



Transport for London
Telecommunications Commercialisation Project Tender

Annex 3 – Summary of Contract Terms

TfL Reference Number: TfL 93898

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1 Introduction

The Concession Agreement summary document is based on the Crown Commercial Services Model Services Agreement (v1.03) and the associated Combined Schedules (v1.05). These documents were adapted for use by TfL on the TCP.

Capitalised terms in this document shall have the meaning set out in Paragraph 1 of Part B of the SSQ.

2 Summary of Provisions

Clause Heading	Clause summary
DEFINITIONS AND INTERPRETATION	<ul style="list-style-type: none">• Market standard contractual interpretation provisions.• Additional interpretation stating that TfL's Associated Companies, the GLA Group and the London Boroughs will be able to participate in the arrangements.
DUE DILIGENCE	<ul style="list-style-type: none">• Acknowledgment by the Concessionaire that:<ul style="list-style-type: none">○ TfL has provided necessary due diligence information;○ the Concessionaire has made the necessary enquiries regarding the information provided and related items e.g. TfL premises, assets, design information, operating processes and procedures, existing contracts;○ the Concessionaire has advised TfL of any aspects of the premises and design information

Clause Heading	Clause summary
	<p>that are unsuitable for the provision of services; and</p> <ul style="list-style-type: none"> ○ the Concessionaire will not be excused from obligations on the grounds of any failure to satisfy itself of the accuracy of the information provided or unsuitable aspects of the premises and design. • The Concessionaire will be able to qualify the acknowledgment by the inclusion of Allowable Assumptions in Schedule 7.1 (subject to the approval by TfL of these assumptions during the ITT process). Any Allowable Assumptions must be verified within a specified period and consequential amendments (e.g. implementation activities, revenue sharing calculations, and service charges where TfL requires the Concessionaire to provide the ESN Service Management Services) to the Concession Agreement agreed with TfL by change control.
WARRANTIES	<ul style="list-style-type: none"> • Market standard warranties including capacity and authority, correct execution, no actual or threatened proceedings and investigations authorisations, necessary intellectual property rights. • The Concessionaire's bid documents remain true and accurate unless otherwise disclosed to TfL. • The Concessionaire's business/financial/investment plan is true and accurate and the Concessionaire is not maintaining any other internal business/financial plan which is inconsistent with the business/financial plan incorporated into the Concession Agreement. • There are no threatened proceedings or other steps for the winding up of the Concessionaire or Key Sub-contractor or for the appointment of a receiver, administrative receiver, liquidator, manager, administrator or similar office in relation to the Concessionaire's or Key Sub-contractors assets or revenues.

Clause Heading	Clause summary
	<ul style="list-style-type: none"> • The Concessionaire will give TfL immediate notice of any proposed change in ownership of the Concessionaire or the guarantor(s). • Where TfL requires the Concessionaire to provide the ESN Service Management Services, an additional warranty will be required that the Concessionaire's financial model (used for calculating the ESN Service Management Services charges) is true and accurate and the Concessionaire is not maintaining any other internal financial model which is inconsistent with the financial model incorporated into the Concession Agreement. • Where TfL requires the Concessionaire to provide the capital works required for the LFFN grant, an additional warranty will be required that the Concessionaire's financial model (used for calculating the LFFN cost) is true and accurate and the Concessionaire is not maintaining any other internal financial model which is inconsistent with the financial model incorporated into the Concession Agreement.
TERM	<ul style="list-style-type: none"> • The Concession Agreement will have an initial term of 20 years. • The Concessionaire must provide a business plan 30 months before the end of the initial term to demonstrate continued commitment to innovation and growing revenue by commercialisation of the assets. • TfL will have the ability to extend for a further 5 years by giving notice 24 months before the expiry of the initial term. • Where TfL requires the Concessionaire to provide the ESN Service Management Services, the term for the ESN Service Management Services will be the shorter of the term of the Home Office's ESN agreement or such other term as agreed between the parties.
SERVICES	<ul style="list-style-type: none"> • Standard 'services' provisions regarding the provision of services in compliance with Good Industry Practice, applicable Law, specified standards, TfL requirements.

Clause Heading	Clause summary
	<ul style="list-style-type: none"> • Please see 'SCHEDULE 2.1 – Scope and Services Description' below.
EXCLUSIVITY	<ul style="list-style-type: none"> • Concessionaire to have the exclusive right to commercialise the assets for the purpose of telecommunications services as described in Schedule 2.1. • TfL has the rights to remove the exclusivity, in part or in total, if the Concessionaire fails to meet agreed performance targets in relation to the installation and commercialisation of infrastructure. The specific circumstances under which exclusivity may be withdrawn will be set out in the draft contract terms included with the ITT.
QUALITY PLAN	<ul style="list-style-type: none"> • Concessionaire to provide a quality plan within 20 Working Days of the Effective Date. • Concessionaire to ensure that the appropriate aspects of the Services are compliant or aligned with ISO 9001, ISO 27001, and ISO20000-1.
IMPLEMENTATION	<ul style="list-style-type: none"> • Concessionaire to comply with the provisions of Schedule 6.1 which set out the process for the development and approval of the implementation plan. Please see 'SCHEDULE 6.1 – Implementation Plan' below. • Implementation plan to contain milestones relating to: <ul style="list-style-type: none"> ○ Mobile coverage on the Elizabeth line – December 2019. ○ Substantial mobile coverage on all below ground sections – December 2019. ○ Full mobile coverage on all below ground sections – December 2024. ○ Delivery of defined LFFN Wave 2 scope by March 2021. ○ 50 points of presence, for connection to the fibre optic network, on TfL property by December 2021.

Clause Heading	Clause summary
	<ul style="list-style-type: none"> ○ Delivery of free public Wi-Fi service by December 2019. ○ 3,500 streetscape assets commercialised by December 2024.
ASSURANCE	<ul style="list-style-type: none"> • Please see 'SCHEDULE 6.2 – Assurance' below.
KEY PERFORMANCE INDICATORS	<ul style="list-style-type: none"> • PLEASE SEE 'SCHEDULE 2.2 - Performance Levels' below.
SERVICES IMPROVEMENT	<ul style="list-style-type: none"> • Ongoing obligation on Concessionaire to submit an updated business/investment plan every year. • The business/investment plan should be submitted in a format specified by TfL • The capital investment figure in the business plan may vary from the figure submitted in the Concessionaire's final tender response by up to +/- 10%. The variance will be measured on a five year rolling cumulative basis. • Where required by TfL, any other amendments will be approved by TfL under change control. • Where TfL requires the Concessionaire to provide ESN Service Management Services, the Concessionaire should also submit any potential improvements to the Services annually. Any improvements required by TfL will be approved by TfL under change control.
EQUIPMENT	<ul style="list-style-type: none"> • Concessionaire to be responsible for delivery, installation, maintenance, removal and disposal of Concessionaire's assets to TfL premises. • Concessionaire assets to be at the sole risk of the Concessionaire when on TfL premises.

Clause Heading	Clause summary
	<ul style="list-style-type: none"> • Loss or destruction of assets does not relieve the Concessionaire of any obligation to supply the Services, unless otherwise agreed by TfL. • All Concessionaire assets to be in a state of repair that means they have a Residual Life of at least 2 years. Where the Concessionaire fails to comply with this, Concessionaire to reimburse TfL for rectification costs incurred by TfL on purchase of the assets at contract expiry or termination.
MAINTENANCE	<ul style="list-style-type: none"> • Where emergency maintenance is required (i.e. where TfL or the Concessionaire suspects that a fault has developed), Concessionaire to provide as much notice as reasonably practicable to TfL.
SUPPLY OF EQUIPMENT	<ul style="list-style-type: none"> • Where equipment is to be supplied to TfL by the Concessionaire, risk and title to pass on payment. • Any equipment to be supplied at prices set out in the financial model. • Concessionaire to supply and install the equipment in accordance with the relevant specification. • Concessionaire to take such action as is necessary to ensure compliance with the specification.
REVENUE SHARING/FEES	<ul style="list-style-type: none"> • See 'SCHEDULE 7.1 – Fees' below.
VAT	<ul style="list-style-type: none"> • All charges stated are exclusive of VAT. • Concessionaire to indemnify TfL for any failure by the Concessionaire to account for VAT. • If amounts due under the Concession Agreement are calculated by reference to costs incurred by any person and VAT has been incurred on these costs, then VAT should not be included in the calculation of those costs if the person concerned can recover the VAT from HMRC.

Clause Heading	Clause summary
SET OFF AND WITHHOLDING	<ul style="list-style-type: none"> Sums recoverable from or payable by the Concessionaire may be set off against any sums due to the Concessionaire under any agreement with TfL.
PROMOTING TAX COMPLIANCE	<ul style="list-style-type: none"> Obligation on the Concessionaire to notify TfL in the event of an occasion of tax non-compliance. Please see CCS Procurement Policy Note 03/14 for further details.
GOVERNANCE	<ul style="list-style-type: none"> See 'SCHEDULE 8.1 – Governance' below.
RECORDS, REPORTS AND AUDIT	<ul style="list-style-type: none"> See 'SCHEDULE 7.5 – Financial Reports and Audit Rights' below.
CHANGE	<ul style="list-style-type: none"> The Concessionaire will not be relieved of its obligations under the agreement as a result of a change in law, unless the change in law is specific to TfL and in the case of the ESN Service Management Services, the Home Office and was not reasonably foreseeable at the Effective Date. Please see 'SCHEDULE 8.2 – Change Control' below.
CONCESSIONAIRE PERSONNEL	<ul style="list-style-type: none"> Standard Concessionaire Personnel provisions regarding: <ul style="list-style-type: none"> the use of appropriately skilled, qualified, trained, experienced and vetted personnel; minimising changes of personnel; replacing concessionaire personnel as quickly as possible. TfL's ability to refuse admission or to direct the Concessionaire to end the involvement of personnel in the provision of Services.

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	<ul style="list-style-type: none"> Where TfL requires the Concessionaire to provide ESN Service Management Services, Concessionaire Personnel must be security cleared to BC level.
KEY PERSONNEL	<ul style="list-style-type: none"> Standard key personnel provisions regarding maintenance of specified personnel in certain roles. Please see 'SCHEDULE 9.2 – Key Personnel' below.
TUPE	<ul style="list-style-type: none"> Please see section 5 of the SSQ for further information on TUPE. Please see 'SCHEDULE 9.1 - Staff Transfer' below'.
SUB-CONTRACTORS	<ul style="list-style-type: none"> Standard provisions regarding the selection and appointment of sub-contractors, provision of copies of sub-contracts to TfL on request. Appointment of sub-contractors to be done on a 'fair and open competition' basis. TfL has certain rights to reject sub-contractors where the proposed sub-contractor is unreliable, may prejudice the interests of the TfL. TfL has certain rights to require a sub-contract to be terminated.
KEY SUB-CONTRACTORS	<ul style="list-style-type: none"> Each sub-contract with a Key Sub-Contractor to include the following flow downs: <ul style="list-style-type: none"> provisions which will enable the Concessionaire to discharge its obligations under this Agreement;

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	<ul style="list-style-type: none"> ○ a right for TfL to enforce any provisions under the Key Sub-contract which are capable of conferring a benefit upon TfL; ○ a provision enabling TfL to enforce the Key Sub-contract as if it were the Concessionaire; ○ a provision enabling the Concessionaire to assign, novate or otherwise transfer any of its rights and/or obligations under the Key Sub-contract to TfL, any Replacement Supplier or any Subsequent Supplier without restriction (including any need to obtain any consent or approval) or payment by TfL; ○ obligations no less onerous on the Key Sub-contractor than those imposed on the Concessionaire under this Agreement in respect of: <ul style="list-style-type: none"> ▪ obligations to mitigate its losses; ▪ data protection requirements set out in the TfL Data and Security Requirements and Protection of Personal Data clauses; ▪ FOIA requirements; ▪ security requirements; ▪ the obligation not to embarrass TfL or otherwise bring TfL into disrepute; ▪ the keeping of records in respect of the services being provided under the Key Sub-contract, including the maintenance of appropriate financial records; and ▪ the conduct of audits; ○ provisions enabling the Concessionaire to terminate the Key Sub-contract on notice on terms no more onerous on the Concessionaire than those imposed on TfL under the Agreement in

Clause Heading	Clause summary
	<p>relation to termination of the Concession Agreement;</p> <ul style="list-style-type: none"> ○ a provision restricting the ability of the Key Sub-contractor to Sub-contract all or any part of the services provided to the Concessionaire under the Key Sub-contract without first seeking the written consent of TfL; ○ a provision enabling the Concessionaire or TfL to appoint a 'Remedial Adviser' on substantially the same terms as are set out in the Concession Agreement ○ a provision enabling the Concessionaire, TfL or any other person on behalf of TfL to step-in on substantially the same terms as set out in the step-in clauses. <ul style="list-style-type: none"> • The Concessionaire shall not terminate or amend the provisions of a key sub-contract without TfL's prior consent, not to be unreasonably withheld. • TfL to approve any replacement Key Sub-contractors.
INTELLECTUAL PROPERTY RIGHTS	<ul style="list-style-type: none"> • All IPR created by the Concessionaire during the Concession Agreement are to be assigned to TfL. • Concessionaire's background IPR (both COTS and non-COTS) is to be licenced to TfL. TfL has the right to sub-licence to replacement suppliers, successor suppliers and approved sub-licensees (central government bodies, third parties providing services to a central government body and any body carrying on any of the functions previously performed by TfL.) • Concessionaire to only use third party IPR if it can procure specific licence rights for TfL, or if TfL has approved the available licence terms. • TfL grants the Concessionaire a licence to use TfL's background IPR during the Term for the purposes of providing the Services.

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TFL DATA AND SECURITY REQUIREMENTS	<ul style="list-style-type: none"> • Obligations on the Concessionaire to preserve the integrity of TfL Data, prevent loss and corruption, perform backups. • Detailed security requirements set out in Schedule 2.4. Further details to be provided in the draft contract terms included with the ITT. • Obligations on the Concessionaire to use anti-virus software to check for and minimise the spread of malicious software. • Concessionaire to follow the "10 Steps to Cyber Security" issued by the National Cyber Security Centre.
CONFIDENTIALITY	<ul style="list-style-type: none"> • Concessionaire may disclose confidential information to personnel involved in the provision of Services, auditors and professional advisors. • TfL may disclose confidential information to any Central Government Body or functional body of the GLA, Parliament and Parliamentary committees, the Mayor of London, and to the extent necessary deems necessary or appropriate in carrying out its public functions, to professional adviser, consultant, supplier or other person in connection with the Concession Agreement, purpose of exercising certain rights under the Concession Agreement e.g. step in, audit, and to a proposed successor body to TfL.
TRANSPARENCY/FOI	<ul style="list-style-type: none"> • Obligations on the Concessionaire to support UK government transparency objectives e.g. publication of the final agreement on www.tfl.gov.uk.

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	<ul style="list-style-type: none"> • Concessionaire has the ability to designate information as 'commercially sensitive' which may be exempt from disclosure (noting that TfL is responsible for determining in its absolute discretion whether such commercially sensitive information is exempt from disclosure.)
PROTECTION OF PERSONAL DATA	<ul style="list-style-type: none"> • TfL standard GDPR compliant provision where TfL is the Data Controller and the Concessionaire is the Data Processor. • Concessionaire to indemnify TfL for data breaches.
PUBLICITY AND BRANDING	<ul style="list-style-type: none"> • Concessionaire cannot make press announcements or publicise the Concession Agreement without the prior consent of TfL. • Neither party endorses any product or service of the other party.
LIMITATIONS ON LIABILITY	<ul style="list-style-type: none"> • Neither party can limit liability for death/personal injury caused by negligence, fraud or fraudulent misrepresentation, breach of title obligations in s12 Sales of Goods Act 1979 or s2 Sales of Goods and Services Act 1982, any liability in respect of breach of data protection obligations in the Concession Agreement in so far as they relate to fines, court awards, settlements and legal costs or any liability to the extent it cannot be excluded by law. • Concessionaire's liability in respect of: <ul style="list-style-type: none"> ○ VAT, TUPE, income tax/national insurance, intellectual property and data protection indemnities are unlimited; ○ breach of confidentiality obligations is unlimited; ○ any losses against which the Concessionaire is entitled to an indemnity under a policy of insurance is unlimited; ○ loss or damage to tangible property will be capped; and ○ all other losses will be capped.

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	<ul style="list-style-type: none"> • Further details of liability caps to be provided in the draft contract terms included with the ITT.
INSURANCE	<ul style="list-style-type: none"> • Please see 'SCHEDULE 2.5 – Insurance Requirements' below.
RECTIFICATION PLAN PROCESS	<ul style="list-style-type: none"> • Concessionaire to notify TfL following certain trigger events (failure to achieve a milestone by the required date, failure to meet KPIs, a material default that is capable of remedy). • TfL has the option to require the Concessionaire to produce a rectification plan which sets out full details of the trigger, the effect of the trigger and the steps the Concessionaire takes to rectify the trigger event. • Failure by the Concessionaire to notify or follow the agreed rectification plan leads to a termination right for TfL.
LIQUIDATED DAMAGES	<ul style="list-style-type: none"> • Concessionaire to pay a liquidated sum for: <ul style="list-style-type: none"> ○ failure to complete installation / maintenance during the term which results in handback delay and passenger disruption; and ○ service disruption. • Further details of the liquidated sums to be provided in the draft contract terms included with the ITT.
REMEDIAL ADVISER	<ul style="list-style-type: none"> • TfL has the right to appoint a remedial adviser following certain trigger events. • The role of the remedial adviser will be to make recommendations as to how the trigger event can be

Clause Heading	Clause summary
	<p>rectified.</p> <ul style="list-style-type: none"> • The Concessionaire is obliged to implement the recommendations of the remedial adviser. Failure to do so will lead to a termination right for TfL.
STEP-IN RIGHTS	<ul style="list-style-type: none"> • Concessionaire to develop step-in plans within 20 working days after the Effective Date. • TfL has the right to step-in to all or part of the Services following certain trigger events either itself or with the assistance of a third party.
TFL CAUSE	<ul style="list-style-type: none"> • Concessionaire to provide an 'Early Warning Notice' to TfL if TfL has not complied with specified obligations under the Concession Agreement. • Where the failure to comply with such obligations affects the achievement of a milestone, compliance with performance levels or any other obligation under the Concession Agreement, the Concessionaire will not be treated as being in breach of the Concession Agreement and will be granted relief from remedies. • Relief will only be granted where the Concessionaire has complied with the obligations to provide the Early Warning Notice to TfL. • See 'SCHEDULE 3 – TfL Cause' below.
FORCE MAJEURE	<ul style="list-style-type: none"> • Standard force majeure provision granting relief to either party from failure to comply with obligations to the extent that the obligations are directly affected by a force majeure event.
TERMINATION	<ul style="list-style-type: none"> • TfL has the right to terminate:

Clause Heading	Clause summary
RIGHTS	<ul style="list-style-type: none"> ○ for breaches of specified obligations (subject to any applicable remedy period) in particular, where the Concessionaire fails to maintain agreements with at least 2 mobile network operators at all times, after the initial commercialisation, during the term or fails to meet the milestones in schedule 6.1; ○ where a force majeure event endures for more than 90 days; and ○ following standard termination triggers e.g. insolvency. <ul style="list-style-type: none"> • The Concessionaire has the right to terminate: <ul style="list-style-type: none"> ○ where a force majeure event endures for more than 90 days; and ○ where TfL fails to pay charges where required exceeding a specified figure for a specified period.
SUSPENSION	<ul style="list-style-type: none"> • TfL has the right to suspend services during a major international sporting event (or similar event) or for safety reasons. • Concessionaire to provide suspension impact assessment detailing activities to be taken to implement the suspension and unavoidable costs which TfL will reimburse (subject to the Concessionaire's duty to mitigate such costs).
CONSEQUENCES OF TERMINATION	<ul style="list-style-type: none"> • Exit requirements to be described in Schedule 8.5. Further details to be provided in the draft contract terms included with the ITT.
COMPLIANCE	<ul style="list-style-type: none"> • Standard provisions regarding compliance with health and safety legislation, CDM Regulations 2015, equality and diversity law, corporate social responsibility, Crime and Disorder Act 1998, responsible/ethical procurement, strategic labour needs and training and the Modern Slavery Act

Clause Heading	Clause summary
	2015.
ASSIGNMENT AND NOVATION	<ul style="list-style-type: none"> • The Concessionaire cannot assign, novate or otherwise dispose of any rights or liabilities without the prior written consent of TfL. Where the assignment, novation or disposal is intra-group, TfL's consent will not be unreasonably withheld. • TfL may assign, novate or otherwise dispose of its rights to: <ul style="list-style-type: none"> ○ an Associated Company or a member of the GLA Group ○ a successor body to TfL ○ another public body given the same, similar or all of TfL's statutory obligations ○ a third party of sound financial standing.
WAIVER AND CUMULATIVE REMEDIES	<ul style="list-style-type: none"> • Standard boilerplate provision.
RELATIONSHIP OF THE PARTIES	<ul style="list-style-type: none"> • Standard boilerplate provision.
PREVENTION OF FRAUD AND BRIBERY	<ul style="list-style-type: none"> • Standard UK government provisions regarding prevention of fraud and bribery, establishment of policies and procedures and immediate notification on the occurrence or suspected occurrence of fraud or bribery.
SEVERANCE	<ul style="list-style-type: none"> • Standard boilerplate provision.
FURTHER ASSURANCES	<ul style="list-style-type: none"> • Standard boilerplate provision.

Clause Heading	Clause summary
ENTIRE AGREEMENT	<ul style="list-style-type: none"> Standard boilerplate provision.
THIRD PARTY RIGHTS	<ul style="list-style-type: none"> Further details of rights required by third parties to be provided in the Draft Concession Agreement included with the ITT.
LONDON LIVING WAGE	<ul style="list-style-type: none"> Concessionaire to ensure that employees are paid the London living wage, provide information to TfL regarding the London living wage.
WORK RELATED ROAD RISK	<ul style="list-style-type: none"> Concessionaire to comply with TfL standard provisions regarding safety equipment on vehicles, driver licence checks, collision reporting, and driver training.
CRIMINAL RECORD DECLARATIONS	<ul style="list-style-type: none"> Concessionaire shall not engage any individual to perform any aspect of the services who has disclosed an unspent criminal conviction relating to acts of terrorism or acts which threaten national security.
NOTICES	<ul style="list-style-type: none"> Notices can be served by email, personal delivery, or prepaid next working delivery.
DISPUTES	<ul style="list-style-type: none"> Please see SCHEDULE 8.3 – Dispute Resolution and Conduct of Claims.
GOVERNING LAW/JURISDICTION	<ul style="list-style-type: none"> England and Wales Subject to the right to refer disputes to adjudication, the courts of England and Wales will have exclusive jurisdiction.
SCHEDULE 1 – DEFINITIONS	<ul style="list-style-type: none"> Schedule 1 will set out the definitions required for the Concession Agreement. Further details to be provided in the Draft Concession Agreement included with the ITT.
SCHEDULE 2.1 – Scope and Services	<ul style="list-style-type: none"> Please see document referred to at Appendix 1 for details.

Clause Heading	Clause summary
Description	
SCHEDULE 2.2 - Performance Levels	<ul style="list-style-type: none"> • The Concessionaire will monitor and report to TfL on an agreed periodic basis of its performance against KPIs. Such indicators will include, but are not limited to, service availability for each individual service, traffic and throughput achieved for each service, achievement against contractual service levels with its key customers, customer satisfaction and timely and accurate provision of customer data. Other performance indicators will be derived from the Concessionaire's business plan. • If TfL requires the Concessionaire to provide ESN Service Management Services, a defined set of service levels and service credits will be included in the Concession Agreement. Further details to be provided in the Draft Concession Agreement included with the ITT.
SCHEDULE 2.3 - Standards	<ul style="list-style-type: none"> • Concessionaire to comply with the following standards as a minimum: <ul style="list-style-type: none"> ○ Requirements within the JOTS V4.1 specification of GSM, UMTS & LTE Indoor Cellular System; ○ Standards and specifications developed by the following organisations (3rd Generation Partnership Project, Groupe Spécial Mobile Association, International Telecommunication Union, IPv6 Forum, IMS Forum, Small Cell Forum, Internet Engineering Task Force and Open Mobile Alliance); ○ Electric and magnetic field exposure limits set by the International Council on Non-Ionizing Radiation Protection; ○ CESG and HMG guidelines in relation to security obligations; ○ Code of Conduct Data Centres' Energy Efficiency; ○ Waste Electrical and Electronic Equipment Regulations 2006; ○ Compliance with the CDM Regulations 2015; ○ Equality Act 2010; and ○ TfL group policies and standards covering access arrangements, business continuity, design

Clause Heading	Clause summary
	<p>installation and maintenance, health safety and environment, human resources, information governance, network and security, and work-related road risk.</p> <ul style="list-style-type: none"> • Compliance with further standards may be required. Further details to be provided in the draft contract terms included with the ITT.
SCHEDULE 2.4 – Security Management	<ul style="list-style-type: none"> • Provisions covering access controls, concessionaire personnel vetting and training, security testing, removable media, protection of data during mobile/home working, disposal of assets and media, creation of a security management plan and information security management system, and information systems classification.
SCHEDULE 2.5 – Insurance Requirements	<ul style="list-style-type: none"> • Standard obligations regarding the taking out and maintaining of insurances, and the provision of evidence of insurances to TfL. • In addition to those insurances required by law, the required insurances for the Concession Agreement will include (but not be limited to): <ul style="list-style-type: none"> ○ professional indemnity insurance; ○ employers' liability insurance; and ○ public and product liability insurance.
SCHEDULE 3 – TfL Responsibilities	<ul style="list-style-type: none"> • Other than the provision of assets, TfL will be responsible for providing access to its assets for both installation and maintenance, provision of engineering assurance services and electrical power where applicable.
SCHEDULE 4.1 – Concessionaire Solution	<ul style="list-style-type: none"> • Schedule to be populated by the Tenderer as part of the response to ITT. The format will mirror that of the ITT version of Schedule 2.1 and is likely to contain the following sections: <ul style="list-style-type: none"> ○ Technical

Clause Heading	Clause summary
	<ul style="list-style-type: none"> ▪ Technical solution ▪ Customer proposition ▪ Technical delivery/design approach ▪ Service Management approach <ul style="list-style-type: none"> - Service levels guarantee ▪ Project Management approach ▪ Risk Management <ul style="list-style-type: none"> - Capital risk approach - Overrun cost approach ▪ Team assessment <ul style="list-style-type: none"> - Management team - Sales and marketing team - Service management - Project management ▪ Commercialisation <ul style="list-style-type: none"> - MNO engagement approach - Go to market approach
SCHEDULE 4.2 – Commercially Sensitive Information	<ul style="list-style-type: none"> • Schedule to be populated by Concessionaire with details of items that it considers to be commercially sensitive information.
SCHEDULE 4.3 – Notified Key Sub-Contractors	<ul style="list-style-type: none"> • Schedule to be populated by the Concessionaire with details of Key Sub-contractors. • Schedule to be updated during the Term with details of any Key Sub-contractors entered into after the Effective Date.
SCHEDULE 4.4 – Third	<ul style="list-style-type: none"> • Schedule to be populated by the Concessionaire with details of Third Party Contracts entered into exclusively for the purposes of delivering the Services.

Clause Heading	Clause summary
Party Contracts	
SCHEDULE 5 – Intellectual Property Rights and Software	<ul style="list-style-type: none"> • Schedule to be populated (and updated throughout the Term) by the Concessionaire with details of intellectual property rights used in the provision of the Services including: <ul style="list-style-type: none"> ○ bespoke intellectual property created for the purposes of the Concession Agreement; ○ pre-existing intellectual property in the provision of Services; and ○ intellectual property owned by a third party. • Provisions stating that certain software will be held in escrow with a reputable provider.
SCHEDULE 6.1 – Implementation Plan	<ul style="list-style-type: none"> • Provisions relating to the content and creation by the Concessionaire of the implementation plan and its approval by TfL. • Provisions relating to updates to the implementation plan prior to approval. • Provisions relating to updates to the implementation plan during the Term.
SCHEDULE 6.2 – Assurance	<ul style="list-style-type: none"> • TfL requires assurance that the Concessionaire's equipment is designed, installed, tested and maintained to safe standards and that the project is delivered to a standard that provides good value for money. • The Concessionaire will be required to purchase services relating to engineering and project assurance from TfL. • Engineering Assurance:

Clause Heading	Clause summary
	<ul style="list-style-type: none"> ○ All work will be required to follow the TfL standard assurance process. ○ No equipment can be installed until the engineering assurance is passed ○ No equipment can be energised before engineering assurance is received ○ There are other processes in place such as the space allocation process; change of use and many other processes that need to be adhered to and are detailed in the standards. ○ TfL will provide the engineering resources to undertake the assurance processes. These assurance activities will be based on the material supplied by the Concessionaire and TfL will undertake the assurance activities but is reliant on good quality material from the Concessionaire if engineering assurance is to be passed. ○ All schedule risk is the responsibility of the Concessionaire. ● Project Assurance: <ul style="list-style-type: none"> ○ TfL will provide 2nd line assurance activities, paid for by the Concessionaire. This will support the partner's capital project in any TfL assurance activities that are necessary during the installation project and in any subsequent phases of capital programme.
SCHEDULE 7.1 – Fees	<ul style="list-style-type: none"> ● This schedule will set out the charges payable by the Concessionaire to TfL, methodology for calculating and any indexing of charges in each payment period, and invoicing arrangements. The charges which will comprise: <ul style="list-style-type: none"> ○ Fixed concession fee, to be paid annually in advance; ○ Asset usage fee, to be paid quarterly in advance; and ○ A percentage share of revenues generated by the Concessionaire, to be paid monthly in

Clause Heading	Clause summary
	<p>arrears.</p> <p>Revenue, as it relates to the calculation of the revenue share, is defined as the amount invoiced to all customers, with the exception of TfL or its subsidiaries. Revenue also includes the calculated benefit to the Concessionaire or any of its affiliated entities of any below market pricing or any non-financial transactions, such as capacity swaps with other telecoms operators.</p> <ul style="list-style-type: none"> • The Concessionaire will be obliged to use the services of TfL for both engineering and project assurance processes and will be charged according to the commercially agreed rates for these services. • Any disputes regarding calculation of amounts of charges payable will be reviewed by a dedicated project panel (including representatives of both TfL and the Concessionaire) and ultimately can be resolved through the dispute resolution procedure. • The Concessionaire will be required to submit information relevant to the calculation of the charges amounts to TfL within a specified period in advance of each relevant payment period, identifying each element of the charges payable and showing the amounts owing by the Concessionaire for that period. TfL will use this information and other reporting by the Concessionaire to raise invoices. A process for resolving any disputed amounts will be specified, but ultimately will be subject to the dispute resolution procedure. • The Concessionaire will be required to pay any undisputed elements of invoices within a specified period of time of receipt. • Further details on the charging and invoicing arrangements will be set out in the draft contract terms included with the ITT. • Allowable Assumption will be listed in this schedule, together with the verification process.

Clause Heading	Clause summary
SCHEDULE 7.2 – Payments on Termination	<ul style="list-style-type: none"> • Further details of the compensation regime will be included in the Draft Concession Agreement included with the ITT.
SCHEDULE 7.3 - Benchmarking	<ul style="list-style-type: none"> • Not used.
SCHEDULE 7.4 – Financial Distress	<ul style="list-style-type: none"> • Standard provisions regarding the duty to notify TfL if there is a downgrade in the Concessionaire's and guarantor(s)' credit rating. • Production of a continuity plan following a financial distress event. • Termination right for TfL where the Concessionaire fails to notify TfL of a financial distress event or fails to agree or comply with the continuity plan. • Concessionaire to hold revenue share payment due to TfL in separate traceable bank account.
SCHEDULE 7.5 – Financial Reports and Audit Rights	<ul style="list-style-type: none"> • Concessionaire to provide period reports relating to revenue, the capital programme, asset utilisation, safety, service levels in customer contracts, customer satisfaction and environmental issues. • Concessionaire will maintain accounting books and records in accordance with good accountancy practice and will provide TfL with open book accounting in the performance of the services and shall

Clause Heading	Clause summary
	<p>allow TfL to conduct financial audits of the Concessionaire's financial records in accordance with the relevant provisions. Where requested by TfL, the Concessionaire shall provide TfL with details and supporting evidence of all:</p> <ul style="list-style-type: none"> ○ the Concessionaire's revenues and costs in meeting its obligations under this Concession Agreement; ○ how the fees have been calculated; and ○ make all records available for inspection on an open book basis and in a timely manner and providing copies of any records if requested, <p>together with such other information as the TfL may reasonably require to satisfy itself as to the Concessionaire's compliance with the Concession Agreement.</p> <ul style="list-style-type: none"> • TfL will require notification where the Concessionaire enters into or terminates an MNO contract. • TfL reserves the right to discuss all reports within a specified period of receipt by TfL. Such discussions will take place in accordance with the meeting frequencies set out in Schedule 8.1 (Governance). • TfL to have extensive audit rights during the Term and for a period of 18 months after. • The parties will bear their own costs incurred in relation to audits unless the audit identifies a material default by the Concessionaire in which case the Concessionaire shall reimburse TfL for TfL's reasonable costs. • Consequences of audits will vary depending on the findings but include: <ul style="list-style-type: none"> ○ payment of additional revenue share to TfL; ○ repayment of excess charges paid by TfL, statutory interest on such charges and TfL's reasonable costs; and

Clause Heading	Clause summary
	<ul style="list-style-type: none"> ○ triggering a rectification plan in the event of a default by the Concessionaire.
SCHEDULE 7.6 – Anticipated Savings	<ul style="list-style-type: none"> • Schedule to set out the anticipated savings that TfL would be able to recover from the Concessionaire in the event of a breach
SCHEDULE 7.7 Financial Model	<ul style="list-style-type: none"> • Schedule to reference the base case financial model for the TCP, describe the model assumptions and explain how the model would be used in order to recalculate elements of the payment mechanism in the event of a change.
SCHEDULE 8.1 - Governance	<ul style="list-style-type: none"> • Standard provisions describing the terms of reference of the governance boards and board meeting procedures. • The proposed governance boards are as follows: <ul style="list-style-type: none"> ○ Partnership Board: <ul style="list-style-type: none"> ▪ provides senior level guidance, leadership and strategy; ▪ point of escalation from the Service Management Board and the Programme Board; ▪ meets twice a year. ○ Programme Board: <ul style="list-style-type: none"> ▪ responsible for comprehensive oversight of the capital programme; ▪ reports to the Partnership Board ▪ meets monthly. ○ Service Management Board: <ul style="list-style-type: none"> ▪ responsible for executive management of the services; ▪ reports to the Partnership Board ▪ meets monthly.

Clause Heading	Clause summary
SCHEDULE 8.2 – Change Control	<ul style="list-style-type: none"> Provisions describing the change control process e.g. which party can raise a change, the impact assessment procedure, costs. A change to the capital investment budget in the Concessionaire's business plan which is more than +/- 10% of the figure in the Concessionaire's Final Tender Submission must be approved by TfL. The variance will be measured on a five year rolling cumulative basis Changes outside this threshold will not need to go through the change control procedure.
SCHEDULE 8.3 – Dispute Resolution and Conduct of Claims	<ul style="list-style-type: none"> Disputes to be resolved by commercial negotiation, adjudication and then litigation. Standard provisions regarding the conduct of third party claims by the indemnifying party. Provisions allowing the beneficiary of an indemnity to retain or take conduct of a 'sensitive claim' (a claim which the beneficiary considers is likely to have an adverse impact on the general public's perception of the beneficiary.)
SCHEDULE 8.4 – Records, Reports and Document Management	<ul style="list-style-type: none"> Schedule sets out: <ul style="list-style-type: none"> a document management and review process, together with the documents to be provided by the Concessionaire to TfL; Reports to be provided by the Concessionaire to TfL; Records to be maintained by the Concessionaire, together with requirements for storage and access.

Clause Heading	Clause summary
SCHEDULE 8.5 - Exit Management	<ul style="list-style-type: none"> • Obligations relating to creation and maintenance of asset registers. • Appointment of an Exit Manager within three months of the effective date. • Obligations to assist on retendering of services including provision of information to facilitate replacement suppliers' due diligence activities. • Preparation and maintenance of an exit plan. • Scope of termination services. • TfL's asset purchase requirements (TfL will purchase all Concessionaire assets that are on TfL land or attached to TfL assets at a fair market value to be independently assessed by a third party.)
SCHEDULE 8.6 – Business Continuity and Disaster Recovery	<ul style="list-style-type: none"> • Standard provisions requiring the Concessionaire to create and maintain a business continuity and disaster recovery plan and the process for approval by TfL. • Provisions covering how and when the plan should be tested and the trigger for invocation of the plan.
SCHEDULE 9.1 – Staff Transfer	<ul style="list-style-type: none"> • Provisions governing apportionment of cost/risk between the parties for the following categories: <ul style="list-style-type: none"> ○ transferring TfL employees at the commencement of the services; ○ transferring former supplier employees at the commencement of the services; and ○ transferring Concessionaire employees on contract expiry/termination.

Clause Heading	Clause summary
	<ul style="list-style-type: none"> • Pensions obligations relating to the above categories. • Pre-service transfer obligations (on exit/termination): <ul style="list-style-type: none"> ○ Provision of employee information by the Concessionaire ○ Restrictions on re-deployment, material changes to employee terms and conditions, termination of employment.
SCHEDULE 9.2 – Key Personnel	<ul style="list-style-type: none"> • The following roles or equivalents will be key personnel for the purposes of the Concession Agreement. <ul style="list-style-type: none"> ○ Commercial/Contract Manager ○ Service Manager ○ Project/Programme Director • TfL to be informed where the Concessionaire plans to replace any of the following: <ul style="list-style-type: none"> ○ Chief Executive Officer/Managing Director ○ Chief Technology Officer ○ Sales Director ○ Marketing Director ○ Finance Director
SCHEDULE 10 - Guarantee	<ul style="list-style-type: none"> • A parent company guarantee or other surety (if applicable) will be required as well as an on demand performance bond which will cover a year's worth of the concession fee.

Appendix 1 – Schedule 2.1 (Scope of Services Description)

Please see separate document entitled Annex 3 – Summary of Contract Terms Appendix 1 – Scope of Services Description