration of one (1) hour. Throughout the Concession Period, any new staff employed by the Operator required to drive vehicles in connection with the Concession Services shall also be required to undertake a 'Safe and Fuel Efficient Driving' (SAFED)

course. The Operator shall encourage its Direct Subcontractors and Indirect Subcontractors to undertake similar fuel efficient driver training.

- 9.3 RfL may require the Operator to provide evidence of its compliance with paragraph 9.2 (*Control of Vehicle Emissions*) from time to time.
- 9.4 The Operator shall ensure that any new or replacement plant and equipment procured by the Operator during the Concession Period must be low or zero emission.

10 **Environmental Indicators**

- 10.1 The Operator shall measure and report to RfL, on a Reporting Period and year-to-date basis, on the following environmental indicators in relation to the Elizabeth Line in each Periodic Concession Report:

- 10.1.1 'NO_x', 'PM10' and 'PM2.5' for air quality;
- 10.1.2 energy consumption in kWh (amounts of standard grid mix electricity, renewable electricity and gas/fuel, disaggregated by traction and non-traction), water consumption and waste water costs to such a level of disaggregation as RfL may reasonable require and for non-traction energy, this information shall be disaggregated by Operator Managed Station and any office buildings. This should include relevant analysis of consumption/costs as RfL may reasonably require including reporting trends in date, period by period variance analysis and underlying reasons for the quantum of such consumption/costs;
- 10.1.3 CO₂ emissions (total tonnes and grams per passenger kilometre), and split in accordance with paragraph 10.1.2 (*Environmental Indicators*);
- 10.1.4 number of noise related complaints received and the Operator's response;
- 10.1.5 commercial and industrial waste, and percentage recycled, in terms of both tonnes and per passenger kilometre split by source;
- 10.1.6 tonnes of hazardous solid waste, litres of hazardous liquid waste and percentage recycled; and
- 10.1.7 number of pollution spill incidents to land or water caused by the Operator.

11 **Asbestos Register**

- 11.1 The Operator shall prepare and maintain an asbestos register that complies with Applicable Requirements and shall agree the format of the asbestos register with RfL.
- 11.2 The Operator shall make the asbestos register available on such system and/or electronic register as is reasonably required by RfL from time to time.

12 **Environmental Interference**

12.1 In performing its obligations under this Agreement, the Operator shall:

12.1.1 at all times use all reasonable endeavours to prevent any unlawful nuisance (including noisy working operations), obstruction, trespass, interference with any right of light, way, air or water, or other interference with the rights of any adjoining landowners, tenants or occupiers or any statutory undertaker; and

(i) not commit any act or omission whereby any property (including the air above, water running on or through the soil, subsoil or groundwater beneath) shall become contaminated with a substance which may have a deleterious effect on the environment or on human health,

and the Operator shall indemnify RfL from and against any and all Loss suffered by RfL from a failure by the Operator to comply with its obligations under this paragraph 12 (*Environmental Interference*).

13 **Waste Electrical and Electronic Equipment Regulations 2006**

When procuring any WEE Equipment for use in accordance with the Concession Services whether by direct purchase by the Operator, purchase on behalf of RfL, lease or otherwise the Operator will ensure that, in accordance with the WEEE Regulations, the producer of the WEE Equipment (whether that be the Operator or a third party) shall assume responsibility for financing the costs of the collection, treatment, recovery and environmentally sound disposal of such WEE Equipment and the Operator shall indemnify RfL from and against any and all Loss suffered by RfL from a failure by the Operator to comply with its obligations under this paragraph 13 (*Waste Electrical and Electronic Equipment Regulations 2006*).

Schedule 15.5
Pensions

1 General

- 1.1 The Operator shall, in respect of the Concession Services, become the Designated Employer of, and administer, the Concession Section. Subject to paragraphs 1.2 (*General*), 2 (*Restrictions on Membership*), 3 (*Closed Schemes*), and 4.1.3 (*Variations in Benefits and Contributions; Investments*), each Protected Employee employed by the Operator in the fulfilment of its obligations under this Agreement shall be offered membership of the Concession Section by the Operator and each such member who accepts membership of the Concession Section shall be provided with Protected Pension Rights required to be provided by the Protection Order on and from the Start Date, or later date of commencement of their employment by the Operator, for the duration of this Agreement.
- 1.2 The Operator may elect to offer to each Non-Protected Employee:
- 1.2.1 membership of the Operator's pension scheme or a pension scheme nominated by the Operator; or
- 1.2.2 membership of the Concession Section.
- 1.3 The Operator shall fund and offer any persons employed by the Operator during the Concession Period to provide the Concession Services who are Non-Protected Employees, pension benefits and benefits on death in service or leaving service due to incapacity which shall be no more favourable than the pension benefits under the Concession Section. Where the Operator proposes to offer any Non-Protected Employees membership of the Operator's pension scheme or a pension scheme nominated by the Operator, the Operator will provide to RfL such information as it may request regarding the management, operation and funding of the scheme(s) and of any associated benefits (including life assurance and ill-health cover) to be provided to such Non-Protected Employees who are offered membership.
- 1.4 The Operator shall comply with all relevant employment and pensions' legislation and shall perform its obligations under this Schedule 15.5 (*Pensions*) in a manner which is consistent with the Railways Pension Scheme.
- 1.5 The Operator shall be responsible for funding the Concession Section on and from the Start Date for the duration of this Agreement in accordance with the requirements of the scheme-specific funding provisions of Part 3 of the Pensions Act 2004. Any revised employer and employee contribution rate notified by the Trustee following a formal valuation or other actuarial assessment will be the sole responsibility of the Operator and the active members of the Concession Section, and RfL shall not be obliged to reimburse to the Operator all or part of the revised rates.
- 1.6 The Operator shall comply with its obligations under the Pensions Act 2008 to automatically enrol into a qualifying arrangement any of its Concession Employees who do not become or remain an active member of the Concession Section (or in the case where paragraph 1.3 (*General*) above applies, do not become or remain an active member of the Operator's pension scheme or a

pension scheme nominated by the Operator on the basis that such scheme is a qualifying scheme) for the purposes of this Agreement.

- 1.7 The Operator shall carry out such consultation as RfL reasonably requests in accordance with section 259 of the Pensions Act 2004 in respect of any changes proposed to be made by the Operator to the pension arrangements affecting the Concession Employees.

2 **Restrictions on Membership**

The Operator will restrict membership of the Concession Section to those employees employed by the Operator in the fulfilment of its obligations under this Agreement.

3 **Closed Schemes**

Subject to any requirements of HM Revenue & Customs, the Operator shall take such steps as may be necessary (including entering into any relevant deed of participation) to allow Closed Scheme Employees to continue in active membership of the Closed Schemes in accordance with their terms. For the purposes of this paragraph 3 (*Closed Schemes*):

- 3.1 **"Closed Scheme Employees"** means such of the employees of the Operator who were, immediately prior to the commencement of their employment with the Operator, active members of any of the Closed Schemes; and
- 3.2 **"Closed Schemes"** means the British Railways Superannuation Fund and the BR (1974) Pension Fund.

4 **Variations in Benefits and Contributions; Investments**

- 4.1 The Operator shall promptly consult with RfL in relation to any proposal it considers would fall within the scope of paragraphs 4.1.1 (*Variations in Benefits and Contributions; Investments*) to 4.1.6 (*Variations in Benefits and Contributions; Investments*) (inclusive) prior to putting such a proposal to the Pensions Committee of the Concession Section (if there is such a Pensions Committee for the Concession Section), the Trustee of the Railways Pension Scheme, or to any trade union or works council. The Operator shall not, without the prior written consent of RfL (which may be given on such terms and subject to such conditions as RfL thinks fit):

- 4.1.1 restructure or change the composition of the earnings of employees of the Operator or its subsidiaries in such a way as to increase the part of those earnings which qualifies as pensionable earnings (including Section Pay) under the Rules applicable to the Concession Section or take any action (or consent to the taking of any action) which could detrimentally affect the funding of the Concession Section, including varying or providing different or additional benefits under the Concession Section or promising to do so, unless:

- (a) such change is required by Law; or
- (b) such change only affects benefits payable in respect of past service of members of the Concession Section and on or prior to the effective date of the change the Operator pays an additional cash payment to the Trustee which, in the

opinion of the Actuary, meets in full the additional funding cost imposed on the Concession Section;

- 4.1.2 provide retirement, death, disability or life assurance benefits for or in respect of any of its employees other than under the Concession Section or as provided in paragraph 1 (*General*), paragraph 2 (*Restrictions on Membership*) or paragraph 3 (*Closed Schemes*);
 - 4.1.3 omit to provide the above-mentioned benefits for and in respect of its Protected Employees save that, without prejudice to any rights which any such Protected Employee may otherwise have, the Operator shall not be obliged for the purposes of this Agreement to offer such benefits to any Protected Employee employed on a fixed term contract of twelve (12) months or less;
 - 4.1.4 take any action (or consent to the taking of any action) which could affect the contributions payable by the Participating Employer under the Concession Section, including making any redundancies, exercising any discretion allowed to the Operator as Designated Employer arising out of any actuarial valuation of the Concession Section, and varying or providing different or additional benefits under the Concession Section in respect of future service, unless such action is required by Law;
 - 4.1.5 agree to adopt a revised investment strategy for the Concession Section; or
 - 4.1.6 take (or omit to take) any action which could result in the Concession Section being wound up, in whole or in part.
- 4.2 The Operator:
- 4.2.1 shall:
 - (a) use all reasonable endeavours to procure that the provisions of clause 5G (*Consultation with Pensions Committees*) of the Railways Pension Scheme are amended such that they do not apply in respect of the Concession Section; and
 - (b) in any event consult with RfL as to the manner in which the Section Assets of the Concession Section are to be invested as part of its discussions with the Trustee or any Pensions Committee (if there is a Pensions Committee for the Concession Section) in this regard; and
 - 4.2.2 not propose or agree to any amendment to the Railways Pension Scheme without the prior written consent of RfL (which may be given on such terms and subject to such conditions as RfL thinks fit).

5 Other Transfers to the Concession Section

The Operator and RfL acknowledge that:

- 5.1 article 7(4) of the Protection Order shall apply where, for the purposes of this Agreement, under the terms of the Railways Pension Scheme, a transfer payment is made to the Concession Section from another section of the Railways Pension Scheme in relation to Protected Employees (as defined under the Protection Order) who had accrued benefits in such other section prior to the Start Date and who become members of that Concession Section; and
- 5.2 RfL shall not be obliged to reimburse the Operator for any amounts being due as a result.

6 Covenant Rating

The Operator shall not during the Concession Period take any action outside of the ordinary course of its trading the main purpose (or one of the purposes) of which is to result in a material weakening of the financial strength of the Operator, without the prior written consent of RfL (such consent not to be unreasonably withheld) and shall use its reasonable endeavours to procure that the Trustee awards to the Operator the strongest possible covenant rating for the Concession Section, including by, but not limited to, co-operating with the Trustee and promptly providing to the Trustee any documentation that the Trustee may reasonably request from the Operator in connection with the Trustee deciding on such an employer covenant rating.

7 Discharge of Obligations

- 7.1 RfL may at any time during the Concession Period seek information from the Trustee with a view to satisfying itself that the Operator (as Participating Employer) has fully discharged their respective obligations under the Railways Pension Scheme, including their obligations in respect of the payment of contributions to the Concession Section. The Operator hereby consents to disclosure of any such information to RfL by the Trustee.
- 7.2 The Operator shall, at its expense, promptly provide such information in relation to the Concession Section, including obtaining actuarial advice and information, as RfL may from time to time request and shall authorise and consent to the Trustee doing so.
- 7.3 The Operator shall use all reasonable endeavours to provide to RfL:
 - 7.3.1 within one (1) month of the expiry of each Concession Year; and
 - 7.3.2 at other times as soon as practicable following a request by RfL (including in respect of the final Concession Year during the Concession Period, any request of RfL that is made within a reasonable period of the expiry of the Concession Period),

a certificate signed by the Trustee stating either that the Operator (as Participating Employer) has fully complied with its obligations under the Railways Pension Scheme, including its obligation to contribute to the Concession Section or, if it or any of them has not so complied, stating the extent to which it has not (or they have not) done so. Where the certificate is

given pursuant to paragraph 7.3.1 (*Discharge of Obligations*), it shall cover the relevant Concession Year and where given pursuant to paragraph 7.3.2 (*Discharge of Obligations*), it shall cover such period as RfL shall specify.

- 7.4 If the Trustee does not certify that the Operator (as Participating Employer) has fully complied with its obligations under the Railways Pension Scheme or if RfL otherwise reasonably considers that the Operator (as Participating Employer) has not complied with such obligations, RfL shall be entitled to withhold from any Concession Payments payable by it under Schedule 11.1 (*Concession Payments*) by way of an Other Adjustment, an amount which is, in RfL's opinion, no greater than the amount of any contribution that the Operator (as Participating Employer) has thereby failed to make or avoided making.
- 7.5 RfL may withhold such amount until such time as it reasonably determines that the relevant contributions have been made in full by the Operator (as Participating Employer). Following that determination, the amount withheld shall become payable (without interest) on the next Payment Date, being a day which falls no less than seven (7) days after such determination or, if there is no such day, fourteen (14) days after the date of such determination. To the extent that RfL has not so determined within four (4) weeks after the expiry of the Concession Period, the Operator's right to receive the amount so withheld under this Agreement shall lapse and RfL shall not be obliged to pay such amount.

8 Termination of Provisions

- 8.1 Unless on the termination of this Agreement (whether through default, effusion of time or otherwise) the Operator agrees to remain the Designated Employer in relation to the Concession Section, RfL shall procure that the Successor Operator is substituted for the Operator as the Designated Employer in relation to the Concession Section so that following such termination:
- 8.1.1 if the Operator has complied with its obligations to fund contributions at the contribution rate specified by the actuary at the triennial actuarial reviews up to the date of termination of this Agreement then the Operator shall have no liability for any deficit in the value of the Concession Section that may be payable by the Operator, other than in respect of unpaid contributions owed by the Operator to the Concession Section for any period prior to the termination of this Agreement;
- 8.1.2 the Operator shall have no right to any benefit connected with any surplus assets in the Concession Section that may be payable to or received by the Operator, and the Operator shall procure that the value of such surplus is retained in the Concession Section for the benefit of Successor Operators; and
- 8.1.3 provided the Concession Section comprises a single-employer (as opposed to a multi-employer) section of the Railways Pension Scheme, no claims arise against the Operator under Section 75 of the Pensions Act 1995; and

- 8.1.4 where the Concession Section comprises a multi-employer (as opposed to a single employer) section of the Railways Pension Scheme, RfL will use its reasonable endeavours to facilitate discussions between the Operator and the Successor Operator on managing and limiting any claim arising against the Operator under Section 75 of the Pensions Act 1995 in accordance with any statutory mechanisms that are available at the relevant time.
- 8.2 Paragraph 8.1 (*Termination of Provisions*) is subject to the Operator complying with its obligations under this Schedule 15.5 (*Pensions*) in relation to the Concession Section.
- 8.3 If the Concession Section is wound up through any act or omission of the Operator in contravention of paragraph 4.1.6 (*Variations in Benefits and Contributions; Investments*), then:
- 8.3.1 the Operator shall have no right to any benefit connected with any surplus assets in the Concession Section that may be payable to or received by the Operator, and the Operator hereby assigns that benefit to RfL and the right to any surplus shall vest in RfL absolutely; and
- 8.3.2 any claims that the Trustee may have in relation to the Concession Section under Section 75 of the Pensions Act 1995 shall be payable by the Operator.
- 8.4 This paragraph 8 (*Termination of Provisions*) shall remain in force notwithstanding the termination of this Agreement.

9 **Independent Actuary**

Any dispute between the Operator and RfL concerning the assessment of liabilities for the purposes of paragraph 5 (*Other Transfers to the Concession Section*) or any other matter of an actuarial or mathematical nature (the "**Actuarial Dispute**") shall, in the absence of agreement between them, be referred to an independent actuary agreed by the Operator and RfL or (failing agreement within fourteen (14) days of a written request from one party to the other to agree to the appointment of such an actuary) appointed at the request of either party by, or on behalf of, the President for the time being of the Institute and Faculty of Actuaries. The independent actuary shall have the power to determine the Actuarial Dispute and the decision of the independent actuary, including as to costs, shall be final. The independent actuary shall act as an expert and not as an arbitrator.

10 **Definitions**

Unless otherwise defined or stated in this Agreement, terms used in this Schedule 15.5 (*Pensions*) shall have the meanings given to them in the Railways Pension Scheme.

Schedule 16
Concession Information

Schedule 16.1: Records, Plans and Reporting

Schedule 16.2: Confidentiality, Freedom of Information Act and Data Protection Requirements

Appendix 1: Commercially Sensitive Information

Appendix 2: Data Protection

Schedule 16.1
Records, Plans and Reporting

1 Corporate Information

- 1.1 The Operator shall provide the following information to RfL on or before the Start Date and shall notify RfL of any change to such information within fifteen (15) Business Days of such change:
- 1.1.1 its name;
 - 1.1.2 its business address and registered office;
 - 1.1.3 its directors and company secretary;
 - 1.1.4 its auditors;
 - 1.1.5 its trading name or names; and
 - 1.1.6 to the best of the Operator's knowledge and belief, having made due and diligent enquiry, the identity of all persons holding, separately or acting by agreement, directly or indirectly, the right to cast more than twenty per cent. (20%) of the votes at general meetings of the Operator.
- 1.2 The Operator shall inform RfL of any material change or proposed material change in its business (including the employment or the termination of employment of any Key Personnel, the termination of any Key Contract and any litigation or other dispute which may have a material effect on its business) and any material change in or restructuring of the capitalisation or financing of the Operator, a Member or a Parent.
- 1.3 The Operator shall in addition provide to RfL before the Start Date a certified copy of its memorandum and articles of association, and subsequently at the same time as the relevant issue or delivery (or, if effected by another person, as soon as practicable thereafter), a copy of each notice or circular or other document issued to its shareholders which relates to this Agreement and a copy of any document relating to it which is delivered to the Registrar of Companies in England and Wales.

2 Operating Information

Daily Performance Record

- 2.1 The Operator shall provide RfL with the Operator Daily Performance Record:
- 2.1.1 in accordance with the requirements of paragraphs 1.2 (*Daily Performance Data - Daily Reporting*) and 1.3 (*Daily Performance Data - Daily Reporting*) of Schedule 7.4 (*General Operating Performance Provisions*);
 - 2.1.2 in a consistent form which contains a concise factual summary of each Performance Failure, the reasons for each such Performance Failure and the allocation of responsibility for each Performance Failure;

- 2.1.3 in a form which has been proofread and peer reviewed with the intention of providing RfL with a concise and accurate overview of the Operator's performance in delivery of the Passenger Services; and
- 2.1.4 is in English in a form which a reader without detailed knowledge of this Agreement or the Passenger Services would be able to understand (and avoids technical terminology wherever reasonably practicable).

Periodic Concession Report

- 2.2 The Operator shall submit to RfL a Periodic Concession Report for each Reporting Period during the Concession Period within seven (7) Business Days of the last day of each such Reporting Period which, as a minimum, discusses the following matters:
 - 2.2.1 the Operator's performance of the Concession Services during such Reporting Period, including:
 - (a) performance metrics relating to the Passenger Services and the Operator's performance under Schedule 7 (*Operating Performance*), Schedule 8 (*Service Quality and Passenger Perception*) and Schedule 9 (*Ticketless Travel Incentive Scheme*);
 - (b) (where not already achieved in full) the Operator's progress towards achieving each of the Committed Obligations set out in Schedule 10.1 (*List of Committed Obligations and Committed Obligation Payments*);
 - (c) the Operator's safety and environmental performance in delivering the Concession Services;
 - (d) the Operator's financial performance in delivering the Concession Services;
 - (e) the Operator's progress in delivering its plans relating to people and culture, including:
 - (i) the Periodic SLNT Report;
 - (ii) its equity, diversity and inclusion strategy; and
 - (iii) the number of drugs and/or alcohol tests of Concession Employees undertaken during such Reporting Period and the outcome of such tests;
 - (f) any other matter or report contemplated by this Agreement to prepared by reference to each Reporting Period; and
 - (g) such other matters as RfL may request to be included in the Periodic Concession Report relating to the Operator's performance of the Concession Services from time to time;

- 2.2.2 the reasonably foreseeable challenges and any other issues identified by the Operator as reasonably likely to affect its performance of the Concession Services (including performance of the Passenger Services) and the other requirements of this Agreement; and
- 2.2.3 the status of any derogations granted by RfL in relation to the requirements of this Agreement, including the steps being undertaken or otherwise proposed by the Operator to secure compliance with the requirements of this Agreement without the need for such derogation.

3 **Business Plans**

Initial Business Plan

- 3.1 No earlier than three (3) Reporting Periods and no later than one (1) Reporting Period before the Start Date, the Operator shall deliver to RfL its Initial Business Plan, describing its planned activities for each Concession Year during the Concession Period, which shall include:
 - 3.1.1 a description of the Operator's strategy, including as to how the Operator will be able to meet its obligations under this Agreement for the Concession Period, supported by operating plans demonstrating this;
 - 3.1.2 details of any investments proposed to be made or procured by the Operator in relation to the Concession Services during the Concession Period;
 - 3.1.3 the Suite of Models and Record of Assumptions in the agreed form (in addition to the two (2) copies of each such document required pursuant to Schedule 13.2 (*Identity of the Suite of Models*));
 - 3.1.4 a profit and loss forecast, cash flow forecast and forecast balance sheet for each of the first thirteen (13) Reporting Periods following the Start Date, together with a list of assumptions on the basis of which each such forecast has been prepared; and
 - 3.1.5 all known changes to costs and revenues from the costs and revenues set out in the Operator's tender to RfL upon which RfL agreed to enter into this Agreement with the Operator.
- 3.2 At the same time as it provides the Initial Business Plan, the Operator shall also provide plans which support the information set out in the Initial Business Plan by explaining how the Operator will meet its obligations in relation to the operating performance, customer service and revenue protection under this Agreement including:
 - 3.2.1 the Annual Environmental Management Plan;
 - 3.2.2 the Annual Revenue Protection Plan;
 - 3.2.3 the Carbon Reduction Plan;
 - 3.2.4 the People Plan;

- 3.2.5 the Retail Management Strategy;
- 3.2.6 the Safety Strategy;
- 3.2.7 any other plans listed in Schedule 15.3 (*Responsible Procurement*) and Schedule 15.4 (*Environment*) which are expressed to be required to be updated each Concession Year; and
- 3.2.8 the plan from each directorate of the Operator for the forthcoming Concession Year (to the extent such plan is not already wholly captured within a plan contemplated by paragraphs 3.2.1 to 3.2.7 above),

the "**Supporting Plans**". The provision of such Supporting Plans shall be without prejudice to the requirements of paragraph 8 (*Revenue Protection*) of Schedule 3.3 (*Ticket and Non-Ticket Revenue*), Schedule 6.1 (*Security*) and Schedule 6.2 (*Cyber Security*) in relation to the provision of the plans described in those schedules within the timescales set out in those Schedules.

- 3.3 RfL may require the resubmission of the Initial Business Plan and any of the Supporting Plans on the Start Date, adjusted to the extent necessary to reflect any difference between the actual Start Date and the date assumed to be the Start Date in the Initial Business Plan submitted in accordance with paragraph 3.1 (*Business Plans – Initial Business Plan*).

Updated Business Plans and Updated Supporting Plans

- 3.4 Not more than three (3) Reporting Periods and not less than one (1) Reporting Period prior to the start of each Concession Year (other than the first Concession Year), the Operator shall deliver to RfL an Updated Business Plan and Updated Supporting Plans:
 - 3.4.1 in substantially the same form as the immediately preceding Business Plan and Supporting Plans delivered to RfL in accordance with this Agreement, revised to include the information available to the Operator as at the date of its delivery, describing the Operator's planned activities for each Concession Year during the remainder of the Concession Period;
 - 3.4.2 containing a statement of the differences between:
 - (a) such Updated Business Plan, the Initial Business Plan and the immediately preceding Business Plan; and
 - (b) such Updated Supporting Plan and the immediately preceding Supporting Plan,in each case delivered to RfL in accordance with this Agreement, together with an explanation of such differences;
 - 3.4.3 in the case of the Updated Business Plan only:
 - (a) describe the service pattern to be operated during the relevant Concession Year, including any changes to that service pattern and how resources will be built up in order to accommodate a change in the service pattern during the

relevant Concession Year or within three (3) months of the end of the relevant Concession Year;

- (b) containing revised financial and operational models, together with a detailed statement, reconciliation and explanation of any material difference in the outputs provided by such financial and operational models from the Model Suite as to the date of this Agreement and any such models provided in the immediately preceding Business Plan;
- (c) containing details of any Business Action Plan notified to RfL and any progress made in respect of such Business Action Plans;
- (d) containing a revised profit and loss forecast, cash flow forecast and forecast balance sheet for each of the thirteen (13) Reporting Periods in that Concession Year in the format specified or approved by RfL from time to time;
- (e) containing details of any Remedial Plans in relation to the relevant Concession Year and any progress made in respect of such plan(s); and
- (f) containing details of all known changes to costs and revenues from the costs and revenues in the Operator standards RfL upon which RfL agreed to enter into this Agreement with the Operator; and

3.4.4 supported by such other further plans referred to in paragraph 3.2 (*Business Plans – Initial Business Plan*).

Material Changes to the Business Outlook or Prospective Financial Results

3.5 The Operator shall:

- 3.5.1 notify RfL as soon as reasonably practicable if the business outlook or prospective financial results of the Operator are likely to be materially different from those specified in the most recent Business Plan; and
- 3.5.2 within one (1) month of any request by RfL following receipt of a notification in accordance with paragraph 3.5.1 (*Business Plans – Material changes to the Business Outlook or Prospective Financial Results*), supply RfL with a revised Updated Business Plan for the remainder of the Concession Period which reflects the latest view of its business.

Provisions relating to Business Plans

3.6 The Operator shall:

- 3.6.1 comply with any guidance issued by RfL from time to time as to its reasonable requirements for the format of any Business Plan and any Supporting Plan. The contents and assumptions to be included in

any Business Plan and any Supporting Plan shall, unless the parties otherwise agree, be consistent with the Record of Assumptions; and

- 3.6.2 attend such meetings and make such presentations as RfL shall request in connection with any Business Plan and any Supporting Plan.
- 3.7 Following submission of a Business Plan or a Supporting Plan to RfL, the Operator shall update such Business Plan or Supporting Plan (as the case may be) to take into account any feedback from RfL and shall implement such Business Plan or Supporting Plan (as amended) in accordance with its terms.
- 3.8 The Operator shall not be relieved of any of its obligations under this Agreement as a result of any comment or failure to comment by RfL on any Business Plan or Supporting Plan or any agreement with or approval, implicit or explicit, of any Business Plan or Supporting Plan by RfL at any time.
- 3.9 RfL may at any time require the Operator to produce a Business Action Plan in respect of any aspect of any Business Plan. Such Business Action Plan may include steps relating to:
 - 3.9.1 timetable development;
 - 3.9.2 performance management improvement (including performance risks);
 - 3.9.3 customer service improvement; and
 - 3.9.4 improvements in the quality of service delivery or the efficiency of delivery of the Concession Services.
- 3.10 The Operator shall confirm, with each Updated Business Plan and each Supporting Plan submitted to RfL, that that plan has been approved by the Operator's board.

4 **Accounting and Financial Information**

Accounting Records

- 4.1 The Operator shall prepare and at all times during the Concession Period maintain true, up to date and complete accounting records in respect of this Agreement as separate and stand-alone accounts (the "**Management Accounts**") in accordance with UK adopted international accounting practices. Such records shall be prepared on a consistent basis for each Reporting Period.

Reporting Period Financial Information

- 4.2 The Operator shall deliver to RfL, as an appendix to the Periodic Concession Report, Management Accounts for such Reporting Period, setting out a cashflow statement, profit and loss account and balance sheet for that Reporting Period and cumulatively for the Concession Year to date in the format specified or approved by RfL from time to time.
- 4.3 The Management Accounts shall also set out:

- 4.3.1 a statement of calculation demonstrating the Operator's performance by reference to the financial undertakings set out in paragraph 3 (*Financial Ratio*) of Schedule 14 (*Financial Obligations and Credit Support*);
- 4.3.2 a comparison of the Operator's performance during such Reporting Period and cumulative performance during such Reporting Period against the forecast provided by the Operator in the then current Business Plan;
- 4.3.3 a comparison of the Operator's period and cumulative performance during the Concession Year in which such Reporting Period occurs against the forecast referred to in paragraph 4.3.2 (*Accounting and Financial Information – Reporting Period Financial Information*); and
- 4.3.4 a detailed statement and explanation of any material difference between such Management Accounts and the Business Plan and the Record of Assumptions and the forecast referred to in paragraph 4.3.2 (*Accounting and Financial Information – Reporting Period Financial Information*), cross-referring to deviations from the applicable Operational Models.

Quarterly Financial Information

- 4.4 Within four (4) weeks after the end of the third (3rd), sixth (6th), tenth (10th) and thirteenth (13th) Reporting Periods in each Concession Year (the end of such Reporting Period each being a "**Quarter**"), the Operator shall deliver to RfL the following information:
 - 4.4.1 an updated version of the profit and loss forecast, cash flow forecast and forecast balance sheet provided in accordance with paragraph 3.1.4 (*Business Plans – Initial Business Plan*), for each of the following thirteen (13) Reporting Periods;
 - 4.4.2 a statement of calculation demonstrating the Operator's performance by reference to the financial undertakings set out in paragraph 3 (*Financial Ratio*) of Schedule 14 (*Financial Obligations and Credit Support*) and a forecast of performance against such undertakings for the following thirteen (13) Reporting Periods; and
 - 4.4.3 a detailed statement and explanation of any difference between the information provided in accordance with this paragraph 4.4 (*Accounting and Financial Information - Quarterly Financial Information*) and the Business Plan and Record of Assumptions.

Annual Financial Information

- 4.5 Within three (3) weeks of the end of each Concession Year, the Operator shall deliver to RfL its Annual Management Accounts for that Concession Year.
- 4.6 Within three (3) Reporting Periods after the end of each Concession Year, the Operator shall deliver to RfL the following information:

- 4.6.1 certified true copies of its annual report and Annual Audited Accounts for that Concession Year, together with copies of all related directors' and auditors' reports; and
- 4.6.2 a reconciliation to the Management Accounts for the same period.

Accounting Standards and Practices

- 4.7 Each set of Management Accounts and Annual Management Accounts shall be:
 - 4.7.1 drawn up in a form consistent with the form of profit and loss account, cashflow projection and balance sheets specified or approved by RfL from time to time; and
 - 4.7.2 prepared consistently in accordance with the Operator's normal accounting policies, details of which shall be supplied, on request, to RfL and any changes to which shall be notified to RfL on submission of such accounts, together with a commentary of the impact of those changes on the Management Accounts and Annual Management Accounts.
- 4.8 Each set of Annual Audited Accounts shall:
 - 4.8.1 be prepared and audited in accordance with international accounting standards regulations or such other accounting conventions, policies and requirements as RfL may from time to time specify after consultation with the Operator, provided that those other conventions, policies and requirements are compatible with the requirement of the accounting conventions applicable in the UK at the time and consistently applied and in accordance with international accounting standards regulation; and
 - 4.8.2 together with the notes thereto and subject to any qualifications contained in any relevant auditors' report, give a true and fair view of the financial information pertaining to this Agreement and whether the Annual Management Accounts have been properly prepared in accordance with the requirements under this Schedule 16.1 (*Records, Plans and Reporting*). The audited Annual Management Accounts shall include a profit and loss account, a balance sheet and cashflow statement and all appropriate notes to the accounts.

Parent Accounts

- 4.9 The Operator shall, upon the request of RfL, promptly deliver to, or procure delivery to, RfL, certified true copies of the annual reports and audited accounts of each Parent, together with copies of all related directors' and auditors' reports. If a Parent is domiciled outside England and Wales or Scotland, the equivalent documents in the jurisdiction of residence of such Parent shall be delivered to RfL.

5 **Safety Information**

Co-operation with Competent Authorities

- 5.1 The Operator shall co-operate with any request from any relevant competent authority for provision of information and/or preparation and submission of reports detailing or identifying compliance with safety obligations set out in the Safety Regulations (and any approved Safety Authorisation or Safety Certificate) including any breaches of the Safety Regulations or any approved Safety Authorisation or Safety Certificate.

Maintaining Safety Records

- 5.2 The Operator shall maintain safety records and all supporting data in respect of safety performance which shall include:
- 5.2.1 records of all reported accidents and investigations into accidents and actions taken;
 - 5.2.2 records of all reported occurrences (as reported through the occurrence report system), including reports of investigations and actions taken;
 - 5.2.3 records of all accidents and incidents reportable to statutory authorities including the Health and Safety Executive or the ORR and details of investigations and actions taken;
 - 5.2.4 records of all correspondence and notes of meetings with the Health and Safety Executive or the ORR;
 - 5.2.5 as requested by RfL, records of meetings of:
 - (a) any safety committees and associated papers;
 - (b) any safety sub-committees and associated papers; and
 - (c) any other ad hoc safety meetings and associated papers;
 - 5.2.6 details of staff accidents related to the lost time injury rate;
 - 5.2.7 details of management safety tours undertaken, their findings and actions taken;
 - 5.2.8 details of audit programmes, reports and recommendations and actions taken;
 - 5.2.9 details of progress on outstanding actions in relation to inquiries prior to the Concession Period; and
 - 5.2.10 details of safety training given to staff and contractors,
- and, where applicable shall report such safety information in accordance with paragraph 2.5.3 (*Security*) of Schedule 6.1 (*Security*).

Provision of Formal Notices

- 5.3 The Operator shall notify RfL as soon as practicable of the receipt and contents of any formal notification relating to safety or any improvement or prohibition notice received from ORR. Immediately upon receipt of such notification or notice, the Operator shall provide RfL with a copy of such notification or notice.

Provision of Updates, Information relating to Incidents and Reports

- 5.4 The Operator shall:

- 5.4.1 provide RfL with regular updates via official channels (on a "real time" basis) on service and safety information, including details of any significant disruption, peak performance, cancellations, stations or route closures, major incidents (whether resulting in a disruption to Passenger Services or a serious crime or death or injury to any person using or on the railway), and any incidents classified as near misses and any other information reasonably requested by RfL;
- 5.4.2 provide TfL's press office team promptly (via such method and contact details as RfL may specify from time to time) with an update in relation to any service and safety information detailed in paragraph 5.4.1 (*Safety Information – Provision of Updates, Information relating to Incidents and Reports*) which has or is likely to have a material impact on the Passenger Services (whether or not it will impact passengers);
- 5.4.3 inform RfL promptly of the occurrence of any serious accident or incident (including any incident likely to cause major disruption to the Passenger Services involving criminal activities or causing major disruption to the Passenger Services), whether "reportable" or not, and co-operate fully and promptly with RfL and other TfL Group companies concerning such accident or incident, including by the provision of all information requested by RfL;
- 5.4.4 ensure a consistent, concise and accurate approach is adopted to the updates and information provided pursuant to paragraph 5.4.1 (*Safety Information – Provision of Updates, Information relating to Incidents and Reports*), 5.4.2 (*Safety Information – Provision of Updates, Information relating to Incidents and Reports*) and 5.4.3 (*Safety Information – Provision of Updates, Information relating to Incidents and Reports*) above;
- 5.4.5 provide RfL with regular information on safety issues, including providing annual safety objectives, progress reports on achievement of such objectives, and a safety performance report at the end of each Reporting Period, reporting (to the standard required by RIDDOR) on the following: dangerous occurrences: major customer accidents, major employee accidents, major employee assaults, major contractor incidents, procedural irregularities, and incidents of trespass;

- 5.4.6 provide RfL with copies of all relevant material correspondence from or to the Operator concerning health, safety and environmental matters, including correspondence with regulatory bodies, incident reports, accident reports and any correspondence relating to accidents, incidents and significant occurrences; and
- 5.4.7 comply promptly with any other request from RfL (or any other member of the TfL Group) for information concerning any safety-related matter connected with the Concession Services.
- 5.5 The Operator shall co-operate with any safety auditors appointed by RfL, including providing timely responses to any safety issues raised by such auditors.
- 5.6 Notwithstanding the reporting obligations in this paragraph 5 (*Safety Information*), the Operator shall remain fully responsible for the proper discharge of all its safety-related obligations and duties under this Agreement and all applicable laws and regulations (including the Safety Regulations and under any Safety Authorisation and any Safety Certificate).
- 5.7 The Operator shall co-operate and work with RfL(I) to ensure that in the event of planned or unplanned disruption to the CCOS and the Passenger Services:
 - 5.7.1 a coordinated approach is adopted to the communications contemplated by paragraphs 5.4.1 (*Safety Information - Provision of Updates, Information relating to Incidents and Reports*), 5.4.2 (*Safety Information - Provision of Updates, Information relating to Incidents and Reports*) and 5.4.3 (*Safety Information - Provision of Updates, Information relating to Incidents and Reports*) of this Schedule 16.1 (*Records, Plans and Reporting*);
 - 5.7.2 the communications contemplated by paragraph 5.7.1 (*Safety Information - Provision of Updates, Information relating to Incidents and Reports*) are consistent with the communications given to passengers (with updates provided whenever reasonably practicable);
 - 5.7.3 a consistent message is given to customers by both the Operator and RfL(I); and
 - 5.7.4 all communications and messages are at all times accurate based on the information known to the Operator and RfL(I) at that time and their reasonable assumptions about when such disruption will end, with the intention of ensuring that passengers can plan or replan (as the case may be) their journeys with a reasonable degree of assurance.

6 Further Information

- 6.1 The Operator shall:
 - 6.1.1 deliver to RfL, or procure the delivery to RfL of, such information, records or documents as it may request within such period as it may reasonably require and which relate to or are connected with the Operator's performance of this Agreement; and

- 6.1.2 procure that each Affiliate of the Operator complies with paragraph 6.1.1 (*Further Information*) in respect of any information, records or documents that relate to its dealings with the Operator in connection with the Operator's performance of this Agreement.
- 6.2 The information referred to in paragraph 6.1.1 (*Further Information*) shall include:
 - 6.2.1 any agreement, contract or arrangement to which the Operator is a party in connection with any rolling stock vehicles used in the operation of the Passenger Services;
 - 6.2.2 in so far as the Operator has or is able to obtain the same, any other agreement contract or arrangement which may be associated with the procurement, leasing, financing or maintenance of any such rolling stock vehicles;
 - 6.2.3 any agreement for the manufacture or supply of any rolling stock vehicles; or
 - 6.2.4 any arrangements for the securitisation of any lease granted in respect of such rolling stock vehicles.
- 6.3 RfL may require the Operator to provide:
 - 6.3.1 the information required to be provided under this Schedule 16.1 (*Records, Plans and Reporting*) more frequently than set out in this Schedule 16.1 (*Records, Plans and Reporting*);
 - 6.3.2 the information required to be provided under this Schedule 16.1 (*Records, Plans and Reporting*), or, in RfL's discretion, more detailed financial information and explanations, at any time in connection with the re-letting of the Concession in an unredacted form (save as otherwise may be agreed in writing by RfL, and RfL shall be entitled to provide such information to any prospective Successor Operator or place such information in a data room); and
 - 6.3.3 such unaudited accounts under such accounting policies as may be prescribed by RfL, acting reasonably, from time to time.

7 **Contraventions of this Agreement**

- 7.1 The Operator shall notify RfL, so far as possible before it may occur and in any event as soon as reasonably practicable thereafter, of any contravention by the Operator of any provision of this Agreement. This includes where the Operator is under an obligation to use all reasonable endeavours to achieve a particular result by a particular time, where such result is not achieved by such time.
- 7.2 The Operator shall deliver to RfL, or procure the delivery to RfL of, such information, records or documents as RfL may request within such period as RfL may reasonably require for the purpose of determining the existence, likelihood, nature or scope of any contravention of, Event of Default or Termination Event under, this Agreement.

8 Information to and from Third Parties

Information to Stakeholders

- 8.1 The Operator shall comply with any reasonable requests and guidance issued by RfL from time to time in respect of the provision of information to and co-operation and consultation with Stakeholders.

Information from third parties

- 8.2 The Operator shall, if RfL so requests, use all reasonable endeavours to ensure that RfL has direct access to any information, data or records relating to the Operator which is or are maintained by third parties and to which RfL is entitled to have access, or of which RfL is entitled to receive a copy under this Agreement.
- 8.3 The Operator shall provide RfL promptly with all information, correspondence, notices, consultations and/or documents ("**Reform Documents**") it receives which relate to or are connected with the rail reform programme and the creation of the Great British Railways (or any successor name or body, as the case may be) including the Department for Transport, Network Rail, the Great British Railways Transition Team, the Rail Delivery Group and the ORR (and any successor entities).
- 8.4 At least five (5) Business Days prior to the deadline for such response, the Operator shall provide RfL with a copy of any draft response or representations it proposes to submit in response to any of the Reform Documents. The Operator shall take into account and update such draft response to reflect any views provided by RfL to the Operator prior to the deadline for submission of the response on the Reform Documents. If the Operator does not propose to submit a response or any representations on a Reform Document, it shall notify RfL of its intended approach at least five (5) Business Days prior to the deadline for such response (and, if directed by RfL, shall submit a response which is consistent with RfL's views provided by RfL to the Operator prior to the deadline for submission of the response on the Reform Document).
- 8.5 The Operator shall, if RfL so requests, procure the provision by RSP to RfL of such information, data and records as the Operator is entitled to receive under the Ticketing and Settlement Agreement, in such form as RfL may specify from time to time.
- 8.6 The obligations of the Operator under this Schedule 16.1 (*Records, Plans and Reporting*) to provide information to RfL shall not apply if RfL notifies the Operator that it has received the relevant information directly from any other person (including any Infrastructure Manager or RSP). The Operator shall, if RfL so requests, confirm or validate any such information which is received from any such other person.
- 8.7 The Operator shall promptly advise RfL of any changes that are to be made to its systems or processes or the systems and processes of the RSP that will materially affect the continuity of any of the records that are provided pursuant to this Schedule 16.1 (*Records, Plans and Reporting*). Any such advice shall include an assessment of the materiality of the relevant change.

9 **Maintenance and Standard of Information**

Maintenance of records

- 9.1 The Operator shall maintain true, up to date and complete records of all of the information required to be provided by the Operator under this Agreement.
- 9.2 Each record required to be maintained by the Operator in accordance with paragraph 9.1 (*Maintenance and Standard of Information – Maintenance of records*) shall be held for a period of six (6) years following the date on which such record was required to be created.
- 9.3 References to records in this Schedule 16.1 (*Records, Plans and Reporting*) shall include records maintained under any Previous Concession Agreement to the extent that such records relate to the Concession Services and the Operator has access to them (which it shall use all reasonable endeavours to secure).

Electronic Library

- 9.4 The Operator shall maintain and update (on a Quarterly basis unless stated otherwise) throughout the Concession Period an electronic library containing such information about the Elizabeth Line and the Passenger Services including:
 - 9.4.1 a correspondence log containing all formal correspondence (to be updated in "real time");
 - 9.4.2 any derogations or reliefs granted by RfL;
 - 9.4.3 all commercial agreements reached between RfL and the Operator and all records of ongoing substantive discussions in relation to such commercial agreements;
 - 9.4.4 copies of associated contracts, including Key Contracts;
 - 9.4.5 the information referred to in paragraph 4.3 (*Control of Communications, Information and Documents*) of Schedule 15.1 (*Personnel, Communication and Access*);
 - 9.4.6 any other information necessary for the re-letting of the Concession Services;
 - 9.4.7 any other information reasonably specified in writing by RfL from time to time,as RfL may require (the "**Electronic Library**").
- 9.5 The Electronic Library shall be developed in accordance with a structure and format approved by RfL. The Operator shall make the Electronic Library immediately available to RfL and its advisers (via a web based platform approved by RfL, which may include SharePoint, Teams or an equivalent platform) at all times during the Concession Period, and similarly accessible to any potential Successor Operator and its advisers.

Compatibility of Information

- 9.6 The Operator shall not be responsible for any records maintained under any Previous Concession Agreement, as referred to in paragraph 9.3 (*Maintenance and Standard of Information – Maintenance of Records*), being true, complete and up to date. As soon as reasonably practicable after becoming aware that any such records are not true, complete and up to date, the Operator shall take all reasonable steps to remedy any such deficiency, and shall thereafter maintain such records in accordance with paragraph 9.1 (*Maintenance and Standard of Information – Maintenance of Records*).
- 9.7 All financial, operating or other information, and any data and records required to be provided to RfL under this Agreement shall be provided, if so requested by RfL, in a form compatible with RfL's electronic data and records systems on the Start Date, as modified from time to time.
- 9.8 The Operator shall ensure that the interconnection of such systems or the provision of such information, data and records to RfL under this Agreement will not result in any infringement of any third party intellectual property rights to which its systems or such information, data or records may be subject.

10 Industry Consultations Relevant to the Concession and Participation in Industry Groups

Consultations

- 10.1 The Operator shall be proactive and fully engage in any consultations relevant to or having an impact on the Concession Services (including the cost or revenues connected therewith) including:
- 10.1.1 any Charging Review in relation to the NR Network or any equivalent in relation to the CCOS or the HAL Network (including any changes to any performance benchmark);
 - 10.1.2 any dispute in relation to the NR Network, the CCOS or the HAL Network;
 - 10.1.3 any Conditions Change Proposal or Station Change Proposal (or equivalent) relevant to any Elizabeth Line Station;
 - 10.1.4 any equivalent to paragraph 10.1.3 (*Industry Consultations Relevant to the Concession and Participation in Industry Groups – Consultations*) in relation to any LUL Station;
 - 10.1.5 any Network Change or Vehicle Change under a Relevant Network Code;
 - 10.1.6 any proposal to amend a Relevant Network Code or the Traction Electricity Rules (or any equivalent thereof);
 - 10.1.7 any consultation undertaken by the ORR;
 - 10.1.8 any proposal to amend an Inter-Operator Scheme;

- 10.1.9 any Conditions Change Proposal or Depot Change Proposal relevant to any Depot at which any Unit is maintained;
 - 10.1.10 any consultation undertaken by an Infrastructure Manager in relation to access rights to their network which may have an impact on the Passenger Services;
 - 10.1.11 any consultation undertaken in relation to a track access contract between a train operating company or freight operating company and an Infrastructure Manager which may have an impact on the Passenger Services; and
 - 10.1.12 any other category of consultation relevant to the Concession Services specified by RfL from time to time,
- each a "**Consultation**".
- 10.2 Within five (5) Business Days of receipt of a Consultation, the Operator shall:
 - 10.2.1 notify RfL that it has received a Consultation; and
 - 10.2.2 (as part of such notification) set out a concise summary of the subject matter of the Consultation, together with the deadline for the Operator responding to such Consultation.
 - 10.3 In relation to each Consultation:
 - 10.3.1 at least seven (7) Business Days prior to the deadline for any Consultation response, the Operator shall provide RfL with a copy of any draft Consultation response or representations it proposes to submit, together (separately) with its informed opinion of the likely impact of the subject matter of such Consultation on the Concession Services (including any cost implications and the extent to which such costs will be recoverable (in whole or in part) from a third party);
 - 10.3.2 the Operator shall take into account and update such draft response referred to in paragraph 10.3.1 (*Industry Consultations Relevant to the Concession and Participation in Industry Groups – Consultations*) prior to submission to reflect any views provided by RfL to the Operator prior to the deadline for submission of the Consultation response;
 - 10.3.3 if the Operator does not propose to submit a response or any representations to a Consultation, it shall notify RfL of its intended approach at least seven (7) Business Days prior to the deadline for such response and shall separately provide RfL its informed opinion of the likely impact (if any) of the subject matter of such Consultation on the Concession Services (including any cost implications and the extent to which such costs will be recoverable (in whole or in part) from a third party);
 - 10.3.4 if, following a notification pursuant to paragraph 10.3.3 (*Industry Consultations Relevant to the Concession and Participation in Industry Groups – Consultations*), RfL directs the Operator to submit

a response to such Consultation, the Operator shall submit a response to such Consultation which is consistent with RfL's views provided by RfL to the Operator prior to the deadline for submission of the response on the Consultation;

- 10.3.5 unless otherwise agreed by RfL, the Operator shall attend and actively participate in any meetings relating to any Consultation and shall notify RfL of any such meetings by giving RfL at least seven (7) Business Days' notice prior to the meeting taking place; and
- 10.3.6 the Operator shall promptly provide to RfL copies of any notices, correspondence or other information exchanged between any relevant party and the Operator in respect of the subject matter of such Consultation.

Participation in Industry Groups

- 10.4 The Operator shall attend and actively participate in the following industry groups:

- 10.4.1 any group established in connection with the subject matter contemplated by a Relevant Network Code or Relevant SACs;
- 10.4.2 the scheme council relating to the Traction Electricity Rules;
- 10.4.3 any TfL Group forum relating to policing, security and enforcement as reasonably required by RfL from time to time;
- 10.4.4 any other TfL Group forum RfL reasonably specifies to the Operator in connection with the Concession Services for the sharing of best practice across the TfL Group;
- 10.4.5 any forum constituted by the Rail Delivery Group relating to cross-industry matters associated with the functions undertaken by the Rail Delivery Group on behalf of the railway industry as a whole;
- 10.4.6 such other industry groups as RfL may identify in writing to the Operator from time to time,

each an "**Industry Group**".

- 10.5 In relation to each meeting of each Industry Group (an "**Industry Group Meeting**"):

- 10.5.1 wherever possible, at least seven (7) Business Days prior to such Industry Group Meeting (or, where the agenda for such Industry Group Meeting is provided after such date, promptly following receipt of such agenda) the Operator shall provide RfL with:
 - (a) information about the agenda for such Industry Group Meeting;
 - (b) each of the proposed decisions that the Operator reasonably expects to be discussed and made at such Industry Group Meeting, together with the Operator's informed opinion

about how it should engage with and respond to those proposed decisions; and

- (c) any other points relating to the subject matter of such Industry Group Meeting which the Operator reasonably believes may have an impact on the Concession Services or this Agreement, together with the Operator's informed opinion about how it proposes to engage with those points;

10.5.2 the Operator shall take into account and update its proposed approach to such Industry Group Meeting to reflect any views provided by RfL to the Operator prior to the date and time of such Industry Group Meeting; and

10.5.3 within seven (7) Business Days of each Industry Group Meeting, the Operator shall provide RfL with a summary of the key discussion points from such Industry Group Meeting, including updates on the matters contemplated by paragraphs 10.5.1(b) (*Industry Consultations Relevant to the Concession and Participation in Industry Groups – Participation in Industry Groups*) and 10.5.1(c) (*Industry Consultations Relevant to the Concession and Participation in Industry Groups – Participation in Industry Groups*).

RfL and Operator Consultations

10.6 The Operator shall not itself make or otherwise initiate any Consultation without RfL's prior written consent.

10.7 Where RfL wishes to make or initiate any Consultation, RfL shall notify the Operator and, where applicable, the Operator shall exercise its rights under, as appropriate, any Track Access Agreement, Station Access Agreement, Station Agreement or Depot Access Agreement to make or initiate such a Consultation promptly after such notice and otherwise act in accordance with RfL's instructions in the development of that Consultation.

Implementation of Proposals for Change

10.8 The Operator shall co-operate with any Infrastructure Manager and any other relevant party in connection with any proposed works associated with any Proposal for Change.

10.9 The Operator's obligations under paragraph 10.8 (*Industry Consultations Relevant to the Concession and Participation in Industry Groups – Implementation of Proposals for Change*) shall not require it to take or omit to take, nor excuse it from taking or omitting to take, any action that would be prejudicial to:

10.9.1 proper performance of its obligations under this Agreement; or

10.9.2 the pursuit of reasonable profit from the proper performance of its obligations under this Agreement.

Schedule 16.2

Confidentiality, Freedom of Information Act and Data Protection Requirements

1 Confidentiality

Operator's Obligations as to Confidentiality

- 1.1 Subject to the provisions of the Act, the Railways Act 2005 and paragraph 1.4 (*Confidentiality - Permitted Disclosures*) and except as otherwise provided in this Agreement, the Operator shall keep confidential all matters relating to this Agreement and the Transaction Documents (including all Confidential Information and all documents and information supplied in the course of proceedings under the Dispute Resolution Rules or the rules of any other dispute resolution procedures to which a dispute is referred in accordance with this Agreement) and shall use procure that its employees, agents and Subcontractors shall not make any disclosure to any person of any matter relating to this Agreement and the Transaction Documents.

RfL Obligations as to Confidentiality

- 1.2 Subject to the provisions of the Act, the Railways Act 2005 and paragraph 1.4 (*Confidentiality - Permitted Disclosures*), RfL shall have, in respect of Commercially Sensitive Information, the same obligations as those imposed on the Operator under paragraph 1.1 (*Confidentiality - Operator's Obligations as to Confidentiality*). Without prejudice to the foregoing and paragraph 1.4 (*Confidentiality - Permitted Disclosures*), RfL shall be entitled to:
- 1.2.1 disclose Commercially Sensitive Information where RfL considers that it is obliged to do so under any Applicable Requirements;
 - 1.2.2 use Commercially Sensitive Information to the extent necessary to obtain the benefit of the Operator's performance under this Agreement and the Transaction Documents;
 - 1.2.3 disclose such Commercially Sensitive Information as may be required to be published via the Find a Tender service or in other procurement publication notices;
 - 1.2.4 disclose such Commercially Sensitive Information as may be required pursuant to a valid FOI Information Request; and
 - 1.2.5 publish any Commercially Sensitive Information to the general public pursuant to the requirements of the Transparency Commitment.
- 1.3 For the purposes of paragraph 1.2.4 (*Confidentiality - RfL Obligations as to Confidentiality*) and 1.2.5 (*Confidentiality - RfL Obligations as to Confidentiality*), RfL may in its absolute discretion prior to publication:
- 1.3.1 redact all or part of the Contract Information to take account of the exemptions that would be available in relation to information requested under the FOI Legislation; and
 - 1.3.2 consult with the Operator regarding any redactions to the Contract Information to be published,

provided that in all cases RfL shall make the final decision regarding publication and/or redaction of the Contract Information.

Permitted Disclosures

- 1.4 Paragraphs 1.1 (*Confidentiality - Operator's Obligations as to Confidentiality*), 1.2 (*Confidentiality - RfL Obligations as to Confidentiality*) and 1.3 (*Confidentiality - RfL Obligations as to Confidentiality*) shall not apply to:
- 1.4.1 any disclosure of information that is reasonably required for the purpose of fulfilling the obligations set out in this Agreement and the Transaction Documents;
 - 1.4.2 any matter which a party can demonstrate is already generally available and in the public domain otherwise than as a result of a breach of this paragraph 1 (*Confidentiality*);
 - 1.4.3 any disclosure to enable a determination to be made under the Dispute Resolution Rules or the rules of any other dispute resolution procedures to which a dispute is referred in accordance with this Agreement;
 - 1.4.4 any disclosure which is required by any Law (including any order of a court of competent jurisdiction), any Parliamentary obligation or the rules of any stock exchange or governmental or regulatory authority having the force of Law;
 - 1.4.5 any disclosure of information which is already lawfully in the possession of the receiving party, prior to its disclosure by the disclosing party;
 - 1.4.6 any disclosure by RfL of information relating to the Concession to any potential Successor Operator and its advisers which shall include:
 - (a) such information as may be reasonably required for the purpose of conducting a procurement or due diligence exercise; and
 - (b) the population of any data room in relation to such procurement or due diligence exercise;
 - 1.4.7 any registration or recording of any consents and property registration required;
 - 1.4.8 any disclosure of information by RfL in accordance with paragraph 1.6 (*Confidentiality - Permitted Disclosures*);
 - 1.4.9 any disclosure by RfL of any document related to this Agreement and the Transaction Documents to which it is a party and which the Operator (acting reasonably) has agreed with RfL contains no Commercially Sensitive Information;
 - 1.4.10 any disclosure for the purpose of:

- (a) the examination and certification of RfL's or the Operator's accounts; or
 - (b) any examination pursuant to section 6(1) of the National Audit Act 1983;
- 1.4.11 any disclosure of information to any insurer in connection with any insurance required in connection with this Agreement;
- 1.4.12 any disclosure of information to the Operator's holding company and its directors, officers, employees, contractors, Subcontractors, agents, insurers, auditors and/or professional advisers on a need to know basis to enable such holding company and persons to carry out their duties in relation to that holding company's full or partial ownership of the Operator;
- 1.4.13 any disclosure of information to lenders, security trustees, banks or other financial institutions (and its or their advisers) from which such party is seeking or obtaining finance; and
- 1.4.14 any disclosure of information to the ORR or the Rail Passengers' Council.
- 1.5 Where disclosure is permitted under paragraph 1.4, other than subparagraphs 1.4.2 (*Confidentiality - Permitted Disclosures*), 1.4.4 (*Confidentiality - Permitted Disclosures*), 1.4.5 (*Confidentiality - Permitted Disclosures*), 1.4.6 (*Confidentiality - Permitted Disclosures*), 1.4.7 (*Confidentiality - Permitted Disclosures*), 1.4.8 (*Confidentiality - Permitted Disclosures*), 1.4.9 (*Confidentiality - Permitted Disclosures*), 1.4.10 (*Confidentiality - Permitted Disclosures*), 1.4.12 (*Confidentiality - Permitted Disclosures*) and 1.4.14 (*Confidentiality - Permitted Disclosures*), the discloser of such information shall procure that the recipient of the information shall be subject to the same obligations of confidentiality as those contained in this Agreement.
- 1.6 For the purposes of the National Audit Act 1983, the Comptroller and Auditor General may examine such documents as the Comptroller and Auditor General may reasonably require which are owned, held or otherwise within the control of the Operator or any Subcontractor and may require the Operator and any Subcontractor to produce such oral or written explanations as the Comptroller and Auditor General considers necessary. For the avoidance of doubt it is hereby declared that the carrying out of an examination under section 6(3)(d) of the National Audit Act 1983 in relation to the Operator is not a function exercisable under this Agreement.
- 1.7 Nothing in this Agreement shall prohibit, prevent or hinder the disclosure by RfL of any Confidential Information to TfL or any other member of the TfL Group, the Mayor of London, the Greater London Authority, the Parliamentary Commissioner for Administration, a Minister of the Crown, any department of the government of the United Kingdom, the Scottish Parliament, the National Assembly of Wales, the Rail Passengers' Council, any Local Authority, RfL's sub-contractors, all respective advisers or any other person or body that RfL from time to time is required to consult with or provide information to. The parties acknowledge that the National Audit Office has the right to publish

details of this Agreement (including Commercially Sensitive Information) in its relevant report to Parliament.

- 1.8 Nothing in this Agreement shall prohibit, prevent or hinder the disclosure by RfL of any information which is disclosed for the purpose of facilitating the carrying out of the functions of TfL in relation to the operation of railway passenger services to, from or within London.
- 1.9 The Operator shall not make use of this Agreement and the Transaction Documents or any information issued or provided by or on behalf of RfL in connection with this Agreement and the Transaction Documents otherwise than for the purpose of complying with this Agreement, except with the written consent of RfL.
- 1.10 Where the Operator, in carrying out its obligations under this Agreement and the Transaction Documents, is provided with information relating to users of the Concession Services, the Operator shall not disclose or make use of any such information otherwise than for the purpose for which it was provided, unless the Operator has sought the prior written consent of the user and has obtained the prior written consent of RfL.

No Publication by Operator Without Consent

- 1.11 Subject to paragraphs 1.12 (*Confidentiality - No Publication by Operator Without Consent*) and 1.13 (*Confidentiality - No Publication by Operator Without Consent*) and whether or not any other restriction contained in this Schedule 16.2 (*Confidentiality, Freedom of Information Act and Data Protection Requirements*) applies:

- 1.11.1 the Operator shall not;
- 1.11.2 the Operator shall procure that its Concession Employees and Subcontractors do not; and
- 1.11.3 the Operator shall procure that its Affiliates and employees and representatives of such Affiliates do not,

make any announcement or comment including:

- (a) any communication to the public by any means including via any existing or future social media channels;
- (b) to any clients or suppliers of either party;
- (c) to all or any of the employees of either party; or
- (d) to representatives of the press, television, radio or other media (including issuing a press release or giving an interview or making a comment to any journalist or media representative in any form whatsoever),

concerning, containing or otherwise relating to:

- (i) the existence, provisions or subject matter of this Agreement;
- (ii) the operation of the Elizabeth Line;

- (iii) the provision of the Concession Services;
- (iv) the Crossrail project;
- (v) the role of the Incumbent Operator prior to the Start Date;
- (vi) any information about any member of the TfL Group (including any information that is Confidential Information or otherwise confidential by virtue of this Schedule 16.2 (*Confidentiality, Freedom of Information Act and Data Protection Requirements*))),

without the prior written approval of RfL. The provisions of this paragraph 1.11 (*Confidentiality - No Publication by Operator Without Consent*) shall also apply where the primary subject matter of an activity falling within paragraphs (a) to (d) (*Confidentiality - No Publication by Operator Without Consent*) inclusive is ostensibly something other than a matter set out in paragraphs (i) to (vi) (*Confidentiality - No Publication by Operator Without Consent*) but where such announcement or comment inadvertently or deliberately relates in any way to a matter set out in paragraphs (i) to (vi) (*Confidentiality - No Publication by Operator Without Consent*).

- 1.12 RfL shall have absolute discretion in deciding whether to give any consent referred to in paragraph 1.11 (*Confidentiality - No Publication by Operator Without Consent*). If RfL is minded to give its consent, such consent may be given to such conditions as it considers appropriate in order to:

- 1.12.1 appropriately recognise the role of RfL, any other member of the TfL Group and any other stakeholder in the applicable matter referred to in paragraph 1.11(i) to (vi) (*Confidentiality - No Publication by Operator Without Consent*);
- 1.12.2 ensure the collaborative relationships intended to be established by this Agreement are recognised and referred to in a suitable manner, giving weight to the respective contributions of RfL, any other member of the TfL Group and any other stakeholder;
- 1.12.3 recognise the role that the Operator plays within the overall railway system within which the Concession Services are provided; and
- 1.12.4 take into account the role(s) of any other applicable industry parties and stakeholders (including any Infrastructure Manager, the Rolling Stock Provider and RSP) in the applicable matter referred to in paragraph 1.11(i) to (vi) (*Confidentiality - No Publication by Operator Without Consent*).

- 1.13 Paragraph 1.11 (*Confidentiality - No Publication by Operator Without Consent*) shall not apply:

- 1.13.1 if and to the extent that such announcement is required by Law or by any securities exchange or regulatory or Governmental body having jurisdiction over the Operator or any of its Affiliates (including the Financial Conduct Authority, the Prudential Regulation Authority, the London Stock Exchange, The Panel on Takeovers and Mergers and the Serious Fraud Office) and whether or not the requirement

has the force of law and provided that any such announcement will be made only after consultation with RfL; or

- 1.13.2 to the Operator making such announcements to its Concession Employees and Subcontractors as are necessary to instruct or direct any of them for the purpose of carrying out its obligations or exercising its rights, in each case, under this Agreement, provided that the Operator shall not be entitled by virtue of this paragraph 1.13.2 (*Confidentiality - No Publication by Operator Without Consent*) to make any such announcement concerning any matter that relates to the Operator's relationship with RfL or any other member of the TfL Group.

No Use of Elizabeth Line Branding Without Consent

- 1.14 Subject to paragraph 1.15 (*Confidentiality - No Use of Elizabeth Line Branding Without Consent*) and whether or not any other restriction contained in this Schedule 16.2 (*Confidentiality, Freedom of Information Act and Data Protection Requirements*) applies:

- 1.14.1 the Operator shall not;
- 1.14.2 the Operator shall procure that its Concession Employees and Subcontractors do not; and
- 1.14.3 the Operator shall procure that its Affiliates and employees and representatives of such Affiliates do not,

use the words "Elizabeth line" or any trade mark or other intellectual property connected with the Elizabeth line (including in its registered name or trading name or names) without the prior written consent of RfL.

- 1.15 RfL shall have absolute discretion in deciding whether to give any consent referred to in paragraph 1.14 (*Confidentiality - No Publication by Operator Without Consent*). If RfL is minded to give its consent, such consent may be given to such conditions as it considers appropriate and in any event, such consent shall be conditional upon the Operator's compliance with any applicable Brand Licence.

Provision of Information to the ORR

- 1.16 The Operator hereby authorises RfL to provide to the ORR, to the extent so requested by the ORR, such information as may be provided to RfL in relation to the Operator under this Agreement.

Passenger Service Development Information

- 1.17 Nothing in this Schedule 16.2 (*Confidentiality, Freedom of Information Act and Data Protection Requirements*) shall be deemed to prohibit, prevent or hinder, or render either party liable for, the disclosure by either party to any Infrastructure Manager, the ORR, other Train Operators, any operators of services for the carriage of goods by rail, the Rail Passengers' Council and/or any Local Authority of any information relating to the development of the Service Level Commitment in accordance with Schedule 1.1 (*Timetable and Service Development*).

Freedom of Information

- 1.18 For the purposes of these paragraphs 1.18 (*Confidentiality – Freedom of Information*) to 1.22 (*Confidentiality – Freedom of Information*), "**Information**" means information recorded in any form held by RfL or held by the Operator on behalf of RfL.
- 1.19 The Operator acknowledges that RfL is subject to the FOI Legislation and agrees to assist and co-operate with RfL to enable RfL to comply with its obligations under the FOI Legislation. The foregoing shall not preclude the Operator from objecting to a disclosure of Information.
- 1.20 Without prejudice to the generality of paragraph 1.19 (*Confidentiality - Freedom of Information*), the Operator shall and shall procure that its Subcontractors shall:
- 1.20.1 transfer to the Concession Manager (or such other person as may be notified by RfL to the Operator) all FOI Information Requests that they receive as soon as practicable and in any event within two (2) Business Days of receiving an FOI Information Request; and
- 1.20.2 in relation to Information held by the Operator on behalf of RfL, provide RfL with details about and/or a copy of all such Information that RfL requests and such Information shall be provided within five (5) Business Days of receipt of a copy of the FOI Information Request from RfL (or such other period as RfL may reasonably specify), and in such form as RfL may reasonably specify.
- 1.21 RfL shall be responsible for determining whether Information is exempt information under the FOI Legislation and for determining what Information will be disclosed in response to an FOI Information Request in accordance with the FOI Legislation. The Operator shall not itself respond to any person making an FOI Information Request, save to acknowledge receipt, unless expressly authorised to do so by RfL.
- 1.22 The Operator acknowledges that RfL may be obliged under the FOI Legislation to disclose Information without consulting or obtaining consent from the Operator.

Return of Confidential Information

- 1.23 Subject to paragraphs 2.7 (*Data Protection - Data Controller to Data Processor Obligations*) to 2.17 (*Data Protection - Data Controller to Data Processor Obligations*) and save to the extent that the same may reasonably be required in respect of any current or anticipated litigation, on termination or expiry of this Agreement howsoever occurring, the Operator shall, at the request of RfL, return to RfL or permanently delete and destroy any Confidential Information (including all copies thereof) supplied to it at any time (including at a time before the date of this Agreement) by RfL or any other person with the knowledge and consent of RfL, except where retention of any such Confidential Information is required by Law or pursuant to any applicable stock exchange listing requirements (in which case the provisions of paragraph 1.10 (*Confidentiality - Operator's Obligations as to Confidentiality*) shall continue to apply to such information).

2 **Data Protection**

General Data Protection Obligations

- 2.1 In relation to all Personal Data, the Operator shall at all times comply (to the extent that the same is applicable) with the Data Protection Legislation and TfL's Data Protection Policy, including maintaining a valid and up-to-date registration or notification under the Data Protection Legislation covering the data processing to be performed in connection with this Agreement and the Transaction Documents.
- 2.2 The parties agree to review on an annual basis and adapt in good faith to the extent necessary the terms of this Agreement which describe the data processing activities of the parties (including the terms of Appendix 2 (*Data Protection*)). The purpose of this annual review is to determine if the nature of the data handling and data processing has changed, with a view to allowing each party to remain compliant with its own obligations under relevant Data Protection Legislation.
- 2.3 Where the parties propose any amendments to this Agreement pursuant to paragraph 2.2 (*Data Protection - General Data Protection Obligations*):
- 2.3.1 such amendments shall be effective on and from the date RfL and the Operator agree in writing;
 - 2.3.2 such amendments shall not be a Variation or a Change for the purposes of this Agreement; and
 - 2.3.3 Schedule 13 (*Changes and Variations*) shall not apply to such amendments.
- 2.4 If required to do so by Data Protection Legislation, the Operator shall and shall procure that all of its Subcontractors shall, appoint a designated "Data Protection Officer".
- 2.5 Compliance by the Operator with this paragraph 2 (*Data Protection*) shall be without additional charge to RfL.
- 2.6 The Operator shall (and shall procure that any Sub-Processor shall) indemnify RfL on demand and keep RfL indemnified fully at all times (notwithstanding any expiry or termination of this Agreement) against all Losses, liability, costs, claims, damages and expenses incurred by RfL or arising out of any failure by the Operator or any Sub-Processor or any of their respective employees or agents to comply with the obligations under these paragraphs 2.1 (*Data Protection - General Data Protection Obligations*) to 2.6 (*Data Protection - General Data Protection Obligations*) (inclusive), paragraphs 2.7 (*Data Protection - Data Controller to Data Processor Obligations*) to 2.17 (*Data Protection - Data Controller to Data Processor Obligations*) (inclusive) and paragraphs 2.18 (*Data Protection - Independent Data Controller to Data Controller Obligations*) to 2.19 (*Data Protection - Independent Data Controller to Data Controller Obligations*) (inclusive) or the Data Protection Legislation.

Data Controller to Data Processor Obligations

- 2.7 Notwithstanding the provisions of Schedule 6 (*Security*), details regarding the Operator's Processing of the RfL Personal Data as required by Article 28(3) of the UK GDPR are set out in Part 1 (*Details of Processing*) of Appendix 2 (*Data Protection*).
- 2.8 Without prejudice to the generality of paragraph 2.1 (*Data Protection - General Data Protection Obligations*), the Operator shall, and shall procure that all of its Subcontractors shall:
- 2.8.1 only undertake fair and lawful processing of Personal Data reasonably required in connection with this Agreement and the Transaction Documents;
 - 2.8.2 process the RfL Personal Data only in accordance with written instructions from RfL in connection with the performance of its obligations under the Agreement;
 - 2.8.3 use its reasonable endeavours to assist RfL in complying with any obligations under Data Protection Legislation and shall not perform its obligations under this Agreement in such a way as to cause RfL to breach any of its obligations under Data Protection Legislation to the extent the Operator is aware, or ought reasonably to have been aware, that the same would be a breach of such obligations;
 - 2.8.4 notify RfL without undue delay if it determines or is notified that an instruction to Process Personal Data issued to it by RfL is incompatible with any obligations under Data Protection Legislation to the extent the Operator is aware, or ought reasonably to have been aware, that the same would be a breach of such obligations;
 - 2.8.5 maintain, and make available to RfL on its request, documentation which describes the Processing operations for which it is responsible under these paragraphs 2.7 (*Data Protection - Data Controller to Data Processor Obligations*) to 2.17 (*Data Protection - Data Controller to Data Processor Obligations*) (inclusive) including:
 - (a) the purposes for which RfL Personal Data is Processed;
 - (b) the types of Personal Data and categories of Data Subject involved;
 - (c) the source(s) of the Personal Data;
 - (d) any recipients of the Personal Data;
 - (e) the location(s) of any overseas Processing of RfL Personal Data;
 - (f) retention periods for different types of RfL Personal Data; and
 - (g) where possible a general description of the security measures in place to protect RfL Personal Data;

- 2.8.6 where requested to do so by RfL, assist RfL in carrying out any Data Protection Impact Assessment in accordance with guidance issued from time to time by a Supervisory Authority (and any relevant requirements detailed in Data Protection Legislation);
- 2.8.7 without prejudice to any cyber security and/or payment card industry data security standard obligations in this Agreement, take appropriate technical and organisational security measures which are appropriate to protect against unauthorised or unlawful Processing of RfL Personal Data and against accidental loss, destruction of, or damage to such RfL Personal Data which RfL may reasonably reject (but failure to reject shall not amount to approval by RfL of the adequacy of the measures);
- 2.8.8 without prejudice to any cyber security and/or payment card industry data security standard obligations in this Agreement, provide RfL with such information as RfL may from time to time require to satisfy itself of compliance by the Operator (and/or any authorised Sub-Processor) with paragraphs 2.8.7 (*Data Protection - Data Controller to Data Processor Obligations*) and 2.8.9 (*Data Protection - Data Controller to Data Processor Obligations*), including, protocols, procedures, guidance, training and manuals, which shall include a full report recording the results of any privacy or security audit carried out at the request of the Operator itself or RfL;
- 2.8.9 notify RfL without undue delay and in any event within twenty-four (24) hours by written notice with all relevant details reasonably available of any actual or suspected breach of these paragraphs 2.7 (*Data Protection - Data Controller to Data Processor Obligations*) to 2.17 (*Data Protection - Data Controller to Data Processor Obligations*) (inclusive), including a Personal Data Breach;
- 2.8.10 having notified RfL of a breach in accordance with paragraph 2.8.9 (*Data Protection - Data Controller to Data Processor Obligations*), keep RfL properly and regularly informed in writing until the breach has been resolved to the satisfaction of RfL;
- 2.8.11 fully cooperate as RfL requires with any investigation or audit in relation to RfL Personal Data and/or its Processing including allowing access to premises, computers and other information systems, records, documents and agreements as may be reasonably necessary (whether in relation to Processing pursuant to the Agreement, in relation to compliance with Data Protection Legislation or in relation to any actual or suspected breach), whether by RfL (or any agent acting on its behalf), any relevant regulatory body, including any Supervisory Authority, the police and any other statutory law enforcement agency, and shall do so both during the Concession Period and after its termination or expiry (for so long as the party concerned retains and/or Processes RfL Personal Data);
- 2.8.12 notify RfL within two (2) Business Days if it, or any Sub-Processor, receives:

- (a) from a Data Subject (or third party on their behalf):
 - (i) a Subject Request (or purported Subject Request); or
 - (ii) any other request, complaint or communication relating to RfL's obligations under Data Protection Legislation;
 - (b) any communication from a Supervisory Authority in connection with RfL Personal Data; or
 - (c) a request from any third party for disclosure of RfL Personal Data where compliance with such request is required or purported to be required by law;
- 2.8.13 provide RfL with full cooperation and assistance (within the timescales reasonably required by RfL) in relation to any complaint, communication or request made as referred to in paragraph 2.8.9 (*Data Protection - Data Controller to Data Processor Obligations*) including by promptly providing:
 - (a) RfL with full details and copies of the complaint, communication or request; and
 - (b) where applicable, such assistance as is reasonably requested by RfL to enable it to comply with the Subject Request within the relevant timescales set out in Data Protection Legislation;
- 2.8.14 when notified in writing by RfL, supply a copy of, or information about, any RfL Personal Data. The Operator shall supply such information or data to RfL within such time and in such form as specified in the request (such time to be reasonable) or if no period of time is specified in the request, then within two (2) Business Days from the date of the request; and
- 2.8.15 when notified in writing by RfL, comply with any agreement between RfL and any Data Subject in relation to any Processing which causes or is likely to cause substantial and unwarranted damage or distress to such Data Subject, or any court order requiring the rectification, blocking, erasure or destruction of any RfL Personal Data.
- 2.9 The Operator shall not share RfL Personal Data with any Sub-Processor unless:
 - 2.9.1 they are listed in Part 1 (*Details of Processing*) of Appendix 2 (*Data Protection*) as an authorised Sub-Processor; or
 - 2.9.2 RfL has provided prior written consent.

The Operator shall provide RfL with such information regarding any Sub-Processor as RfL may reasonably require. The Operator shall only share RfL Personal Data with a Sub-Processor where there is a written contract in place

between the Operator and the Sub-Processor which requires the Sub-Processor to:

- (a) only Process RfL Personal Data in accordance with RfL's written instructions to the Operator;
- (b) comply with the same obligations which the Operator is required to comply with under these paragraphs 2.7 (*Data Protection - Data Controller to Data Processor Obligations*) to 2.17 (*Data Protection - Data Controller to Data Processor Obligations*) (inclusive).

2.10 The Operator shall, and shall procure that each Sub-Processor shall:

- 2.10.1 only Process RfL Personal Data in accordance with RfL's written instructions to the Operator and as reasonably necessary to perform this Agreement and the Transaction Documents in accordance with their terms;
- 2.10.2 not Process RfL Personal Data for any other purposes (in whole or part) and specifically, but without limitation, not reproduce or refer to it in training materials, training courses, commercial discussions and negotiations with third parties or in relation to proposals or tenders with RfL;
- 2.10.3 not Process RfL Personal Data in such a way as to:
 - (a) place RfL in breach of Data Protection Legislation;
 - (b) expose RfL to the risk of actual or potential liability to a Supervisory Authority or Data Subjects;
 - (c) expose RfL to reputational damage including adverse publicity;
- 2.10.4 not allow Concession Employees to access RfL Personal Data unless such access is necessary in connection with the provision of the Concession Services;
- 2.10.5 take all reasonable steps to ensure the reliability and integrity of all Concession Employees who can access RfL Personal Data;
- 2.10.6 ensure that all Concession Employees who can access RfL Personal Data:
 - (a) are informed of its confidential nature;
 - (b) are made subject to an explicit duty of confidence;
 - (c) understand and comply with any relevant obligations created by either this Agreement or Data Protection Legislation; and
 - (d) receive adequate training in relation to the use, care, protection and handling of Personal Data on an annual basis;

- 2.10.7 not disclose or transfer RfL Personal Data to any third party without the Operator having obtained the prior written consent of RfL (save where such disclosure or transfer is specifically authorised under this Agreement);
- 2.10.8 without prejudice to paragraph 2.8.7 (*Data Protection - Data Controller to Data Processor Obligations*), wherever the Operator uses any mobile or portable device for the transmission or storage of RfL Personal Data, ensure that each such device encrypts RfL Personal Data; and
- 2.10.9 notwithstanding the provisions of Schedule 6 (*Security*), comply during the course of this Agreement with any written retention and/or deletion policy or schedule provided by RfL to the Operator from time to time.
- 2.11 The Operator shall not, and shall procure that any Sub-Processor shall not, Process or otherwise transfer any RfL Personal Data in or to any Restricted Countries without prior written consent from RfL (which consent may be subject to additional conditions imposed by RfL).
- 2.12 If, after the Start Date, the Operator or any Sub-Processor wishes to Process and/or transfer any RfL Personal Data in or to any Restricted Countries, the following provisions shall apply:
 - 2.12.1 the Operator shall submit a written request to RfL setting out details of the following:
 - (a) RfL Personal Data which will be transferred to and/or Processed in any Restricted Countries;
 - (b) the Restricted Countries which RfL Personal Data will be transferred to and/or Processed in;
 - (c) any Sub-Processors or other third parties who will be Processing and/or receiving RfL Personal Data in Restricted Countries; and
 - (d) how the Operator shall ensure an adequate level of protection and adequate safeguards in respect of RfL Personal Data that will be Processed in and/or transferred to Restricted Countries so as to ensure RfL's compliance with the Data Protection Legislation;
 - 2.12.2 in preparing and evaluating such a request, the parties shall refer to and comply with applicable policies, procedures, guidance and codes of practice produced by the parties and/or a Supervisory Authority in connection with the Processing of Personal Data in (and/or transfer of Personal Data to) any Restricted Countries;
 - 2.12.3 the Operator shall comply with any written instructions and shall carry out such actions as RfL may notify in writing when providing its consent to such Processing or transfers, including:

- (a) incorporating the EU SCCs and UK Addendum into this Agreement or a separate data processing agreement between the parties;
- (b) undertaking a data transfer risk assessment ("**TRA**") which complies with the Data Protection Legislation or contributing to a TRA undertaken by RfL; and
- (c) procuring that any Sub-Processor or other third party who will be Processing and/or receiving or accessing RfL Personal Data in any Restricted Countries enters into a data processing agreement with the Operator on terms which are equivalent to those agreed between RfL and the Operator in connection with the Processing of RfL Personal Data in (and/or transfer of RfL Personal Data to) any Restricted Countries, and which may include the incorporation of the EU SCCs and UK Addendum.

2.13 The Operator and any Sub-Processor (if any), acknowledge:

- 2.13.1 the importance to Data Subjects and RfL of safeguarding RfL Personal Data and Processing it only in accordance with RfL's written instructions and the provisions of this Agreement;
- 2.13.2 the loss and damage RfL is likely to suffer in the event of a breach of this Agreement or negligence in relation to RfL Personal Data;
- 2.13.3 any breach of any obligation in relation to RfL Personal Data and/or negligence in relation to performance or non-performance of such obligation shall be deemed a material breach of this Agreement;
- 2.13.4 notwithstanding Schedule 17.4 (*Termination and Expiry*) and/or Schedule 17.5 (*Events of Default, Termination Event and Voluntary Termination*), if the Operator has committed a material breach under paragraph 2.13.3 (*Data Protection - Data Controller to Data Processor Obligations*) on two (2) or more separate occasions, RfL may at its option:
 - (a) withdraw authorisation for Processing by a specific Sub-Processor by immediate written notice; or
 - (b) terminate this Agreement in whole or part with immediate written notice to the Operator.

2.14 The Operator shall remain fully liable for all acts or omissions of any Sub-Processor.

2.15 Notwithstanding paragraph 1.23 (*Return of Confidential Information*), following termination or expiry of this Agreement, howsoever arising, the Operator:

- 2.15.1 may Process RfL Personal Data only for so long and to the extent as is necessary to properly comply with its non-contractual obligations arising under law and will then comply with paragraph 2.15.3 (*Data Protection - Data Controller to Data Processor Obligations*);

- 2.15.2 where paragraph 2.15.1 (*Data Protection - Data Controller to Data Processor Obligations*) does not apply, may Process RfL Personal Data only for such duration as agreed in paragraph 2.7 (*Data Protection - Data Controller to Data Processor Obligations*) and following this will then comply with paragraphs 2.15.3 (*Data Protection - Data Controller to Data Processor Obligations*) and 2.15.4 (*Data Protection - Data Controller to Data Processor Obligations*);
- 2.15.3 subject to paragraph 2.15.1 (*Data Protection - Data Controller to Data Processor Obligations*), shall on written instructions from RfL either securely destroy or securely and promptly return to RfL or a recipient nominated by RfL (in such usable format as and to the extent RfL may reasonably require) RfL Personal Data; or
- 2.15.4 in the absence of instructions from RfL after twelve (12) months from the expiry or termination of the Agreement, securely destroy RfL Personal Data.
- 2.16 RfL Personal Data may not be Processed following termination or expiry of the Agreement save as permitted by paragraph 2.15 (*Data Protection - Data Controller to Data Processor Obligations*).
- 2.17 Without prejudice to paragraph 2.15 (*Data Protection - Data Controller to Data Processor Obligations*), the obligations in these paragraphs 2.7 (*Data Protection - Data Controller to Data Processor Obligations*) to 2.17 (*Data Protection - Data Controller to Data Processor Obligations*) (inclusive) shall apply following termination or expiry of this Agreement to the extent the party concerned retains or Processes RfL Personal Data.

Independent Data Controller to Data Controller Obligations

- 2.18 RfL and the Operator agree that in respect of the Processing of any Independent Personal Data, each party shall be an independent Data Controller in respect of such Personal Data.
- 2.19 The Operator agrees that it shall comply with its obligations under Data Protection Legislation when Processing Independent Personal Data, and to the extent it shares any Independent Personal Data with RfL, the Operator shall:
 - 2.19.1 ensure it has a lawful basis under Data Protection Legislation to share the Independent Personal Data with RfL;
 - 2.19.2 ensure that all Independent Personal Data is accurate and up to date;
 - 2.19.3 ensure that all Data Subjects are provided with a copy of RfL's fair processing notice;
 - 2.19.4 ensure that it has obtained all necessary consents to the extent required under Data Protection Legislation in order for RfL to lawfully Process the Independent Personal Data; and
 - 2.19.5 notify RfL promptly and without undue delay of any communications received from Supervisory Authorities or Data Subjects where it

relates to RfL's Processing of the Independent Personal Data and take no actions in relation to such communications without the prior consultation of RfL.

Joint Controller Obligations

2.20 In relation to Data Subjects' rights:

2.20.1 the parties agree that the Operator shall be responsible for fulfilling the Subject Requests related to the Cooperation Personal Data and that RfL shall collaborate and provide all necessary information and reasonable assistance for fulfilling such requests to the extent that Operator is itself unable or obstructed to fulfil such requests without RfL's assistance;

2.20.2 given that a Data Subject may exercise their rights under applicable Data Protection Legislation against each of the joint controllers, the parties agree that in the case where:

(a) the Operator receives the Subject Request, the Operator will provide the information to Data Subjects on the processing of the Cooperation Personal Data (if applicable to the request) and will implement appropriate processes to ensure Subject Requests are complied with; and

(b) RfL receives the Subject Request, RfL will:

(i) following receipt of the Subject Request, provide the Subject Request to the Operator; and

(ii) following receipt of the Subject Request, provide all information which RfL holds in relation to such request to the Operator competent contact point listed in Part 2 (*Joint Processing Activities*) of Appendix 2 (*Data Protection*). The Operator will promptly provide the information to Data Subjects on the processing of Cooperation Personal Data (if applicable to the request) and will implement appropriate processes to ensure Subject Requests are complied with in accordance with applicable timeframes under the Data Protection Legislation; and

2.20.3 competent contact points for the parties, including for questions and exercising rights of Data Subjects are set out in Part 2 (*Joint Processing Activities*) of Appendix 2 (*Data Protection*). Each party shall, without undue delay, inform the other of any change of the contact person.

2.21 If the Subject Request relates to the erasure of Personal Data or other rights to which a Controller may object under applicable Data Protection Legislation, the Operator will, when fulfilling the Subject Request, comply with RfL's objections to the erasure of Cooperation Personal Data or other rights request in so far as is permitted by applicable Data Protection Legislation (for

example, in relation to erasure requests where RfL believes there is a compelling legitimate interest or a legal obligation for the Subject Request to be rejected).

Personal Data Breaches

- 2.22 The parties undertake to the extent permitted by the Data Protection Legislation, to deal promptly and in good faith with all reasonable and relevant enquiries from the other party relating to its processing of Cooperation Personal Data under this Agreement. The parties shall inform each other via the competent contact points listed in Part 2 (*Joint Processing Activities*) of Appendix 2 (*Data Protection*), without undue delay, if they notice errors or non-compliance with applicable Data Protection Legislation or this Agreement during the conduct of the processing activities contemplated by this Agreement.
- 2.23 The parties shall inform each other via the competent contact points listed in Part 2 (*Joint Processing Activities*) of Appendix 2 (*Data Protection*), without undue delay, if they become aware of a Personal Data Breach. The parties will provide each other with all information in connection with a Personal Data Breach which is necessary for examining the Personal Data Breach and its consequences for the fulfilment of any notification obligations pursuant to the Data Protection Legislation.
- 2.24 Where required or appropriate, the parties shall define and agree upon procedures for handling of Personal Data Breaches in relation to Cooperation Personal Data.

Supervisory Authorities Enquiries and Notification of Personal Data Breaches

- 2.25 If the parties are required by applicable Data Protection Legislation to inform a relevant Supervisory Authority of any Personal Data Breach in relation to the Cooperation Personal Data:
- 2.25.1 the party that becomes aware of such obligation to notify the Supervisory Authority shall notify the other party promptly and without undue delay of such obligation;
- 2.25.2 the parties shall provide reasonable cooperation and all relevant information to each other which is necessary for examining the Personal Data Breach and its consequences for the fulfilment of any notification obligations, in particular those pursuant to Article 33 of the UK GDPR and more generally, as regards any such Personal Data Breach relating to the Cooperation Personal Data; and
- 2.25.3 RfL will prepare and issue the joint notification to the relevant Supervisory Authority.
- 2.26 If the parties are required by applicable Data Protection Legislation to inform Data Subjects in relation to a Personal Data Breach:
- 2.26.1 the party that becomes aware of such obligation to notify the Data Subjects shall notify the other party promptly and without undue delay of such obligation;

- 2.26.2 the parties shall provide reasonable cooperation and all relevant information to each other which is necessary for examining the Personal Data Breach and its consequences for the fulfilment of any notification obligations, in particular pursuant to Article 34 of the UK GDPR and more generally, as regards any such Personal Data Breach relating to the Cooperation Personal Data;
 - 2.26.3 RfL will prepare and issue such joint notification to the Data Subjects; and
 - 2.26.4 to the extent the Operator holds any information required by RfL to prepare such notification, the Operator will provide such information to RfL without undue delay.
- 2.27 Each of the parties shall inform the other party without delay if a Supervisory Authority approaches it and this concerns, or could potentially concern, processing of Cooperation Personal Data. The parties shall coordinate their responses to enquiries from Supervisory Authorities regarding the processing of Cooperation Personal Data to the extent that this is legally permissible and reasonable.

Data Protection Impact Assessments

- 2.28 The parties shall provide reasonable cooperation to each other in relation to the completion of any Data Protection Impact Assessment required by applicable Data Protection Legislation and which relates to the Cooperation Personal Data.

Security

- 2.29 The parties shall adopt appropriate technical and organisational security measures to protect the Cooperation Personal Data that is subject to this Agreement in accordance with the requirements of applicable Data Protection Legislation and taking into account the state of the art, the costs of implementation and the nature, scope, context and purposes of processing.
- 2.30 The parties shall ensure that all employees authorised to process the Cooperation Personal Data that is subject to this Agreement have committed themselves to confidentiality or are under an appropriate contractual obligation of confidentiality in accordance with applicable Data Protection Legislation for the duration of their employment, as well as after termination of their employment.

Record of Processing

- 2.31 The parties shall include the processing operations relevant to this Agreement in their records of processing activities required to be maintained pursuant to applicable Data Protection Legislation with a comment on the nature of the processing operation as one of joint responsibility.

Liability

- 2.32 Notwithstanding paragraph 1.7 (*Operator's Liability - Maximum Aggregate Liability*) of Schedule 17.7 (*Liability*) and paragraph 2.6 (*Data Protection - General Data Protection Obligations*), in connection with the processing of

Cooperation Personal Data, each party shall be liable for its own breaches of applicable Data Protection Legislation and shall indemnify the other party accordingly in case that party suffers any damage or loss following such a breach.

- 2.33 Where a party has paid compensation for damage suffered by a Data Subject and such liability is attributable entirely or partially to the other party's processing of Cooperation Personal Data, the first party shall be entitled to claim from the second party that part of the compensation corresponding to their part of responsibility for the damage.
- 2.34 Without prejudice to the parties' right to dispute the matter, if an administrative fine is imposed on a party under the applicable Data Protection Legislation for matters attributable to or caused by the other party's processing of Cooperation Personal Data, the latter shall indemnify the former and shall cover the entire amount of such fine. If the second party's responsibility is partial, then the first party shall be able to seek compensation in the same proportion.
- 2.35 Each party shall indemnify and hold the other party harmless from and against all damages and losses due to claims from third parties resulting from, arising out of or relating to any breach by such first mentioned party of this Agreement or the applicable Data Protection Legislation in connection with the processing of Cooperation Personal Data. Following receipt of such a claim (or notification of an intention to make such a claim) from a third party (which shall include a Data Subject) the party in receipt of the claim, or notification of intent to make such a claim, shall without unreasonable delay notify the other party. Further, neither party shall make any admission of liability, settlement or payment in respect of such a claim, other than a payment made pursuant to a court order, without the prior written consent of the other party (such consent not to be unreasonably withheld or delayed). Each party shall also provide such cooperation and assistance as is reasonably required by the other party in connection with the claim and continuously inform the other party of the development of any negotiations and proceedings. Where the Operator is the party in receipt of such a claim as described in paragraphs 2.32 (*Data Protection – Joint Controller Obligations – Liability*) to this 2.35 (*Data Protection - Joint Controller Obligations – Liability*) (inclusive), RfL shall have the right to, at its own cost and expense, take sole control of the defence and investigation of the claim.

Data Transfers

- 2.36 The Operator shall not, and shall procure that any Sub-Processor shall not, Process or otherwise transfer any Cooperation Personal Data in or to any Restricted Countries without prior written consent from RfL (which consent may be subject to additional conditions imposed by RfL).
- 2.37 If, after the Start Date, the Operator or any Sub-Processor wishes to Process and/or transfer any Cooperation Personal Data in or to any Restricted Countries, the following provisions shall apply:
- 2.37.1 the Operator shall submit a written request to RfL setting out details of the following:

- (a) Cooperation Personal Data which will be transferred to and/or Processed in any Restricted Countries;
 - (b) the Restricted Countries which Cooperation Personal Data will be transferred to and/or Processed in;
 - (c) any Sub-Processors or other third parties who will be Processing and/or receiving Cooperation Personal Data in Restricted Countries; and
 - (d) how the Operator shall ensure an adequate level of protection and adequate safeguards in respect of Cooperation Personal Data that will be Processed in and/or transferred to Restricted Countries so as to ensure RfL's compliance with Data Protection Legislation;
- 2.37.2 in preparing and evaluating such a request, the parties shall refer to and comply with applicable policies, procedures, guidance and codes of practice produced by the parties and/or a Supervisory Authority in connection with the Processing of Personal Data in (and/or transfer of Personal Data to) any Restricted Countries; and
- 2.37.3 the Operator shall comply with any written instructions and shall carry out such actions as RfL may notify in writing when providing its consent to such Processing or transfers, including but not limited to:
- (a) incorporating the EU SCCs and UK Addendum into this Agreement or a separate data processing agreement between the parties;
 - (b) undertaking a data transfer risk assessment ("**TRA**") which complies with the Data Protection Legislation or contributing to a TRA undertaken by RfL; and
 - (c) procuring that any third party who will be Processing and/or receiving or accessing Cooperation Personal Data in any Restricted Countries enters into a data processing agreement with the Operator on terms which are equivalent to those agreed between RfL and the Operator in connection with the Processing of Cooperation Personal Data in (and/or transfer of Cooperation Personal Data to) any Restricted Countries, and which may include the incorporation of the EU SCCs and UK Addendum.

3 Continuing Obligation Following Termination of Agreement

- 3.1 The obligations of the parties under this Schedule 16.2 (*Confidentiality, Freedom of Information Act and Data Protection Requirements*) shall continue in full force and effect notwithstanding termination or expiry of this Agreement.
- 3.2 The Operator acknowledges that damages would not be an adequate remedy for any breach of this Schedule 16.2 (*Confidentiality, Freedom of Information Act and Data Protection Requirements*) and that (without prejudice to all other

Schedule 16.2

Confidentiality, Freedom of Information Act and Data Protection Requirements

rights, powers and remedies which RfL may be entitled to as a matter of law) RfL shall be entitled to the remedies of injunction, specific performance and other equitable relief to enforce the provisions of this Schedule 16.2 (*Confidentiality, Freedom of Information Act and Data Protection Requirements*) and no proof of special damages shall be necessary for the enforcement of the provisions of this Schedule 16.2 (*Confidentiality, Freedom of Information Act and Data Protection Requirements*).

Appendix 1 to Schedule 16.2
Commercially Sensitive Information

	Commercially Sensitive Information	Period of Confidentiality
1	Price breakdowns, including any financial models and supporting documents such as the Modelling Suite and Record of Assumptions relating to this Agreement to the extent this reveals information about the Operator's, any Subcontractor's, or any of their respective Affiliates' costs, rates, build ups, forecasts and/or profit levels, but excluding the contents of Schedules Schedule 7 (<i>Operating Performance</i>), Schedule 8 (<i>Service Quality and Passenger Perception</i>), Schedule 9 (<i>Ticketless Travel Incentive Regime</i>), Schedule 11.1 (<i>Concession Payments</i>) to Schedule 11.4 (<i>Profit Share</i>) and Schedule 13.4 (<i>Variations</i>).	Concession Period
2	Information obtained from the Operator relating to risks and pricing of the same to the extent this reveals information about the Operator's, any Subcontractor's, or any of their or any of their respective Affiliates' costs, rates, build ups, forecasts and/or profit levels.	Concession Period
3	Personal information relating to any of the Operator's employees or employees of any Subcontractors to the extent it contains information exempt as personal data under section 40 of the Freedom of Information Act 2000 but without prejudice to the rights of access under the Data Protection Legislation.	Concession Period

Appendix 2 to Schedule 16.2 Data Protection

Part 1

Details of Processing

Data processing details required under Article 28(3) of the UK GDPR in relation to RfL Personal Data:

Data processing subject matter	The provision of the Concession Services under the Agreement involving the processing of RfL Personal Data
Data Subject categories	<ul style="list-style-type: none"> ▪ RfL employees ▪ Concession Employees ▪ Passengers ▪ General public
Personal Data types	<ul style="list-style-type: none"> ▪ Names ▪ Address and other contact details ▪ Payment and refund information ▪ Communications (including complaints) ▪ Journey information ▪ Images, video and audio ▪ Information related to the employment of past, current and prospective employees ▪ Information relating to revenue protection investigations, including information relevant to current, past, and prospective prosecutions ▪ Information related to accessibility ▪ Information related to lost property ▪ Usernames, passwords and other identification data, including Wi-Fi credentials ▪ Information related to incidents / accidents / claims ▪ Information related to stakeholders ▪ Credit card numbers, bank details and other financial information ▪ Driving licence, passport and other official documentation information ▪ Information on location ▪ Cookie data (including information on user behaviour and preferences)
Special categories of data/ criminal offence data	<ul style="list-style-type: none"> ▪ Health data ▪ Criminal offence data

	<ul style="list-style-type: none"> ▪ Race and ethnicity data ▪ Data on religious or philosophical beliefs ▪ Sexual orientation data ▪ Biometric data ▪ Trade union membership ▪ Political opinions ▪ Genetic data
Purposes of Processing	Processing personal data in accordance with the rights and obligations in this Agreement, including delivering and/or operating the Concession Services.
Nature of Processing	The nature of the Processing may include collection, recording, organisation, structuring, storage, adaptation or alteration, retrieval, consultation, use, disclosure by transmission, dissemination or otherwise making available, alignment or combination, restriction, erasure or destruction of data (whether or not by automated means).
Duration of Processing	For the duration of the Agreement unless specified otherwise in the Agreement.
Retention Period (if different to Duration of Processing)	As above.

List of Sub-Processors

RfL has authorised the use of the following Sub-Processors:

Name	The Go-Ahead Group Limited
Address	4 Matthew Parker Street, Westminster, London SW 19 1DN
Contact person's name, position and contact details	[REDACTED]
Description and nature of processing (including a clear delimitation of responsibilities in case several Sub- Processors are authorised)	In accordance with RfL's written instructions to the Operator and as reasonably necessary to perform this Agreement and the Transaction Documents in accordance with their terms.
Location of Sub-Processor headquarters	4 Matthew Parker Street, Westminster, London SW19 1DN
Location of data processing by Sub- Processor	The United Kingdom and any other country but excluding any Restricted Countries without prior written consent from RfL

Part 2
Joint Processing Activities

Competent contact points of the parties are as follows (address is provided for reference, email shall be used as the primary form of contact):

Operator	RfL
Name: [REDACTED] Role: Data Protection Officer Address: 4 Matthew Parker Street, Westminster, London SW1H 9NP Email: [REDACTED] Telephone: [REDACTED]	Name: [REDACTED] Role: Concession Manager Address: 5 Endeavour Square, London E20 1JN Email: [REDACTED] Telephone: [REDACTED]

Part 3

Data Processing Activities – Party Designations

This table outlines which parties will act as Data Controller in relation to certain Personal Data categories. For the avoidance of doubt, there will not be a joint controller relationship unless the "joint controllership" column is ticked.

Where both the "RfL / TfL Controllership" and "Operator Controllership" columns are ticked, there will be an independent controllership in relation to that Personal Data. To the extent that Operator is a Processor of Personal Data controlled by RfL, the final column should be ticked.

Data Source	Type of Personal Data	RfL / TfL Controllership	Operator Controllerships	Joint Controllerships	Operator acting as Processor
CCTV Stations (including any body worn video)	Images of employees & members of public		✓		
CCTV Trains (including any body worn video)	Images of employees & members of public		✓		
Body Worn Cameras	Images of employees & members of public		✓		
Penalty Fare Data	Passenger details	✓	✓		
Concession Employee Data	Concession Employee personal data	✓	✓		
RfL / TfL Employee Data	Employee personal data	✓			
Security Access (COTAG)	Employee personal data – names, phone numbers, role, line manager etc.				
Electronic Access Keys	Employee personal data – names, phone numbers, role, line manager etc.				
TVM Payment Data	Payment data	✓			✓

Data Source	Type of Personal Data	RfL / TfL Controllership	Operator Controllerships	Joint Controllerships	Operator acting as Processor
Ticketing 'tap' data from Oyster / CPC readers	Journey start / end / transit; tokenised PANs	✓			✓
LCA Ticket Office	Payments for tickets and Oyster refunds	✓			✓
Drugs & Alcohol Testing	Personal data and test results following an incident			✓	
Customer Feedback and Responses	Customer Surveys – Limited personal data, generally anonymised and processed by surveying company.	✓	✓		
Customer Feedback and Responses	Customer Complaints – Processed by TfL centrally	✓	✓		
Customer Feedback and Responses	Freedom of Information requests – Processed and managed by TfL centrally.	✓	✓		
Incident Reports and Accident Records	Personal Data		✓		

Schedule 17
Remedies, Termination and Expiry

Schedule 17.1: Remedial Plans and Remedial Agreements

Schedule 17.2: Quality Regime Remedial Plans and Remedial Agreements

Schedule 17.3: Other RfL Remedies

Appendix 1: Form of Event of Default Step-in Notice

Appendix 2: Form of Event of Default Step-out Notice

Schedule 17.4: Termination and Expiry

Schedule 17.5: Events of Default, Termination Event and Voluntary Termination

Schedule 17.6: Force Majeure

Schedule 17.7: Liability

Schedule 17.8: Financial Covenants

Schedule 17.1
Remedial Plans and Remedial Agreements

1 Remedial Plan Notices and Remedial Agreements

RfL Right to Issue a Remedial Plan Notice

- 1.1 Without limiting its other rights under this Schedule 17 (*Remedies, Termination and Expiry*), if RfL is satisfied that the Operator is contravening or is likely to contravene any term of this Agreement, RfL may serve a notice on the Operator requiring it to propose such steps as the Operator considers appropriate for the purpose of securing or facilitating compliance with the term in question (a "**Remedial Plan Notice**").

Contents of Remedial Plan Notices

- 1.2 Each Remedial Plan Notice shall specify the following:
- 1.2.1 the term or terms of this Agreement that RfL is satisfied that the Operator is contravening or is likely to contravene (each a "**Relevant Term**"); and
 - 1.2.2 the time period within which RfL requires the Operator to provide an appropriate plan for the purpose of facilitating or securing compliance with any Relevant Term (a "**Remedial Plan**").

Obligation to Submit Remedial Plan

- 1.3 If RfL issues a Remedial Plan Notice, the Operator shall submit a Remedial Plan to RfL within the period specified in such Remedial Plan Notice.

Contents of Remedial Plans

- 1.4 Each Remedial Plan shall set out:
- 1.4.1 the Relevant Term which has caused a Remedial Plan to be required;
 - 1.4.2 an analysis and explanation of the reasons for the contravention or likely contravention of the Relevant Term;
 - 1.4.3 the steps proposed for the purposes of securing or facilitating compliance with the Relevant Term and to ensure that there are no further contraventions or likely contraventions; and
 - 1.4.4 the time period within which the Operator proposes to implement those steps.

2 Remedial Agreements

- 2.1 If RfL is satisfied that the matters referred to in paragraphs 1.4.3 (*Remedial Plan Notices and Remedial Agreements – Contents of Remedial Plans*) and 1.4.4 (*Remedial Plan Notices and Remedial Agreements – Contents of Remedial Plans*) are appropriate (with or without further modification as the parties may agree or, in the absence of agreement, as RfL may reasonably

determine) it may, without limiting its other rights under this Agreement or otherwise, require the Operator to enter into a supplemental agreement (the "**Remedial Agreement**") with RfL to implement those matters.

2.2 The Operator shall comply with the terms of any Remedial Agreement.

3 **Event of Default**

If the parties enter into a Remedial Agreement in relation to non-compliance with a Relevant Term and the Operator is non-compliant with that Relevant Term by the end of the period for being compliant specified in that Remedial Agreement, then an Event of Default shall occur, provided that where that non-compliance concerns the Operator's performance being equal to or worse than a Remedial Plan Quality Benchmark under any of KPI Regime, the MSS Regime, the Customer Satisfaction Regime or the Quality Performance Regime, then the provisions of paragraph 6 (*Event of Default*) of Schedule 17.2 (*Quality Regime Remedial Plans and Remedial Agreements*) shall apply.

Schedule 17.2
Quality Regime Remedial Plans and Remedial Agreements

1 Application of this Schedule 17.2

The provisions of this Schedule 17.2 (*Quality Regime Remedial Plans and Remedial Agreements*) supplement the provisions of Schedule 17.1 (*Remedial Plans and Remedial Agreements*) and apply in relation to any contravention of a Relevant Term that is a Remedial Plan Quality Benchmark.

2 Remedial Plan Notices

If RfL is satisfied that the Operator is contravening or is likely to contravene any Relevant Term that is a Remedial Plan Quality Benchmark, it may serve a Remedial Plan Notice on the Operator in accordance with paragraph 1.1 (*Remedial Plan Notices and Remedial Agreements - RfL Right to Issue a Remedial Plan Notice*) of Schedule 17.1 (*Remedial Plans and Remedial Agreements*).

3 Remedial Plans

Where RfL has served on the Operator a Remedial Plan Notice in respect of any Relevant Term that is a Remedial Plan Quality Benchmark, the Operator shall submit to RfL a Remedial Plan in accordance with paragraph 1.3 (*Remedial Plan Notices and Remedial Agreements - Obligation to Submit Remedial Plan*) of Schedule 17.1 (*Remedial Plans and Remedial Agreements*).

4 Remedial Agreements

RfL may, subject to paragraph 5 (*Remedial Spending Cap*), require the Operator to enter into a Remedial Agreement in accordance with paragraph 2.1 (*Remedial Agreements*) of Schedule 17.1 (*Remedial Plans and Remedial Agreements*) in relation to any Remedial Plan that concerns a Relevant Term that is a Remedial Plan Quality Benchmark.

5 Remedial Spending Cap

5.1 Subject to this paragraph 5 (*Remedial Spending Cap*), RfL may require the Operator to spend (from unbudgeted resources) up to [REDACTED] in any Concession Year (an amount as at the Indexation Base Month and indexed in accordance with paragraph 3 of (*Indexation by Reference to CPI*) of Schedule 11.2 (*Annual Concession Payments and Indexation*)) (the "**Remedial Spending Cap**") in carrying out the steps specified in any Remedial Agreement or Corrective Action Notice for securing or facilitating compliance with a Relevant Term which is a Remedial Plan Quality Benchmark. The Operator shall provide such evidence of expenditure pursuant to this paragraph 5.1 (*Remedial Spending Cap*) as RfL may reasonably require from time to time.

5.2 If, at any time in any Concession Year, the aggregate liability of the Operator in carrying out the steps specified in any Remedial Agreement or Corrective Action Notice for securing or facilitating compliance with a Relevant Term which is a Remedial Plan Quality Benchmark exceeds seventy-five per cent. (75%) of the then applicable Remedial Spending Cap, then RfL may request

that the Operator increases the level of the Remedial Spending Cap to such level as RfL (acting reasonably) believes is proportionate by reference to the liability incurred by the Operator to date up to a further amount of [REDACTED]. If the Operator does not agree to an increase of the Remedial Spending Cap in accordance with this paragraph 5.2 (*Remedial Spending Cap*) and the Operator subsequently incurs an aggregate liability in that Concession Year equal to one hundred per cent. (100%) of the Remedial Spending Cap, then subject to paragraphs 5.4 (*Remedial Spending Cap*) and 5.5 (*Remedial Spending Cap*) below, this shall constitute an Event of Default.

- 5.3 The Remedial Spending Cap is a combined annual limit for all remedial expenditure carried out pursuant to any Remedial Agreement or Corrective Action Notice in relation to the KPI Regime, the MSS Regime, the Customer Satisfaction Regime and the Quality Performance Regime.
- 5.4 Where the solutions proposed in a Remedial Agreement or a Corrective Action Notice relating to any Relevant Term that is a Remedial Plan Quality Benchmark would require the Operator to incur expenditure in excess of the Remedial Spending Cap and the Operator does not agree to an increase in the Remedial Spending Cap in accordance with paragraph 5.2 (*Remedial Spending Cap*), then the Operator shall promptly notify RfL of the same and may propose alternative solutions to RfL that would not require the Operator to incur expenditure in excess of the Remedial Spending Cap ("**Remedial Spending Cap Alternative Proposals**").
- 5.5 The parties shall meet as soon as reasonably practicable to discuss any Remedial Spending Cap Alternative Proposals and if RfL (acting reasonably):
 - 5.5.1 agrees to the Operator's Remedial Spending Cap Alternative Proposals, then the parties shall promptly enter into a Remedial Agreement or RfL shall reissue the Corrective Action Notice (as the case may be), in each case, that incorporates the agreed Remedial Spending Cap Alternative Proposals; or
 - 5.5.2 does not agree to the Remedial Spending Cap Alternative Proposals, then, unless the Operator agrees to increase the Remedial Spending Cap in accordance with paragraph 5.2 (*Remedial Spending Cap*), there shall be an Event of Default for the purposes of this Agreement.

6 **Event of Default**

If the parties enter into a Remedial Agreement in relation to non-compliance with a Relevant Term that concerns the Operator's performance being equal to or worse than a Remedial Plan Quality Benchmark under any of the KPI Regime, the MSS Regime, the Customer Satisfaction Regime or the Quality Performance Regime and (subject to paragraph 5 (*Remedial Spending Cap*)) the Operator is not materially compliant with that Relevant Term by the end of the period for being compliant specified in that Remedial Agreement, then an Event of Default shall have occurred.

Schedule 17.3
Other RfL Remedies

1 Corrective Action Notices

RfL Right to Issue Corrective Action Notices

- 1.1 Without limiting its other rights under this Schedule 17 (*Remedies, Termination and Expiry*), RfL may issue a Corrective Action Notice to the Operator in any case where:
- 1.1.1 RfL is satisfied that the Operator is contravening or is likely to contravene a Relevant Term;
 - 1.1.2 RfL does not approve of the terms of any Remedial Plan submitted to it by the Operator (including a Remedial Plan submitted under Schedule 17.2 (*Quality Regime Remedial Plans and Remedial Agreements*)); or
 - 1.1.3 the Operator fails to comply with its obligations in respect of the implementation of any Remedial Agreement or prior Corrective Action Notice (including a Remedial Agreement or prior Corrective Action Notice relating to a breach of any Remedial Plan Quality Benchmark issued pursuant to paragraph 1.1.2 (*Corrective Action Notices - RfL Right to Issue Corrective Action Notices*) or this paragraph 1.1.3 (*Corrective Action Notices - RfL Right to Issue Corrective Action Notices*)), but, notwithstanding the consequent occurrence of an Event of Default, RfL does not wish (at that time) to terminate this Agreement.
- 1.2 Any Corrective Action Notice served in relation to the Operator's performance against any Remedial Plan Quality Benchmark is subject to the provisions of paragraph 5 (*Remedial Spending Cap*) of Schedule 17.2 (*Quality Regime Remedial Plans and Remedial Agreements*).

Event of Default

- 1.3 An Event of Default shall occur if RfL issues a Corrective Action Notice to the Operator in relation to non-compliance with:
- 1.3.1 a Relevant Term (other than where that non-compliance concerns the Operator's performance being equal to or worse than a Remedial Plan Quality Benchmark under any of the KPI Regime, the MSS Regime, the Customer Satisfaction Regime or the Quality Performance Regime) and the Operator is non-compliant with that Relevant Term by the end of the period specified in that notice for being compliant with that Relevant Term; or
 - 1.3.2 a Relevant Term that concerns the Operator's performance being equal to or worse than a Remedial Plan Quality Benchmark under any of the KPI Regime, the MSS Regime, the Customer Satisfaction Regime or the Quality Performance Regime, and (subject to paragraph 5 (*Remedial Spending Cap*) of Schedule 17.2 (*Quality*

Regime Remedial Plans and Remedial Agreements)) the Operator is not materially compliant with that Relevant Term by the end of the period specified in that notice for being compliant with that Relevant Term.

2 **Increased Monitoring by RfL**

- 2.1 Following the occurrence of a contravention of this Agreement, RfL may at its option (but shall not be obliged to) commence or increase the level and/or frequency of monitoring (whether by inspection, audit or otherwise) of the Operator's performance of any relevant obligation until such time as the Operator demonstrates, to RfL's reasonable satisfaction, that it is capable of performing and will perform such obligation as required by this Agreement.
- 2.2 The Operator shall co-operate fully with RfL in relation to such monitoring referred to in paragraph 2.1 (*Increased Monitoring by RfL*).
- 2.3 The results of such monitoring will be reviewed at each Concession Performance Meeting held pursuant to paragraph 5 (*Concession Performance Meetings*) of Schedule 15.1 (*Personnel, Communication and Access*).
- 2.4 The Operator shall compensate RfL for all reasonable costs incurred by RfL in carrying out such monitoring. If such monitoring is in respect of a contravention of any Remedial Plan Quality Benchmark or any other obligation contained in Schedule 8 (*Service Quality and Passenger Perception*), the contravention of which expressly contemplates the requirement for a Remedial Plan, such compensation shall not be included in any remedial spending required in respect of any Remedial Plan pursuant to Schedule 17.2 (*Quality Regime Remedial Plans and Remedial Agreements*) and accordingly shall not be capped pursuant to paragraph 5 (*Remedial Spending Cap*) of Schedule 17.2 (*Quality Regime Remedial Plans and Remedial Agreements*).

3 **Effect of Force Majeure Event**

Without prejudice to the operation of paragraph 3.2 (*Consequences of Force Majeure Events – On Obligations*) of Schedule 17.6 (*Force Majeure*), the following provisions shall apply in relation to Force Majeure Events affecting performance of the requirements of a Remedial Agreement or a Corrective Action Notice:

- 3.1 the Operator shall give written notice to RfL promptly after it becomes aware (and in any event within twenty four (24) hours after becoming aware) of the occurrence or likely occurrence of a Force Majeure Event which will or is likely to affect the Operator's ability to comply with a Remedial Agreement or a Corrective Action Notice within the period specified therein;
- 3.2 each notice submitted in accordance with paragraph 3.1 (*Effect of Force Majeure Event*) shall state the extent or likely extent of the relevant Force Majeure Event and, in the case of a Force Majeure Event which has not occurred at such time, the reasons why the Operator considers it likely to occur;

- 3.3 the Operator shall use, and shall continue to use, all reasonable endeavours to avoid or reduce the effect or likely effect of any Force Majeure Event on its ability to comply with any Remedial Agreement or Corrective Action Notice; and
- 3.4 the Operator shall be entitled to a reasonable extension (to be determined by RfL, acting reasonably) of the remedial period applicable to a Remedial Agreement or a Corrective Action Notice in order to take account of the effect of a Force Majeure Event which has occurred on the Operator's ability to comply with any Remedial Agreement or a Corrective Action Notice.

4 **RfL Step-in Following Event of Default**

Notice of Step-in

- 4.1 Where an Event of Default has occurred and is continuing and RfL has decided not to terminate this Agreement at that time or a Termination Notice has been duly served on the Operator specifying the future date of termination of this Agreement, RfL may, in either case, serve an Event of Default Step-in Notice on the Operator, informing the Operator of the following:
 - 4.1.1 the Event of Default that has occurred and is continuing (to the extent not already notified in a Termination Notice);
 - 4.1.2 the extent to which, if any, RfL wishes to expel the Operator from the infrastructure and/or facilities related to the Elizabeth Line and, subject to paragraph 4.3.1 (*RfL Step-in Following Event of Default - Effect of Step-in*), the date from which RfL requires that expulsion to apply;
 - 4.1.3 the steps that RfL intends to take itself or the steps that RfL intends its nominee to take on its behalf, each in relation to the operation or the carrying out of the Concession Services or of any of the Operator's obligations under this Agreement to ensure the continuity or delivery of those services and/or obligations;
 - 4.1.4 the identity of its nominee, if relevant and known at the time; and
 - 4.1.5 the date on which RfL expects those steps to first be taken (which may be the date of the Event of Default Step-In Notice) and the time period that RfL estimates is reasonably necessary to take those steps.
- 4.2 Following service of an Event of Default Step-In Notice, where so requested by RfL, the Operator shall as soon as reasonably practicable after that request (and in any event within five (5) Business Days of the request), submit to RfL proposals that demonstrate that the Operator is and will continue to be capable of ensuring the continuity or delivery of the Concession Services and/or its obligations under this Agreement in relation to which that Event of Default Step-In Notice was served.

Effect of Step-in

- 4.3 Where RfL indicates in any Event of Default Step-In Notice that it wishes to expel the Operator from some or all of the infrastructure and/or facilities related to the Elizabeth Line:
- 4.3.1 the date referred to in paragraph 4.1.2 (*RfL Step-in Following Event of Default - Effect of Step-in*) shall be no less than five (5) Business Days after the date of that Event of Default Step-In Notice;
 - 4.3.2 the Operator shall comply with the terms of any such expulsion; and
 - 4.3.3 in so requiring, neither RfL will have avoided this Agreement nor the Operator have been released from any of its obligations or liability under this Agreement.
- 4.4 To the extent RfL has not already notified the Operator in an Event of Default Step-In Notice, RfL shall, where relevant, notify the Operator of the identity of its nominee as soon as reasonably practicable after that nominee's appointment.
- 4.5 RfL or its nominee shall be entitled to take such steps during any Event of Default Step-In Period as RfL or that nominee (as the case may be) reasonably considers necessary in order to fulfil the objective referred to in paragraph 4.1.3 (*RfL Step-in Following Event of Default - Effect of Step-in*).
- 4.6 The Operator shall co-operate with RfL and/or its nominee during any Event of Default Step-In Period to assist RfL and/or its nominee (as the case may be) in fulfilling the objective referred to in paragraph 4.1.3 (*RfL Step-in Following Event of Default - Effect of Step-in*), including by:
- 4.6.1 providing to RfL and/or its nominee (as the case may be) on reasonable notice, access to or copies of such financial, operating, management or other information relevant to the Concession Services or any of the Operator's obligations under this Agreement;
 - 4.6.2 granting or procuring the grant to RfL and/or its nominee of such access as RfL or its nominee (as the case may be) reasonably requires to the infrastructure and/or facilities, including Computer Systems, related to Elizabeth Line;
 - 4.6.3 procuring the prompt assistance and availability to RfL and/or its nominee of all relevant Concession Employees; and
 - 4.6.4 taking such other action or omitting to take such action as RfL reasonably requires.
- 4.7 Where RfL and/or its nominee takes any steps pursuant to paragraph 4.5 (*RfL Step-in Following Event of Default - Effect of Step-in*), RfL may recover all costs that either or both reasonably incur (including their respective administrative expenses, staff costs, other overheads and in the case of the nominee, a reasonable profit element) in relation to the taking of those steps, in each case by way of Other Adjustments. Neither RfL nor its nominee shall

have any liability to the Operator for actions taken or omitted to be taken by it or them during any Event of Default Step-in Period and the Operator shall have no right to claim for any losses suffered or incurred during the Event of Default Step-in Period.

- 4.8 Concession Payments shall continue to be payable by RfL in accordance with Schedule 11.1 (*Concession Payments*) during any Event of Default Step-In Period except where a Termination Notice has been duly served on the Operator. Subject to paragraph 4.7 (*RfL Step-in Following Event of Default - Effect of Step-in*), where a Termination Notice has been duly served on the Operator, then during the Event of Default Step-In Period and from the date of such notice, RfL shall pay the Operator by way of Other Adjustments on an emerging cost basis for such costs as the Operator reasonably and prudently incurs in the carrying out of the remainder of the Concession Services and otherwise complying with its obligations under this Agreement that are not the subject matter of the relevant Event of Default Step-In Notice. Any such payment shall not include any margin on those costs or any management fees unless RfL otherwise agrees in its absolute discretion.
- 4.9 The Operator shall provide such information as RfL reasonably requires during any Event of Default Step-In Period where a Termination Notice has been duly served by RfL in order that RfL may verify that any costs by the Operator during that Event of Default Step-in Period have been reasonably and prudently incurred by the Operator.

Notice of Step-Out

- 4.10 RfL may in its discretion, regardless of whether it has asked for the Operator to provide the proposals referred to in paragraph 4.2 (*RfL Step-in Following Event of Default - Effect of Step-in*), serve on the Operator an Event of Default Step-out Notice, specifying the following:
- 4.10.1 the extent to which RfL wishes the Operator to resume providing those Concession Services and/or meeting those obligations under this Agreement in relation to which the relevant Event of Default Step-In Notice was served; and
 - 4.10.2 the date on which the Operator is to resume providing those services and/or obligations, provided that the Operator shall be given no less notice than a skilled and experienced Train Operator of the Elizabeth Line would require in order to resume those services and/or obligations.
- 4.11 The Operator shall comply with the requirements of any Event of Default Step-out Notice.
- 4.12 RfL may:
- 4.12.1 serve more than one (1) Event of Default Step-out Notice in relation to those Concession Services and/or those obligations under this Agreement that are the subject of a single Event of Default Step-In Notice; and

4.12.2 require the Operator to resume the provision of those services and/or obligations in full, partially or gradually.

4.13 RfL:

4.13.1 shall, or shall procure that its nominee shall, use all reasonable endeavours to ensure that:

- (a) the Operator does not suffer or incur any Loss; or
- (b) the Operator's ability to deliver the Concession Services and/or its obligations under this Agreement is not materially diminished,

in either case arising from RfL's or its nominee's actions or omissions during any Event of Default Step-In Period; but

4.13.2 shall not be liable for any such Loss suffered or incurred by the Operator or any reduction in such ability, in either case arising from those actions or omissions during any Event of Default Step-In Period.

Appendix 1 to Schedule 17.3
Form of Event of Default Step-in Notice

Private and confidential

From: Rail for London Limited
5 Endeavour Square
London
E20 1JN ("**RfL**")

To: GTS Rail Operations Limited
3rd Floor
41-51 Grey Street
Newcastle Upon Tyne
NE1 6EE (the "**Operator**")

[Insert date]

Dear Operator

Elizabeth Line Train Operating Concession Agreement – Event of Default Step-in Notice

- 1 Capitalised terms used in this notice shall have the same meaning given to them in the concession agreement dated [____] between RfL and the Operator under which, among other things, the Operator agreed to provide the Concession Services and RfL agreed to make Concession Payments to the Operator (the "**Concession Agreement**").
- 2 We hereby give you notice:
 - 2.1 that the following Event of Default has occurred and is continuing [*specify*]; and
 - 2.2 that, pursuant to paragraph 4.1 (*RfL Step-in Following Event of Default - Effect of Step-in*) of Schedule 17.3 (*Other RfL Remedies*) of the Concession Agreement, [*we are*][*specify nominee if known*] as our nominee is stepping in and assuming your role in carrying out those of your obligations under the Concession Agreement that are specified in paragraph 3 from the Event of Default Step-in Date and for the estimated Event of Default Step-in Period, in each case as specified in paragraph 4 and in order to secure [*continuity of those services*][*delivery of those obligations*].
- 3 During the Event of Default Step-in Period, [*we*][*specify nominee if known*] intend[s] to take the following steps in relation to carrying out [*the following Concession Services*][*the following of your obligations under the Concession Agreement:*][*specify*].
- 4 For the purpose specified in paragraph 3, you shall not perform those [*Concession Services*][*obligations*] specified in that paragraph for the duration of the Event of Default Step-in Period and you shall and you shall procure that your employees, agents, sub-contractors and other representatives shall not attend the following

infrastructure and facilities during that time, unless otherwise instructed by us:
[specify].

- 5 The Event of Default Step-in Date is [*insert date RfL or its nominee will step in*] and the expected Event of Default Step-in Period is [*insert expected period of step-in*].

Yours faithfully

Signed for and on behalf of RfL

Appendix 2 to Schedule 17.3
Form of Event of Default Step-Out Notice

Private and confidential

From: Rail for London Limited
5 Endeavour Square
London
E20 1JN ("**RfL**")

To: GTS Rail Operations Limited
3rd Floor
41-51 Grey Street
Newcastle Upon Tyne
NE1 6EE (the "**Operator**")

[Insert date]

Dear Operator

Elizabeth Line Train Operating Concession Agreement – Event of Default Step-out Notice

- 1 Capitalised terms used in this notice shall have the same meaning given to them in the concession agreement dated [____] between RfL and the Operator under which, among other things, the Operator agreed to provide the Concession Services and RfL agreed to make Concession Payments to the Operator (the "**Concession Agreement**").
- 2 We hereby give you notice:
 - 2.1 that as per an Event of Default Step-in Notice dated [____], from the Event of Default Step-in Date specified in that Event of Default Step-in Notice, [we][*specify nominee*], as our nominee stepped in and assumed your role in carrying out certain [Concession Services][of your obligations under the Concession Agreement]; and
 - 2.2 that pursuant to paragraph[s] 4.10 (*RfL Step-in Following Event of Default - Effect of Step-out*) [and 4.12 (*RfL Step-in Following Event of Default - Effect of Step-out*)] (*Notice of Step-out*) of Schedule 17.3 (*Other RfL Remedies*) of the Concession Agreement, [we are][*specify nominee* is] stepping out and ceasing to perform [those][the following] [Concession Services][obligations] from the Event of Default Step-out Date specified in paragraph 3.
- 3 The Event of Default Step-out Date is [insert date RfL or its nominee will step out].

We require you to resume the performance of the [Concession Services][obligations] specified in paragraph 2.2 from the Event of Default Step-out Date, [fully.][as follows:]

Yours faithfully

Signed for and on behalf of RfL

Schedule 17.4
Termination and Expiry

1 Termination Notices

- 1.1 RfL may, on and at any time:
- 1.1.1 after the occurrence of an Event of Default (subject to paragraphs 1.2 (*Termination Notices*) and 1.3 (*Termination Notices*)) which is unremedied or continuing and which RfL considers to be material;
 - 1.1.2 after the occurrence of a Termination Event which is unremedied or continuing; or
 - 1.1.3 pursuant to paragraph 4 (*Voluntary Termination*) of Schedule 17.5 (*Events of Default, Termination Event and Voluntary Termination*),
- terminate this Agreement by serving a Termination Notice on the Operator. This Agreement shall terminate with effect from the date specified in any such Termination Notice, which date in the case of a Termination Notice issued pursuant to paragraph 4 (*Voluntary Termination*) of Schedule 17.5 (*Events of Default, Termination Event and Voluntary Termination*), shall be no earlier than the notice period specified in paragraph 4 (*Voluntary Termination*) of Schedule 17.5 (*Events of Default, Termination Event and Voluntary Termination*).
- 1.2 RfL may not serve a Termination Notice in respect of an Event of Default in relation to which a Remedial Plan Notice has been issued until the period has expired within which the Operator is required to deliver to RfL the Remedial Plan specified in such Remedial Plan Notice.
- 1.3 RfL may not serve a Termination Notice in respect of an Event of Default for which the Operator is implementing a Remedial Agreement in accordance with its terms.

2 Consequences of Termination or Expiry

Continued Performance until Termination

- 2.1 Subject to any Applicable Requirements, or as otherwise set out in this Agreement, the parties shall continue to perform their obligations under this Agreement, notwithstanding the giving of any Termination Notice, until the termination of this Agreement becomes effective in accordance with this Agreement.

Cessation of Rights and Obligations on Termination

- 2.2 Upon termination of this Agreement (whether through default or effluxion of time or otherwise) the obligations of the parties shall cease except for:
- 2.2.1 any accrued rights and obligations as at the date of termination;
 - 2.2.2 any rights and obligations arising as a result of any antecedent contravention of this Agreement;

- 2.2.3 any rights and obligations which are expressed to continue in accordance with the terms of this Agreement; and
- 2.2.4 any other rights and obligations which give effect to such termination or to the consequences of such termination or which otherwise apply (expressly or impliedly) on or after such termination.

Right to Bring a Claim and Pursue Other Remedies

- 2.3 Nothing in this paragraph 2 (*Consequences of Termination and Expiry*) shall prevent RfL from bringing an action against the Operator in connection with the termination of this Agreement prior to the expiry of the Concession Period. The rights of RfL under this paragraph 2 (*Consequences of Termination and Expiry*) are in addition and without prejudice to any other right RfL may have to obtain redress or relief available at law (whether by way of damages, specific performance, or otherwise) on account of the acts or omissions of the Operator, whether pursuant to this Agreement, the Performance Bond, the Guarantee, the Inter-company Loan Facility Agreement, the Inter-company Loan Facility Guarantee or otherwise.

Retendering Costs

- 2.4 Subject to paragraph 2.5 (*Consequences of Termination and Expiry – Retendering Costs*), and paragraph 1.7 (*Operator's Liability – Maximum Aggregate Liability*) of Schedule 17.7 (*Liability*), upon termination of this Agreement by RfL pursuant to paragraph 1.1.1 (*Termination Notices*), the Operator shall be liable to RfL for any retendering costs incurred by RfL in retendering the Elizabeth Line Concession together with the increased costs of appointing a Successor Operator to carry out the Operator's obligations under this Agreement following termination until the end of the Concession Period.
- 2.5 If the terms and conditions of any new concession offered by RfL in the retendering process (including the basis upon which payment is made) are materially different from the terms and conditions contained in this Agreement, then an adjustment shall be made to the amount calculated in accordance with paragraph 2.4 (*Consequences of Termination or Expiry – Retendering Costs*) which reasonably reflects how the increased costs of a Successor Operator would have been different (whether greater or lesser) had the new concession been let on substantially the same terms and conditions.

Voluntary Termination Compensation

- 2.6 Subject to paragraph 1.9 (*Operator's Liability – No Double Recovery*) of Schedule 17.7 (*Liability*), where RfL terminates this Agreement pursuant to paragraph 4 (*Voluntary Termination*) of Schedule 17.5 (*Events of Default, Termination Event and Voluntary Termination*), then the Operator shall be entitled to recover from RfL:
 - 2.6.1 its reasonable costs of demobilisation;

- 2.6.2 any Loss incurred under agreements with third parties provided that such agreements have been entered into in the ordinary course of business and on reasonable commercial terms; and
- 2.6.3 an amount in respect of the Operator's loss of profit for twelve (12) months from the date of termination, which shall not exceed the amount of profit for the relevant Concession Year specified in the Financial Model,

provided that the Operator shall not be entitled to claim for any sum under paragraphs 2.6.1 (*Consequences of Termination or Expiry – Voluntary termination compensation*) to 2.6.3 (*Consequences of Termination or Expiry – Voluntary termination compensation*) (inclusive) to the extent that it has already been compensated for the same pursuant to the Supplemental Agreement.

No Other Claim

- 2.7 The Operator shall have no claim for compensation or otherwise as a result of termination of this Agreement except in accordance with the express provisions of this Agreement.

Schedule 17.5
Events of Default, Termination Event and Voluntary Termination

1 Provisions relating to Events of Default

Contravention

- 1.1 The occurrence of an Event of Default shall constitute a contravention of this Agreement by the Operator.

Notification of Event of Default

- 1.2 The Operator shall notify RfL as soon as reasonably practicable on, and in any event within twenty-four (24) hours of, it becoming aware of the occurrence of an Event of Default or an event which is likely to result in the occurrence of an Event of Default. The Operator shall take such action or steps as RfL may require to remedy any Event of Default or potential Event of Default.

Consequences of Event of Default

- 1.3 On the occurrence of an Event of Default, the provisions of Schedule 17.4 (*Termination and Expiry*) shall apply, but the provisions of Schedule 17.1 (*Remedial Plans and Remedial Agreements*), Schedule 17.2 (*Quality Regime Remedial Plans and Remedial Agreements*) and Schedule 17.3 (*Other RfL Remedies*) shall also continue to apply.

2 Events of Default

Each of the following is an Event of Default in the remainder of this paragraph 2 (*Events of Default*).

Insolvency-related Events

- 2.1 The following insolvency-related events:

- 2.1.1 **Administration:** in respect of the Operator or any Member or any Parent or any Bond Provider, any step is taken to file at court a notice of appointment of an administrator or notice of intention to appoint an administrator or an application for an administration order is issued at court;
- 2.1.2 **Insolvency:** any of the Operator or any Member or any Parent or any Bond Provider stopping or suspending or threatening to stop or suspend payment of all or a material part of (or of a particular type of) its debts, or being unable to pay its debts, or being deemed unable to pay its debts under Section 123(1) or (2) of the Insolvency Act 1986 except that in the interpretation of this paragraph:
- (a) the words "it is proved to the satisfaction of the court that" in sub-section (1)(e) and sub-section (2) of section 123 shall be deemed to be deleted;
 - (b) section 123(1)(a) of the Insolvency Act 1986 shall have effect as if for "£750" there was substituted with

[REDACTED] or such higher figure as RfL may from time to time notify in writing to the Operator; and

- (c) any of the Operator or any Member or any Parent or any Bond Provider shall not be deemed to be unable to pay its debts for the purposes of this paragraph if any such demand as is mentioned in section 123(1)(a) of the Insolvency Act 1986 is being contested in good faith by such person with recourse to all appropriate measures and procedures and such person has adequate funds to discharge the amount of such demand or if any such demand is satisfied before the expiration of twenty one (21) days from such demand;

2.1.3 **Arrangements with Creditors:** the directors of the Operator or any Member or any Parent or any Bond Provider making any proposal for a company voluntary arrangement under the Insolvency Act 1986, or any of the Operator or any Member or any Parent or any Bond Provider proposing or making any agreement for the deferral, rescheduling or other readjustment (or proposing or making a general assignment or an arrangement or composition with or for the benefit of creditors) of all or a material part of (or of a particular type of) its debts, or the Operator or any Member or any Parent or any Bond Provider becomes subject to a restructuring plan under Part 26A of the Companies Act 2006, or a moratorium being agreed or declared in respect of or affecting all or a material part of (or of a particular type of) its debts, including a moratorium under Part A1 of the Insolvency Act 1986;

2.1.4 **Security Enforceable:** any step being taken to enforce security over or a distress, execution or other similar process being levied or served against any property of the Operator or the whole or a substantial part of the assets or undertaking of the Operator, any Member, any Parent or any Bond Provider, including the appointment of a receiver, administrative receiver, manager or similar person to enforce that security;

2.1.5 **Stopping Business/Winding-Up:** any step being taken by the Operator, any Member, any Parent or any Bond Provider with a view to its winding-up or liquidation or any person presenting a winding-up petition or any of the Operator or any Member or any Parent or any Bond Provider ceasing or threatening to cease to carry on all or a material part of its business, except for the purpose of and followed by a reconstruction, amalgamation, reorganisation, merger or consolidation on terms approved by RfL before that step is taken, or if the Operator, any Member, any Parent or any Bond Provider has a freezing order made against it;

2.1.6 **Parallel Proceedings:** any Main, Secondary or Territorial proceedings are opened within the meaning of the EC Regulation (EU 2015/848) of the European Parliament and of the Council of 20 May 2015 on insolvency proceedings (recast);

2.1.7 **Railway Administration Order:** a railway administration order being made in relation to the Operator under sections 60 to 62 of the Act; and

2.1.8 **Analogous Events:** any event occurring which, under the Law of any relevant jurisdiction, has an analogous or equivalent effect to any of the events listed in this paragraph 2.1 (*Events of Default – Insolvency-related Events*),

unless, in the case of paragraphs 2.1.1 (*Events of Default – Insolvency-related Events – Administration*), 2.1.4 (*Events of Default – Insolvency-related Events – Security Enforceable*) and 2.1.5 (*Events of Default – Insolvency-related Events – Stopping Business/Winding Up*), the relevant petition, proceeding or other step is being actively contested in good faith by the relevant person with recourse to all appropriate resources and procedures and such person has adequate funds to discharge the relevant debt.

Non-Payment

2.2 For reasons attributable to the Operator, RfL is unable to withdraw any Revenue Sweep from the Revenue Account within three (3) days of the due date for such withdrawal.

2.3 The Operator failing to pay to RfL any other amount due under this Agreement within twenty (20) Business Days of the due date for such payment.

Change of Control

2.4 A Change of Control occurs in respect of the Operator or a Member or a Parent or a Guarantor other than in accordance with the prior consent of RfL pursuant to paragraph 11 (*Change of Control*) of Schedule 20 (*Other Provisions*).

Revocation of Licence

2.5 Revocation of any Licence required to be held by the Operator in order to comply with its obligations under this Agreement.

Safety Certificate and Safety Authorisation

2.6 Any Safety Certificate and/or Safety Authorisation of the Operator being withdrawn or terminated.

Breach of Law

2.7 It becoming unlawful for the Operator to provide all or a material part of the Passenger Services or to operate all or a material number of the Operator Managed Stations or any Depot (except to the extent not required so to do under this Agreement).

2.8 The Operator or any of the directors or senior managers of the Operator being convicted of manslaughter, fraud or any other indictable criminal offence in each case relating directly to the provision and operation of the Concession Services.

- 2.9 The Operator being in material non-compliance with a prohibition or enforcement order (or the equivalent thereof) issued by the ORR pursuant to its safety functions. If the Operator makes an appeal against such prohibition or enforcement order (or such equivalent thereof) in accordance with its terms, no Event of Default shall have occurred under this paragraph 2.9 (*Events of Default – Breach of Law*) until such appeal has been determined to be unsuccessful.

Non-membership of Inter-Operator Schemes

- 2.10 The Operator ceasing to be a member of, or ceasing to participate in or to be party to, any of the Inter-Operator Schemes, or having its membership or participation therein suspended.

Operating Performance

- 2.11 The Operating Performance Overall Cap has been reached in any Thirteen Period Measurement Period.
- 2.12 The aggregate of Operating Performance Adjustments made in any Thirteen Period Measurement Period for Performance Failures that occur for reasons attributable to the Operator (including those Performance Failures that occur for reasons attributable jointly to the Operator and any Infrastructure Manager) is equal to or exceeds the Default Operating Performance Threshold.

KPI Regime

- 2.13 The Operator is obliged to make a KPI Adjustment payment to RfL in three (3) Reporting Periods out of six (6) consecutive Reporting Periods in an amount that is equal to or in excess of the Default KPI Benchmark, provided that no Event of Default shall occur where those circumstances arise in during the first six (6) Reporting Periods of the Concession Period.

Customer Satisfaction Regime

- 2.14 The CSS MAA Score in respect of any of the CSS Headline Measure, the CSS Information Measure or the CSS Security Measure is equal to or less than respectively, the Relevant CSS Headline Default Benchmark, Relevant CSS Information Default Benchmark or Relevant CSS Security Default Benchmark.

Ticketless Travel

- 2.15 The Ticketless Travel MAA Rate is equal to or higher than the Ticketless Travel Default Benchmark.

Performance Bond

- 2.16 Either:
- 2.16.1 a failure by the Operator to procure the provision to RfL of a Performance Bond which fulfils the requirements of paragraph 2 (*Performance Bond and Guarantee*) of Schedule 14 (*Financial Obligations and Credit Support*), including failing to replace, renew

or extend the Performance Bond with a replacement Performance Bond issued by a Bond Provider with the Required Rating and that meets the requirements of paragraphs 2.1 (*Performance Bond and Guarantee - Requirement to Procure a Performance Bond and Guarantee*) and 2.2 (*Performance Bond and Guarantee - Requirement to Procure a Performance Bond and Guarantee*) of Schedule 14 (*Financial Obligations and Credit Support*):

- (a) within fifteen (15) Business Days of the Bond Provider's rating falling below the Required Rating; or
- (b) if the Performance Bond is due to expire prior to the Performance Bond Longstop Date, on or before the date falling fifteen (15) Business Days prior to any Interim Performance Bond Expiry Date; or

2.16.2 the Operator has procured the provision to RfL of a Performance Bond which fulfils the requirements of paragraph 2 (*Performance Bond and Guarantee*) of Schedule 14 (*Financial Obligations and Credit Support*) but following provision of the Performance Bond the Bond Provider's rating falls beneath the Required Rating to:

- (a) A (in the case of Standard & Poor's) or A2 (in the case of Moody's) and on the expiry or termination of such Performance Bond in accordance with its terms, the Operator fails to procure the provision to RfL of a Performance Bond which fulfils the requirements of paragraph 2 (*Performance Bond and Guarantee*) of Schedule 14 (*Financial Obligations and Credit Support*); or
- (b) A- or lower (in the case of Standard & Poor's) or A3 or lower (in the case of Moody's) and the Operator fails to procure the provision to RfL of a Performance Bond which fulfils the requirements of paragraph 2 (*Performance Bond and Guarantee*) of Schedule 14 (*Financial Obligations and Credit Support*) within fifteen (15) Business Days of the Bond Provider's rating falling beneath the Required Rating.

2.17 Any Performance Bond ceasing to be a legal, valid and binding obligation on the relevant Bond Provider (other than in accordance with its terms) or it otherwise becoming unlawful or impossible for any Bond Provider to perform its obligations thereunder.

2.18 The Bond Provider failing or refusing to comply with any payment obligation assumed under the Performance Bond.

Guarantee

2.19 A failure by the Operator to procure the provision to RfL of a Guarantee which fulfils the requirements of paragraph 2 (*Performance Bond and Guarantee*) of Schedule 14 (*Financial Obligations and Credit Support*).

- 2.20 The Guarantee ceasing to be a legal, valid and binding obligation on the relevant Guarantor (other than in accordance with its terms) or it otherwise becoming unlawful or impossible for the Guarantor to perform its obligations thereunder.
- 2.21 The Guarantor failing or refusing to comply with any performance obligation assumed under the Guarantee.

Diversity Infraction

- 2.22 Following receipt of a notice given pursuant to paragraph 7.1 (*Diversity Infraction*) of Schedule 15.3 (*Responsible Procurement*), the Operator failing to remedy a Diversity Infraction to the satisfaction of RfL within the timescale prescribed in that paragraph 7.1.1 (*Diversity Infraction*) or 7.1.2 (*Diversity Infraction*), as appropriate.
- 2.23 Following receipt of a notice given pursuant to paragraph 7.2 (*Diversity Infraction*) of Schedule 15.3 (*Responsible Procurement*), the Operator failing to terminate the engagement of its Direct Subcontractor under its contract with that Direct Subcontractor and procuring performance by another person on the terms specified in that paragraph within the further timescale prescribed in that paragraph.

Remedial Agreements and Corrective Action Notices

- 2.24 The Operator is non-compliant with a Relevant Term (other than where that non-compliance concerns the Operator's performance being equal to or worse than a Remedial Plan Quality Benchmark under any of the KPI Regime, the MSS Regime, the Customer Satisfaction Regime or the Quality Performance Regime) by the end of the period for being compliant specified in any Remedial Agreement entered into pursuant to Schedule 17.1 (*Remedial Plans and Remedial Agreements*) or Corrective Action Notice issued pursuant to Schedule 17.3 (*Other RfL Remedies*), in each case relating to that Relevant Term.
- 2.25 Subject to paragraph 5 (*Remedial Spending Cap*) of Schedule 17.2 (*Quality Regime Remedial Plan and Remedial Agreements*), the Operator is materially non-compliant with a Relevant Term that concerns the Operator's performance being equal to or worse than a Remedial Plan Quality Benchmark under any of the KPI Regime, the MSS Regime, the Customer Satisfaction Regime or the Quality Performance Regime by the end of the period for being compliant specified in any Remedial Agreement entered into pursuant to Schedule 17.1 (*Remedial Plans and Remedial Agreements*) or Corrective Action Notice issued pursuant to Schedule 17.3 (*Other RfL Remedies*), in each case relating to that Relevant Term.
- 2.26 The Operator has incurred an aggregate liability in a Concession Year equal to one hundred per cent. (100%) of the Remedial Spending Cap and has not agreed an increase of the Remedial Spending Cap in accordance with paragraph 5.2 (*Remedial Spending Cap*) of Schedule 17.2 (*Quality Regime Remedial Plans and Remedial Agreements*).

Enforcement Orders

- 2.27 Non-compliance by the Operator with:
- 2.27.1 a provisional order;
 - 2.27.2 a final order;
 - 2.27.3 a penalty; or
 - 2.27.4 any other order made relating to a contravention of either a relevant condition or requirement (as defined in section 55 of the Act) or another order.

Other Rail Concessions or Bus Contracts

- 2.28 Termination, as a result of an event of default (excluding termination as a result of non-satisfaction of a condition precedent), of any other train operating agreement (whether heavy or light rail) or bus contract to which RfL or a member of the TfL Group and the Operator or an Affiliate of the Operator (including where that Affiliate is Controlled by only one (1) Member or one (1) Parent) are a party.

Maximum Aggregate Liability

- 2.29 The Operator's liability to RfL under the Transaction Documents reaches or exceeds eighty per cent. (80%) of the Overall Liability Cap.

Key Contracts

- 2.30 Termination, amendment to or variation of any Key Contract except:
- 2.30.1 where requested or consented to by RfL; or
 - 2.30.2 (other than in relation to termination of the Class 345 Lease or the Optional Unit Lease) to the extent that the Operator has demonstrated to the reasonable satisfaction of RfL that it is no longer necessary for it to be party to such Key Contract or that it has made adequate alternative arrangements in order to be able to continue to provide and operate the Concession Services; or
 - 2.30.3 where the Operator has entered into a replacement Key Contract with the consent of RfL and in accordance with the requirements of Key Contracts as set out in paragraph 4 (*Key Contracts*) of Schedule 18.1 (*Continuity of Services*).

Security over Primary Concession Assets

- 2.31 If the Security Interest granted by the Operator pursuant to paragraph 15.2 (*Security Interests - Security in favour of RfL over Primary Concession Assets*) of Schedule 18.2 (*Restrictions on Dealings*) ceases to be valid, binding and enforceable as a first priority Security Interest, unless the Operator replaces such security with replacement security acceptable to RfL within five (5) days after written notice from RfL.

Financial Distress Events

2.32 In relation to any Financial Distress Event:

- 2.32.1 the Operator fails to notify RfL of a Financial Distress Event in accordance with paragraph 1.1 (*Financial Distress Events*) of Schedule 17.8 (*Financial Covenants*);
- 2.32.2 the Operator or a Guarantor fails to submit a Financial Distress Service Continuity Plan or an updated Financial Distress Service Continuity Plan with respect to a Financial Distress Event in accordance with paragraphs 2.3 (*Consequences of a Financial Distress Event*) to 2.5 (*Consequences of a Financial Distress Event*) of Schedule 17.8 (*Financial Covenants*) to the satisfaction of RfL (acting reasonably) within forty-five (45) Business Days of the earlier of the date on which:
 - (a) the Operator notified RfL of the relevant Financial Distress Event in accordance with paragraph 1.1 (*Financial Distress Events*) of Schedule 17.8 (*Financial Covenants*); and
 - (b) RfL notified the Operator of the relevant Financial Distress Event in accordance with paragraph 2.1 (*Consequences of a Financial Distress Event*) of Schedule 17.8 (*Financial Covenants*); and/or
- 2.32.3 the Operator or a Guarantor fails to comply with the terms of any Financial Distress Service Continuity Plan (or any updated Financial Distress Service Continuity Plan) in accordance with paragraph 2.6.3 (*Consequences of a Financial Distress Event*) of Schedule 17.8 (*Financial Covenants*).

Failure to Satisfy the Conditions Precedent Agreement

- 2.33 RfL serves notice on the Operator pursuant to clauses 5.2.1 or 5.3.1 (*Review Date*) of the Conditions Precedent Agreement.

Other Financial Obligations or Credit Support

2.34 Either:

- 2.34.1 the Inter-company Loan Facility Agreement ceases at any time to be a legal, valid and binding obligation on a Member (other than in accordance with its terms) or it otherwise becomes unlawful or impossible for a Member to perform its obligations thereunder (and the Operator fails to procure a replacement Inter-company Loan Facility Agreement and/or obligor on terms that are satisfactory to RfL);
- 2.34.2 the Inter-company Loan Facility Guarantee ceases at any time to be a legal, valid and binding obligation on a Parent (other than in accordance with its terms) or it otherwise becomes unlawful or impossible for a Parent to perform its obligations thereunder (and

the Operator fails to procure a replacement Inter-company Loan Facility Guarantee and/or obligor on terms that are satisfactory to RfL); or

- 2.34.3 any Parent fails or refuses to comply with any undertaking made in the Inter-company Loan Facility Guarantee.

Data Protection

- 2.35 The Operator commits a material breach under paragraph 2.13.3 (*Data Controller to Data Processor Obligations*) of Schedule 16.2 (*Confidentiality, Freedom of Information Act and Data Protection Requirements*) on two (2) or more separate occasions.

Contravention of Other Obligations

- 2.36 The occurrence of the following:

- 2.36.1 the Operator contravening to a material extent or persistently contravening any one (1) or more of its obligations under this Agreement (other than such non-performance or non-compliance as may constitute an Event of Default under the other provisions of this Schedule 17.5 (*Events of Default, Termination Event and Voluntary Termination*)));
- 2.36.2 the service by RfL on the Operator of a written notice specifying:
- (a) such contravention; and
 - (b) to the extent the contravention is capable of being remedied, the reasonable period within which the Operator is required to so remedy; and
- 2.36.3 the Operator contravening or persistently contravening such obligation or obligations again to a material extent or permitting the contravention to continue or, if the contravention is capable of remedy, failing to remedy such contravention within such period as RfL has specified in the notice served pursuant to paragraph 2.36.2(b) (*Events of Default – Contravention of Other Obligations*).

3 Termination Event

RfL may terminate this Agreement in accordance with Schedule 17.4 (*Termination and Expiry*) if any Force Majeure Event continues with the effect of preventing the Operator from delivering, wholly or mainly, the Passenger Services for more than six (6) consecutive months (a "**Termination Event**").

4 Voluntary Termination

RfL may terminate this Agreement at any time on or before the last day of the Concession Period by issuing a Termination Notice to the Operator stating:

- 4.1 that RfL is terminating this Agreement under this paragraph 4 (*Voluntary Termination*); and

- 4.2 the date that this Agreement will terminate, which shall be no less than forty-five (45) Business Days after the date of such notice.

Schedule 17.6
Force Majeure

1 Force Majeure Events

1.1 The following events shall constitute Force Majeure Events, subject to the conditions specified in paragraph 2 (*Conditions to Force Majeure Events*) being satisfied:

1.1.1 the Operator or any of its agents or subcontractors is prevented or restricted by any Infrastructure Manager (including by virtue of the implementation of any Contingency Plan) from gaining access to any section or part of track (including any track running into, through or out of a station). For the purposes of this paragraph 2.1 (*Force Majeure Events*):

- (a) references to a party being prevented or restricted from gaining access to any section or part of track shall mean that such party is not permitted to operate any trains on the relevant section or part of track, or is only permitted to operate a reduced number of trains from that which it was scheduled to operate;
- (b) the period of such prevention or restriction shall be deemed to commence with effect from the first occasion on which the Operator is prevented or restricted from operating a train on such section or part of track; and
- (c) references in paragraphs 1.1.1(a) (*Force Majeure Events*) and 1.1.1(b) (*Force Majeure Events*) to the operation of trains include scheduled empty rolling stock vehicle movements;

1.1.2 the Operator or any of its agents or subcontractors is prevented or restricted by any Infrastructure Manager or any Facility Owner (other than a Facility Owner which is an Affiliate of the Operator) from entering or leaving:

- (a) any station which is not an Operator Managed Station or any part thereof (excluding, any prevention or restriction from gaining access to any section or part of track running into, through or out of a station); or
- (b) any depot or part thereof (including the movement of trains on tracks within any depot but excluding any prevention or restriction from gaining access to any track outside such depot running into or out of that depot),

provided that this shall not apply where the Operator (in its role of operator of the RfL(I) Stations under the Stations Operator Agreement) prevents or restricts the Operator (in any other capacity) from entering or leaving an RfL(I) Station (whether such

prevention or restriction is direct or indirect through RfL(I) as Facility Owner);

1.1.3 the Operator prevents or restricts the operation of any train on safety grounds, provided that:

- (a) the Operator has, either before or as soon as reasonably practicable after initiating such prevention or restriction, sought the confirmation of the ORR in exercise of its safety functions, or any relevant other body with statutory responsibility for safety in the circumstances, of the necessity of such prevention or restriction; and
- (b) if and to the extent that the ORR, or other relevant body with statutory responsibility for safety in the circumstances, in exercise of its safety functions indicates that such prevention or restriction is not necessary, then no Force Majeure Event under this paragraph 1.1.3 (*Force Majeure Events*) shall continue in respect of that restriction or prevention after the receipt of such indication from the ORR or other relevant body;

1.1.4 act of God, war damage, enemy action, terrorism or suspected terrorism, riot, civil commotion, rebellion, the occurrence of a Pandemic or the act of any government instrumentality (including the ORR but excluding RfL and any member of the TfL Group), provided that there shall be no Force Majeure Event under this paragraph 1.1.4 (*Force Majeure Events*) by reason of:

- (a) the suicide or attempted suicide of any person that does not constitute an act of terrorism;
- (b) the activities of the police, fire service, ambulance service or other equivalent emergency service that are not in response to acts of terrorism or suspected terrorism; or
- (c) an act of God which results in the Operator or its agents or subcontractors being prevented or restricted by any Infrastructure Manager from gaining access to any relevant section or part of track; and

1.1.5 any strike or other Industrial Action by any or all of the employees, agents or subcontractors of:

- (a) any Infrastructure Manager; or
- (b) any other operator of any railway facility,

other than, in each case, the Operator.

1.2 For the purposes of paragraph 1.1.5 (*Force Majeure Events*), "**Industrial Action**" shall include any concerted action taken in connection with the employment of the relevant employees (whether or not that action involves

any breach of such employees' conditions of employment, and including any action taken in furtherance of a dispute, or with a view to improving the terms of employment of the relevant employees or by way of support for any other person) subject always, in the case of any unofficial industrial action, to the Operator being able to demonstrate the occurrence of such unofficial industrial action to the reasonable satisfaction of RfL.

2 **Conditions to Force Majeure Events**

- 2.1 The occurrence, and continuing existence of a Force Majeure Event shall be subject to satisfaction of the following conditions:
- 2.1.1 in relation to an event occurring under paragraph 1.1.1 (*Force Majeure Events*), that event has continued for more than twelve (12) consecutive hours;
 - 2.1.2 the Operator notifies RfL within two (2) Business Days of it becoming aware or, if circumstances dictate, as soon as reasonably practicable thereafter, of:
 - (a) the occurrence or likely occurrence of the relevant event; and
 - (b) the effect or the anticipated effect of such event on the Operator's performance of the Passenger Services;
 - 2.1.3 at the same time as the Operator serves notification on RfL under paragraph 2.1.2 (*Conditions to Force Majeure Events*), it informs RfL of the steps taken and/or proposed to be taken by the Operator to prevent the occurrence of, and/or to mitigate and minimise the effects of, the relevant event and to restore the provision of the Passenger Services;
 - 2.1.4 the relevant event did not occur as a result of:
 - (a) any act or omission to act by the Operator or its agents or subcontractors; or
 - (b) the Operator's own contravention of, or default under, this Agreement, any Access Agreement, Rolling Stock Related Contract, Property Lease or any other agreement;
 - 2.1.5 the Operator used and continues to use all reasonable endeavours to avert or prevent the occurrence and/or reoccurrence of the relevant event and/or to mitigate and minimise the effects of such event on its performance of the Passenger Services (and the Operator shall notify and update RfL on request of the measures it is taking to do the same) and to restore the provision of the Passenger Services as soon as reasonably practicable after the onset of the occurrence of such event; and
 - 2.1.6 the Operator shall, to the extent reasonably so requested by RfL, exercise its rights and remedies under any relevant agreement to

prevent the occurrence or recurrence of any such event and to obtain appropriate redress and/or compensation from any relevant person.

3 **Consequences of Force Majeure Events**

On Obligations

- 3.1 The Operator shall not be responsible for any failure to perform any of its obligations under this Agreement (nor shall there be any contravention of this Agreement) if and to the extent that such failure is caused by any Force Majeure Event. This paragraph 3.1 (*Consequences of Force Majeure Events – On Obligations*) shall not apply in respect of the Operator's obligations under Schedule 7 (*Operating Performance*), Schedule 8 (*Service Quality and Passenger Perception*) and Schedule 9 (*Revenue Protection Incentive Regime*).
- 3.2 If any Force Majeure Event continues, with the effect of preventing the Operator from delivering, wholly or mainly, the Passenger Services for more than six (6) consecutive months, it shall be a Termination Event in accordance with paragraph 3 (*Termination Event*) of Schedule 17.5 (*Events of Default, Termination Event and Voluntary Termination*).

On Payments

- 3.3 Following the occurrence of a Force Majeure Event, the payment of Concession Payments shall continue unaffected.

Force Majeure Event Leading to Change

- 3.4 RfL may, in its absolute discretion, elect at any time within two (2) months of the occurrence of any Force Majeure Event that such event shall be treated as a Change.
- 3.5 A Force Majeure Event that continues with the effect of preventing the Operator from delivering, wholly or mainly, the Passenger Services or Station Services for more than two (2) consecutive months shall be a Change.
- 3.6 Where either RfL elects that a Change has occurred under paragraph 3.4 (*Consequences of Force Majeure Events – Force Majeure Event Leading to Change*) or a Change occurs pursuant to paragraph 3.5 (*Consequences of Force Majeure Events – Force Majeure Event Leading to Change*), then in calculating any restated amounts and values pursuant to paragraph 1 (*Financial Consequences of a Change*) of Schedule 13.1 (*Financial Consequences of Change*), the parties shall only have regard to the period commencing:
- 3.6.1 in the case of the circumstances set out in paragraph 3.4 (*Consequences of Force Majeure Events – Force Majeure Event Leading to Change*), on the date RfL notifies the Operator of such election; and
- 3.6.2 in the case of the circumstances set out in paragraph 3.5 (*Consequences of Force Majeure Events – Force Majeure Event*

Leading to Change), on the date that is two (2) months and one (1) day after the first occurrence of the relevant Force Majeure Event.

Schedule 17.7
Liability

1 Operator's Liability

General Indemnity

1.1 Subject to paragraph 1.4 (*Operator's Liability - No Operator Liability Where Caused by Indemnified Party*), the Operator shall on demand, hold the Indemnified Parties fully protected and indemnified in respect of all Losses incurred by or made on the Indemnified Parties in connection with:

- 1.1.1 any death, personal injury;
- 1.1.2 loss or damage suffered by passengers or by any third party (including loss of or damage to property); or
- 1.1.3 third party actions, claims, demands, costs, charges and expenses brought against any Indemnified Party (including legal expenses on an indemnity basis),

which, in the case of any liability pursuant to:

- (a) paragraph 1.1.1 (*Operator's Liability - General Indemnity*), may arise out of, or in consequence of:
 - (i) the operation of the Concession Services or the maintenance of the Concession Assets or any other assets supplied under the Transaction Documents which the Operator is obliged to maintain;
 - (ii) the performance or non-performance by the Operator of its obligations under the Transaction Documents; or
 - (iii) the presence on the Elizabeth Line Route of the Operator or its Subcontractors, employees or agents, in each case in connection with the Transaction Documents; and
- (b) paragraph 1.1.2 (*Operator's Liability - General Indemnity*) or 1.1.3 (*Operator's Liability - General Indemnity*), may arise out of or in consequence of any contravention or breach of this Agreement or the other Transaction Documents by the Operator, its employees, any relevant Affiliate employees, servants, agents, Subcontractors, directors or officers, with any such contravention of the other Transaction Documents constituting a breach of this Agreement.

Operator Indemnity for Contraventions

1.2 The Operator shall, subject to paragraph 1.4 (*Operator's Liability - No Operator Liability Where Caused by Indemnified Party*) and 1.7 (*Operator's Liability - Maximum Aggregate Liability*), indemnify each of the Indemnified Parties in full on demand against any Losses suffered or incurred by the Indemnified Parties as a result of any contravention of this Agreement by the Operator, its employees, any relevant Affiliate employees, servants, agents,

Subcontractors, directors or officers, which shall include any retendering costs and increased costs incurred by RfL pursuant to paragraph 2.4 (*Consequences of Termination or Expiry - Retendering Costs*) of Schedule 17.4 (*Termination And Expiry*) and any Losses incurred by or made on the Indemnified Parties where that contravention has caused any breach of statutory duty.

- 1.3 The Operator shall comply with the terms of the Transaction Documents (other than this Agreement) and, accordingly, any contravention or breach by the Operator, its employees, any relevant Affiliate employees, servants, agents, Subcontractors, directors or officers of any of those Transaction Documents, shall be a breach of this Agreement. Any Loss suffered or incurred by any of the Indemnified Parties under those Transaction Documents shall not be unforeseeable solely because such Loss has resulted from a contravention or breach of those Transaction Documents.

No Operator Liability Where Caused by Indemnified Party

- 1.4 The Operator shall not be obliged pursuant to paragraph 1.1 (*Operator's Liability - General Indemnity*) or 1.2 (*Operator's Liability - Operator Indemnity for Contraventions*) to indemnify:

1.4.1 the Indemnified Parties to the extent that any Loss is caused by the negligence or wilful misconduct of any of the Indemnified Parties or by the breach by RfL of its obligations under the Transaction Documents;

1.4.2 RfL for any loss of Ticket Revenue; or

1.4.3 RfL for any ticket refunds or other compensation paid to passengers in relation to delays or cancellations of the Passenger Services,

except to the extent, that any such Losses are recoverable by the Operator under any insurance policy.

Operator Responsible for RfL Offence

- 1.5 Where the act, omission or default of the Operator, any Affiliate or any Concession Employee, agent, contractor or sub-contractor of the Operator or any Affiliate causes RfL to commit an offence, then the Operator shall immediately take any measure necessary to ensure that that act, omission or default no longer causes RfL to commit that offence. Where RfL reasonably believes that such an act, omission or default is about to take place and will result in RfL committing an offence, then RfL may issue a Corrective Action Notice to the Operator to remedy the act, omission or default promptly and the Operator shall promptly comply with that Corrective Action Notice.

No Impact on Other RfL Rights or Remedies

- 1.6 The Operator's liability to RfL arising under any indemnity in this Agreement shall be without prejudice to any other right or remedy available to RfL and in particular shall not prejudice in any way the ability of RfL to enforce any bond, guarantee or other security given pursuant to this Agreement at any time and in any manner whatsoever.

Maximum Aggregate Liability

- 1.7 Subject to paragraph 1.8 (*Operator's Liability – Maximum Aggregate Liability*), the Operator's maximum aggregate liability to the Indemnified Parties for all matters arising out of, under or in connection with the Transaction Documents (excluding its liability to pay Performance Adjustments to RfL) shall not exceed an amount equal to the Overall Liability Cap.
- 1.8 The Operator's liability in relation to the following shall be unlimited:
- 1.8.1 any costs or expenses which the Operator is obliged to or does expend in carrying out its obligations under the Transaction Documents;
 - 1.8.2 any liability of the Operator to the Indemnified Parties arising as a result of or in connection with:
 - (a) death or personal injury;
 - (b) fraud, fraudulent misrepresentation or corruption by the Operator or any of its Concession Employees, agents, servants, officers, contractors and subcontractors (whether direct or indirect);
 - (c) wilful default or abandonment; or
 - (d) otherwise arising under paragraph 1.1 (*Operator's Liability – General Indemnity*);
 - 1.8.3 in connection with any Losses incurred by or made on the Indemnified Parties due to breach of statutory duty which arose out of or in consequence of any contravention by the Operator of the Transaction Documents;
 - 1.8.4 in connection with any Losses recoverable by the Operator under any insurance policy;
 - 1.8.5 payments of Performance Adjustments that are due and payable;
 - 1.8.6 payments of Pass Through Adjustments that are due and payable by the Operator (other than any Alternative Timetable Shortfall Payment comprising part of any Alternative Timetable Adjustment);
 - 1.8.7 payments of the following Other Adjustments that are due and payable by the Operator:
 - (a) under paragraph ([REDACTED]) of Schedule 11.5 ([REDACTED]); and
 - (b) under paragraph 7.4 (*Estimated Revisions*) of Schedule 13.3 (*Runs of the Model Suite*);

- 1.8.8 any Loss arising under or in respect of paragraphs 3.4 (*Concession Employees – Terms of Employment of Existing Employees*) to 3.7 (*Concession Employees – Changes in Numbers and Total Cost of Employees*) inclusive of Schedule 18.3 (*Transfer*);
- 1.8.9 the Operator's liability to pay any Taxes as expressly provided by this Agreement or as required by Applicable Requirements; or
- 1.8.10 any interest payable under this Agreement.

No Double Recovery

- 1.9 Neither party to this Agreement shall be entitled to recover (by way of indemnity or otherwise) more than once in respect of the same Loss suffered by that party under this Agreement.

2 RfL's Liability

No RfL Liability with respect to Passengers and Third Parties

- 2.1 The Operator hereby acknowledges that RfL will not be responsible for the actions of the Operator or any Affiliate of the Operator and that, except as expressly provided in this Agreement, the Operator shall provide and operate the Concession Services without recourse to RfL or government funds or guarantees.

No RfL Liability for Negligence unless Contravention

- 2.2 Neither RfL nor any of its officers, agents or employees shall in any circumstances be liable to the Operator for any Loss caused by the negligent exercise of any powers reserved to RfL under this Agreement, except to the extent that such negligence also constitutes a contravention of an obligation of RfL under this Agreement. The Operator may not recover from RfL or any of its officers, agents, or employees any amount in respect of loss of profit or consequential loss.

No RfL Liability for Monitoring or Exercise of Functions unless Contravention

- 2.3 RfL may for its own purposes (whether under this Agreement or under any other arrangement or otherwise and whether before or after the date of this Agreement) monitor or review any proposals, plans or projects (or any aspect thereof) of the Operator under this Agreement, but no review, enquiry, comment, statement, report or undertaking, made or given by or on behalf of RfL during such review or monitoring (and no failure to undertake, make or give any review, enquiry, comment or statement) shall operate to exclude or relieve either party from or reduce or otherwise affect the obligations of such party under this Agreement.
- 2.4 The exercise by or on behalf of RfL of (or, as the case may be, any failure to exercise) any of its functions, rights or obligations in respect of any review or monitoring process shall not in any way impose any liability, express or implied, on RfL to any other party save to the extent that the exercise (or failure to exercise) of any of such functions, rights or obligations results in a

contravention by RfL of an express provision of this Agreement and RfL does not make or give any representation or warranty, either express or implied, as to whether any proposal, plan or project will enable either party to comply with its obligations under this Agreement.

3 **Mitigation**

Where any Indemnified Party or the Operator is indemnified by, as appropriate, the Operator or RfL under this Agreement, RfL or the Operator (as the case may be) shall mitigate, or in the case of any other Indemnified Party, RfL shall procure that such Indemnified Party mitigates any Losses which it is seeking indemnification for.

Schedule 17.8
Financial Covenants

1 Financial Distress Events

1.1 The Operator shall notify RfL in writing of the occurrence of any Financial Distress Event (or any fact, circumstance or matter which may cause a Financial Distress Event) as soon as practicable and in any event within five (5) Business Days of the date on which the Operator first becomes aware of the Financial Distress Event or the fact, circumstance or matter which may cause a Financial Distress Event. Where disclosure under this paragraph 1.1 would result in the Operator or the Guarantor being in breach of any Law (which, for the purposes of this paragraph 1.1 shall be deemed to include the rules of any recognised stock exchange), then the Operator shall notify RfL in writing of such Financial Distress Event (or the relevant fact, circumstance or matter which may cause such Financial Distress Event) as soon as practicable and in any event within five (5) Business Days of the date on which the Operator or the Guarantor is first permitted to make disclosure pursuant to such Law (including any disclosure made pursuant to the rules of any recognised stock exchange).

1.2 The following events shall constitute a Financial Distress Event:

- 1.2.1 a Guarantor's rating falling below the FDE Minimum Rating;
- 1.2.2 the Operator or a Member or a Guarantor issuing a profits warning to a stock exchange or making any other public announcement, in each case relating to a material deterioration in its financial position or prospects;
- 1.2.3 there being a public investigation into improper financial accounting and reporting, suspected fraud, or any other impropriety of the Operator or a Member or a Guarantor;
- 1.2.4 the Operator or a Member or a Guarantor committing a material breach of covenant to any of its creditors;
- 1.2.5 a counterparty to a Key Contract notifying RfL that the Operator has not satisfied any material sums properly due under a specified invoice and not subject to a genuine dispute and has issued a notice to RfL under clause 4.1 (*Operator Default*) of the relevant Direct Agreement; and/or
- 1.2.6 any of the following:
 - (a) commencement of any litigation, arbitration or administrative proceedings against the Operator or a Member or a Guarantor (including the service of any claim forms and/or documents in relation to such proceedings) with respect to Financial Indebtedness greater than [REDACTED];

- (b) non-payment by the Operator or a Member or a Guarantor of any Financial Indebtedness which is greater than [REDACTED];
- (c) any Financial Indebtedness of the Operator or a Member or a Guarantor which is greater than [REDACTED] becoming due as a result of an event of default howsoever described; and/or
- (d) the cancellation or suspension of any commitment which is greater than [REDACTED] for the Operator's or a Member's or a Guarantor's Financial Indebtedness as a result of an event of default (howsoever described).

2 **Consequences of a Financial Distress Event**

- 2.1 Immediately upon notification by the Operator to RfL of the Financial Distress Event (or if RfL becomes aware of the Financial Distress Event without notification by the Operator, immediately upon notification by RfL to the Operator of the Financial Distress Event), the Operator shall have the obligations and RfL shall have the rights and remedies as set out in paragraphs 2.3 (*Consequences of a Financial Distress Event*) to 2.6 (*Consequences of a Financial Distress Event*). These rights and remedies are without prejudice to RfL's rights under this Agreement, including:
 - 2.1.1 paragraph 2 (*Performance Bond and Guarantee*) of Schedule 14 (*Financial Obligations and Credit Support*); and
 - 2.1.2 paragraph 3 (*Financial Ratio*) of Schedule 14 (*Financial Obligations and Credit Support*).
- 2.2 In the event of any late or non-payment by the Operator to a counterparty to a Key Contract contemplated by paragraph 1.2.5 (*Financial Distress Events*), RfL shall not exercise any of its rights or remedies under paragraph 2.3 (*Consequences of a Financial Distress Event*) without first giving the Operator ten (10) Business Days to:
 - 2.2.1 rectify such late or non-payment; or
 - 2.2.2 demonstrate to RfL's reasonable satisfaction that there is a valid reason for such late or non-payment.
- 2.3 The Operator shall (and shall procure that a Member and a Guarantor shall):
 - 2.3.1 at the request of RfL, meet with RfL as soon as reasonably practicable (and in any event within ten (10) Business Days of the initial notification (or awareness) of the Financial Distress Event, or such other period as RfL may permit and notify to the Operator in writing) to review the effect of the Financial Distress Event on the continued performance of the Operator's obligations pursuant to and in accordance with this Agreement and/or the Members' obligations pursuant to and in accordance with the Inter-company Loan Facility Agreement and/or the Guarantors' obligations pursuant to and in

accordance with each of the Guarantee and the Inter-company Loan Facility Guarantee; and

- 2.3.2 where RfL reasonably believes (taking into account the discussions and any representations made under paragraph 2.3.1 (*Consequences of a Financial Distress Event*)) that the Financial Distress Event could impact on the Operator's obligations pursuant to and in accordance with this Agreement and/or the Members' obligations pursuant to and in accordance with the Inter-company Loan Facility Agreement and/or the Guarantors' obligations pursuant to and in accordance with each of the Guarantee and the Inter-company Loan Facility Guarantee:
- (a) submit to RfL for its approval, a draft Financial Distress Service Continuity Plan as soon as reasonably practicable (and in any event, within fifteen (15) Business Days of the initial notification (or awareness) of the Financial Distress Event, or such other period as RfL may permit and notify to the Operator in writing); and
 - (b) provide such financial information relating to the Operator and/or a Member and/or a Guarantor as RfL may reasonably require.
- 2.4 RfL shall not withhold its approval of a draft Financial Distress Service Continuity Plan unreasonably. If RfL does not approve the draft Financial Distress Service Continuity Plan, it shall inform the Operator and, if applicable, the Member and/or the Guarantor of its reasons and the Operator shall (and shall procure that the Member and the Guarantor, as applicable, shall) take those reasons into account in the preparation of a further draft Financial Distress Service Continuity Plan, which shall be resubmitted to RfL within five (5) Business Days of the rejection of the first draft. This process shall be repeated until the Financial Distress Service Continuity Plan is approved by RfL.
- 2.5 If RfL considers that the draft Financial Distress Service Continuity Plan is insufficiently detailed to be properly evaluated or will not ensure the continued performance of the Operator's obligations in accordance with this Agreement and/or the Members' obligations pursuant to and in accordance with the Inter-company Loan Facility Agreement and/or the Guarantors' obligations pursuant to and in accordance with each of the Guarantee and the Inter-company Loan Facility Guarantee, then it may agree a further time period for the development and agreement of the draft Financial Distress Service Continuity Plan in accordance with the process set out in paragraph 2.4 (*Consequences of a Financial Distress Event*).
- 2.6 Following approval of the Financial Distress Service Continuity Plan by RfL, the Operator shall (and shall procure that a Member and a Guarantor shall):
- 2.6.1 on a regular basis (which shall not be less than monthly), review the Financial Distress Service Continuity Plan and assess whether it remains adequate and up to date to ensure the continued

performance and delivery of the Passenger Services in accordance with this Agreement and/or the Members' obligations pursuant to and in accordance with the Inter-company Loan Facility Agreement and/or the Guarantors' obligations pursuant to and in accordance with the Guarantee and the Inter-company Loan Facility Guarantee;

2.6.2 where the Financial Distress Service Continuity Plan is not adequate or up to date, submit an updated Financial Distress Service Continuity Plan to RfL for its approval, and the provisions of paragraphs 2.4 (*Consequences of a Financial Distress Event*) and 2.5 (*Consequences of a Financial Distress Event*) shall apply to the review and approval process for the updated Financial Distress Service Continuity Plan; and

2.6.3 comply with the Financial Distress Service Continuity Plan (including any updated Financial Distress Service Continuity Plan).

2.7 Where the Operator reasonably believes that a relevant Financial Distress Event (or the circumstance or matter which has caused or otherwise led to it) no longer exists, it shall notify RfL and the Parties may agree that the Operator shall be relieved of its obligations pursuant to paragraph 2.6 (*Consequences of a Financial Distress Event*) in relation to such Financial Distress Event.

Schedule 18
Continuity, Restrictions on Dealings and Transfer

Schedule 18.1: Continuity of Services

Schedule 18.2: Restrictions on Dealings with Concession Assets

Schedule 18.3: Transfer

Schedule 18.1
Continuity of Services

1 Ensuring Continuity of Services

- 1.1 Both prior to and following the selection of a Successor Operator (whether a Train Operator or otherwise and whether or not subject to the satisfaction of any conditions), the Operator shall:
- 1.1.1 co-operate with RfL;
 - 1.1.2 co-operate with, where a Successor Operator has been appointed and notified to the Operator, that Successor Operator; and
 - 1.1.3 take such steps as may reasonably be requested by RfL,
- so as to ensure the continuity of, and orderly handover of control over of the Concession Services.
- 1.2 The steps that RfL may reasonably request the Operator to take pursuant to paragraph 1.1 (*Ensuring Continuity of Services*) include:
- 1.2.1 participating in any timetable development process that takes place during the Concession Period, but which relates to any timetable period applying wholly or partly after the expiry of the Concession Period (the "**Successor Operator Timetable**"), including bidding for and securing any Successor Operator Timetable, whether or not:
 - (a) the Successor Operator has been identified; or
 - (b) there is in place an Access Agreement relating to the period over which that Successor Operator Timetable is intended to be operated;
 - 1.2.2 using reasonable endeavours to seek amendments to and/or extensions of Access Agreements which can be transferred to the Successor Operator on expiry of the Concession Period;
 - 1.2.3 assisting RfL or the Successor Operator (as the case may be) in the preparation and negotiation of any new Access Agreement relating to any Successor Operator Timetable; and/or
 - 1.2.4 entering into that Access Agreement in order to secure the relevant priority rights to make one or more Access Proposals to each relevant Infrastructure Manager as may be required by the Successor Operator to secure and operate that Successor Operator Timetable, provided that the Operator shall not be required to enter into any such Access Agreement unless RfL has first provided to it confirmation in writing that it will include that Access Agreement in any Transfer Notice pursuant to paragraph 6.1 (*Transfer Notice*) of Schedule 18.3 (*Transfer*).

2 Co-operation with Successor Operator

- 2.1 Without limiting paragraph 1 (*Ensuring Continuity of Services*), in order to ensure the continuity of, and an orderly handover of control over, the Concession Services, the Operator shall co-operate with the Successor Operator and shall take such steps as may be reasonably requested by RfL in connection therewith.
- 2.2 In satisfaction of its obligations under paragraph 2.1 (*Co-operation with Successor Operator*), the Operator shall:
- 2.2.1 make an Access Proposal and use reasonable efforts to secure the Timetable and the Train Plan for the railway passenger services to be operated by the Successor Operator (whether or not a Successor Operator has been identified and whether or not there is in place an Access Agreement relating to the relevant period); and
- 2.2.2 make appropriately skilled and qualified Concession Employees reasonably available, within five (5) Business Days of RfL making such request, to attend such meetings with RfL, the Successor Operator, any Infrastructure Manager, the Rolling Stock Provider, any rolling stock lessor and/or and other relevant third party as are reasonably required in order to determine:
- (a) those actions that are required in order to facilitate such continuity and orderly handover, in particular those actions arising under, but not limited to, the following agreements:
- (i) Access Agreements;
- (ii) Property Leases;
- (iii) Shared Facility Agreements;
- (iv) Rolling Stock Leases;
- (v) Rolling Stock Related Contracts; and
- (vi) any other Key Contract; and
- (b) without prejudice to RfL's rights under Schedule 18.3 (*Transfer*), those rights and liabilities as may be specified in any Transfer Notice.

3 Handover Package

Obligation to Maintain, Update and Make Available

- 3.1 The Operator shall:
- 3.1.1 throughout the Concession Period maintain a user access and password-protected web-based platform (such platform to be approved by RfL):

- (a) on which the Handover Package is located and stored in an electronic format; and
 - (b) which permits the Handover Package to be downloaded in its entirety by persons permitted to access such platform;
 - 3.1.2 make such web-based platform available to:
 - (a) RfL (and such representatives or advisers of RfL notified to the Operator) at all times during the Concession Period;
 - (b) any potential or actual Successor Operator and its or their advisers promptly following a request from RfL; and
 - (c) the solicitor holding the Handover Package (as referred to in paragraph 3.2 (*Handover Package – Obligation to Maintain, Update and Make Available*) below);
 - 3.1.3 maintain the Handover Package;
 - 3.1.4 update the Handover Package at least every three (3) Reporting Periods, including during each sixth (6th) and thirteenth (13th) Reporting Period in each Concession Year;
 - 3.1.5 notify each of RfL and the solicitor holding the Handover Package (as referred to in paragraph 3.2 (*Handover Package – Obligation to Maintain, Update and Make Available*) below) promptly following the Handover Package being updated during each sixth (6th) and thirteenth (13th) Reporting Period in each Concession Year (and, where requested by RfL, provide a paper copy of such Handover Package to RfL promptly following such request); and
 - 3.1.6 make the Handover Package available to RfL for inspection or audit by RfL or its representatives every sixth (6th) and thirteenth (13th) Reporting Period in each Concession Year during the Concession Period or otherwise whenever requested. For the purposes of this paragraph 3.1.6 (*Handover Package – Obligation to Maintain, Update and Make Available*), "making the Handover Package available" includes, unless otherwise requested by RfL, sending RfL or its representatives a link to the electronic updated version of the Handover Package together with such user access and password details as RfL or its representatives may reasonably require for the purposes of accessing the same (where not already provided).
- 3.2 The Operator shall ensure that any Successor Operator will have immediate access to the Handover Package on the expiry of the Concession Period and shall accordingly agree with RfL from time to time a location at which such Handover Package should be kept. Unless otherwise agreed, the Handover Package shall be kept electronically on a user access and password-protected server or cloud-based platform (which is not the same server or cloud-based platform as the web-based platform referred to in paragraph 3.1.1 (*Handover Package – Obligation to Maintain, Update and Make Available*)) under the

control of a solicitor nominated by the Operator and approved by RfL. The information comprising the Handover Package shall, where stored in an electronic format, be capable of being downloaded into a CVS or other machine readable format at the reasonable request of RfL. If requested by RfL, the Operator shall provide or procure that the solicitor whose control the Handover Package is under provides a hard copy of the Handover Package to any Successor Operator within one (1) Business Day of such request.

Director's Certificate

3.3 Once in each Concession Year (or at any time otherwise specified by RfL) the Operator shall provide to RfL a certificate signed by a nominated and duly authorised statutory director of the Operator, addressed to RfL, which confirms that the Handover Package contains the information and objects specified in Appendix 1 (*Form of Handover Package*) and that such information is accurate as at the date of the certificate, provided that:

3.3.1 in the two (2) years prior to the Initial Expiry Date;

3.3.2 throughout the period (if any) in which this Agreement is so continued if RfL exercises its discretion to continue this Agreement pursuant to paragraph 1.1 (*Continuation of Term - Up to two-year Continuation at RfL's Discretion*) of Schedule 19 (*Continuation of Elizabeth Line Concession*); and

3.3.3 throughout the period (if any) in which this Agreement is continued in accordance with paragraph 1.4 (*Continuation of Term - Continuation for Additional Seven Reporting Periods*) of Schedule 19 (*Continuation of Elizabeth Line Concession*),

the Operator shall also provide a certificate in accordance with this paragraph 3.3 (*Handover Package – Director's Certificate*) each time the Handover Package is provided to RfL pursuant to paragraph 3.1.6 (*Handover Package – Obligation to Maintain, Update and Make Available*) (or at any time otherwise specified by RfL).

Handover Package information

3.4 Without prejudice to the preceding provisions of this Schedule 18.1 (*Continuity of Services*), the Operator shall provide to RfL the following information and letters on or prior to the Start Date, and shall supply revised information and/or letters to RfL as and when required in order to ensure that such information and letters remain accurate and up to date at all times during the Concession Period:

3.4.1 details of the electronic site on which the Handover Package is held, which details shall include any passwords and user details reasonably required by RfL to access the site, one (1) or more contact name, address and telephone number for an employee of the Operator enabling contact during, and outside, normal office hours with persons authorised and able to release the Handover Package in a

downloaded CVS or other machine readable format where required by RfL;

3.4.2 a letter in a form approved by RfL:

- (a) from the Operator to RfL confirming that an irrevocable instruction has been given to the solicitor holding the copy of the Handover Package (or other persons authorised by RfL for such purpose) that any of RfL, a Successor Operator or its agent, is entitled at any time to require access to and delivery of the Handover Package on demand in a downloaded CVS or other machine readable format where required by RfL, and confirming RfL's right to audit the Handover Package at any time; and
- (b) from the solicitor holding the Handover Package (or other person authorised by RfL for such purpose) to RfL confirming that it or they will release the Handover Package to any of RfL, a Successor Operator or its agent, on demand, and confirming that the Handover Package will be made available in a downloaded CVS or other machine readable format where required by RfL for the purposes of auditing its contents when so required by RfL;

3.4.3 a list of all Key Contracts, as set out in Appendix 2 (*List of Key Contracts*); and

3.4.4 a letter in a form approved by and addressed to RfL confirming the details of any insurer providing insurance to the Operator and authorising the insurer (and any relevant broker) to release any insurance-related information to any of RfL, a Successor Operator or its agent on demand.

4 **Key Contracts**

List of Key Contracts

4.1 The Key Contracts as at the date of this Agreement are set out in Appendix 2 (*List of Key Contracts*).

Designation of Key Contracts

4.2 Where RfL considers that it is reasonably necessary for securing the continued provision of the Concession Services or the provision of services similar to the Concession Services by a Successor Operator in accordance with this Agreement, it may make a designation pursuant to paragraph 4.3 (*Key Contracts – Designation of Key Contracts*).

4.3 RfL may at any time, by serving notice on the Operator, designate as a Key Contract:

- 4.3.1 any actual or prospective agreement, contract, licence or other arrangement; and

- 4.3.2 any category of agreement, contract, licence or other arrangement, to which or under which the Operator is (or may become) a party or a beneficiary,

with effect from the date specified in such notice and shall use all reasonable endeavours to assist RfL in entering into a Direct Agreement in relation to that Key Contract in accordance with paragraph 7.2 (*Direct Agreements*).

- 4.4 Key Contracts may include any agreement, contract, licence or other arrangement whether in written, oral or other form, whether formal or informal and whether with an Affiliate of the Operator or any other person and may include any arrangement for the storage of assets (including electronic systems or Computer Systems) or accommodation of employees. The Operator shall promptly provide RfL with details of any arrangements that could fall within the scope of this paragraph 4.4 (*Key Contracts – Designation of Key Contracts*) to allow RfL to consider whether such arrangement should be designated as a Key Contract in accordance with paragraph 4.3 (*Key Contracts – Designation of Key Contracts*).
- 4.5 Where the Operator wishes to enter into any new Key Contract, then it may only do so with the prior consent of RfL (not to be unreasonably withheld), unless directed to do so by the ORR.

De-designation of Key Contracts

- 4.6 RfL may at any time, by serving a notice on the Operator, de-designate any Key Contract from continuing to be a Key Contract with effect from the date specified in such notice.

Re-designation of Key Contracts

- 4.7 RfL may at any time, by serving notice on the Operator, re-designate as a Key Contract anything which has ceased to be designated as a Key Contract in accordance with paragraph 4.6 (*Key Contracts – De-designation of Key Contracts*) from the date specified in such notice.

Designation of Key Contracts as Primary Concession Assets

- 4.8 RfL shall, subject to paragraphs 1.2.2 (*Ensuring Continuity of Services*) and 4.6 (*Key Contracts – De-designation of Key Contracts*), be entitled to designate any Key Contract as a Primary Concession Asset at any time during the Concession Period by serving notice on the Operator. Such designation shall take effect from delivery of such notice.

No Amendment

- 4.9 The Operator shall not without the prior consent of RfL (which shall not be unreasonably withheld) amend, vary, or purport to amend or vary, the terms or conditions of any Key Contract at any time, unless directed to do so by the ORR.

Replacement of Key Contracts

- 4.10 The Operator shall, prior to the scheduled expiry date of any Key Contract (or, if earlier, such other date on which it is reasonably likely that such Key Contract will terminate), at its own cost take all reasonable steps to enter an appropriate replacement contract (whether with the counterparty to the existing Key Contract or not) and shall comply with the reasonable instructions of RfL in relation to such replacement contract.

Termination of Key Contracts

- 4.11 Whether or not this Agreement is continued after the Initial Expiry Date in accordance with Schedule 19 (*Continuation of Elizabeth Line Concession*), the Operator shall, to the extent so requested by RfL, exercise its right to terminate any Key Contract on the Expiry Date.

5 Emergencies

Where any emergency may arise in connection with the provision and operation of the Concession Services, then provided that the Operator has notified RfL of the emergency (which may be done orally in the first instance and followed up with written notice and shall include such details of the emergency as RfL may reasonably require) and RfL has confirmed its agreement that an emergency has arisen (which may be done orally in the first instance and followed up with written notice), then the Operator:

- 5.1 may enter into on a short-term basis such contracts, licences or other arrangements as it considers necessary or appropriate to deal with the emergency;
- 5.2 need not procure that the relevant counterparty enters into a Direct Agreement in respect of such contracts or use all reasonable endeavours to assist RfL in entering into the same;
- 5.3 shall promptly inform RfL of any such emergency and contracts, licences or other arrangements which it proposes to enter into; and
- 5.4 shall take such action in relation to such emergency, contracts, licences or other arrangements as RfL may request.

6 Rolling Stock Related Contracts and Insurance Arrangements

- 6.1 The Operator shall not:
- 6.1.1 execute any Rolling Stock Related Contract; or
- 6.1.2 amend, vary or purport to amend or vary the terms of any Rolling Stock Related Contract; or
- 6.1.3 exercise any option or other discretion in any Rolling Stock Related Contract that would result in any increased payment or delay in delivery being made by or to the Operator or the relevant counterparty or which may result in it being reasonably likely to be unable to comply with the terms of this Agreement,

without the prior written consent of RfL (not to be unreasonably withheld) and shall supply a copy of all draft and all executed Rolling Stock Related Contracts (including any agreement amending any Rolling Stock Related Contract) to RfL.

6.2 The Operator shall not, without the prior written consent of RfL:

6.2.1 amend or vary or purport to amend or vary the terms of any insurance arrangements which relate to rolling stock vehicles used by it in the provision of the Passenger Services to which it is a party on the Start Date; or

6.2.2 enter into any new insurance arrangements after the Start Date which relate to rolling stock vehicles used or to be used by it in the provision of the Passenger Services ("**New Insurance Arrangements**").

6.3 The Operator shall, in addition, if it enters into any New Insurance Arrangements, use all reasonable endeavours to ensure that the relevant insurers waive their rights of subrogation against any Train Operator which may have equivalent insurance arrangements providing for a similar waiver of rights of subrogation against the Operator, whether on a reciprocal basis or otherwise.

7 **Direct Agreements**

7.1 Unless RfL otherwise agrees, or unless directed to do so by the ORR, the Operator shall not enter into any prospective Key Contract unless the counterparty to that prospective Key Contract:

7.1.1 is a Train Operator; or

7.1.2 has entered into a Direct Agreement with RfL in respect of that prospective Key Contract, providing on a basis acceptable to RfL, amongst other things, for the continued provision of the Passenger Services and/or the continued operation of the Operator Managed Stations and any Depot in the event of:

- (a) breach, termination or expiry of such Key Contract;
- (b) termination or expiry of this Agreement; or
- (c) the making of a railway administration order in respect of the Operator.

7.2 Where RfL designates or re-designates as a Key Contract:

7.2.1 any agreement, contract, licence or other arrangement to which the Operator is already a party; or

7.2.2 any category of agreement, contract, licence or other arrangement where the Operator is already a party to a contract, licence or other arrangement which, by virtue of RfL's designation or re-designation, is classified in such category,

the Operator shall use all reasonable endeavours to assist RfL in entering into a Direct Agreement as envisaged by paragraph 7.1.2 (*Direct Agreements*). Where the counterparty to a re-designated Key Contract refuses to enter into a Direct Agreement with RfL, then the Operator shall as soon as reasonably practicable terminate such Key Contract and procure a replacement Key Contract with a counterparty that will enter into a Direct Agreement with RfL in accordance with paragraph 7.1.2 (*Direct Agreements*).

7.3 The Operator shall pay to RfL by way of Other Adjustment an amount equal to any Losses which may be suffered or incurred by RfL under the provisions of any Direct Agreement and which may be notified to the Operator as a result of, or in connection with:

7.3.1 any breach by the Operator of the terms of the Key Contract to which the relevant Direct Agreement relates; or

7.3.2 any unsuccessful claim being brought by the Operator against the counterparty of any such Key Contract in relation to the termination of such Key Contract.

8 **Re-letting of Concession**

8.1 The Operator acknowledges that RfL may wish, at or before the expiry of the Concession Period, either to invite persons (including the Operator or an Affiliate of the Operator) to tender for the right to provide all or some of the Passenger Services under a concession agreement or alternatively to enter into a concession agreement in respect of the Passenger Services without having gone through a tendering process.

8.2 The Operator further acknowledges that RfL has entered into an agreement with the Secretary of State in respect of putting in place, amongst other things, suitable contingency arrangements to secure in certain circumstances, the provision of the Passenger Services, including if no further concession agreement is entered into on the termination of this Agreement in respect of such Passenger Services.

8.3 The Operator hereby accepts and agrees to the restrictions and obligations imposed on it under Schedule 2 (*Concession Services*) and this Schedule 18.1 (*Continuity of Services*).

9 **Preparation for Re-letting**

9.1 Without prejudice to paragraphs 1.2 (*Confidentiality - RfL's Obligations as to Confidentiality*), 1.3 (*Confidentiality - RfL's Obligations as to Confidentiality*) and 1.4 (*Confidentiality - Permitted Disclosures*) to 1.10 (*Confidentiality - Permitted Disclosures*) (inclusive) of Schedule 16.2 (*Confidentiality, Freedom of Information Act and Data Protection Requirements*), the Operator shall, when so requested by RfL, promptly and in any event within three (3) Business Days provide RfL and its representatives and advisers with:

9.1.1 such access to the Concession Employees as RfL, its representatives and advisers may require;

9.1.2 all books, records and other materials (including contracts with Direct Subcontractors) kept by or on behalf of the Operator in connection with the Concession Services; and

9.1.3 such information about the Concession Employees as RfL, its representatives and advisers may require. This shall include:

- (a) "employee liability information" (as such term is defined in TUPE); and
- (b) information with regard to salaries/wages and salary/wage bands (including holiday pay), length of service, incentive and bonus arrangements and other employment-related benefits (including medical insurance, life assurance, pension or other retirement benefit schemes, share option schemes and applicable car schemes), details of long-term sickness absence, maternity/paternity or other statutory leave and absences and the identity of relevant employers where such Concession Employees are not employees of the Operator) provided that such information may be provided on an anonymised and aggregate basis where agreed with RfL,

for the purpose of assisting RfL and such representatives and advisers:

- (i) to prepare reports or other documents in connection with any invitation to potential Successor Operators to tender for the right and obligation to operate all or any of the Concession Services;
- (ii) to prepare invitations to other potential operators to tender for the right and obligation to provide any other railway passenger services or operate any other additional railway asset; or
- (iii) to enter into any concession agreement or other agreement relating to the Concession Services, whether or not having gone through a tendering process.

9.2 Without prejudice to paragraph 1.2 (*Confidentiality - RfL Obligations as to Confidentiality*) of Schedule 16.2 (*Confidentiality, Freedom of Information Act and Data Protection Requirements*), the Operator shall make available to RfL and its representatives and advisers such information (including financial and operating information) as they shall reasonably require in connection with the matters referred to in paragraph 9.1 (*Preparation for Re-letting*) in a form which is unredacted provided that, with the consent of RfL, the Operator shall apply only necessary redactions to information which it is required protect under Data Protection Legislation including to Personal Data. The Operator shall prepare and present such information in such manner (including in disaggregated form) as RfL may require and shall provide such assistance as RfL may require in connection with the verification of such information.

- 9.3 The Operator shall, when requested to do so, promptly provide such confirmation in relation to the accuracy of the contents of the documents referred to in paragraph 9.1 (*Preparation for Re-letting*) as RfL shall require from time to time.
- 9.4 In connection with any proposal (whether or not yet finalised) to enter into separate concession agreements and/or other agreements with more than one Successor Operator, each relating to some only of the Concession Services (whether or not together with other railway passenger services) or with other railway passenger services procured by RfL on a concession basis at or following the end of the Concession Period, the Operator agrees and acknowledges that RfL may require:
- 9.4.1 that the Operator provides RfL with additional information and reports and analysis in respect of such Service Groups as RfL may specify. This may include:
- (a) information relating to the operating and financial performance of the Operator in relation to such Service Groups; and
 - (b) identification of those employees, assets and liabilities which relate to such Service Groups together with an indication of the extent to which the same are shared between the operation of different Service Groups; and
- 9.4.2 that the Operator reorganises the business of providing the Concession Services in order to facilitate the transfer anticipated by this Schedule 18.1 (*Continuity of Services*) on an ongoing basis of the business of providing the Concession Services within each of such Service Groups to separate Successor Operators. This may include, to the extent reasonably practicable:
- (a) the re-organisation of personnel such that an appropriate number of employees (having sufficient skills, qualifications and experience) will transfer by operation of Law to each Successor Operator of each such Service Group; and/or
 - (b) entering into additional or clarificatory contractual or other arrangements so that the Successor Operator of each such Service Group will have the necessary assets and rights to operate the Concession Services within that Service Group.
- 9.5 RfL may disclose to any potential Successor Operator any reports and accounts delivered to it under Schedule 16.1 (*Records, Plans and Reporting*).
- 9.6 The Operator shall, on the request of RfL, collate such books, records, reports, contracts, and other information materials as RfL may require for the purposes of establishing a data room for the inspection of any potential Successor Operator.

Appendix 1

Form of Handover Package

1 Key Contacts

An electronic list (in a format acceptable to RfL) of key contacts to include all directors (statutory or otherwise), all members of the Operator's Executive, all Key Personnel and all other managers with responsibility for a department/function within the Operator's business. This list shall include operations, commercial, personnel and public affairs departments (or in each case their nearest equivalents) and other direct reports to the Managing Director. This list shall also include the name, address, home, office and mobile telephone numbers, and a brief description of the person's role and responsibilities in the business.

2 Contracts

An electronic list (in a format acceptable to RfL) of all contracts (sales, purchases or otherwise including leases of whatever type and licences) between the Operator and the counterparty or counterparties to each such contract, showing:

- 2.1 the name, address and telephone number of each counterparty;
- 2.2 the contract reference number of the Operator and each counterparty (if any);
- 2.3 the contract price/value, term, expiry date and a brief description of what the contract covers;
- 2.4 the ability of the Operator to assign or novate the contract to a Successor Operator;
- 2.5 any ability of the Operator to terminate the contract upon expiry or termination of this Agreement;
- 2.6 details of any liabilities or potential liabilities of the Operator to the counterparty or counterparties should such contract be terminated (including any indemnities that may become payable from the Operator to the counterparty or counterparties consequent on termination or expiry of such contract); and
- 2.7 the total estimated liability of the Operator to the counterparty or counterparties of such contract as at the date of expiry or termination of this Agreement,

and this requirement shall apply to all contracts unless otherwise agreed by RfL.

3 Property

An electronic list (in a format acceptable to RfL) of all property owned, leased, operated or occupied by the Operator which shall include the address and contact telephone number of each property including the term, expiry dates of any leases, licences and/or tenancies at will and (where relevant) the corresponding rent/licence fee payments. Where applicable, the list will also include the name, address and telephone number of the lessor and/or the party which has granted authority to use or occupy the property, and any relevant reference numbers applicable to that lease or occupation.

4 **Systems**

An electronic list (in a format acceptable to RfL) of the electronic systems in use by the Operator, together with the name, office address and telephone number of the Operator's information technology manager (or the holder of any equivalent post) who is responsible for administration of each such system.

5 **Daily Operations**

An electronic list (in a format acceptable to RfL) of all assets owned or operated by the Operator, together with their location.

6 **Insurance**

An electronic list (in a format acceptable to RfL) of the names, addresses and telephone numbers of all insurers and any relevant broker providing insurance to the Operator, together with the relevant policy numbers and other references and details of any outstanding claims or unresolved disputes.

Appendix 2

List of Key Contracts

1 Key Contracts

The following items have as at the date of this Agreement been designated as Key Contracts:

- 1.1 any Access Agreement to which the Operator is a party other than in its capacity as a Facility Owner;
- 1.2 any Property Lease and all side agreements relating to such relevant Property Lease;
- 1.3 any Rolling Stock Related Contract including the Rolling Stock Leases listed in Tables 1 (*Class 345 Fleet*) and 2 (*Optional Unit Fleet*) of the Appendix (*Trains Comprising the Train Fleet*) to Schedule 5.1 (*The Train Fleet*);
- 1.4 any contract or arrangement for the lending, seconding, hiring, contracting out, supervision, training, assessment, or accommodation by another Train Operator of any train drivers, conductors or other train crew used by the Operator in the provision of the Passenger Services;
- 1.5 any contract or arrangement for the subcontracting or delegation to another Train Operator of the provision of any of the Passenger Services (whether or not the consent of the RfL is required to such subcontracting or delegation under paragraph 4 (*Additional Railway Passenger Services*) of Schedule 1.2 (*Passenger Service Operating Obligations*));
- 1.6 any contract or arrangement with a Train Operator (other than an Access Agreement) for the provision to the Operator of train dispatch, performance or supervision of platform duties, ticket gateline management, security activities, evacuation procedures, advice or assistance to customers, assistance to disabled customers, operation of customer information systems, cash management or ticket issuing systems administration;
- 1.7 any contract or arrangement with a Train Operator or Infrastructure Manager or other third party for the provision of breakdown or recovery, and track call services to assist in the provision of the Passenger Services;
- 1.8 any contract or arrangement for the supply of spare parts or Spares;
- 1.9 any contract or arrangement for the maintenance of track and other related infrastructure;
- 1.10 any TVM maintenance contract to which the Operator is or becomes a party;
- 1.11 the Stations Operator Agreement; and
- 1.12 any contract or arrangement with a bus or coach provider or licensed taxi provider in connection with the provision of alternative bus services and/or licensed taxi services.

Schedule 18.2
Restrictions on Dealings with Concession Assets

1 Concession Assets

- 1.1 Subject to paragraph 1.2 (*Concession Assets*), all property, rights and liabilities of the Operator from time to time during the Concession Period shall be designated as Concession Assets.
- 1.2 The rights and liabilities of the Operator in respect of the following items shall not be designated as Concession Assets:
 - 1.2.1 any contracts of employment;
 - 1.2.2 this Agreement and any Transfer Notice or Supplemental Agreement;
 - 1.2.3 the Ticketing and Settlement Agreement;
 - 1.2.4 any sums placed on deposit with a bank or other financial institution; and
 - 1.2.5 such other property, rights and liabilities as the Operator and RfL may agree from time to time or as RfL may de-designate as Concession Assets under paragraph 6 (*Designation of Fares and Discount Cards*).
- 1.3 Where the Operator wishes to acquire Concession Assets for use in performing its obligations under this Agreement during the Concession Period consisting of either:
 - 1.3.1 property with a capital value of more than two hundred and fifty thousand pounds sterling (£250,000); or
 - 1.3.2 a lease, licence or rental value of more than fifty thousand pounds sterling (£50,000) per annum (including where such lease, licence or rental value would be more than fifty thousand pounds sterling (£50,000) per annum if renewed or rolled over during a Concession Year); or
 - 1.3.3 a lease, licence or rental term of more than thirteen (13) Reporting Periods (including where the cumulative effect of any renewal of such lease, licence or rental would amount to a term of more than thirteen (13) Reporting Periods),

then unless prior to acquisition of such Concession Assets the Operator has agreed in writing with RfL either the transfer value of such Concession Asset or the basis on which such Concession Asset shall be valued in the event that it is later designated as a Primary Concession Asset, in the event that such Concession Asset is later designated as a Primary Concession Asset, it shall be deemed to transfer to a Successor Operator at zero (0) value under the Transfer Notice and Supplemental Agreement.

2 **Primary Concession Assets**

- 2.1 The following property, rights and liabilities shall (to the extent that they constitute Concession Assets) be designated as Primary Concession Assets with effect from the following dates:
- 2.1.1 the property, rights and liabilities listed as such in the Appendix (*List of Primary Concession Assets*) (which constitute Primary Concession Assets agreed between the parties as at the date of this Agreement), on the Start Date;
 - 2.1.2 any additional property, rights and liabilities designated under paragraph 3 (*Designation of Additional Primary Concession Assets*) from time to time during the Concession Period, on the date of such designation notice;
 - 2.1.3 any property or right which is vested in the Operator and used for the purpose of maintaining, replacing, repairing or renewing any property designated as Primary Concession Assets and which forms or replaces part or all of such designated property on completion of such maintenance, replacement, repair or renewal, on the date of its use for such purpose;
 - 2.1.4 the rights and liabilities of the Operator under any Key Contract designated in accordance with paragraph 4.8 (*Designation of Key Contracts*) of Schedule 18.1 (*Continuity of Services*), on the date of such designation;
 - 2.1.5 the rights and liabilities of the Operator in respect of the terms of any Fare or Discount Card designated under paragraph 6 (*Designation of Fares and Discount Cards*), on the date of such designation; and
 - 2.1.6 any Actual Passenger Demand information (and all Intellectual Property Rights in respect of the same) within the possession of the Operator on the date such information is supplied to RfL.
- 2.2 Without prejudice to paragraph 3.2 (*Designation of Additional Primary Concession Assets*), all Concession Assets contemplated by paragraph 1.3 (*Concession Assets*) which are Primary Concession Assets under this paragraph 2 (*Primary Concession Assets*) shall transfer to a Successor Operator at zero value under the Transfer Notice and Supplemental Agreement unless otherwise agreed pursuant to paragraph 1.3 (*Concession Assets*).

3 **Designation of Additional Primary Concession Assets**

- 3.1 RfL may at any time and from time to time during the Concession Period, by serving notice on the Operator, designate any or all of the Concession Assets as Primary Concession Assets. Such designation shall take effect from the delivery of such notice (unless a later date is specified in such notice, in which event designation shall take effect from such specified date) and may refer to

all or certain categories of property, rights or liabilities. Any such notice shall specify the reasons for such designation.

- 3.2 Where RfL designates any Concession Assets contemplated by paragraph 1.3 (*Concession Assets*) as Primary Concession Assets for the purposes of paragraph 3.1 (*Designation of Additional Primary Concession Assets*), then such Primary Concession Assets shall transfer to a Successor Operator at zero (0) value under the Transfer Notice and Supplemental Agreement unless otherwise agreed pursuant to paragraph 1.3 (*Concession Assets*).

4 Designation During Last Twelve (12) Months of Concession Period

If RfL designates a Concession Asset as a Primary Concession Asset under paragraph 3 (*Designation of Additional Primary Concession Assets*) at any time during the last twelve (12) months of the Concession Period then, within one (1) Reporting Period of such designation, RfL may de-designate such Primary Concession Asset by serving notice on the Operator. Such de-designation shall take effect upon delivery of such notice.

5 Designation of Key Contracts as Primary Concession Assets

RfL shall, subject to paragraphs 1.2.2 (*Concession Assets*) and 7 (*Rights and Liabilities*), be entitled to designate any Key Contract as a Primary Concession Asset at any time during the Concession Period by serving notice on the Operator. Such designation shall take effect from delivery of such notice.

6 Designation of Fares and Discount Cards

RfL may designate any Fare or Discount Card as a Primary Concession Asset at any time during the Concession Period by serving a notice on the Operator. Such designation shall take effect from delivery of such notice.

7 Rights and Liabilities

RfL, in designating the rights and liabilities of the Operator (whether under a particular contract or other arrangement) as a Primary Concession Asset may, in its discretion, elect to designate some but not all of the rights and liabilities under a particular contract or other arrangement, or to designate only those rights and liabilities arising after or otherwise relating to a period after a particular time (including the period after the expiry of the Concession Period) or to those relating only to the Concession Services or a particular part thereof.

8 Disputes over Designation

- 8.1 The Operator may object in writing to RfL to any designation pursuant to paragraphs 3 (*Designation of Additional Primary Concession Assets*) or 4 (*Designation During Last Twelve (12) Months of Concession Period*).
- 8.2 Such objection may be made solely on the grounds that the designation of the relevant property, rights or liabilities specified in the objection is not, in the Operator's opinion, reasonably necessary to secure the continued provision of the Concession Services by a Successor Operator on the expiry

of the Concession Period on a basis reasonably acceptable to RfL or to facilitate the transfer to such Successor Operator of the provision of the Concession Services at such time.

- 8.3 Any such objection may only be made within one (1) Reporting Period of a designation made more than twelve (12) months prior to the end of the Concession Period or ten (10) Business Days of a designation made during the last twelve (12) months of the Concession Period.
- 8.4 RfL shall respond to any such objection as soon as reasonably practicable and shall take account of any representations made by the Operator regarding the use of the relevant Primary Concession Asset otherwise than in the provision and operation of the Concession Services.
- 8.5 If the Operator's objection cannot be resolved by agreement within a period of ten (10) Business Days from the date of submission of that objection, the Operator may, subject to paragraphs 8.6 (*Disputes over Designation*) and 8.7 (*Disputes over Designation*), refer the dispute for resolution in accordance with the Dispute Resolution Rules.
- 8.6 Any body duly appointed to resolve such dispute shall determine whether or not the designation of the relevant property, rights or liabilities was reasonably necessary for securing that the Concession Services may continue to be provided by a Successor Operator on the expiry of the Concession Period on a basis reasonably acceptable to RfL or otherwise facilitating the transfer of the provision of the Concession Services at such time, and accordingly whether or not they should cease to be so designated.
- 8.7 If any dispute as to any designation pursuant to paragraph 3 (*Designation of Additional Primary Concession Assets*) remains outstanding on the expiry of the Concession Period, then such dispute shall be deemed to cease immediately before the expiry of the Concession Period and the relevant Concession Assets shall continue to be designated as Primary Concession Assets on and after the expiry of the Concession Period.

9 **Provision of Information to RfL**

- 9.1 The Operator shall provide such information as RfL may reasonably require in order to satisfy RfL that any Concession Assets which are to be designated as Primary Concession Assets after the Start Date under this Agreement will at the time of such designation be vested in the Operator. Such information may include details of any Security Interests over such property, rights and liabilities.
- 9.2 The Operator shall further provide such information as to the property, rights and liabilities of the Operator as RfL may reasonably require in connection with the designation of Primary Concession Assets. Such information shall be supplied to RfL within such timescale as RfL may reasonably require.

10 De-designation of Concession Assets and Primary Concession Assets

- 10.1 RfL and the Operator may agree in writing at any time during the Concession Period that a Concession Asset shall cease to be so designated as a Concession Asset or that a Primary Concession Asset shall cease to be so designated as a Primary Concession Asset, and the relevant Concession Asset or Primary Concession Asset (as the case may be) shall cease to be designated upon such agreement coming into effect.
- 10.2 RfL may in addition at any time during the Concession Period, by serving notice on the Operator, cause a Concession Asset which is not a Primary Concession Asset to cease to be so designated as a Concession Asset. Such Concession Asset shall cease to be so designated on the date specified in such notice.
- 10.3 RfL may in addition, at any time during the Concession Period, by serving notice on the Operator, cause a particular Primary Concession Asset to cease to be designated as such. Such Primary Concession Asset shall cease to be so designated on the date specified in such notice. Such right may be exercised, in respect of any rights and liabilities in respect of a Fare or Discount Card, at any time and, in respect of any other Primary Concession Asset, no later than one (1) year prior to the expiry of the Concession Period.

11 Spares

The obligation of the Operator to maintain, preserve and protect Primary Concession Assets under this Schedule 18.2 (*Restrictions on Dealings with Concession Assets*) shall, in respect of Spares, include the obligation to replace any Spare which has been designated as a Primary Concession Asset, which subsequent to its designation ceases to be part of the stock of Spares available to the Operator for use in the provision of the Concession Services, with an equivalent Spare of equal or better quality than the Spare so replaced.

12 Assets not Designated as Primary Concession Assets

- 12.1 This paragraph 12 (*Assets not Designated as Primary Concession Assets*) relates to any Concession Assets that are property or rights and are not designated as Primary Concession Assets.
- 12.2 Subject to paragraph 14.2 (*Dealing with Concession Assets and Primary Concession Assets*), RfL consents to the Operator:
- 12.2.1 transferring or agreeing to transfer any such Concession Assets or any interests in, or right over, any such Concession Assets; and
- 12.2.2 creating or extinguishing, or agreeing to create or extinguish, any interest in, or right over, any such Concession Assets.

13 Liabilities not Designated as Primary Concession Assets

- 13.1 This paragraph 13 (*Liabilities not Designated as Primary Concession Assets*) relates to any liabilities which are not designated as Primary Concession Assets.

- 13.2 RfL consents to the Operator entering into any agreement under which any such liability is released or discharged, or transferred to another person.

14 Dealing with Concession Assets and Primary Concession Assets

- 14.1 This paragraph 14 (*Dealing with Concession Assets and Primary Concession Assets*) relates to Concession Assets (whether or not designated as Primary Concession Assets) which are property or rights.
- 14.2 RfL hereby consents to the Operator creating or agreeing to create any Security Interest over any of these Concession Assets to the extent that the terms of any such Security Interest provide that:
- 14.2.1 if the relevant Concession Asset becomes the subject of a Transfer Notice, it shall be fully and automatically released from the relevant Security Interest immediately before the Transfer Date (as defined in the Transfer Notice);
- 14.2.2 if the relevant Concession Asset is assigned, novated or otherwise transferred to another person pursuant to and in accordance with this Agreement, it shall be fully and automatically released from the relevant Security Interest immediately before such assignment, novation or transfer; and
- 14.2.3 such Security Interest shall not be enforced or enforceable until the date on which such Concession Asset ceases to be designated as a Concession Asset.
- 14.3 The Operator shall give not less than ten (10) Business Days' prior written notice to RfL of the date on which it intends to create a Security Interest over a Primary Concession Asset and shall provide RfL with such information in relation thereto as RfL may reasonably require.

15 Security Interests

Prohibition on Security over Primary Concession Assets

- 15.1 The Operator shall not create or agree to create a Security Interest over any Primary Concession Asset except on the terms permitted under paragraphs 14.2 (*Dealing with Concession Assets and Primary Concession Assets*) and 15.2 (*Security Interests - Security in Favour of RfL over Primary Concession Assets*).

Security in Favour of RfL over Primary Concession Assets

- 15.2 The Operator shall, if and to the extent required by RfL in respect of a Primary Concession Asset, immediately grant in favour of RfL a first priority Security Interest over such Primary Concession Asset and shall promptly enter into such documents, and make such filings, recordings and registrations, in respect of such Security Interest, as RfL may reasonably require to ensure the validity, enforcement and priority thereof.

Notice

- 15.3 The Operator shall promptly inform RfL of any Security Interest arising at any time over any of its property or rights and shall provide RfL with such information in relation thereto as it may reasonably require.

Appendix
List of Primary Concession Assets

1 Primary Concession Assets

The following items have as at the date of this Agreement been designated as Primary Concession Assets:

- 1.1 all Ticket Equipment supplied under Schedule 3.6 (*Ticket Equipment*); and
- 1.2 the Ilford DAA.

Schedule 18.3
Transfer

1 Novation of Access Agreements during the Concession Period

1.1 The Operator shall, to the extent so requested by RfL (other than on termination of this Agreement, for which the provisions of paragraph 5 (*Novation of Access Agreements on Termination of this Agreement*) apply):

1.1.1 following receipt of a notice purporting to terminate any Access Agreement to which it is a party, in relation to such Access Agreement; or

1.1.2 following receipt of a notice purporting to terminate a Station Lease or Depot Lease in whole or in part or on becoming aware of any proceedings or any other steps having or purporting to have similar effect, in relation to any Access Agreement under which it is a Facility Owner by virtue of a Property Lease,

novate its interest under any relevant Access Agreement and any related Collateral Agreement to RfL or to such nominee as RfL may direct.

1.2 Such obligation to novate shall be subject to the agreement of any counterparty to such Access Agreement or Collateral Agreement and, to the extent applicable, the ORR.

1.3 Such novation shall be on such terms as RfL may reasonably require, including:

1.3.1 that the Operator shall not be released from any accrued but unperformed obligation, the consequences of any breach of the relevant agreement which is the subject of arbitration or litigation between the parties thereto or any liability in respect of any act or omission under or in relation to the relevant agreement prior to, or as at the date of, any such novation (except to the extent that RfL or its nominee agrees to assume responsibility for such unperformed obligation, such liability or the consequences of such breach in connection with the relevant novation); and

1.3.2 that neither RfL nor its nominee shall be obliged, in connection with the novation, to agree to assume responsibility for any unperformed obligation, liability or consequences of a breach referred to in paragraph 5.3.1 (*Novation of Access Agreements on Termination of this Agreement*),

but shall not, unless the Operator otherwise agrees, be on terms which release any counterparty to the relevant agreement from any liability to the Operator arising prior to the date of such novation.

1.4 The Operator shall, on the occurrence of any of the circumstances specified in paragraph 1.1 (*Novation of Access Agreements during the Concession Period*) in relation to any other Train Operator who is a party to an Access Agreement to which the Operator is also party, agree to the novation of the

relevant Train Operator's interest under the relevant Access Agreement to RfL or to such nominee as RfL may direct, subject, to the extent applicable, to the consent of the ORR. The provisions of paragraph 5.3 (*Novation of Access Agreements on Termination of this Agreement*) shall apply to any such novation.

- 1.5 The Operator shall notify RfL on becoming aware of any circumstances which might lead to RfL being able to require the Operator to novate its interest or agree to the novation of another Train Operator's interest under paragraph 5 (*Novation of Access Agreements on Termination of this Agreement*).

2 Assignment of Property Leases during the Concession Period

- 2.1 The Operator shall (other than on termination of this Agreement, for which the provisions of paragraph 7.7 (*Associated Obligations on Termination - Property Leases*) shall apply) following receipt of a notice purporting to terminate a Property Lease or on becoming aware of any proceedings or any other steps having or purporting to have similar effect, if requested by RfL, assign its interest under all or any Property Leases to RfL or to such nominee as RfL may direct, subject where applicable to the agreement of any other party to such Property Lease or the ORR.
- 2.2 Such assignment shall be on such terms as RfL may reasonably require, including:
- 2.2.1 that the Operator shall not be released from any accrued but unperformed obligation, the consequences of any antecedent breach of a covenant or obligation in the Property Leases or any liability in respect of any act or omission under or in relation to the Property Lease prior to, or as at the date of, any such assignment (except to the extent that RfL or its nominee agrees to assume responsibility for such unperformed obligation, such liability or the consequences of such breach in connection with the relevant assignment); and
- 2.2.2 that neither RfL nor its nominee shall be obliged, in connection with such assignment, to agree to assume responsibility for any unperformed obligation, liability or consequences of a breach referred to in paragraph 2.2.1 (*Assignment of Property Leases during the Concession Period*), and the Operator shall indemnify RfL or its nominee, as the case may be, on an after-tax basis against any Losses suffered or incurred in relation thereto.
- 2.3 The Operator shall, on the occurrence of any of the circumstances specified in paragraph 2.1 (*Assignment of Property Leases during the Concession Period*) in relation to any other Train Operator who is a party to a Property Lease to which the Operator is also party, agree to the assignment of such Train Operator's interest under the relevant Property Lease to RfL or as it may direct, subject, where applicable, to the consent of Network Rail. The provisions of paragraph 2.2 (*Assignment of Property Leases during the Concession Period*) shall apply to any such assignment.

- 2.4 The Operator shall notify RfL on becoming aware of any circumstances which might lead to RfL being able to require the Operator to assign its interest or agree to the assignment of another Train Operator's interest under this paragraph 2 (*Assignment of Property Leases during the Concession Period*).

3 **Concession Employees**

Last Twelve (12) Month Period

- 3.1 Where reference is made in this Agreement to the last twelve (12) months of the Concession Period, such period shall be deemed (except where the actual date of expiry of the Concession Period is known) to commence on the earliest of the following dates:
- 3.1.1 the date which is twelve (12) months prior to the Initial Expiry Date provided that where this Agreement is continued in accordance with paragraph 1.1 (*Continuation of Term – Up to two-year continuation at RfL's discretion*) of Schedule 19 (*Continuation of Elizabeth Line Concession*) and/or paragraph 1.4 (*Continuation of Term – Continuation for Additional Seven Reporting Periods*) of Schedule 19 (*Continuation of Elizabeth Line Concession*) then the obligations in this paragraph 3 (*Concession Employees*) shall continue from such date until the Expiry Date (as so continued); or
 - 3.1.2 the date on which RfL notifies the Operator that such period of twelve (12) months shall be deemed to commence on the grounds that RfL reasonably considers that an Event of Default may occur within the following twelve (12) months; or
 - 3.1.3 the date on which RfL notifies the Operator that such period of twelve (12) months shall be deemed to commence on the grounds that RfL considers it reasonably likely that this Agreement will be terminated by agreement between the parties within such period,
- (the "**Pre-Handback Period**").
- 3.2 The Pre-Handback Period shall expire on the Expiry Date or, if earlier, in the case of periods commencing under paragraph 3.1.2 (*Concession Employees – Last Twelve (12) Month Period*) or 3.1.3 (*Concession Employees – Last Twelve (12) Month Period*), the date falling twelve (12) months after the date of any notice under paragraph 3.1.2 (*Concession Employees – Last Twelve (12) Month Period*) or 3.1.3 (*Concession Employees – Last Twelve (12) Month Period*) or, in each case, such earlier date as RfL may determine.
- 3.3 If the Pre-Handback Period has commenced (or has been deemed to have commenced) and the notice referred to in paragraph 1.1 (*Continuation of Term – Up to two-year continuation at RfL's discretion*) of Schedule 19 (*Continuation of Elizabeth Line Concession*) is given, then the Pre-Handback Period shall not be interrupted, but shall continue to the Expiry Date.

Terms of Employment of Existing Employees

3.4 Without prejudice to paragraph ([REDACTED]) of Appendix 5 ([REDACTED]) of Schedule 11.2 (*Annual Concession Payments and Indexation*), the Operator shall not, and shall secure that each other relevant employer shall not, without the prior consent of RfL (which shall not be unreasonably withheld), vary or purport or promise to vary the terms or conditions or benefits of employment of any Concession Employee (in particular, the Operator shall not promise to make any additional payment or provide any additional benefit or vary any term or condition relating to holiday, leave or hours to be worked) where such variation or addition:

3.4.1 takes effect in the last twelve (12) months of the Concession Period unless it is in the ordinary course of business and, when aggregated with any other variation or addition which takes effect during such period, represents and increase in the remuneration of a Concession Employee of no more than the amount determined in accordance with the following formula:

$$\frac{MCPI + JCPI + SCPI + DCPI}{4}$$

where:

"**MCPI**" is the increase in the CPI Index between March in the preceding twelve (12) months and the corresponding March one (1) year before, expressed as a percentage;

"**JCPI**" is the increase in the CPI Index between June in the preceding twelve (12) months and the corresponding June one (1) year before, expressed as a percentage;

"**SCPI**" is the increase in the CPI Index between September in the preceding twelve (12) months and the corresponding September one (1) year before, expressed as a percentage; and

"**DCPI**" is the increase in the CPI Index between December in the preceding twelve (12) months and the corresponding December one (1) year before, expressed as a percentage;

3.4.2 wholly or partly first takes effect after the end of the Concession Period;

3.4.3 results in any such employment not being terminable by the Operator or other relevant employer within six (6) months of the expiry of the Concession Period, or not being terminable by less than six (6) months' notice at any time;

3.4.4 relates to a payment or the provision of a benefit or the provisions governing the termination of the Concession Employee's employment triggered by termination of the Concession Employee's employment or termination of this Agreement;

- 3.4.5 relates to the provision of a benefit (excluding base salary) which any such employee will or may have a contractual right to receive after the expiry of the Concession Period; or
 - 3.4.6 prevents, restricts or hinders any such employee from working for a Successor Operator or from performing the duties which such employee performed for the Operator.
- 3.5 The expression "**promise to vary**" when used in paragraph 3.4 (*Concession Employees - Terms of Employment of Existing Employees*) includes any offer or indication of willingness to vary (whether or not such offer or willingness is made conditional upon obtaining RfL's consent).

Terms of Employment of New Employees

- 3.6 The Operator shall not, and shall secure that each other relevant employer shall not, without the prior consent of RfL (which shall not be unreasonably withheld), create or grant, or promise to create or grant, terms or conditions or benefits (including, but not limited to, holiday leave) of employment for any Concession Employee where the employment of such Concession Employee by the Operator or such other relevant employer where such employment commences during the Pre-Handback Period or on or after the end of the Concession Period if and to the extent that:
- 3.6.1 such terms or conditions or benefits are materially different from the terms or conditions of employment of equivalent or nearest equivalent Concession Employees at the date on which such employment is scheduled to commence; and
 - 3.6.2 if such terms or conditions or benefits were granted to such equivalent Concession Employees already employed by the Operator by way of variation to their terms or conditions of employment, the Operator would be in contravention of paragraph 3.4 (*Concession Employees - Terms of Employment of Existing Employees*).

Changes in Numbers and Total Cost of Employees

- 3.7 Subject to and excluding any increase in the remuneration of Concession Employees permitted under paragraph 3.4 (*Concession Employees - Terms of Employment of Existing Employees*), the Operator shall not, and shall secure that each other relevant employer shall not, without the prior written consent of RfL (which shall not be unreasonably withheld) increase or decrease in the Pre-Handback Period the number of Concession Employees such that:
- 3.7.1 the total number of Concession Employees or the total cost per annum to the Operator and each other relevant employer of employing all Concession Employees is increased; or
 - 3.7.2 the total number of Concession Employees is decreased,
- in each case, by more than five per cent (5%) during the Pre-Handback Period.

Indemnity

- 3.8 The Operator shall indemnify RfL and any Successor Operator and keep RfL and any Successor Operator indemnified against any Loss which relates to or arises out of any act or omission by the Operator or any other event or occurrence prior to the Expiry Date and which RfL or any Successor Operator may incur in relation to any contract of employment or collective agreement concerning one or more of the Concession Employees pursuant to the provisions of TUPE or otherwise including any such matter relating to or arising out of:
- 3.8.1 the Operator's rights, powers, duties and/or liabilities (including any Taxation) under or in connection with any such contract of employment or collective agreement, which rights, powers, duties and/or liabilities (as the case may be) are or will be transferred to RfL or any Successor Operator in accordance with TUPE; or
 - 3.8.2 anything done or omitted before the Expiry Date by or in relation to the Operator in respect of any such contract of employment or collective agreement or any Concession Employee, which is deemed by TUPE to have been done or omitted by or in relation to RfL or any Successor Operator save where the thing done or omitted to be done before the Expiry Date relates to RfL's or any Successor Operator's failure to comply with its obligations referred to in paragraph 3.9 (*Concession Employees – Indemnity*).
- 3.9 RfL shall, to the extent that any contract of employment or collective agreement in relation to any Concession Employee transfers to RfL or any Successor Operator in accordance with TUPE, co-operate and procure that the Successor Operator shall co-operate with the Operator in the delivery to each such employee of letters in an agreed form as soon as reasonably practicable after the Expiry Date (to the extent not already delivered prior to the Expiry Date).

4 **Non-frustration of Transfer to Successor Operator**

- 4.1 The Operator shall take no action or steps which is or are designed, directly or indirectly:
- 4.1.1 to prevent, prejudice or frustrate the transfer as a going concern of the business of providing the Concession Services at the end of the Concession Period to a Successor Operator; or
 - 4.1.2 to avoid, frustrate or circumvent any provision of this Agreement (including in particular the provisions of this Schedule 18 (*Continuity, Restrictions on Dealings and Transfer*)) which is included in whole or in part for the purpose of preventing any such preventive, prejudicial or frustrating action or steps.
- 4.2 Subject to the restrictions set out in paragraph 4.1 (*Non-frustration of Transfer to Successor Operator*) and the other provisions of this Agreement, the Operator may take such action as it may require for the purposes of

bidding to become, or becoming, a Successor Operator provided that such steps do not prejudice or could reasonably be expected to prejudice the fairness, transparency or equality of any process or legal requirement with which RfL or other member of the TfL Group is required to comply in connection with the appointment of a Successor Operator.

5 Novation of Access Agreements on Termination of this Agreement

- 5.1 The Operator shall, to the extent so requested by RfL on termination of this Agreement, in relation to any Access Agreement to which it is a party, novate its interest under any relevant Access Agreement (and any related Collateral Agreement) to RfL or any Successor Operator as RfL may direct.
- 5.2 Such obligation to novate shall be subject to the agreement of any counterparty to such Access Agreement or Collateral Agreement and, to the extent applicable, the ORR.
- 5.3 Such novation shall be on such terms as RfL may reasonably require, including:
- 5.3.1 that the Operator shall not be released from any accrued but unperformed obligation, the consequences of any breach of the relevant agreement which is the subject of arbitration or litigation between the parties or any liability in respect of any act or omission under or in relation to the relevant agreement prior to, or as at the date of, any such novation (except to the extent that RfL or its nominee agrees to assume responsibility for such unperformed obligation, such liability or the consequences of such breach in connection with the relevant novation); and
- 5.3.2 that neither RfL nor its nominee shall be obliged, in connection with such novation, to agree to assume responsibility for any unperformed obligation, liability or consequences of a breach referred to in paragraph 5.3.1 (*Novation of Access Agreements on Termination of this Agreement*),
- but shall not, unless the Operator otherwise agrees, be on terms which release any counterparty to the relevant agreement from any liability to the Operator arising prior to the date of such novation.
- 5.4 The Operator shall, on the occurrence of any of the circumstances specified in paragraph 5.1 (*Novation of Access Agreements on Termination of this Agreement*) in relation to any other Train Operator who is a party to an Access Agreement to which the Operator is also party, agree to the novation of the relevant Train Operator's interest under the relevant Access Agreement to RfL or as it may direct, subject, to the extent applicable, to the consent of the ORR. The provisions of paragraph 5.3 (*Novation of Access Agreements on Termination of this Agreement*) shall apply to any such novation.
- 5.5 The Operator shall notify RfL on becoming aware of any circumstances which might lead to RfL being able to require the Operator to novate its interest or agree to the novation of another Train Operator's interest under this

paragraph 5 (*Novation of Access Agreements on Termination of this Agreement*).

6 Transfer of Primary Concession Assets

Transfer Notice

- 6.1 RfL shall have the right to give, and the Operator shall have the right to require RfL to give, a Transfer Notice on or within ten (10) Business Days before the expiry or termination of the Concession Period, and the following shall apply:
 - 6.1.1 RfL may (and shall if required by the Operator) give one (1) or more such Transfer Notices for the transfer of the Primary Concession Assets specified in any such Notice;
 - 6.1.2 the Operator shall transfer to the Successor Operator the property, rights and liabilities specified in the Transfer Notice on the date specified in such Transfer Notice; and
 - 6.1.3 any Primary Concession Assets which are not specified in the Transfer Notice shall cease to be designated as such ten (10) Business Days after service of such Transfer Notice or, if earlier, immediately following the Expiry Date.

Supplemental Agreement

- 6.2 Any Transfer Notice shall impose on the Operator and the Successor Operator an obligation to enter into an agreement substantially in the form of the Supplemental Agreement which shall provide for:
 - 6.2.1 the transfer by the Operator to the Successor Operator of the Primary Concession Assets specified in the Transfer Notice; and
 - 6.2.2 the determination of amounts to be paid in respect of the property, rights and liabilities which are transferred under such Supplemental Agreement.
- 6.3 The Operator shall enter into any such Supplemental Agreement and shall comply with its obligations thereunder.

Payment of Estimated Transfer Price

- 6.4 RfL may require the Operator to pay to any Successor Operator, or may require any such Successor Operator to pay to the Operator, on the day specified in the Transfer Notice such sum as RfL may determine should be so paid having regard to:
 - 6.4.1 RfL's estimate of the sum likely to be paid under the relevant Supplemental Agreement in respect of the Primary Concession Assets being transferred thereunder;
 - 6.4.2 RfL's estimate of any other sums likely to be paid thereunder;

- 6.4.3 the financial condition of the Operator and the Successor Operator and whether any estimate so paid would be likely to be repaid, if in excess of the sums eventually payable thereunder; and
- 6.4.4 such other matters as RfL may consider appropriate.
- 6.5 The Operator shall pay to any such Successor Operator the sum determined by RfL in accordance with paragraph 6.4 (*Transfer of Primary Concession Assets – Payment of Estimated Transfer Price*) on the day specified in the Transfer Notice.

Possession of Concession Assets

- 6.6 On the day specified in the Transfer Notice, the Operator shall deliver up to RfL (or its nominee) possession of the Primary Concession Assets transferred to the Successor Operator under the Supplemental Agreement.

End of Concession Audit

- 6.7 RfL or its representatives may carry out, at RfL's cost, within the last eighteen (18) months of the Concession Period, or at such earlier point as RfL shall reasonably specify, an audit of compliance by the Operator with its asset management and maintenance obligations in this Agreement (the scope of any audit and samples to be selected at RfL's absolute discretion) and any such audit may involve the examination, inspection or testing of works, activities, processes, records, documents or assets on or off the Elizabeth Line Route.
- 6.8 The Operator shall promptly provide (at its own cost) all such demonstrations and assistance and access to facilities, information, records, assets and documents (including the provision of copies of documents) and personnel as RfL or its representatives may reasonably require in order to discharge their audit function in a proper manner.
- 6.9 RfL shall, in planning and implementing any audit contemplated by paragraph 6.7 (*Transfer of Primary Concession Assets – End of Concession Audit*), have regard to the obligations of the Operator in providing the Concession Services.

Operator's Obligation to Remedy Defects and Failures

- 6.10 Where the audit by RfL referred to in paragraph 6.7 (*Transfer of Primary Concession Assets – End of Concession Audit*) reveals:
 - 6.10.1 any defects in the Primary Concession Assets such that the Primary Concession Assets cannot be handed over in the condition specified in paragraph 4 (*Operating Assets*) of Schedule 2.1 (*Obligations in relation to Concession Services*); or
 - 6.10.2 reveals any other failure by the Operator to comply with its obligations in this Agreement,then RfL will provide details of any relevant defects and failures to the Operator.

- 6.11 Upon receipt of such details the Operator shall, so that such matters are completed prior to the Expiry Date, at its own cost remedy all such defects and failures and undertake all such repairs or other rectification works and activities as are required to ensure that the Primary Concession Assets can be handed over on the Expiry Date in a condition which meets the requirements of paragraph 4 (*Operating Assets*) of Schedule 2.1 (*Obligations in relation to Concession Services*) and all other failures are rectified.
- 6.12 If this Agreement terminates otherwise than as a result of expiry of the Concession Period, the Operator shall (regardless of whether the audit referred to in paragraph 6.7 (*Transfer of Primary Concession Assets – End of Concession Audit*) has commenced and whether the Operator has been provided with details of any defects and failures) remedy any defects and failures and undertake all such repairs or other rectification works and activities as it is reasonably able to undertake before the Expiry Date to ensure that the Primary Concession Assets can be handed over on the Expiry Date in a condition which meets the requirements of paragraph 4 (*Operating Assets*) of Schedule 2.1 (*Obligations in relation to Concession Services*) and all other failures are rectified.

RfL Right to Rectify

- 6.13 If at the Expiry Date, the Primary Concession Assets are not handed over in a condition which meets the requirements of this Agreement or the Operator has not complied in full with its obligations in paragraphs 6.11 (*Transfer of Primary Concession Assets – Operator's Obligation to Remedy Defects and Failures*) and 6.12 (*Transfer of Primary Concession Assets – Operator's Obligation to Remedy Defects and Failures*), RfL shall be entitled, without prejudice to any of its other rights or remedies, to perform itself (or to procure the performance of) all such repairs or other rectification works and activities as are required to put the Primary Concession Assets into the condition required by this Agreement and ensure all other failures are rectified and the Operator shall reimburse RfL for any cost it incurs in doing so.

7 Associated Obligations on Termination

Assistance in Securing Continuity

- 7.1 In order to facilitate the continuity of the Concession Services on expiry of the Concession Period, the Operator shall take such steps, both before and after the expiry of the Concession Period, as RfL may reasonably require, to assist and advise any Successor Operator in providing and operating the Concession Services.
- 7.2 In particular, the Operator shall provide any Successor Operator with such records and information relating to or connected with the Concession Services as RfL may reasonably require (other than confidential financial information but including all records relating to the Concession Employees).

Access

- 7.3 On the expiry of the Concession Period, the Operator shall grant RfL, the Successor Operator and their representatives such access as RfL may reasonably request to any property owned, leased or operated by the Operator at such time, for the purpose of facilitating the continued provision of the Concession Services.

Key Contracts

- 7.4 The Operator shall provide such assistance to any Successor Operator as RfL may reasonably require in ensuring that, pursuant to any Direct Agreements, such Successor Operator may enter into (or enjoy the benefit of) contracts equivalent to the relevant Key Contracts (or part thereof).
- 7.5 In satisfaction of its obligations under paragraph 7.4 (*Associated Obligations on Termination – Key Contracts*), the Operator shall terminate, surrender, cancel or undertake not to enforce its rights under any Key Contract (or part thereof) provided that nothing in this paragraph 7.5 (*Associated Obligations on Termination – Key Contracts*) shall require the Operator to undertake not to enforce any rights under a Key Contract relating to the period prior to the expiry of the Concession Period.

Change of Name

- 7.6 The Operator shall cease to use any trade marks which are licensed to the Operator under any of the Brand Licences forthwith upon expiry of the Concession Period and shall take all necessary steps at its own cost to change any company name which incorporates any such marks as soon as practicable.

Property Leases

- 7.7 The Operator shall, on the expiry of the Concession Period, if requested by RfL, assign its interest under all or any Property Leases to RfL or any Successor Operator or otherwise as RfL may direct, subject where applicable to the agreement of any other party to such Property Lease or the ORR.
- 7.8 Such assignment shall be on such terms as RfL may reasonably require, including:
- 7.8.1 that the Operator shall not be released from any accrued but unperformed obligation, the consequences of any antecedent breach of a covenant or obligation in the Property Leases or any liability in respect of any act or omission under or in relation to the Property Lease prior to, or as at the date of, any such assignment (except to the extent that RfL or its nominee or the Successor Operator agrees to assume responsibility for such unperformed obligation, such liability or the consequences of such breach in connection with the relevant assignment); and
 - 7.8.2 that neither RfL nor its nominee nor any Successor Operator shall be obliged, in connection with such assignment, to agree to assume

responsibility for any unperformed obligation, liability or consequences of a breach referred to in paragraph 7.8.1 (*Associated Obligations on Termination – Property Leases*) and the Operator shall indemnify RfL or its nominee or the Successor Operator, as the case may be, on demand, on an after-tax basis against any Losses suffered or incurred in relation thereto.

- 7.9 The Operator shall, on the occurrence of any of the circumstances specified in paragraph 7.7 (*Associated Obligations on Termination – Property Leases*) in relation to any other Train Operator who is a party to a Property Lease to which the Operator is also party, agree to the assignment of such Train Operator's interest under the relevant Property Lease to RfL or any Successor Operator or otherwise as RfL may direct, subject, where applicable, to the consent of Network Rail. The provisions of paragraph 7.8 (*Associated Obligations on Termination – Property Leases*) shall apply to any such assignment.
- 7.10 The Operator shall notify RfL on becoming aware of any circumstances which might lead to RfL being able to require the Operator to assign its interest or agree to the assignment of another Train Operator's interest under this paragraph 7 (*Associated Obligations on Termination*).

8 Actions Required Immediately on Handover

- 8.1 The Operator shall immediately on the expiry of the Concession Period make available to RfL:
- 8.1.1 information as to the status of each purchase order or contract, including its award date, anticipated delivery date, confirmation of receipt of goods or services and the payment records for each purchase order, together with any matters in dispute with the appointed subcontractor and, to the extent that the Operator is a subcontractor to another Train Operator, equivalent information in respect of that Train Operator; and
 - 8.1.2 information concerning any contract necessary for the continued operation of the Concession Services where a procurement or bidding process has been initiated.
- 8.2 The Operator agrees that RfL or its agents may have access to and use free of charge any information contained in any Computer System or in hard copy format as it sees fit (for the purposes of continuing the operation of the Concession Services).

9 Maintenance Records

- 9.1 The Operator shall immediately on expiry of the Concession Period provide to RfL records of the status of the maintenance of any Concession Assets.

10 Ticketing Arrangements

- 10.1 The Operator shall provide immediately on expiry of the Concession Period a statement certifying:

- 10.1.1 all ticketing transactions with the public or credit card agencies that are in process and not yet complete, together with any allocations on multi-modal travel with other agencies or local authorities;
- 10.1.2 the extent of any outstanding claims with ticketing settlement agencies;
- 10.1.3 the refund arrangements with members of the public or other Train Operators or ticketing settlement agencies that are in process and not yet complete; and
- 10.1.4 commissions owed and/or due.

11 **Operator's Intellectual Property**

- 11.1 On the expiry of the Concession Period, the Operator will grant to any Successor Operator licences of any intellectual property which:
 - 11.1.1 is owned by or licensed to the Operator;
 - 11.1.2 was not owned by or licensed to it immediately prior to the Start Date;
 - 11.1.3 has not been designated as a Primary Concession Asset;
 - 11.1.4 does not represent or constitute a Mark; and
 - 11.1.5 may, in the reasonable opinion of RfL, be necessary for any Successor Operator to operate the Concession Services on an efficient and economic basis after the expiry of the Concession Period.
- 11.2 When agreeing the terms on which intellectual property is to be licensed to it, the Operator shall use all reasonable endeavours to ensure that such terms include the right to sub-license such intellectual property in accordance with the remainder of this paragraph 11 (*Operator's Intellectual Property*). The Operator shall not enter into a licence that does not include such a provision without first obtaining RfL's prior written consent (such consent not to be unreasonably withheld).
- 11.3 Any such licence shall be granted to the relevant Successor Operator for such period as RfL may determine to be reasonably necessary for the purpose of securing continuity of the provision of the Concession Services and shall be free of charge and royalty-free for a period of one (1) month or less.
- 11.4 If such licence is for a period in excess of one (1) month, the grant of the licence shall be subject to payment of a reasonable royalty (backdated to the expiry of the Concession Period) on the basis of a willing licensor and licensee entering into a licence on comparable terms to similar licences of such intellectual property. If the Operator and the relevant Successor Operator are unable to agree such royalty, the Operator shall submit such dispute for resolution in accordance with such dispute resolution rules as RfL may require.

- 11.5 Any such licence shall be in such form as RfL shall reasonably determine and shall:
- 11.5.1 be non-exclusive and limited to use solely for the purposes of the provision and operation of the Concession Services and will not provide for any right to use such intellectual property for any other purpose (including its marketing or exploitation for any other purpose);
 - 11.5.2 be terminable on material breach by the Successor Operator;
 - 11.5.3 contain an assurance from the Operator to the effect that to the best of its knowledge and belief it owns the relevant intellectual property or has the right to license it and the licensing of it and the subsequent use of the intellectual property will not infringe any third party intellectual property rights and an indemnity in favour of the Successor Operator where this assurance proves false and the Successor Operator is in breach of any third party intellectual property rights; and
 - 11.5.4 require the Successor Operator, to the extent that it relates to any trade marks, to use such trade marks in such manner as may reasonably be required by the Operator provided that it shall not be reasonable for the Operator to require any such trade mark to be used in a manner materially different from its use during the Concession Period.

Appendix 1 to Schedule 18.3
Form of Transfer Notice

Transfer Notice

To: [OPERATOR] (the "**Operator**")

Attn: [_____] [_____]

To: [SUCCESSOR OPERATOR] (the "**Successor Operator**")

Attn: [_____] [_____]

From: Rail for London Limited

5 Endeavour Square

London

E20 1JN (RfL)

Date: [Date]

Dear Operator

Concession Agreement dated [_____] [_____] between RfL and the Operator relating to the Elizabeth Line train operating concession (the Concession Agreement).

- 1 Capitalised terms used and not defined in this Transfer Notice shall have the meaning given to them in the Concession Agreement.
- 2 Pursuant to paragraph 6.1 (*Transfer of Primary Concession Assets – Transfer Notice*) of Schedule 18.3 (*Transfer*) to the Concession Agreement, we hereby give you notice that we require the Operator to transfer to the Successor Operator on [_____] [_____] (the "**Transfer Date**") all of the property, rights and liabilities specified in Schedule 1 to this Transfer Notice.
- 3 The Operator agrees to transfer to the Successor Operator on the Transfer Date the property, rights and liabilities specified in Schedule 1 to this Transfer Notice.
- 4 Each of the Operator and the Successor Operator hereby agrees to (a) enter, on or before the Transfer Date, into an agreement substantially in the form of the Supplemental Agreement attached as Schedule 2 to this Transfer Notice; and (b) comply with its obligations thereunder.
- 5 On the Transfer Date the [Operator][Successor Operator] shall pay to the [Successor Operator][Operator] the sum of £[_____] which is the estimated transfer price referred to in paragraph 6.4.1 (*Transfer of Primary Concession Assets – Payment of Estimated Transfer Price*) of Schedule 18.3 (*Transfer*) to the Concession Agreement. Such amount shall be paid in accordance with clause 2.3 of the Supplemental Agreement.

Yours faithfully

[Rail for London Limited]

By:.....

Name: [_____] [_____]

Title: [_____] [_____]

We hereby agree to the terms of this Transfer Notice.

[Operator]

By:.....

Name: [_____] [_____]

Title: [_____] [_____]

[Successor Operator]

By:.....

Name: [_____] [_____]

Title: [_____] [_____]

Schedule 1 to the Transfer Notice

[List Relevant Concession Assets to be transferred to the Successor Operator]

Schedule 2 to the Transfer Notice

[Form of Supplemental Agreement]

**Appendix 2 to Schedule 18.3
Form of Supplemental Agreement**

Dated _____ 20[_____]]

[Outgoing Operator]

and

[Successor Operator]

Supplemental Agreement

to the transfer notice dated [_____] given
by Rail for London Limited in respect of
certain property rights and liabilities of
[Outgoing Operator]

Rail for London Limited
5 Endeavour Square
London E20 1JN

This Supplemental Agreement is made on [_____] 20[___]

Between

- (1) [Outgoing Operator] whose registered office is at [registered office] (the "Transferor"); and
- (2) [Successor Operator] whose registered office is at [registered office] (the "Transferee").

Whereas

- (A) The Transferor has been providing certain services and the carriage of passengers by railway and operating certain stations and light maintenance depots pursuant to a concession agreement with Rail for London Limited ("RfL") dated [_____] (the Concession Agreement).
- (B) The Concession Agreement terminated on [_____] and the Transferee has been selected by RfL to continue the provision of all or part of such services pursuant either to a concession agreement with RfL or arrangements made with RfL.
- (C) The Transferor has agreed to transfer to the Transferee certain property, rights and liabilities of the Transferor.
- (D) This Agreement is supplemental to the Transfer Notice and sets out the terms between the Transferor and the Transferee in relation to the transfer of such property, rights and liabilities.

It is agreed that

1 Definitions and Interpretation

Definitions

- 1.1 The following words and expressions shall have the following meaning:

"**Business**" means such of the undertaking or part of the undertaking of the Transferor prior to the Transfer Date as may be continued by the Transferee after the Transfer Date;

"**Completion Payment**" has the meaning ascribed to that term in Clause 2.3 (*Agreement to Transfer and Transfer Price – Amount and Payment*);

"**Credit**" has the meaning assigned to that term under the Ticketing and Settlement Agreement;

"**Debit**" has the meaning assigned to that term under the Ticketing and Settlement Agreement;

"**Net Asset Statement**" means the statement to be drawn up pursuant to Clause 2.4 (*Agreement to Transfer and Transfer Price – Net Asset Statement*);

"**Net Asset Value**" means the aggregate of the amounts of the Relevant Concession Assets, the Relevant Contract Liabilities, Relevant Debits and Credits and the Relevant Employee Liabilities as shown in the Net Asset Statement;

"Purchase Price" means an amount equal to the Net Asset Value;

"Relevant Concession Assets" means the property, rights and liabilities of the Transferor which are or are to be transferred to the Transferee in accordance with the Transfer Notice;

"Relevant Contract Liabilities" means such rights and liabilities of the Transferor as may be transferred to the Transferee on the expiry of the Concession Period in relation to any Licence, Access Agreement or Property Lease under paragraphs 5 (*Novation of Access Agreement on Termination of this Agreement*) and 7.7 (*Associated Obligations on Termination – Property Leases*) of Schedule 18.3 (*Transfer*) to the Concession Agreement;

"Relevant Debits and Credits" means such Debits and Credits of the Transferor which relate to Fares sold before the Transfer Date and which may be received by the Transferee as a result of settlement by RSP pursuant to the Ticketing and Settlement Agreement;

"Relevant Employee Liabilities" means such rights and liabilities of the Transferor (or any other relevant employer or person) under any contracts of employment relating to the Relevant Employees which have been or are to be transferred to the Transferee by virtue of the operation of Law (including the Transfer Regulations);

"Relevant Employees" means all persons employed in the Business immediately before the Transfer Date (whether employed by the Transferor or otherwise) whose contract of employment has been or is to be transferred to the Transferee by virtue of the operation of Law (including the Transfer Regulations) or any other person employed in the Business in respect of whom liabilities arising from a contract of employment or employment relationship have or will be transferred by virtue of the operation of Law (including the Transfer Regulations);

"Reporting Accountants" means such firm of accountants as may be selected by agreement between the parties within four weeks of the preparation of the Net Asset Statement or, in the absence of such agreement, selected by RfL;

"RfL" has the meaning given to it in Recital (A);

"Season Ticket Fare" means a Fare which entitles the purchaser to make an unlimited number of journeys in any direction during the period for which, and between the stations and/or the zones for which, such Fare is valid;

"Taxation" comprises all forms of taxation, duties, contributions and levies of the United Kingdom whenever imposed and (except in so far as attributable to the unreasonable delay or default of the Transferee) all penalties and interest relating thereto;

"TOGC" has the meaning assigned to that term in Clause 6.2 (*Value Added Tax*);

"Transfer Date" has the meaning given to it in the Transfer Notice;

"Transfer Notice" means the notice dated [_____] given by RfL to the Transferor and the Transferee;

"Transfer Regulations" means the Transfer of Undertakings (Protection of Employment) Regulations 2006 (as amended, replaced or substituted from time to time);

"Transferring Assets and Liabilities" has the meaning given to it in Clause 2.1.1 (*Agreement to Transfer and Transfer Price – Agreement to Transfer*); and

"Undisclosed Employee" has the meaning assigned to that term in Clause 7.1.4 (*Employees – Transfer Regulations*).

Construction and Interpretation

- 1.2 In this Agreement, unless defined herein, terms and expressions defined in the Concession Agreement shall have the same meaning and the terms **"contract of employment"**, **"collective agreement"**, **"employee representatives"** and **"trade union"** shall have the same meanings respectively as in the Transfer Regulations.

2 Agreement to Transfer and Transfer Price

Agreement to Transfer

- 2.1 As of and with effect from the Transfer Date and to the extent not transferring by virtue of the operation of Law (including the Transfer Regulations):
- 2.1.1 the Transferor transfers, assigns and conveys to the Transferee each of the Relevant Concession Assets, the Relevant Contract Liabilities, the relevant Debits and Credits and the Relevant Employee Liabilities (together, the **"Transferring Assets and Liabilities"**); and
- 2.1.2 the Transferee accepts such assets and assumes such rights, liabilities and obligations, in each case, on the terms set out in this Agreement.
- 2.2 Each of the Transferee and the Transferor agrees to enter into and execute and deliver, and procure that any relevant third party enters into and executes and delivers, with effect from the Transfer Date, such further instruments (including, without limitation, any novation agreements) and obtain such consents and approvals as shall be necessary or expedient to give effect to the transfer referred to in Clause 2.1 (*Agreement to Transfer and Transfer Price – Agreement to Transfer*).

Amount and Payment

- 2.3 The price for the transfer of the Transferring Assets and Liabilities shall (subject to adjustment as expressly provided in this Agreement) be an amount equal to the Net Asset Value of which the sum of £[amount], as set out in the Transfer Notice (the Completion Payment) shall be paid in immediately available funds by the Transferor to the Transferee, or by the Transferee to the Transferor, as determined under paragraph 6.2.1 (*Transfer of Primary Concession Assets – Supplemental Agreement*) of Schedule 18.3 (*Transfer*) of the Concession Agreement, on the Transfer Date and the balance (if any) shall be paid in accordance with Clause 2.7 (*Agreement to Transfer and Transfer Price – Adjustment of Price*).

Net Asset Statement

- 2.4 The Transferee shall procure that, as soon as practicable and in any event not later than two (2) months following the Transfer Date, there shall be drawn up a statement showing a true and fair view of the aggregate of the amount of each separate asset and liability of the Transferring Assets and Liabilities as at the Transfer Date.
- 2.5 The Net Asset Statement shall be:
- 2.5.1 drawn up in the manner described in the Schedule;
 - 2.5.2 prepared on such basis as would enable the Transferee's auditors, if so requested, to give an unqualified audit report thereon to the effect that it had been drawn up in accordance with the Schedule; and
 - 2.5.3 presented, initially as a draft, to the Transferor immediately following its preparation for review in conjunction with its auditors.
- 2.6 If the Transferor and the Transferee have failed to agree the Net Asset Statement within four (4) weeks following such presentation, the matter shall be referred to the Reporting Accountants who shall settle and complete the Net Asset Statement as soon as practicable and shall determine the amount of the Net Asset Value as shown by the Net Asset Statement.

Adjustment of Price

- 2.7 If the Purchase Price exceeds or is less than the Completion Payment, the Transferee shall pay to the Transferor or, as the case may be, the Transferor shall pay to the Transferee, in either case within ten (10) Business Days of the agreement or determination of the Net Asset Value, an amount equal to such excess or deficiency together in either case with interest thereon calculated from the Transfer Date at the Interest Rate.

3 References to the Reporting Accountants

- 3.1 Whenever any matter is referred under this Agreement to the decision of the Reporting Accountants:
- 3.1.1 the Reporting Accountants shall be engaged jointly by the parties on the terms set out in this Agreement and otherwise on such terms as shall be agreed; provided that neither party shall unreasonably (having regard, amongst other things, to the provisions of this Agreement) refuse its agreement to terms proposed by the Reporting Accountants or by the other party. If the terms of engagement of the Reporting Accountants have not been settled within ten (10) Business Days of their appointment having been determined (or such longer period as the parties may agree) then, unless one party is unreasonably refusing its agreement to those terms, such accountants shall be deemed never to have been appointed as Reporting Accountants, save that the accountants shall be entitled to their reasonable expenses under Clause 3.1.4 (*References to the Reporting Accountants*), and new Reporting Accountants shall be selected in accordance with the provisions of this Agreement;

- 3.1.2 if the Reporting Accountants acting or appointed to act under this Agreement resign, withdraw, refuse to act, or are disqualified for any reason from performing their duties then, except as may be agreed between the parties, the parties shall appoint a replacement in accordance with the definition of Reporting Accountants;
- 3.1.3 the Reporting Accountants shall be deemed to act as experts and not as arbitrators;
- 3.1.4 the Reporting Accountants shall have power to allocate their fees and expenses for payment in whole or in part by any party at their discretion. If not otherwise allocated they shall be paid as to half by the Transferor and as to half by the Transferee;
- 3.1.5 each of the parties shall promptly on request supply to the Reporting Accountants all such documents and information as they may require for the purpose of the reference;
- 3.1.6 the decision of the Reporting Accountants shall (in the absence of objection on the grounds of any error discovered within ten (10) Business Days of the issue of their decision) be conclusive and binding and shall not be the subject of any appeal by way of legal proceeding or arbitration or otherwise; and
- 3.1.7 without prejudice to Clauses 3.1.1 (*References to the Reporting Accountants*) to 3.1.6 (*References to the Reporting Accountants*) above, either party may, prior to or during the course of the reference to the Reporting Accountants, seek a declaration from the court on a relevant point of law, including but not limited to a point of legal interpretation. Upon such application for a declaration being issued and served all applicable time limits relative to the reference to the Reporting Accountant shall be stayed pending the outcome of such application (including any appeal). The Reporting Accountants are bound to make their determination in a manner consistent with the findings of the Court.

4 **Warranty**

The Transferor warrants and represents to the Transferee that the Relevant Contract Liabilities and the Relevant Concession Assets are, to the extent they are property or rights, transferring to the Transferee, free and clear of all Security Interests.

5 **Interest**

If the Transferor or the Transferee defaults in the payment when due of any sum payable under this Agreement (whether determined by agreement or pursuant to an order of a court or otherwise) the liability of the Transferor or the Transferee (as the case may be) shall be increased to include interest on such sum from the date when such payment is due until the date of actual payment (after as well as before judgment) at a rate equal to the Interest Rate. Such interest shall accrue from day to day.

6 Value Added Tax

- 6.1 All amounts under this Agreement are expressed as exclusive of Value Added Tax where Value Added Tax is applicable.
- 6.2 The Transferor and the Transferee shall use all reasonable endeavours to secure that the transfer of the Transferring Assets and Liabilities is treated for Value Added Tax purposes as the transfer of a business as a going concern ("**TOGC**") and accordingly as neither a supply of goods nor a supply of services for the purposes of Value Added Tax.
- 6.3 If HM Revenue & Customs direct that the transfer of the Transferring Assets and Liabilities cannot be treated as a TOGC, the Transferor shall provide the Transferee with a copy of such direction within five (5) Business Days of receipt thereof by the Transferor.
- 6.4 The Transferee shall thereafter pay upon the receipt of a valid tax invoice the amount of any Value Added Tax which as a result of that direction may be chargeable on the transfer of the Transferring Assets and Liabilities. If the aforementioned direction was issued as a result of any action or inaction of the Transferee then the Transferee shall in addition to the Value Added Tax indemnify the Transferor for any penalties and interest that may be incurred upon receipt of such evidence from HM Revenue & Customs.
- 6.5 If the Transferee considers the direction issued by HM Revenue & Customs referred to in Clause 6.3 (*Value Added Tax*) to be incorrect then, without prejudice to the Transferee's obligation under Clause 6.4 (*Value Added Tax*) to pay to the Transferor the amount of any Value Added Tax which as a result such direction may be chargeable on the transfer of the Transferring Assets and Liabilities, the Transferee may, within twenty (20) Business Days of receipt of such direction by the Transferor, give notice to the Transferor that it requires the Transferor to appeal such direction. Upon requesting such an appeal the Transferee agrees to indemnify the Transferor for all reasonable costs that the Transferor may incur in taking such action upon receipt of evidence of those costs. If such an appeal is successful the Transferor agrees to reimburse the Transferee for such reasonable costs and penalties and interest to the extent that those costs have been reimbursed by HM Revenue & Customs.
- 6.6 If any amount paid by the Transferee to the Transferor in respect of Value Added Tax pursuant to this Agreement is subsequently found to have been paid in error the Transferor shall issue a valid tax credit note for the appropriate sum to the Transferee and promptly repay such amount to the Transferee.
- 6.7 If any amount is payable by the Transferor to the Transferee in respect of the transfer of the Relevant Concession Assets, Relevant Contract Liabilities, the relevant Debits and Credits and Relevant Employee Liabilities pursuant to this Agreement, Clauses 6.4 (*Value Added Tax*) to 6.6 (*Value Added Tax*) inclusive shall apply mutatis mutandis to such payment substituting Transferor for Transferee and vice versa.
- 6.8 The Transferor shall on the Transfer Date deliver to the Transferee such of those records referred to in section 49 of the Value Added Tax Act 1994 as relate exclusively to the Business on condition that the Transferee undertakes to preserve those records in such manner and for such periods as may be required by law.

6.9 Subject to HM Revenue & Customs so permitting, all of the records referred to in section 49 of the Value Added Tax Act 1994 relating to the Business (being the purchase records) shall be retained by the Transferor and the Transferor shall undertake to the Transferee to:

6.9.1 preserve those records in such manner and for such periods as may be required by law; and

6.9.2 give the Transferee as from the Transfer Date reasonable access during normal business hours to such records and to take copies of such records.

7 **Employees**

Transfer Regulations

7.1 The parties accept that, to the extent that the undertaking or part of the undertaking of the Transferor is continued by the Transferee after the Transfer Date, this Agreement and the transfer of the Business which is effected in connection with the Transfer Notice are governed by the Transfer Regulations and the following provisions shall apply in connection therewith:

7.1.1 the contract of employment of each of the Relevant Employees (save insofar as such contract relates to any occupational pension scheme) shall be transferred to the Transferee with effect from the Transfer Date which shall be the "time of transfer" under the Transfer Regulations and the Transferee shall employ each such Relevant Employee on the terms of those contracts of employment (save insofar as such contract relates to any occupational pension scheme) with effect from the Transfer Date;

7.1.2 the Transferor shall perform and discharge all its obligations in respect of all the Relevant Employees for its own account up to and including the Transfer Date including, without limitation, discharging all wages and salaries of the Relevant Employees, all employer's contributions to any relevant occupational pension scheme and all other costs and expenses related to their employment (including, without limitation, any Taxation, accrued holiday pay, accrued bonus, commission or other sums payable in respect of service prior to the close of business on the Transfer Date) and shall indemnify the Transferee and keep the Transferee indemnified against each and every action, proceeding, liability (including, without limitation, any Taxation), cost, claim, expense (including, without limitation, reasonable legal fees) or demand arising from the Transferor's failure so to discharge;

7.1.3 the Transferor shall indemnify the Transferee and keep the Transferee indemnified against each and every action, proceeding, cost, claim, liability (including, without limitation, any Taxation), expense (including, without limitation, reasonable legal fees) or demand which relates to or arises out of any act or omission by the Transferor or any other event or occurrence prior to the Transfer Date and which the Transferee may incur in relation to any contract of employment or collective agreement concerning one or more of the Relevant Employees pursuant to the provisions of the Transfer Regulations or otherwise including, without limitation, any such matter relating to or arising out of:

- (a) the Transferor's rights, powers, duties and/or liabilities (including, without limitation, any Taxation) under or in connection with any such contract of employment or collective agreement, which rights, powers, duties and/or liabilities (as the case may be) are or will be transferred to the Transferee in accordance with the Transfer Regulations; or
 - (b) anything done or omitted before the Transfer Date by or in relation to the Transferor in respect of any such contract of employment or collective agreement or any Relevant Employee, which is deemed by the Transfer Regulations to have been done or omitted by or in relation to the Transferee save where the thing done or omitted to be done before the Transfer Date relates to the Transferee's failure to comply with its obligations referred to in Clause 7.4 (*Employees – Details of Relevant Employees*);
- 7.1.4 if any contract of employment or collective agreement which is neither disclosed in writing to the Transferee by the Transferor prior to the Transfer Date nor made available to RfL under Schedule 18.1 (*Continuity of Services*) of the Concession Agreement prior to the Transfer Date shall have effect as if originally made between the Transferee and any employee (the "**Undisclosed Employee**") or a trade union or employee representatives as a result of the provisions of the Transfer Regulations (without prejudice to any other right or remedy which may be available to the Transferee):
- (a) the Transferee may, upon becoming aware of the application of the Transfer Regulations to any such contract of employment or collective agreement terminate such contract or agreement forthwith;
 - (b) the Transferor shall indemnify the Transferee against each and every action, proceeding, cost, claim, liability (including, without limitation, any Taxation), expense (including, without limitation, reasonable legal fees) or demand relating to or arising out of such termination and reimburse the Transferee for all costs and expenses (including, without limitation, any Taxation) incurred in employing such employee in respect of his employment following the Transfer Date; and
 - (c) the Transferor shall indemnify the Transferee in respect of any Undisclosed Employee on the same terms mutatis mutandis as the Transferor has indemnified the Transferee in respect of a Relevant Employee pursuant to the terms of Clauses 7.1.2 (*Employees – Transfer Regulations*) and 7.1.3 (*Employees – Transfer Regulations*); and
- 7.1.5 the Transferor shall indemnify the Transferee and keep the Transferee indemnified against each and every action, proceeding, cost, claim, liability (including without limitation, any Taxation) expense (including, without limitation, reasonable legal fees) or demand which relates to or arises out of any dismissal (including, without limitation, constructive dismissal) by the

Transferor of any employee (not being a Relevant Employee) and which the Transferee may incur pursuant to the provisions of the Transfer Regulations.

Transferee's Indemnities

- 7.2 The Transferee shall indemnify the Transferor and keep the Transferor indemnified against each and every action, proceeding, liability (including, without limitation, any Taxation), cost, claim, loss, expense (including reasonable legal fees) and demand arising out of or in connection with:
- 7.2.1 any substantial change in the working conditions of the Relevant Employees to their detriment or any of them occurring on or after the Transfer Date;
 - 7.2.2 the change of employer occurring by virtue of the Transfer Regulations and/or this Agreement being significant and detrimental to any of the Relevant Employees;
 - 7.2.3 the employment by the Transferee on or after the Transfer Date of any of the Relevant Employees other than on terms (including terms relating to any occupational pension scheme) at least as good as those enjoyed prior to the Transfer Date or the termination of the employment of any of them on or after the Transfer Date; or
 - 7.2.4 any claim by any Relevant Employee (whether in contract or in tort or under statute) for any remedy (including, without limitation, for unfair dismissal, redundancy, statutory redundancy, equal pay, sex or race discrimination) as a result of any act or omission by the Transferee after the Transfer Date.
- 7.3 The Transferee shall indemnify the Transferor and keep the Transferor indemnified against each and every action, proceeding, liability, cost, claim, loss, expense (including reasonable legal fees) and demand which arises as a result of it not providing or not having provided, in accordance with its obligations under the Transfer Regulations, the Transferor in writing with such information and at such time as will enable the Transferor to carry out its duties under regulation 10(2)(d) and 10(6) of the Transfer Regulations concerning measures envisaged by the Transferee in relation to the Relevant Employees.

Details of Relevant Employees

- 7.4 The Transferor warrants to the Transferee that it has (to the extent not made available to RfL under Schedule 18.3 (*Transfer*) of the Concession Agreement prior to the Transfer Date) provided the Transferee prior to the Transfer Date with full particulars of:
- 7.4.1 each Relevant Employee, including name, sex, and the date on which continuity of employment began for each Relevant Employee for statutory purposes;
 - 7.4.2 terms and conditions of employment of each such person;
 - 7.4.3 all payments, benefits or changes to terms and conditions of employment promised to any such person;

- 7.4.4 dismissals of Relevant Employees or termination of employment effected within twelve (12) months prior to the Transfer Date including the Transfer Date;
 - 7.4.5 all agreements or arrangements entered into in relation to the Relevant Employees between the Transferor, any Affiliate of the Transferor or any other relevant employer and any trade union or association of trade unions or organisation or body of employees including employee representatives and elected representatives; and
 - 7.4.6 all strikes or other industrial action taken by any Relevant Employee within twelve (12) months prior to the Transfer Date including the Transfer Date.
- 7.5 The Transferor and Transferee shall deliver to each of the Relevant Employees letters in an agreed form from the Transferor and Transferee as soon as is practicable after the execution of this Agreement (to the extent not already delivered prior to the Transfer Date).

8 **Miscellaneous Provisions**

Variations in Writing

- 8.1 No variation of this Agreement shall be effective unless in writing and signed by duly authorised representatives of the parties.

Partial Invalidity

- 8.2 If any provision in this Agreement shall be held to be void, illegal, invalid or unenforceable, in whole or in part, under any enactment or rule of law, such provision or part shall to that extent be deemed not to form part of this Agreement but the legality, validity and enforceability of the remainder of this Agreement shall not be affected.

Further Assurance

- 8.3 Each of the parties agrees to execute and deliver all such further instruments and do and perform all such further acts and things as shall be necessary or expedient for the carrying out of the provisions of this Agreement.

Notices

- 8.4 Any notice or other communication requiring to be given or served under or in connection with this Agreement shall be in writing and shall be sufficiently given or served if delivered or sent to the registered office of the recipient or:

- 8.4.1 in the case of the Transferor to [name of Transferor] at:

[address]

Attention: [name]

- 8.4.2 in the case of the Transferee to [name of Transferee] at:

[address]

Attention: [name]

- 8.5 Any such notice or other communication shall be delivered by hand or sent by courier or prepaid first class post. If sent by courier such notice or communication shall conclusively be deemed to have been given or served at the time of despatch. If sent by post such notice or communication shall conclusively be deemed to have been received two (2) Business Days from the time of posting.

Counterparts

- 8.6 This Agreement may be executed in any number of counterparts each of which shall be deemed an original, but all the counterparts shall together constitute one and the same instrument.

Third Parties

- 8.7 This Agreement does not create any rights under the Contracts (Rights of Third Parties) Act 1999 which are enforceable by any person who is not a party to it.

Governing Law

- 8.8 This Agreement shall be governed by and construed in accordance with the laws of England and Wales and the parties irrevocably agree that the courts of England and Wales are to have exclusive jurisdiction to settle any disputes which may arise out of or in connection with this Agreement.

In witness whereof the parties hereto have executed this Agreement the day and year first before written.

Signed for and on
behalf of the
[**Transferor**]

Director:

Director/Secretary:

Signed for and on
behalf of the
[**Transferee**]

Director:

Director/Secretary:

Schedule to the Supplemental Agreement
Net Asset Statement

- 1 The Net Asset Statement shall be drawn up (except to the extent otherwise agreed by the Transferor and the Transferee) in accordance with international accounting standards and such that the Transferring Assets and Liabilities are valued on the following basis:
- 2 Rights and liabilities relating to an obligation of carriage under the terms of any Fare shall be valued in accordance with the following formula:

$$\frac{(C - D) \times A}{B} + E$$

where:

C equals the Credit (exclusive of any Valued Added Tax) received by the Transferor in respect of the Fare provided that:

- (a) such Credit shall be deemed not to include any reduction in respect of a discount allowed to the purchaser of the Fare pursuant to TfL's refund policy;
- (b) if the Fare is a Season Ticket Fare, such Credit shall be the New Credit (as defined in the Ticketing and Settlement Agreement) relating to that Season Ticket Fare on the Transfer Date if different to the Credit that was in fact received by the Transferor in respect of such Season Ticket Fare;
- (c) such Credit shall be net of any Private Settlement Credit (as defined in the Ticketing and Settlement Agreement) arising in respect of that Fare; and
- (d) such Credit shall be deemed to exclude any Credit received by the Transferor in respect of any commission due to it in respect of the sale of such Fare (provided that for these purposes the amount of such commission shall not exceed the National Standard Rate of Commission (as defined in the Ticketing and Settlement Agreement) in respect of the Fare);

D equals the Debit (exclusive of any Value Added Tax) received by the Transferor in respect of the commission due in respect of the sale of the Fare (provided that for these purposes the amount of such commission shall not exceed the National Standard Rate of Commission (as defined in the Ticketing and Settlement Agreement) in respect of the Fare);

$\frac{A}{B}$ equals:

- (a) in the case of a Season Ticket Fare, the number of journeys which the purchaser of the Fare is estimated to make from (and including) the Transfer Date to (and including) the last day on which the Fare is valid (including any extensions to its original period of validity)

divided by the total number of journeys which the purchaser of the Fare is estimated to make with that Fare (as determined in each case in accordance with Schedule 28 of the Ticketing and Settlement Agreement);

(b) in the case of any other Fare which entitles the holder thereof to make more than two (2) journeys, the number of days for which the Fare continues to be valid after the Transfer Date (including any extensions to its original period of validity) divided by the total number of days for which such Fare is valid on issue (except to the extent that it can reasonably be estimated what proportion of the journeys which could be made on issue of the Fare have not been made prior to the Transfer Date); or

(c) in the case of any other Fare, zero (0); and

E equals, if $\frac{A}{B}$ is greater than zero (0):

the amount of any discount to which it can be reasonably estimated that the purchaser of the Fare would be entitled pursuant to TfL's Customer Commitments on purchasing an equivalent Fare on the expiry of the relevant Fare,

and for these purposes a Credit or Debit shall be deemed to be received when the relevant Fare is Accepted for Clearing (as defined in the Ticketing and Settlement Agreement).

3 Rights and liabilities relating to an Excess Fare, Reservation or Upgrade (as such terms are defined in the Ticketing and Settlement Agreement) shall be valued at zero (0) unless such Excess Fare, Reservation or Upgrade involves more than two journeys, in which case they shall be valued in accordance with paragraph 1 and references to Fare in paragraph 1 shall be construed accordingly.

4 Rights and liabilities under a Discount Card shall be valued in accordance with the following formula:

$$\frac{(C - D) \times A}{B}$$

where:

C equals the Credit (exclusive of any Value Added Tax) received by the Transferor in respect of the Discount Card;

D equals the Debit (exclusive of any Value Added Tax) received by the Transferor in respect of the commission due in respect of the sale of the Discount Card (provided that for these purposes the amount of such commission shall not exceed the National Standard Rate of Commission (as defined in the Ticketing and Settlement Agreement) in respect of the Discount Card); and

$\frac{A}{B}$ equals the number of days for which the Discount Card continues to be valid after the Transfer Date (including any extensions to its original period of validity) divided by the total number of days for which such Discount Card is valid on issue, or in the case of any Discount Card listed in Schedules 12 or 39 of the Ticketing and Settlement Agreement on the Start Date, zero (0),

and for these purposes a Credit or Debit shall be deemed to be received when the relevant Discount Card is Accepted for Clearing (as defined in the Ticketing and Settlement Agreement).

- 5 Relevant Debits and Credits shall be valued at the full amount of such Debits and Credits (inclusive of any Value Added Tax) but excluding any Debits and Credits arising in respect of Adjustment Amounts (as defined in the Ticketing and Settlement Agreement) which are received by the Transferee in respect of a change to the Credit which is used to value any relevant Season Ticket Fare under paragraph 1 to the extent such Adjustment Amounts relate to a period after the Transfer Date.
- 6 Rights and liabilities in respect of any contract, lease, licence or other equivalent arrangement excluding rights and liabilities valued under paragraphs 2 to 5 inclusive shall be valued at nil except to the extent that the relevant rights and liabilities include matters specified in the left hand column of the following table, which shall be valued on the basis specified in the right hand column of the following table:

Rights and Liabilities	Value
Any accrued rights to receive payment	Monetary amounts so accrued, subject to any provision being made for payment not being received from any other person
Any right to receive payment in respect of goods and/or services provided by the Transferor prior to the Transfer Date where the due date for such payment is after the Transfer Date	Amount payable under such contract, lease, licence or other equivalent arrangement for the goods and/or services so provided by the Transferor, subject to any provision being made for payment not being received from any other person
Any accrued liabilities to make payment	Monetary amounts so accrued
Any liability to make payment in respect of goods and/or services provided to the Transferor prior to the Transfer Date where the due date for such payment is after the Transfer Date	Amount payable under such contract, lease, licence or other equivalent arrangement for the goods and/or services provided to the Transferor
Any rights in respect of which payment has already been made by the Transferor	Monetary amounts so paid, subject to any provision being made for such rights not being exercisable against any other person

Rights and Liabilities	Value
Any liabilities in respect of which payment has already been received by the Transferor	Monetary amounts so received
Any liability resulting from any breach of or failure by the Transferor to comply with the terms of any such contract, lease, licence or other equivalent arrangement	Amount of such liability or, to the extent that such amount is not ascertained, the parties reasonable estimate of the amount of such liability

- 7 Any Ticket Equipment supplied by RfL under the terms of the Concession Agreement shall be valued at nil (0).
- 8 Any other property, rights or liabilities shall be valued on the basis of a willing vendor and purchaser and ongoing usage within the railway industry.

Schedule 19
Continuation of Elizabeth Line Concession

Schedule 19: Continuation of Elizabeth Line Concession

Schedule 19
Continuation of Elizabeth Line Concession

1 Continuation of Term

Up to two-year Continuation at RfL's Discretion

- 1.1 RfL may, in its sole discretion, not less than nine (9) months before the Initial Expiry Date, notify the Operator that this Agreement shall continue after the Initial Expiry Date on the terms set out in this Agreement up to and including twenty-six (26) Reporting Periods after the Initial Expiry Date.
- 1.2 If RfL serves such notice, this Agreement shall continue on its terms until the date specified in the notice issued pursuant to paragraph 1.1 (*Continuation of Term – Up to two-year Continuation at RfL's Discretion*), unless otherwise terminated in accordance with its terms.

Continuation for Additional Seven Reporting Periods

- 1.3 RfL's rights pursuant to paragraph 1.4 (*Continuation of Term – Continuation for Additional Seven Reporting Periods*) shall apply regardless of when this Agreement is scheduled to terminate.
- 1.4 If RfL gives notice to the Operator not less than three (3) months before:
 - 1.4.1 the Initial Expiry Date; or
 - 1.4.2 if this Agreement is continued beyond the Initial Expiry Date in accordance with paragraph 1.1 (*Continuation of Term – Up to two-year Continuation at RfL's Discretion*), the date on which this Agreement is due to expire following such continuation,

(and RfL shall be entitled to serve such notice in either such circumstances) in which case, this Agreement shall continue after such date on the terms set out in this Agreement for the number of Reporting Periods RfL may stipulate in such notice (being not less than one (1) and not more than seven (7) Reporting Periods).

2 Key Contracts

The Operator shall enter into or extend any and all Key Contracts which are necessary for this Agreement to continue or be extended in accordance with this Schedule 19 (*Continuation of Elizabeth Line Concession*).

Schedule 20
Other Provisions

Schedule 20: Other Provisions

Schedule 20
Other Provisions

1 Rights Cumulative

The rights of RfL under this Agreement are cumulative, may be exercised as often as it considers appropriate and are in addition to its rights under the general Law. The exercise of such rights shall not limit RfL's right to make payment adjustments, claim damages in respect of contraventions of this Agreement or pursue any available remedies under general Law.

2 Disputes under this Agreement

Escalation Procedure

- 2.1 Wherever reasonably practicable, RfL and the Operator shall discuss and seek to resolve any issue or potential issue arising out of or in relation to this Agreement before it becomes a Dispute. Such discussion may take place at a Concession Performance Meeting.
- 2.2 RfL and the Operator shall use all reasonable endeavours to negotiate in good faith and resolve any Dispute before taking any further action, including that the Concession Manager and the Contract Manager will promptly discuss and seek to settle the Dispute.
- 2.3 If the Dispute is not resolved within a period of fourteen (14) Business Days of the date on which the Dispute arose, either party may require by notice in writing that the matter is referred to the Senior Personnel for resolution.
- 2.4 If the Dispute is not resolved within fourteen (14) Business Days of a notice being issued under paragraph 2.3 (*Disputes under this Agreement – Escalation Procedure*), either party may, subject to paragraphs 2.10 (*Disputes under this Agreement - Reasonable Determinations by RfL*) and 2.11 (*Disputes under this Agreement - Dispute Resolution Rules*), propose by notice to the other party that a mediation be entered into in relation to the Dispute (a "**Dispute Notice**").

Principles of Mediation

- 2.5 If the Parties are unable to agree on a mediator, or if the agreed mediator is unable or unwilling to act within twenty eight (28) Business Days of the service of any Dispute Notice, either party may apply to the Centre for Effective Dispute Resolution ("**CEDR**") in London to appoint a mediator. The costs of that mediator shall be divided equally between the parties or as the parties may otherwise agree in writing.
- 2.6 Where a Dispute is referred to mediation under paragraph 2.5 (*Disputes under this Agreement - Principles of Mediation*), the parties will attempt to resolve such Dispute by mediation in accordance with the model mediation procedures published by CEDR or such other procedures as the mediator may recommend.

- 2.7 If the parties reach agreement on the resolution of the Dispute, such agreement shall be recorded in writing and once signed by the parties' authorised representatives, shall be final and binding on the parties.
- 2.8 If either party refuses at any time to participate in the mediation procedure and in any event if the parties fail to reach agreement on the Dispute within forty (40) Business Days of the service of the relevant Dispute Notice, either party may refer the Dispute for resolution in accordance with the Dispute Resolution Rules.
- 2.9 Paragraph 3 of the Dispute Resolution Rules shall not apply in respect of any Disputes.

Reasonable Determinations by RfL

- 2.10 Where this Agreement provides that RfL may reasonably determine any matter and a Dispute has arisen in relation to whether RfL has been reasonable in making any such determination, the matter shall not be capable of referral to mediation under paragraph 2.4 (*Disputes under this Agreement – Escalation Procedure*), but the Operator shall be entitled to challenge under the Dispute Resolution Rules that determination on the basis that it is unreasonable. RfL's determination shall prevail unless and until it is agreed or found to have been unreasonable.

Dispute Resolution Rules

- 2.11 Where either party is entitled, pursuant to the terms of this Agreement, to refer a dispute arising out of or in connection with this Agreement for resolution or determination in accordance with the Dispute Resolution Rules, then such dispute shall, unless the parties otherwise agree and subject to any duty of RfL under applicable Law, be resolved or determined by arbitration pursuant to the Dispute Resolution Rules.
- 2.12 The arbitrator in any dispute referred for resolution or determination under the Dispute Resolution Rules shall be a suitably qualified person chosen by agreement between the parties or, in default of agreement, chosen by the Disputes Secretary from a panel of persons agreed from time to time for such purposes between RfL and the Operator or, in default of agreement as to the arbitrator or as to such panel, selected on the application of any party by the President of the Law Society or the President of the Institute of Chartered Accountants in England and Wales from time to time (or such other person to whom they may delegate such selection).

Continuing Obligations and Rights

- 2.13 The Operator and RfL shall continue to comply with their respective obligations under this Agreement without delay while any Dispute is being resolved pursuant to this paragraph 2 (*Disputes under this Agreement*).
- 2.14 Neither party shall be prevented from, or delayed in, seeking any order for specific performance or for interim or final injunctive relief as a result of the provisions of this paragraph 2 (*Disputes under this Agreement*), nor shall this

paragraph 2 (*Disputes under this Agreement*) apply in respect of any circumstances where such remedies are sought.

3 **Disputes under Other Agreements**

- 3.1 The Operator shall notify RfL of any disputes to which it is a party under any Inter-Operator Scheme, Access Agreement, Property Lease or Rolling Stock Related Contract, or under any other agreement in circumstances where the relevant dispute could have an adverse effect on the Operator's ability to comply with its obligations under this Agreement or on the provision of the Concession Services and which have been submitted for resolution either to the courts or to any other procedure for dispute resolution provided for under such agreements.
- 3.2 Such notification shall be made both:
- 3.2.1 at the time of such submission for resolution (and such notification shall include reasonable details of the nature of the dispute); and
- 3.2.2 at the time of the resolution of the dispute (whether or not subject to appeal) (and such notification shall include reasonable details of the result of the dispute, any associated award and whether it is subject to appeal).
- 3.3 The Operator shall provide such further details of any dispute referred to in paragraph 3.1 (*Disputes under Other Agreements*) as RfL may reasonably request from time to time.

4 **Notices**

General Provisions on Notices

- 4.1 Subject to paragraph 4.4 (*Notices – Exceptions to the General Provisions on Notices*), any notice, notification or other communication under or in connection with this Agreement or any dispute under or in connection with this Agreement shall be in writing and shall be delivered by email, to each of the email addresses below:
- 4.1.1 in relation to notices, notifications or other communications addressed to RfL:
- | | |
|------------|---|
| Name: | Rail for London Limited |
| E-mail: | [REDACTED] |
| Copied to: | Concession Manager ([REDACTED])
Head of Concession Management ([REDACTED]) |
| Attention: | Head of Concession Management |
- 4.1.2 in relation to notices, notifications or other communications addressed to the Operator:

Name: GTS Rail Operations Limited
E-mail: [REDACTED]
Copied to: [REDACTED]
Attention: Company Secretary

4.2 Notices must be:

- 4.2.1 created in a letter format;
- 4.2.2 sent as an attachment to an email which includes the word "Notice" in the subject line in portable document format (PDF);
- 4.2.3 signed (which, for these purposes, includes an electronic signature) in such attachment by a duly authorised person for and on behalf of the relevant party (and, in the case of the Operator, for the purposes of this paragraph 4 (*Notices*) a "duly authorised person" means the Contract Manager or a statutory director of the Operator); and
- 4.2.4 sent from the email address of the person signing the notice by the person signing the notice or a person duly authorised to send emails from that email address as if they were the person signing the notice.

Deemed Receipt

- 4.3 Any such notice, notification or other communication shall be deemed to have been received by the party to whom it is addressed upon sending, subject to receipt by the sender of a "delivered" confirmation (provided that the sender shall not be required to produce a "read" confirmation).

Exceptions to the General Provisions on Notices

4.4 If:

- 4.4.1 it is not possible to issue validly such notice by email under an applicable Law or by virtue of the express requirements of this Agreement; or
- 4.4.2 there is a technical issue outside of that party's reasonable control which directly causes that party to be unable to send emails for any length of time and the need to send the notice cannot wait until such technical issue has been resolved,

a party may instead deliver such notice by hand to the relevant party at the address for service set out below, or to such other address in the United Kingdom as each party may specify by notice in writing to the other party, provided that:

- (a) such notice must be addressed to the other party;

- (b) paragraphs 4.2.1 (*Notices – General Provisions on Notices*) and 4.2.3 (*Notices – General Provisions on Notices*) shall continue to apply in respect of such notice;
- (c) such notice shall be sent to:
 - (i) (in the case of notices addressed to RfL): Rail for London Limited at 5 Endeavour Square, London E20 1JN, and marked for the attention of "Head of Concession Management", with a copy delivered by hand to a member of the TfL team located in the RfL Accommodation contemplated in paragraph 1 (*Accommodation for RfL Management Team*) of Schedule 15.2 (*Co-location*); and
 - (ii) (in the case of notices addressed to the Operator): GTS Rail Operations Limited at 3rd Floor, 41-51 Grey Street, Newcastle Upon Tyne, United Kingdom, NE1 6EE, and marked for the attention of "Company Secretary"; and
- (d) such notice shall be deemed to have been received by the party to whom it is addressed when delivered to the address for service; and
- (e) (in the case of paragraph 4.4.2 (*Notices – Exceptions to the General Provisions on Notices*) only) such party nevertheless issues such notice by email in an identical form and in accordance with paragraphs 4.1 (*Notices – General Provisions on Notices*) to 4.3 (*Notices – Deemed Receipt*) as soon as reasonably practicable once the technical issue has been resolved.

5 Assignment

- 5.1 The Operator shall not, without the prior written consent of RfL assign, transfer or otherwise dispose of, hold in trust for any other person, or grant a Security Interest in or over, this Agreement or any part hereof or any benefit or interest or right herein or hereunder (other than any right of the Operator to receive monies under a Supplemental Agreement).
- 5.2 The Operator hereby agrees that RfL may without the Operator's consent, assign, transfer or otherwise dispose of any of its rights and obligations under this Agreement to any other member of the TfL Group.

6 Set-Off

- 6.1 Save as otherwise expressly provided under this Agreement or required by law, all sums payable under this Agreement shall be paid in full and without any set-off or any deduction or withholding including on account of any counter-claim.
- 6.2 Notwithstanding paragraph 6.1 (*Set-Off*), RfL may by making an Other Adjustment:
 - 6.2.1 set-off any amount owed to it which is due and payable by the Operator under or in relation to the Transaction Documents, against

any amount owed by RfL to the Operator under or in relation to those agreements; and

- 6.2.2 set-off any other otherwise owed to any member of the TfL Group which is due and payable by the Operator, against any amount owed by RfL to the Operator under or in relation to the Transaction Documents.
- 6.3 If an amount referred to in paragraph 6.2 (*Set-Off*) is unascertained or unliquidated, RfL may, acting reasonably, estimate such amount and set-off in respect of the estimated amount, in which case, when the amount is ascertained or liquidated, RfL or the Operator shall make a payment to the other (as appropriate) by way of Other Adjustment in respect of any amount by which the ascertained or liquidated amount differs from the estimated amount.
- 6.4 RfL shall be entitled to pay RfL(I) directly (on behalf of the Operator) any charges which the Operator would otherwise be liable to pay to RfL(I) under the CCOS TAA and/or an RfL(I) SAA. If RfL exercises such right, it shall be entitled to set-off, deduct or otherwise withhold from the Concession Payment a sum equal to the amount of the payment made directly to RfL(I) on the Operator's behalf.

7 Miscellaneous Provisions

Waivers

- 7.1 Either party may at any time waive any obligation of the other party under this Agreement provided that such waiver:
- 7.1.1 is in writing; and
- 7.1.2 is signed by a duly authorised person for and on behalf of the relevant party (and, in the case of the Operator, for the purposes of this paragraph 7.1 (*Miscellaneous Provisions – Waivers*) a "**duly authorised person**" means the Contract Manager or a statutory director of the Operator),

and the obligations of the parties hereunder shall be construed accordingly.

- 7.2 No waiver by either party of any default by the other party in the performance of such party's obligations under this Agreement shall operate or be construed as a waiver of any other or further such default, whether of a like or different character. A failure to exercise or delay in exercising a right or remedy under this Agreement shall not constitute a waiver of any right or remedy or a waiver of any other rights or remedies and no single or partial exercise of any right or remedy under this Agreement shall prevent any further exercise of such right or remedy or the exercise of any other right or remedy.

Time Limits

- 7.3 Where in this Agreement any obligation of a party is required to be performed within a specified time limit (including an obligation to use all reasonable

endeavours or best endeavours to secure a particular result within such time limit) that obligation shall be deemed to continue after the expiry of such time limit if such party fails to comply with that obligation (or secure such result, as appropriate) within such time limit.

Partial Invalidity

- 7.4 If any provision in this Agreement is held to be void, illegal, invalid or unenforceable, in whole or in part, under any enactment or rule of Law, such provision or part shall to that extent be deemed not to form part of this Agreement but the legality, validity and enforceability of the remainder of this Agreement shall not be affected.

Further Assurance

- 7.5 Each party agrees to execute and deliver all such further instruments and do and perform all such further acts and things as shall be necessary or expedient for the carrying out of the provisions of this Agreement.

Rights of Third Parties

- 7.6 A person who is not a party to this Agreement shall have no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Agreement except to the extent set out in paragraphs 7.7 (*Miscellaneous Provisions – Rights of Third Parties*) to 7.10 (*Miscellaneous Provisions – Rights of Third Parties*) inclusive.
- 7.7 Each of RfL(I), LUL, TfL and any other member of the TfL Group may, to the same extent as if it were a party, enforce and rely on any provision of this Agreement where any such member is expressed to have a right in respect of any such provision, but subject to paragraph 7.9 (*Miscellaneous Provisions – Rights of Third Parties*).
- 7.8 Any Successor Operator or potential Successor Operator nominated by RfL and notified to the Operator for the purposes of this paragraph 7.8 (*Miscellaneous Provisions – Rights of Third Parties*) may enforce and rely on the provisions of Schedule 18 (*Continuity, Restrictions on Dealings and Transfer*) to the same extent as if it were a party, but subject to paragraphs 7.9 (*Miscellaneous Provisions – Rights of Third Parties*) and 7.10 (*Miscellaneous Provisions – Rights of Third Parties*).
- 7.9 This Agreement may be terminated, and any term may be amended or waived, in each case in accordance with the terms of this Agreement, without the consent of any person nominated under paragraph 7.7 (*Miscellaneous Provisions – Rights of Third Parties*) or 7.8 (*Miscellaneous Provisions – Rights of Third Parties*).
- 7.10 Any person nominated under paragraph 7.8 shall only be entitled to enforce and rely on Schedule 18 (*Continuity, Restrictions on Dealings and Transfer*) to the extent determined by RfL (whether at the time of nomination or at any other time) and, to the extent that any such person is entitled to enforce and rely on Schedule 18 (*Continuity, Restrictions on Dealings and Transfer*), any

legal proceedings in relation thereto must be commenced within one (1) year of the expiry of the Concession Period and any such person shall not be entitled to enforce or rely on Schedule 18 (*Continuity, Restrictions on Dealings and Transfer*) to the extent that it has consented to any particular act or omission of the Operator which may constitute a contravention of Schedule 18 (*Continuity, Restrictions on Dealings and Transfer*) or has been afforded a reasonable opportunity to indicate to the Operator that it is not so consenting and has not so indicated (the extent of such reasonable opportunity to be determined by RfL unless otherwise agreed).

RfL's Consent or Approval

- 7.11 Where any provision of this Agreement provides for any matter to be subject to the consent or approval of RfL, then (subject only to the express terms of that provision as to the basis on which that consent or approval may be given or withheld) RfL shall be entitled to give that consent or approval subject to any condition or conditions as it considers appropriate, which may include the adjustment of any of the terms of this Agreement.

Performance by TfL Group

- 7.12 The Operator agrees that performance by any member of the TfL Group of any obligation of RfL under this Agreement shall constitute good and valid discharge of such obligation.

8 Enforcement Costs

The Operator shall compensate RfL for all reasonable costs incurred by RfL as a result of the Operator failing to perform its obligations under this Agreement in accordance with their terms in the exercise of RfL's rights under Schedule 17 (*Remedies, Termination and Expiry*).

9 Currency

If at any time the Bank of England or other competent monetary authority of the United Kingdom or competent organ of H. M. Government of the United Kingdom recognises any currency other than pounds sterling as lawful currency and tender of the United Kingdom, RfL may, by reasonable notice to the Operator and the Operator may by reasonable notice to RfL, elect that all payment obligations arising under this Agreement shall be denominated and/or constituted in that other currency on the basis that all outstanding amounts and obligations previously denominated and/or constituted in pounds sterling shall be translated into that other currency at the exchange rate applied or recognised by the United Kingdom authority or organ which granted recognition of that other currency for the purpose of such translation on the date on which it granted recognition of that other currency.

10 Arm's Length Dealings

- 10.1 The Operator shall ensure that every contract or other arrangement or transaction to which it may become party in connection with this Agreement with any person is on bona fide arm's length terms.

- 10.2 Within four (4) Reporting Periods of the end of each Concession Year, and to the extent that the Operator submits to RfL the calculations pursuant to paragraph 2.1 (*Annual Calculation and Information Provision*) of Schedule 11.4 (*Profit Share*), at the same time as those calculations are submitted, the Operator shall provide RfL with details of any new, amended or replacement contracts or other arrangements to which the Operator has become party during that Concession Year with any of its Parent or Affiliates that, when aggregated with any other such contracts or arrangements to which the Operator is a party, have a value in excess of [REDACTED].

11 **Change Of Control**

- 11.1 A "**Change of Control**" is a change occurring in the identity of any one (1) person, or two (2) or more persons acting by agreement, who may Control the Operator on and from the date of this Agreement and during the Concession Period which shall include a person, or two (2) or more persons acting by agreement, ceasing to Control the Operator or a Member or a Parent or a Guarantor at any time during the Concession Period, whether or not any other person Controls the Operator or a Member or a Parent or a Guarantor at the same time and for the purposes of this paragraph 11 (*Change of Control*), two (2) or more persons shall be deemed to be acting by agreement in relation to the Operator if, assuming the Operator or a Member or a Parent or a Guarantor (as applicable) was a target company as defined in the Companies Act 2006 such persons would be under an obligation to disclose an interest in shares in such company by virtue of an agreement between such persons.
- 11.2 Otherwise than in accordance with the prior consent of the RfL given pursuant to paragraph 11.3 (*Change of Control*), a Change of Control shall constitute an Event of Default pursuant to paragraph 2.4 (*Events of Default - Change of Control*) of Schedule 17.5 (*Events of Default, Termination Event and Voluntary Termination*).
- 11.3 The Operator may, at any time, apply in writing to RfL for RfL's consent to a Change of Control.
- 11.4 RfL may require the Operator to pay an additional fee in respect of the staff, professional and other costs incurred by RfL and each member of the TfL Group in connection with the Operator's application (the "**Administration Fee**"). The Administration Fee shall be payable whether or not RfL consents to the proposed Change of Control.
- 11.5 On or after submitting such application to RfL, the Operator shall provide, and will procure that the seller and the buyer provide, RfL with such documentation and information as RfL may require to assess such application. Without limiting paragraphs 11.9 (*Change of Control*) or 11.10 (*Change of Control*), it shall be deemed to be reasonable for RfL to delay or withhold consent to the Change of Control where any such documentation is not provided.
- 11.6 The Administration Fee shall be determined by RfL on the basis of:

- 11.6.1 the aggregate time spent by officials within RfL and each member of the TfL Group on matters relating to such application;
 - 11.6.2 RfL's hourly scale rates for such officials, as varied from time to time; and
 - 11.6.3 the aggregate costs and disbursements, including where applicable VAT and professional costs, incurred by RfL and each member of the TfL Group in connection with such application.
- 11.7 Any determination by RfL for the purposes of paragraph 11.6 (*Change of Control*) shall in the absence of manifest error be final and binding as between RfL and the Operator.
- 11.8 Any consent by RfL to a Change of Control may be given subject to such conditions as RfL sees fit and the Operator shall, as applicable, comply with, and/or procure that the seller and/or the buyer comply with, any such conditions.
- 11.9 RfL shall have absolute discretion as to the grant of consent to any Change of Control and may accordingly refuse such consent for any reason that RfL sees fit.
- 11.10 RfL shall have no liability whatever to the Operator in respect of any refusal of consent to a Change of Control, any delay in providing such consent, or any condition of such consent.
- 11.11 The Parties acknowledge and agree that the Operator shall under no circumstances be entitled to reimbursement of any Administration Fee paid by it under the terms of this paragraph 11 (*Change of Control*).

12 **Subsidy Control and State Aid**

- 12.1 The Operator acknowledges and agrees that this Agreement must not result in any financial advantage being granted to the Operator that is incompatible with any of the following:
- 12.1.1 Chapter 3: Subsidy control of Title XI of Part Two of the Trade and Cooperation Agreement;
 - 12.1.2 EU rules on State aid and, in particular, Articles 107 and 108 of the Treaty on the Functioning of the European Union insofar as those rules are applicable pursuant to the Northern Ireland Protocol;
 - 12.1.3 any other rules on subsidy control contained in any legislation enacted in the United Kingdom, or contained in any Free Trade Agreement, that apply to this Agreement from time to time,
- together, the "**Subsidies Rules**".
- 12.2 Schedule 11 (*Payments and [REDACTED]*) defines the parameters on the basis of which the compensation payment for discharging the public service obligations under this Agreement is to be calculated. At the end of the Concession Period, RfL will carry out an ex-post check to ensure that there

has been no overcompensation for the discharge of the public service obligations over the Concession Period in violation of Regulation 1370, or any other financial advantage that is identified as having been granted as a result of this Agreement in violation of the Subsidies Rules. RfL will recover, in accordance (where applicable) with any mechanism that exists from time to time to enforce the Subsidies Rules and/or Regulation 1370, any overcompensation of the Operator over the Concession Period in violation of Regulation 1370 or any other financial advantage that is identified as having been granted as a result of this Agreement in violation of the Subsidies Rules, and the Operator agrees to repay such monies promptly.

13 Counterparts

This Agreement may be executed in any number of counterparts each of which shall be deemed an original, but all the counterparts shall together constitute one and the same instrument.

14 Survival

14.1 The following provisions and any other provisions of this Agreement reasonably required for the purpose of giving full effect to such provisions or for any other purpose shall survive the termination or expiry of this Agreement for any reason and shall continue in full force and effect in accordance with their terms unless and until the RfL instructs otherwise:

14.1.1 Clause 1 (*Interpretation*);

14.1.2 Clause 2 (*Definitions*);

14.1.3 Clause 5 (*General Obligations*);

14.1.4 Clause 6 (*Compliance with Laws*);

14.1.5 Clause 9 (*Entire Agreement*);

14.1.6 Clause 10 (*Governing Law and Jurisdiction*);

14.1.7 any conditions imposed by RfL pursuant to paragraph 5 (*No Right to Apply Marks or Branding*) of Schedule 2.1 (*Obligations in Relation to Concession Services*) in relation to the removal of any trademarks, names or branding;

14.1.8 paragraph 3.19 (*End of Station Underlease - Further Assistance*) of Part 2 (*Transfer of Retail Areas*) of Schedule 4.3 (*Retail and Commercial Arrangements*);

14.1.9 Schedule 11.1 (*Concession Payments*);

14.1.10 Schedule 11.2 (*Annual Concession Payments and Indexation*);

14.1.11 Schedule 11.3 (*Pass Through Access Charge Adjustments*);

14.1.12 Schedule 11.4 (*Profit Share*);

- 14.1.13 Schedule 14 (*Financial Obligations and Credit Support*);
- 14.1.14 paragraph 8 (*Right of Assessment or Inspection*) of Schedule 15.1 (*Personnel, Communication and Access*);
- 14.1.15 Schedule 15.5 (*Pensions*);
- 14.1.16 Paragraphs 4 (*Accounting and Financial Information*), 6 (*Further Information*) and 9 (*Maintenance and Standard of Information*) of Schedule 16.1 (*Records, Plans and Reporting*);
- 14.1.17 Schedule 16.2 (*Confidentiality, Freedom of Information Act and Data Protection Requirements*);
- 14.1.18 paragraph 2 (*Consequences of Termination or Expiry*) of Schedule 17.4 (*Termination and Expiry*);
- 14.1.19 Schedule 17.7 (*Liability*);
- 14.1.20 Schedule 18 (*Continuity, Restrictions on Dealings and Transfer*); and
- 14.1.21 this Schedule 20 (*Other Provisions*).

Schedule 21
List of Documents in the Agreed Terms

Schedule 21: List of Documents in the Agreed Terms

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Abbreviation	Document in the agreed terms
"345L"	Class 345 Lease
"AA"	RSPA Agency Agreement
"ACA"	Advertising Concession Agreement
"ATG"	Alternative Timetable Guidance
"BSRD"	High Speed 2 Blockades and Speed Restrictions
"CPA"	Car Parking Agreement
"CPU"	Car Park Underlease
"CSSM"	Customer Satisfaction Survey Methodology
"CSSQ"	Customer Satisfaction Survey Questionnaire
"DA"	Direct Agreement
"DPP"	TfL Data Protection Policy
"EDL"	Escrow Documents Letter
"FM"	Financial Model
"FL"	Functionality List
"GPU"	Gidea Park Underlease
"IAL"	Ilford Accommodation Licence
"MBL"	Metrobins Licence
"MHU"	Maidenhead Underlease
"MSSM"	Mystery Shopper Survey Methodology
"MSSQ"	Mystery Shopper Survey Questionnaire
"OM"	Operational Models
"OUL"	Optional Unit Lease
"PAL"	Plumstead Accommodation Licence
"POA"	Power of Attorney
"QPRM"	Quality Performance Regime Methodology
"ROA"	Record of Assumptions

Abbreviation	Document in the agreed terms
"RRG"	Rail Replacement Guidance
"SDTA"	Start Date Transfer Agreement
"SIS"	Station & Staff Information Survey
"SLC1"	Service Level Commitment 1
"SLC2"	Service Level Commitment 2
"SLNTR"	Periodic SLNT Report
"SOA"	Stations Operator Agreement
"SUA"	Station Agreement
"SUL"	Station Underlease
"SUSL"	Station Underlease Side Letter
"SWP"	TfL Safety and Wellbeing Policy
"TTSM"	Ticketless Travel Survey Methodology
"TUS"	TfL Uniform Specification