

### **30. Inspection, Testing and Defects**

- 30.1 All goods, materials, facilities, vehicles, plant, equipment, workmanship and systems to be supplied and work to be provided under this Framework Agreement and each Call-Off Contract may be subject from time to time to such tests as may be provided for in the Specification or as the Company's Representative may consider necessary to ensure that the Services are carried out in accordance with this Framework Agreement and the relevant Call-Off Contract.
- 30.2 Testing and inspection may take place at the place of manufacture or fabrication or on Site or at any other place as may be specified in the Specification or approved by the Company's Representative.
- 30.3 The Supplier shall provide the Company's Representative with copies of all test results and inspection certificates which it obtains in connection with the tests and inspections referred to in this Clause 30.
- 30.4 The costs of any test ordered by the Company's Representative which are not provided for in the Specification shall be borne by the Company unless the tests show that workmanship, vehicles, plant, equipment or materials provided by the Supplier are not in accordance with this Framework Agreement or the relevant Call-Off Contract. The costs of any test whether ordered by the Company's Representative, or otherwise which are provided for in the Specification shall be borne by the Supplier.
- 30.5 The Supplier shall provide such assistance, labour, materials, electricity, fuel, stores, apparatus and instruments as may be required to carry out efficiently the tests referred to in this Clause 30.
- 30.6 If a test or inspection shows that any work has a Defect, the Supplier shall repeat the work or otherwise correct the Defect, and the relevant test or inspection shall be repeated.
- 30.7 The Supplier does not deliver any of the Services which the Specification states are to be tested or inspected prior to delivery until the Company has notified the Supplier that they have passed the test or inspection.
- 30.8 Until the end of the Defect Liability Period each Party shall notify the other as either Party becomes aware of a Defect.
- 30.9 If any Defects appear within the Defect Liability Period:
  - (A) such Defects shall be specified by the Company in a schedule of Defects which the Company shall deliver to the Supplier as an instruction not later than 14 days after the expiry of that Defect Liability Period; and
  - (B) prior to issue of that schedule, the Company may whenever it considers necessary issue instructions requiring any such Defect to be made good, provided no instructions under this Clause 30.9(B) shall be issued after delivery of that schedule or more than 14 days after expiry of the relevant Defect Liability Period.
- 30.10 Within a reasonable time after receipt of the schedule or instructions referred to in Clause 30.9 and a timescale which minimises the adverse effect on the Company, the Supplier shall at no cost to the Company make good the Defect(s) unless the Company shall otherwise instruct. If the Company so instructs otherwise:

- (A) an appropriate deduction may be made from the Contract Price in respect of the Defects not made good; and/or
- (B) the Company may appoint another supplier (which may be another Framework Supplier) to make good the Defect(s) and recover from the Supplier any costs reasonably incurred by the Company in obtaining such substitute services from such other supplier(s). Such costs shall at the Company's option:
  - (1) be deducted from any payment due to the Supplier whether under the relevant Call-Off Contract, another Call-Off Contract or otherwise; or
  - (2) be the subject of a demand for payment from the Company which, shall be payable by the Supplier as a debt due within 14 days.

30.11 The Supplier shall arrange with the Company to allow the Supplier access to the relevant Site if it is needed for correcting a Defect and shall, for such purposes, comply with the provisions set out in Clause 27 (Access).

30.12 Following the expiry of the Defects Liability Period, if the Supplier considers that the Defects which the Company has required the Supplier under Clause 30.9 to make good have been made good, the Supplier shall issue a written notice to the Company to that effect (a "**Notice of Completion of Making Good**") The Supplier shall ensure that such notice is not unreasonably delayed or withheld. .

30.13 Following receipt of the Notice of Completion of Making Good, the Company shall either countersign such notice (such countersigned notice being a "**DLP Completion Notice**") or notify the Supplier in writing that it does not consider the Defect to have been corrected. No Defect shall be deemed to have been corrected and/or made good pursuant to this Framework Agreement and/or any Call-Off Contract until the Company has issued a DLP Completion Notice in respect of that Defect.

### 31. Title

31.1 Whatever title the Supplier has to materials, plant and equipment to be incorporated into or form part of the Services shall pass to the Company upon the earlier of the date:

- (A) when the Supplier receives payment for such materials, plant and equipment; or
- (B) when such materials, plant and equipment are brought within the Site, without prejudice to any rights of rejection the Company may have. Title to materials, plant and equipment referred to in this sub-Clause (B) passes back to the Supplier if it is removed from the Site with the permission of the Company's Representative. Until such time as they are brought within the Site, the Supplier shall be responsible for and insure against the loss, destruction and damage of materials, plant and equipment to be incorporated into or form part of the Services (including while in transit) for their full replacement value, whether or not the property of the Supplier or the Company.

31.2 The Supplier shall label the material, plant and equipment "Property of TfL" where title has passed to the Company prior to bringing such items within the Site and shall ensure that such items are identifiable as belonging to the Company. The Supplier shall not mortgage, pledge or create a security interest in the material, plant or equipment in favour of any third party.

31.3 The Supplier has no title to an object of value or of historical or other interest within the Site. Without prejudice to the generality of Clause 33 (Safety), the Supplier shall notify the Company's Representative when such an object is found and the Company's Representative shall instruct the Supplier how to deal with it. The Supplier shall not move the object without instructions.

31.4 The Supplier has title to materials from excavation and demolition only as stated in the Specification.

**32. Asset Management System**

32.1 The Supplier shall use the Asset Management System to record details of work undertaken by the Supplier on the Company's assets as part of the Services and to carry out any other activities in relation to the Asset Management System as set out in the Specification.

32.2 The Supplier shall ensure that all Supplier Personnel attend any training by the Company in relation to the Asset Management System and follow the methods and processes required by the Company, as may be more particularly described in the Specification or notified to the Supplier from time to time.

32.3 The Supplier shall perform its obligations under this Clause 32 so as not to put the Company in breach of any of its obligations under any Third Party Licence and shall comply with the terms of any Third Party Licence as if it were a party to the Third Party Licence.

32.4 The Supplier acknowledges that the Company shall not have any liability to the Supplier in respect of any inaccuracy, error or omission contained in, or any unavailability of, the Asset Management System, and the Supplier shall not be relieved from its obligations under this Framework Agreement and the relevant Call-Off Contract as a result of the Asset Management System being unavailable or containing any inaccuracies, errors or omissions.

## **PART 8: ENVIRONMENT, HEALTH AND SAFETY**

### **33. Safety**

- 33.1 The Supplier is required to comply with its obligations under Schedule 8 (Health, Safety, Quality and Environmental Requirements) of the Framework Agreement.
- 33.2 The Supplier shall not endanger in any manner the health and safety of, or unreasonably interfere with the proper performance of the duties of, the Company's employees or third parties or otherwise expose the Company to liability under any Applicable Laws and Standards, including (without limitation) the Health and Safety at Work etc. Act 1974, the Transport and Works Act 1992, or any statutory modifications or re-enactments thereof.
- 33.3 The Supplier shall act in accordance with the health and safety regulations and requirements stated in the Specification, including:
- (A) the provisions of the Company's Contract QUENSH Conditions that are indicated as being applicable to the relevant Call-Off Contract in the QUENSH menu set out in that Call-Off Contract as amended from time to time; and
  - (B) the Company's drug and alcohol principles as amended from time to time.
- 33.4 Section 20.1.1 (Alcohol and drugs) of QUENSH (as set out in Section 3 of Schedule 8 (Health, Safety, Quality and Environmental Requirements)) shall apply to this Framework Agreement and each Call-Off Contract as if the term "LU Premises" means any of the Company's property where the Services are carried out and as if references to "LU" are references to the Company.
- 33.5 The Company may at its discretion carry out on the Supplier's behalf any testing of the Supplier's employees, Sub-Contractors or agents for drugs or alcohol which this Framework Agreement and/or the relevant Call-Off Contract requires the Supplier to carry out. The reasonable cost to the Company of carrying out the testing shall be paid by the Supplier.

### **34. Construction (Design and Management) Regulations 2015**

- 34.1 To the extent that the Construction (Design and Management) Regulations 2015 (the "CDM Regulations") apply to a Call-Off Contract, the Company reserves the right to appoint the Supplier to act as Principal Contractor and/or Principal Designer pursuant to Regulation 5(1) of the CDM Regulations.
- 34.2 The Supplier shall accept any such appointment made under Clause 34.1 and agrees to carry out all associated obligations imposed by the CDM Regulations. The Supplier and the Company's Representative shall provide each other with all the necessary assistance which they may reasonably require in order to fulfil their respective obligations under the CDM Regulations.
- 34.3 The Supplier warrants to the Company that it:
- (A) is competent to perform such of the duties allocated to it under Clause 34.2;
  - (B) shall allocate adequate resources to enable it to comply with its obligations under the CDM Regulations; and

(C) shall co-operate with other parties appointed under the CDM Regulations.

## PART 9: RELIEF EVENTS

### 35. Relief Events

35.1 The following are events which may cause the Supplier delay or disruption and for which the Supplier may be relieved from termination due to a Supplier Default subject to the terms of this Clause 35 ("Relief Events"):

- (A) (subject to compliance by the Supplier with the requirements of Schedule 6 (Access)) the frustration of any access booked by the Supplier in accordance with Schedule 6;
- (B) the Company's Representative giving an instruction to suspend the Services;
- (C) a breach of this Framework Agreement or the relevant Call-Off Contract by the Company (in each case except to the extent caused by or contributed to by the Supplier or any Sub-Contractor or person for whom those parties are responsible) that is not one of the other Relief Events;
- (D) flooding caused by rising water table or by weather conditions including extraordinary storm, bursting or overflow of water tanks, apparatus or pipes;
- (E) an interruption in the supply of power or other utility services for which the Supplier is not responsible, if and only to the extent that such failure or interruption is not caused by, and its effects are beyond the reasonable control of, the Supplier and it could not reasonably have avoided or provided against the effects;
- (F) any act of terrorism or a specific threat of terrorism which results in the partial or total, temporary or long term closure of the TfL Network and/or Site;
- (G) lightning, earthquake or extraordinary storm;
- (H) fire;
- (I) tunnel collapse;
- (J) compliance with the provision of Sections 118 to 121 of the Railways Act 1993;
- (K) the discovery of fossils, antiquities or other material which in each case is required to be exhumed or unexploded bombs; and
- (L) strikes, lock outs or other industrial action being in each case industry-wide.

35.2 The Supplier shall notify the Company's Representative of the occurrence of an event which has happened or which it expects to happen if:

- (A) it believes it to be a Relief Event that is delaying or disrupting (or is likely to delay or disrupt) the Services; and
- (B) the Company's Representative has not notified the event to the Supplier.

The event shall be notified as soon as is reasonably practicable and in any event no later than five (5) Working Days after the Supplier becomes aware or ought reasonably to have become aware of the event or the likelihood of its occurrence.

35.3 The Supplier shall submit full and detailed particulars of any Relief Event to the Company's Representative as soon as reasonably practicable after receiving the Company's Representative's notification and in any event no longer than ten (10) Working Days after the occurrence. The particulars shall include full, detailed particulars of the cause and effect of the Relief Event and:

- (A) the extent of the delay, if any;
- (B) details of the measures adopted by the Supplier to mitigate the effects of the Relief Event;
- (C) the likely effects, if any, on access requirements; and
- (D) such further information as may reasonably be required by the Company.

The Company shall be entitled to:

- (A) seek clarification in respect of the particulars provided by the Supplier; and/or
- (B) request further particulars and related information in connection with the occurrence of the Relief Event,

provided that there shall be no increase to the Contract Price arising as a result of a Relief Event.

35.4 If the Company's Representative decides that the occurrence is a Relief Event in accordance with this Clause 35 and is delaying or disrupting (or is likely to delay or disrupt) the Services then:

- (A) without prejudice to Clause 35.5, the Supplier shall not be deemed to be in breach of the relevant Call-Off Contract as a result of its failure to perform and the Company shall not be entitled to apply the provisions of Schedule 13 (Performance Measurement) in respect of any affected Services, to the extent that the same is attributable to the Relief Event; and
- (B) the Supplier shall be entitled to an extension of time for the performance of its affected obligations.

35.5 The Company shall be under no obligation to make any payments to the Supplier of the Contract Price in respect of any Services affected by the Relief Event during the period in which the Relief Event is subsisting provided that any such non-performance by the Supplier shall be disregarded for the purposes of the Company's right to terminate this Framework Agreement or its right to terminate the relevant Call-Off Contract pursuant to Clause 50 (Termination on Supplier Default).

35.6 The Supplier shall have no entitlements in accordance with Clause 35.4 to the extent that:

- (A) the event or any of its effects arises from any error, unlawful act or omission, negligence, default, breach of contract, breach of statutory duty and/or failure

to comply with this Framework Agreement or the relevant Call-Off Contract of the Supplier or any of its employees or agents or of any Sub-Contractor or supplier or any of their employees or agents;

- (B) the Supplier has failed to take all reasonable steps to mitigate the actual or potential effect of the event or has failed to use its best endeavours to adjust the order and sequence in which it proposes to provide the Services; and/or
- (C) the Company's Representative decides that there was no such occurrence, that the occurrence was not one of the Relief Events, or that the occurrence has had no adverse effect on the provision of the Services.

35.7 In the event that information is provided after the date referred to in Clauses 35.2 and/or 35.3, then the Supplier shall not be entitled to any extension of time or relief from its obligations under this Framework Agreement or the relevant Call-Off Contract in respect of the period for which the relevant information is delayed.

35.8 This Clause 35 shall not give the Supplier any entitlement to an extension of the period of the Supplier's employment under this Framework Agreement or the relevant Call-Off Contract or any extension to the Expiry Date or the date of expiry of the relevant Call-Off Contract.

35.9 A Relief Event may not be notified after the Expiry Date or the date of expiry of the relevant Call-Off Contract (or termination if earlier).

## PART 10: PEOPLE

### 36. TUPE

#### 36.1 For the purposes of this Clause 36:

"Current Service Provider" means any person, company or other legal entity which on or before the Commencement Date was the employer of any of the Transferring Employees, and which (for the avoidance of doubt) may include the Company;

"Replacement Employer" means any person to whom a Subsequent Relevant Employee may or does transfer under the Transfer Regulations on termination of this Framework Agreement (or part of it);

"Relevant Claims and Liabilities" means all liabilities, obligations, proceedings, court or tribunal orders, losses, fines and penalties, damages, expenses, costs (including reasonable legal costs and disbursements) actions, claims and demands;

"Subsequent Transfer Date" means the time and date on which a Subsequent Relevant Employee transfers to a Replacement Employer by virtue of the Transfer Regulations;

"Subsequent Relevant Employee" means a person employed or engaged by the Supplier or relevant Sub-Contractor from time to time in respect of any part of the Services who would transfer to a Replacement Employer by virtue of the Transfer Regulations on expiry or termination of this Framework Agreement (or part of it) or on expiry or termination of a Call-Off Contract;

"Transfer Regulations" means all or any of the following: the Transfer of Undertakings (Protection of Employment) Regulations 2006; the Transfer of Employment (Pension Protection) Regulations 2005; any other or further regulations, order or statutory instrument which apply or are capable of applying to a person to whom section 257 of the Pensions Act 2004 applies, as amended, replaced or extended from time to time and including any regulations or other legislation which (either with or without modification) re-enacts, adopts, consolidates or enacts in rewritten form any such regulations; and

"Transferring Employees" means those employees of or those engaged by the Current Service Provider who transfer or have the right to transfer to the Supplier under the Transfer Regulations.

36.2 The Supplier complies and procures that its Sub-Contractors comply with any obligations which may arise out of a transfer to the Company or another person under the Transfer Regulations upon the Expiry Date or earlier termination of this Framework Agreement or a Call-Off Contract.

36.3 At any time during the last twelve (12) months of this Framework Agreement (or a Call-Off Contract) and/or during any period of notice terminating this Framework Agreement (or the relevant Call-Off Contract), the Company may require the Supplier to provide, within a specified period of being requested, to the Company (or to any other person or persons nominated by the Company) such information as is reasonably required by the Company or such other persons relevant to the potential liabilities of the Company or any other person arising under the Transfer Regulations including but not limited to information on the following:

- (A) the names of employees (of the Supplier or its Sub-Contractors) engaged in providing the Services, their salaries and other conditions of employment, ages and length of service;
  - (B) the method of organisation of the employees (of the Supplier or its Sub-Contractors) engaged in providing Services and documentary evidence relating to such organisation;
  - (C) the proposals for informing and consulting with affected employees;
  - (D) details of collective agreements and union recognition agreements; and
  - (E) any other employee liability information within the meaning of the Transfer Regulations, and will in addition provide copies to the Company upon request of any communication with any potential or intended new consultant or the Supplier's employees or their representatives relating to the effect on such employees of the expiry or termination of this Framework Agreement (or the relevant Call-Off Contract).
- 36.4 The Supplier will provide the Company upon request with the name and address of a person within its organisation to whom all queries and requests for information under this Clause 36 may be addressed. The Supplier will if required by the Company warrant that any information provided under Clause 36 is accurate, complete and not misleading, including any information supplied in relation to its Sub-Contractors.
- 36.5 The Supplier will not and will procure that its Sub-Contractors will not in the 18 months prior to the Expiry Date or the expiry date of the relevant Call-Off Contract (or, where notice of termination is given whether under this Framework Agreement or the relevant Call-Off Contract, during any such period of notice) without the Company's written consent:
- (A) re-organise or substantially alter the number or method of organisation or identity of the employees engaged in providing the Services, except to the extent that any such change is the result of a bona fide business reorganisation of the Supplier or the relevant Sub-Contractor which is not related or confined to the employees engaged in providing the Services or the expected Expiry Date or termination of this Framework Agreement (or the expiry or termination of the relevant Call-Off Contract), or
  - (B) make any increase to the salaries or any significant change to the terms and conditions of employment of the employees engaged in providing the Services, except where such increases or changes would have arisen in the ordinary course of the Supplier's or the relevant Sub-Contractor's business and are not related to the Expiry Date or termination of this Framework Agreement (or the expiry or termination of the relevant Call-Off Contract) (in each case either because they are applied to all of the Supplier's or the relevant Sub-Contractor's employees, whether or not engaged in providing the Services or otherwise) or are the result of a bona fide business reorganisation of the Supplier or the relevant Sub-Contractor which is not related or confined to the employees engaged in providing the Services or relates to the Expiry Date or termination of this Framework Agreement (or the expiry or termination of the relevant Call-Off Contract).
- 36.6 The Supplier shall indemnify the Company against all Relevant Claims and Liabilities arising from or incurred by reason of any act or omission of the Supplier, its servants

or agents in connection with or arising from or incurred by reason of the employment of the Transferring Employees, including but not limited to any claim against the Company or any other person for damages for breach of contract, or for compensation for unfair or wrongful dismissal or redundancy, or failure to provide comparable pension rates, or failure to provide information, or failure to inform or consult Transferring Employees, or in respect of death or personal injury, breach of statutory duty or any other claim in tort by a Transferring Employee, or by a person who would be a Transferring Employee but for any act or omission (including dismissal or constructive dismissal) of the Supplier, arising from the operation (or alleged operation) of the Transfer Regulations in relation to the Services.

36.7 The Supplier shall indemnify the Company and all Replacement Employers against all Relevant Claims and Liabilities arising from or related to:

- (A) any claim by a Subsequent Relevant Employee in respect of any default, failure or omission (or alleged default, failure or omission) by any person whatsoever concerning or arising from employment before a Subsequent Transfer Date in respect of which the Company or the Replacement Employer incurs liability cost or expense by reason of the operation (or alleged operation) of the Transfer Regulations; and
- (B) any claim by any former or existing employee of the Supplier or relevant Sub-Contractor (other than a Subsequent Relevant Employee) in respect of which the Company or a Replacement Employer incurs liability cost or expense by reason of the operation (or alleged operation) of the Transfer Regulations.

In this Clause 36.7 "Relevant Claims and Liabilities" include those incurred by the Company by reason of any contract term between the Company and a Replacement Employer provided always that in relation to Relevant Claims and Liabilities which the Company may incur to a Replacement Employer, the Supplier shall not be required to indemnify the Company or the Replacement Employer for more than or with a greater scope than it would if such Relevant Claims and Liabilities were made against or incurred by the Company in providing an indemnity under this Clause 36.

36.8 The provisions of this Clause 36 are without prejudice to the Transfer Regulations. For the avoidance of doubt, any remedies available to the Company for any breach by the Supplier of any provision of this Clause 36 shall be in addition to and not in substitution for any remedies available to the Company under any provision of the Transfer Regulations.

### **37. Personnel**

37.1 The Supplier agrees to the appointment of the Key Personnel set out at Schedule 16 (Key Personnel).

37.2 The Supplier shall ensure that each of the Key Personnel devotes substantially their whole time and effort to the performance of the Services. The Supplier shall take all reasonable steps to ensure it retains the services of the Key Personnel and shall not without the Company's prior written consent terminate their employment, remove or change Key Personnel or do any such thing which would cause any of the Key Personnel to resign.

37.3 The Supplier agrees to inform the Company of any changes to the Key Personnel where any relevant member of Key Personnel dies, suffers long term sickness or

disability, is incapacitated by reason of ill health or accident from performing his or her duties for a period of or periods aggregating twenty (20) Working Days in the preceding three (3) months, is guilty of gross or serious misconduct, goes on any period of statutory leave (other than holiday) or leaves the Supplier's employment.

- 37.4 The Supplier shall be responsible for the costs of replacing any member of Key Personnel with an appropriately qualified and competent replacement (including but not limited to, the cost of training any replacement to ensure that they can take over the vacated position efficiently and without disrupting the Services). The Supplier shall use all reasonable endeavours to ensure that any replacement for any member of Key Personnel is engaged and available to perform his or her role as soon as reasonably practicable and at least within five (5) Working Days of the expiry of the notice period of the relevant member of Key Personnel. Where termination of the relevant member of Key Personnel is due to gross or serious misconduct, a replacement shall be engaged and available to perform his/her role as soon as reasonably practicable and in any event within twenty (20) Working Days. Further, save where the relevant member of Key Personnel being replaced has vacated the position immediately due to death, illness, gross misconduct or some other similar reason, the Supplier shall, at its own cost, ensure that the member of Key Personnel being replaced works in parallel with his or her replacement to hand over to them for a period of five (5) Working Days or any shorter period agreed between the Supplier and the Company.
- 37.5 A reasonable period before an offer of engagement is made to a replacement member of Key Personnel, the Supplier shall provide such information about and access to the relevant individual as the Company may reasonably require. The Company shall notify the Supplier if it objects to the appointment of an individual as a member of Key Personnel, together with its reasons for such objection. The Supplier shall comply with any request by the Company that a particular person should not become a member of Key Personnel.
- 37.6 The Company may change the list of Key Personnel on reasonable notice and subject to the consent of the Supplier, such consent not to be unreasonably withheld or delayed.
- 37.7 At the sole cost of the Supplier, the Supplier:
- (A) undertakes that all Supplier Personnel possess the appropriate skills, qualifications and experience to perform the tasks assigned to them, and that they shall be available at such times as are necessary to perform the Services in accordance with the Framework Agreement and the relevant Call-Off Contract. Where requested by the Company, the Supplier shall provide to the Company such evidence as may be reasonably requested by the Company of the competency of any member of Supplier Personnel performing a key role in respect of the Services (including its project/contract managers, health and safety managers, Site-based supervisors/site managers and Site-based operatives);
  - (B) shall ensure that all Supplier Personnel are in possession of valid work permits if they are non-European Community nationals; and
  - (C) shall (at its expense) provide or procure the provision of training for Supplier Personnel in respect of all aspects of its performance of the Framework Agreement and the relevant Call-Off Contract and, as the Company may require, for any employees, agents and contractors of the Company in relation

to the operation or use of any equipment supplied under the Framework Agreement or the relevant Call-Off Contract, such training to include, as a minimum:

- (1) the training activities specified in Schedule 5 (Services) and the Specification for each Call-Off Contract;
- (2) training as required by QUENSH and any TfL Group standards; and
- (3) such other training as required by TfL Group from time to time.

37.8 Without prejudice to the Supplier's other obligations under the Framework Agreement and the relevant Call-Off Contract, where training of any or all Supplier Personnel is required for the purposes of performance of the Framework Agreement and/or the relevant Call-Off Contract, the Supplier shall not assign any Supplier Personnel to the performance of the Framework Agreement or the Call-Off Contract unless and until such Supplier Personnel have satisfactorily completed such training.

37.9 The Company will arrange safety training for Supplier Personnel from time to time at the sole cost and expense of the Supplier. To the extent that any refresher training of any kind (at any time) is required for any Supplier Personnel, this shall be at the sole cost and expense of the Supplier. For the avoidance of doubt, the Company will not be responsible for the remuneration, travel, subsistence or other similar costs and expenses of any Supplier Personnel attending any training under this Clause 37.9.

### **38. London Living Wage**

38.1 The Supplier acknowledges and agrees that the Mayor, pursuant to Section 155 of the GLA Act has directed the Company (including its subsidiaries) to ensure that the London Living Wage is paid to anyone engaged by the Company who is required to perform contractual obligations in Greater London or on the TfL Network.

38.2 The Supplier shall, to the extent this Framework Agreement and any Call-Off Contract is for the provision of Services to be undertaken within Greater London or on the TfL Network:

- (A) ensure that none of its employees (whether engaged directly or as agency staff employed via an employment agency or similar) engaged in the provision of services under this Framework Agreement and each Call-Off Contract is paid an hourly wage (or equivalent of an hourly wage) less than the London Living Wage;
- (B) provide to the Company such information concerning the application of the London Living Wage as the Company or its nominees may reasonably require;
- (C) disseminate on behalf of the Company to its employees who are paid no more than the London Living Wage such perception questionnaires in relation to the London Living Wage as the Company or its nominees may reasonably require and promptly collate and return to the Company responses to such questionnaires;
- (D) co-operate and provide all reasonable assistance to the Company and its nominees in monitoring the effect of the London Living Wage; and

- (E) procure that any sub-contractor is required to comply with the provisions of this Clause 38.2 and the provisions of this Clause 38.2 are included in any sub-contract with a sub-contractor.
- 38.3 The Supplier shall not, and shall procure that any sub-contractor shall not, without the prior written consent of the Company, vary or purport to vary the provisions contained in any contract or sub-contract in accordance with the operation of this Clause 38.
- 38.4 In the event that the Supplier either itself or through a sub-contractor is in breach of this Clause 38, the Supplier shall:
- (A) if notification has not been made by the Company, notify the Company immediately upon becoming aware of the breach; and
  - (B) rectify the breach, or procure that the breach is rectified within seven (7) days of becoming aware of the breach.
- 38.5 In the event that the Supplier fails to rectify the breach as required by Clause 38.4(B), the Company shall have the right, in its absolute discretion:
- (A) to require the Supplier to terminate the sub-contract or agency agreement of the party in breach; or
  - (B) to require the removal of any personnel from involvement with the Services who are not being paid the London Living Wage.
- 38.6 The Supplier shall, so far as reasonably practicable, mitigate any increase in the amount payable to its employees as a direct result of the increase in London Living Wage. The Supplier shall not be entitled to make any claim in respect of any increases in the London Living Wage.

**39. Criminal Record Declarations and Right to Work in the UK**

- 39.1 For the purposes of this Clause 39:

"Relevant Individual" means any servant, employee, officer, consultant or agent of either the Supplier or any Sub-Contractor or supplier carrying out, or intended to carry out, any aspect of the Services; and

"Relevant Conviction" means any unspent criminal conviction relating to actual or potential acts of terrorism or acts which threaten national security.

- 39.2 The Supplier shall procure from each Relevant Individual (as the case may be) a declaration that he has no Relevant Convictions ("Declaration") or disclosure of any Relevant Convictions. A Declaration shall be procured prior to a Relevant Individual carrying out any of the Services. The Supplier shall confirm to the Company in writing on request and in any event not less than once in every year that each Relevant Individual has provided a Declaration. The Supplier shall procure that a Relevant Individual notifies the Supplier immediately if he has a Relevant Conviction and the Supplier shall notify the Company in writing immediately on becoming aware that a Relevant Individual has a Relevant Conviction.
- 39.3 The Supplier shall not engage or allow to act on behalf of the Supplier or any Sub-Contractor in the performance of any aspect of the Services any Relevant Individual

who has disclosed a Relevant Conviction or who the Supplier is aware has a Relevant Conviction.

- 39.4 The Company shall have the right in accordance with the audit rights set out in Clause 18 (Records and Audit) to audit and inspect the records of the Supplier and its Sub-Contractors and its and their respective employees and agents in order to confirm and monitor compliance with this Clause 39 at any time during performance of this Framework Agreement and each Call-Off Contract.
- 39.5 If the Supplier fails to comply with the requirements under Clauses 39.2 and/or 39.3 the Company may, without prejudice to its rights under Clause 50 (Termination on Supplier Default), serve notice on the Supplier requiring the Supplier to remove or procure the removal of (as the case may be) any Relevant Individual who has not provided a Declaration from this Framework Agreement and the relevant Call-Off Contract(s) and/or the Site(s) with immediate effect and take such steps as are necessary to ensure that such Relevant Individual has no further involvement with the carrying out of the Services unless (in the case of non-compliance with Clause 39.2) within five (5) Working Days of receipt of the notice the Supplier confirms to the Company that it has procured all of the relevant Declarations required under Clause 39.2.
- 39.6 A persistent breach of Clause 39.2 and/or Clause 39.3 by the Supplier shall entitle the Company to terminate this Framework Agreement and the affected Call-Off Contract(s) in whole or in part with immediate effect in accordance with Clause 50 (Termination on Supplier Default), as if such persistent breach were a Supplier Default.
- 39.7 In the event the Company becomes aware that a Relevant Individual has a Relevant Conviction, the Supplier shall remove or procure the removal (as the case may be) of such Relevant Individual from this Framework Agreement and the affected Call-Off Contract(s) and/or the Site(s) with immediate effect and take such steps as are necessary to ensure that such Relevant Individual has no further involvement with the carrying out of the Services.
- 39.8 The Supplier shall ensure that each Relevant Individual has the right to work in the UK and shall comply with its obligations under the relevant immigration legislation including but not limited to the obligation to conduct document checks in respect of Relevant Individuals.
- 39.9 Nothing in this Clause 39 shall in any way waive, limit or amend any obligation of the Supplier to the Company arising under this Framework Agreement and the Supplier's responsibilities in respect of performance of the Services remain in full force and effect and the Supplier is not entitled to claim any extra costs or time or any relief from its obligations as a result of any actions under this Clause 39.

#### **40. Offers of Employment (Non-Solicitation)**

For the Term (and the duration of the Call-Off Contract) and for a period of six (6) months after expiry or termination of this Framework Agreement and each Call-Off Contract, the Supplier shall not employ or offer employment to any TfL Group employees who have been associated with the provision of the Services by the Supplier without the Company's prior written consent. Any breach of this Clause 40 shall render the Supplier liable to pay to the Company a sum equal to the basic salary payable to the employee by the Supplier during the first six (6) months of new employment.

## PART 11: RESPONSIBLE PROCUREMENT

### 41. Responsible Procurement

- 41.1 The Supplier and the Company acknowledge and agree that the Mayor, in accordance with Section 155 of the GLA Act, has directed the Company and its subsidiaries to do all things reasonably necessary to comply with (inter alia) the Responsible Procurement Policy in its procurement activities.
- 41.2 The Supplier shall and shall procure that its Sub-Contractors shall comply with, and shall provide such co-operation and assistance as may be reasonably requested by the Company to enable the Company to comply with, the Responsible Procurement Policy.
- 41.3 The Supplier acknowledges and agrees that the Company is required to develop a policy relating to the promotion of the procurement of goods and services in an ethical manner (the "Ethical Sourcing Policy") which shall reflect and be consistent with the relevant principles of the Responsible Procurement Policy and the Supplier shall, and shall procure that all of its Sub-Contractors shall, comply with such Ethical Sourcing Policy to the extent it does not conflict with the Responsible Procurement Policy.
- 41.4 The Supplier acknowledges and agrees that it (and its Sub-Contractors) shall be required to comply with any changes to the Responsible Procurement Policy (and any adjustment or amendment to the Ethical Sourcing Policy as a result of such amendment or adjustment to the Responsible Procurement Policy).
- 41.5 The Supplier shall not be entitled to any addition to the Contract Price in the event of any change to the Responsible Procurement Policy (and any change to the Ethical Sourcing Policy as a result of such change to the Responsible Procurement Policy).
- 41.6 The Supplier shall procure that any Sub-Contractor is required to comply with the provisions of this Clause 41 and the provisions of this Clause 41 are included in any sub-contract (of any tier).
- 41.7 The Supplier shall not, and shall procure that any Sub-Contractor shall not, without the prior written consent of the Company, vary or purport to vary the provisions contained in any contract or sub-contract in accordance with the operation of this Clause 41.

### 42. CompeteFor

- 42.1 Without prejudice to Clause 61 (Assignment and Sub-contracting), the Supplier will, on a non-exclusive basis, use the CompeteFor electronic brokerage service (or such alternative web-based tool as the Company may direct from time to time) ("CompeteFor") to make available to other suppliers all appropriate opportunities, arising in connection with this Framework Agreement, to supply goods, works or services to the Supplier.
- 42.2 The Supplier will use all reasonable endeavours to ensure that its Sub-Contractors use CompeteFor, on a non-exclusive basis, to make available to other parties all appropriate opportunities, arising in connection with this Framework Agreement, to supply goods, works and services to such Sub-Contractors.
- 42.3 The Supplier will monitor (and maintain a record of) the number, type and value of

opportunities, arising in connection with this Framework Agreement, made available to other suppliers via CompeteFor, whether by the Supplier or its Sub-Contractors, as required by Clause 42.2, and will report this information on a Quarterly basis by way of email to the Company's Representative.

## **PART 12: INTELLECTUAL PROPERTY, DATA AND CONFIDENTIALITY**

### **43. Intellectual Property Rights**

#### **43.1 Existing Contracts**

This Framework Agreement is entirely without prejudice to, and nothing in it is intended to, nor shall, in any way prejudice the rights of any member of the TfL Group in relation to intellectual property under or pursuant to Existing Contracts.

#### **43.2 Vesting of Intellectual Property Rights created under this Contract**

All Intellectual Property Rights created wholly or mainly in connection with the performance of, or in order to perform, this Framework Agreement and each Call-Off Contract shall vest in the Company. The Supplier shall procure that each of its Sub-Contractors and any other third party shall assign such Intellectual Property Rights to the Company.

#### **43.3 Ownership of the Supplier's Intellectual Property Rights**

Without prejudice to Clause 43.2, all Intellectual Property Rights owned by the Supplier or its Sub-Contractors or other third party and which are not assigned to, or vested in, the Company pursuant to Clause 43.2 shall remain or be vested in the Supplier, its Sub-Contractors or other third party (as the case may be).

#### **43.4 Company's Licence to use the Supplier's Intellectual Property Rights**

The Company shall have and the Supplier hereby grants, and procures that its Sub-Contractors or other third party grant, to the Company a worldwide, royalty-free, perpetual, irrevocable, non-exclusive licence (with the right to sub-licence such rights to any third party) to use and copy the Intellectual Property Rights referred to in Clause 43.3 for the purposes of:

- (A) understanding the Services;
- (B) operating, maintaining, repairing, modifying, altering, enhancing, re-figuring, correcting, replacing, re-procuring and re-tendering the Services;
- (C) extending, interfacing with, integrating with, connecting into and adjusting the Services;
- (D) enabling the Company to carry out the operation, maintenance, repair, renewal and enhancement of the TfL Network and/or Sites;
- (E) executing and completing the Services; and
- (F) enabling the Company to make available the TfL Network to perform its function and duties as Infrastructure Manager and Operator of the TfL Network.

#### **43.5 Provision of Supporting Documentation and Other Materials**

The Supplier shall:

- (A) promptly, and in any event by no later than such date as the Company may notify to the Supplier, provide at no charge to the Company, copies of any materials and items (including, without limitation, Documentation) in the Supplier's or Sub-Contractor's or other third party's possession or control (or which ought reasonably to be in the Supplier's or Sub-Contractor's or other third party's possession or control) which are referred to or relied upon in using and copying, or required in any way for the use and copying of, the Intellectual Property Rights referred to in Clauses 43.2, 43.3 and 43.4 above; and
- (B) keep copies of such materials, items and Documentation in a secure place where they will not deteriorate and undertake regular (and in any event not less than every three (3) months) integrity testing of the same and provide written evidence of such testing to the Company at regular intervals and in any event upon the Company's request.

#### **43.6 Company's Rights of retention**

If the Supplier has not complied with its obligations under Clause 43.5(A), the Company shall be entitled to retain one quarter of the sums that would otherwise be due to the Supplier under the relevant Call-Off Contract until the Supplier has complied with its obligations under Clause 43.5(A).

#### **43.7 Company's Rights to the Software**

If the Supplier or any of its Sub-Contractors providing software for incorporation into or operation of the Services stops trading, is subject to an insolvency event equivalent to any of those events set out in the definition of Supplier Default (including their equivalent in any jurisdiction to which the Supplier or any of its Sub-Contractors is subject), makes known its intention to withdraw support of that software or fails to support that software in accordance with the terms of this Framework Agreement or a Call-Off Contract then the Supplier, at no charge to the Company, shall use its best endeavours to transfer or procure the transfer to the Company of all Intellectual Property Rights in that software.

#### **43.8 Company's Rights in relation to Other Procurement Activities**

For the avoidance of doubt, the Company shall be entitled to use and copy the materials, items and Documentation referred to in Clause 43.5 and anything in which the Intellectual Property Rights referred to in Clauses 43.2, 43.3 and 43.4 subsist for the purposes of inviting tenders or of procuring services the same as or similar to the Services for the carrying out of any activities in connection with the licence under Clause 43.4 subject always to the Company's requirements for tenderers to treat the same in the strictest confidence.

#### **43.9 Supplier's Indemnity against Third Party Intellectual Property Rights Infringement**

- (A) The Supplier shall indemnify and hold harmless the Company and any member of the TfL Group against any actions, claims, losses, demands, costs, charges or expenses that arise from, or are incurred by reason of, any infringement or alleged infringement of any Intellectual Property Rights belonging to any Sub-Contractor or sub-contractor (of any tier) or other third party and against all costs and damages of any kind which the Company may incur in connection with any actual or threatened proceedings before any court or arbitrator or any other dispute resolution forum. If required by the Company

the Supplier shall conduct negotiations with any Sub-Contractor or other third party and/or a defence in relation to any action, claim or demand referred to herein on behalf of the Company.

- (B) In the event of a claim of infringement of any Intellectual Property Rights the Supplier shall use all reasonable endeavours to make such alterations or adjustment to the method of providing the Services as may be necessary to ensure that the use and the provision of the Services continues in spite of such claim and for the avoidance of doubt shall not be entitled to any relief in respect of its obligations to perform the Services as required by this Framework Agreement and the relevant Call-Off Contract.

#### **43.10 Ownership of the Company's Intellectual Property Rights**

Intellectual Property Rights in all Documentation and in all other material and items supplied by the Company to the Supplier in connection with this Framework Agreement and each Call-Off Contract shall remain vested in the Company or the person owning such rights at the time the Documentation, material or items were supplied. The Supplier shall, if so requested, at any time, execute such documents and perform such acts as may be required fully and effectively to assure to the Company and the Contacting Authority the rights referred to in this Clause.

#### **43.11 Supplier's Licence to the Company's Intellectual Property Rights**

The Company hereby grant the Supplier a non-exclusive, non-transferable licence to use all the Intellectual Property Rights owned or capable of being so licensed by the Company (including for the avoidance of doubt the Corporate IPRs as such term is defined in Clause 43.12) which are required by the Supplier for the purposes of performing the Services. Such licence is granted for the Term and the duration of the Call-Off Contract solely to enable the Supplier to comply with its obligations under this Framework Agreement and the relevant Call-Off Contract and is conditional upon the Supplier using such Intellectual Property Rights in accordance with Applicable Laws and Standards and such other quality standards as the Company may from time to time notify. No Intellectual Property Rights owned or capable of being so licensed by the Company may be used in conjunction with any other trade-marks without the prior written consent of the Company.

#### **43.12 Corporate IPRs**

- (A) The Supplier shall use and shall procure that its Sub-Contractors and suppliers shall use the trade-marks, trade names and other Intellectual Property Rights as amended by the Company from time to time (the "Corporate IPRs") in compliance with any relevant Company standards from time to time in force.
- (B) The Supplier shall not use and shall procure that its Sub-Contractors and suppliers shall not use the Corporate IPRs in combination with any other trade-marks, trade names and other Intellectual Property Rights without the Company's prior written consent.
- (C) On written request from the Company, the Supplier shall supply copies or details of items on or in relation to which it uses the Corporate IPRs or details of the manner in which they are used. If the Company reasonably determines that any use of the Corporate IPRs falls below the quality standards notified to the Supplier in accordance with Clause 43.11, the Company shall give the

Supplier written notice of that fact and the Supplier shall correct the use so as to comply with such quality standards taking into account the Company's instructions.

#### **44. Confidentiality**

- 44.1 The Supplier undertakes to keep confidential and not to disclose to any third party (without the prior written consent of the Company) any Confidential Information supplied by the Company (the "Disclosing Party") to the Supplier and to use such information only for the purpose of the performance of his obligations under this Framework Agreement and the Call-Off Contract.
- 44.2 At the Disclosing Party's request, the Supplier shall, so far as is reasonably possible:
- (A) transfer onto hard copies or other media in industry standard format and programming languages and deliver to the Disclosing Party any Confidential Information in its possession or control supplied by the Disclosing Party to the Supplier;
  - (B) return to the Disclosing Party all copies (whether hard copy or other media) of such Confidential Information; and
  - (C) destroy, erase or otherwise expunge from its records, systems, databases or other forms of archive all such Confidential Information save to the extent that information needs to be retained for statutory purposes or tax purposes.
- 44.3 The Supplier shall ensure that all Supplier Parties perform the obligations in Clauses 44.1 and 44.2 as if they were the Supplier, and the Supplier shall be responsible to the Disclosing Party for any act or omission by any Supplier Parties in this regard.
- 44.4 The Supplier shall notify the Disclosing Party promptly if the Supplier becomes aware of any breach of confidence by a Supplier Party and shall give the Disclosing Party all assistance the Disclosing Party reasonably requires in connection with any proceedings the Disclosing Party brings, or other steps the Disclosing Party takes, against that Supplier Party for such breach of confidence.
- 44.5 The Supplier shall not, either alone or jointly with others, publish any material relating to the Company, the Company's Representative, this Framework Agreement or any Call-Off Contract without the prior written consent of the Company.
- 44.6 The Supplier shall not, either alone or jointly with others, make any press, television, radio or other media announcement in connection with this Framework Agreement or any Call-Off Contract, or any Dispute arising under or in connection with either of them.
- 44.7 The provisions of Clauses 44.1 to 44.6 shall not apply:
- (A) to any information which is already in the public domain at the time of its disclosure other than by breach of this Framework Agreement or a Call-Off Contract; or
  - (B) to any information which is required to be disclosed to the extent required by any Applicable Law (provided that Clause 45 (Freedom of Information) shall apply to any disclosures required by the FOI Legislation), the regulations of

any recognised stock exchange, any taxation authorities or by order of a court or other tribunal of competent jurisdiction or any relevant regulatory body.

- 44.8 The Supplier acknowledges that damages would not be an adequate remedy for any breach of this Clause 44 by the Supplier and that (without prejudice to all other remedies to which the Disclosing Party may be entitled as a matter of law) the Disclosing Party shall be entitled to any form of equitable relief to enforce the provisions of this Clause 44.

**45. Freedom of Information**

- 45.1 For the purposes of this Clause 45:

"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 issued by the Information Commissioner, the Department for Constitutional Affairs, or the Department for Environment Food and Rural Affairs (including in each case its successors or assigns) in relation to such legislation;

"Information" means information recorded in any form held by the Company or by the Supplier on behalf of the Company; and

"Information Request" means a request for any Information under the FOI Legislation.

- 45.2 The Supplier acknowledges that the Company:

- (A) are subject to the FOI Legislation and agrees to assist and co-operate with each of them to enable them to comply with their obligations under the FOI Legislation; and
- (B) may be obliged under the FOI Legislation to disclose Information without consulting or obtaining consent from the Supplier.

- 45.3 Without prejudice to the generality of Clause 45.2 the Supplier shall and shall procure that its Sub-Contractors (if any) shall:

- (A) transfer to the Company's Representative (or such other person as may be notified by the Company to the Supplier) each Information Request relevant to this Framework Agreement, each Call-Off Contract or any member of the TfL Group that it or they (as the case may be) receive as soon as practicable and in any event within two (2) Working Days of receiving such Information Request; and
- (B) in relation to Information held by the Supplier on behalf of the Company, provide the Company with details about and/or copies of all such Information that the Company requests and such details and/or copies shall be provided within five (5) Working Days of a request from the Company (or such other period as the Company may reasonably specify), and in such forms as the Company may reasonably specify.

- 45.4 The Company 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 Information Request in accordance with the FOI

Legislation. The Supplier shall not itself respond to any person making an Information Request, save to acknowledge receipt, unless expressly authorised to do so by the Company.

**46. Data Transparency**

- 46.1 The Supplier acknowledges that the Company subject to the Transparency Commitment. Accordingly, notwithstanding Clause 44 (Confidentiality) and Clause 45 (Freedom of Information), the Supplier hereby gives its consent for the Company to publish the Contract Information to the general public.
- 46.2 The Company may in its absolute discretion redact all or part of the Contract Information prior to its publication. In so doing and in its absolute discretion the Company may take account of the exemptions/exceptions that would be available in relation to information requested under the FOI Legislation. The Company may in its absolute discretion consult with the Supplier regarding any redactions to the Contract Information to be published pursuant to Clause 46.1. The Company shall make the final decision regarding publication and/or redaction of the Contract Information.

**47. Data Protection and Cyber Security**

- 47.1 The Supplier shall comply with all of its obligations under the Data Protection Legislation.
- 47.2 Throughout the term of this Framework Agreement and each Call-Off Contract the Supplier shall follow the 10 Steps to Cyber Security issued by the National Cyber Security Centre (or equivalent or replacement guidance or requirements in place from time to time).

## PART 13: STEP IN, TERMINATION AND SUSPENSION

### 48. Step-in

- 48.1 Without limiting any other remedy, if the Supplier fails to comply with its obligations to perform the Services as required by this Framework Agreement or the relevant Call-Off Contract, the Company shall be entitled to perform or procure the performance of the Services or part thereof itself or from a third party. Without prejudice to any other right or remedy of the Company hereunder or under the general law, all expenditure properly incurred by the Company exercising its rights under this Clause 48 is recoverable by the Company from the Supplier and the Company shall be entitled to deduct such amounts from any amount due or to become due to the Supplier under the relevant Call-Off Contract.
- 48.2 Without prejudice to the provisions of Clause 48.1 if the Company reasonably believes that it needs to take action in connection with the Services:
- (A) because a serious risk exists to the health or safety of persons or property or to the environment; and/or
  - (B) to discharge a statutory duty,
- then the following provisions shall apply.
- 48.3 The Company shall provide notice to the Supplier in writing of the following:
- (A) the action it wishes to take;
  - (B) the reason for such action;
  - (C) the date it wishes to commence such action;
  - (D) the time period which it believes will be necessary for such action; and
  - (E) to the extent practicable, the effect on the Supplier and its obligations to provide the Services during the period such action is being taken.
- 48.4 Following service of the notice required in Clause 48.3, the Company or a third party appointed by the Company for the purpose shall take such action as is notified under these provisions and any consequential additional action as the Company reasonably believes is necessary (the "Required Action").
- 48.5 For so long as and to the extent that the Required Action is taken, and this prevents the Supplier from providing any part of the Services, the Supplier shall be relieved from its obligations to provide such part of the Services and the Company shall not be liable to pay the Contract Price for such part of the Services.
- 48.6 For the purposes of this Clause 48 the Supplier hereby grants to the Company and any third party the right to use any Intellectual Property Rights, Documentation, goods, materials and spares belonging to the Supplier or used by the Supplier in connection with the relevant Call-Off Contract as may be required by the Company to exercise its rights under this Clause 48 and the Supplier shall provide all such co-operation and assistance as may be required by the Company to enable the Company to exercise its rights under this Clause 48.

**49. Voluntary Termination by the Company**

49.1 The Company may terminate this Framework Agreement, a Call-Off Contract or any part or parts of the Services under a particular Call-Off Contract for convenience at any time on or before the Expiry Date in relation to the Framework Agreement by serving a Termination Notice on the Supplier stating:

- (A) that the Company is terminating:
  - (1) this Framework Agreement in whole or in part under this Clause 49; and/or
  - (2) the relevant Call-Off Contract in whole or in part under this Clause 49; and
- (B) that this Framework Agreement and/or the relevant Call-Off Contract will terminate in whole or in part on the date specified in the notice, which, in respect of the Framework Agreement only, must be a minimum of three (3) months after the date of receipt of the notice.

49.2 This Framework Agreement and/or the relevant Call-Off Contract will terminate in whole or in part as the case may be on the date specified in the Termination Notice referred to in Clause 49.1.

**50. Termination on Supplier Default**

50.1 For the purposes of this Clause 50, a 'Supplier Default' is any of the following events:

- (A) the Supplier committing a material breach of this Framework Agreement which in the case of a breach capable of remedy has not been remedied within five (5) Working Days, or such other period as may be agreed between the Supplier and the Company, of the Company serving notice on the Supplier requiring such remedy;
- (B) the Supplier committing a material breach of a Call-Off Contract which in the case of a breach capable of remedy has not been remedied within five (5) Working Days, or such other period as may be agreed between the Supplier and the Company, of the Company serving notice on the Supplier requiring such remedy;
- (C) a Persistent Breach occurring;
- (D) the Supplier or anyone employed by or acting on behalf of the Supplier (whether or not acting independently of the Supplier when committing any breach) commits a Safety Breach or Prohibited Act;
- (E) the Supplier enters into compulsory or voluntary liquidation (other than for the purpose of effecting a solvent reconstruction or amalgamation provided that if the company resulting from such reconstruction or amalgamation is a different legal entity it shall agree to be bound by and assume the obligations of the Supplier under this Framework Agreement and each Call-Off Contract) or is deemed unable to pay its debts as they fall due in accordance with Section 123(1) of the Insolvency Act 1986, or a meeting of its shareholders or directors is convened to consider any resolution for (or petition or file documents with

the courts for) its administration or an administrative receiver, manager, administrator, liquidator, trustee or other similar officer is appointed or notice is given to appoint the same or any similar or analogous procedure or step is taken in any jurisdiction;

- (F) a persistent breach of the Supplier's obligations set out in either or both of Clause 39.2 and 39.3 (Criminal Record Declarations and Right to Work in the UK);
- (G) a breach of the Supplier's obligations under Clauses 61 (Assignment and Sub-Contracting) or 62 (Change of Control);
- (H) any parent company guarantee or bond required pursuant to Clause 60 (Bonds, Warranties and Guarantees) becoming invalid and/or the Supplier being in breach of Clause 60.3;
- (I) a breach by the Supplier of its obligations to take out and maintain any of the insurances required pursuant to Clause 57 (Insurance);
- (J) the occurrence of a conflict of interests such that the circumstances set out in Clause 82.5(B) (Conflict of Interest) occur;
- (K) the Company becomes entitled to terminate this Framework Agreement in accordance with the Escalation Procedure set out in paragraph 4 of Schedule 13 (Performance Measurement Mechanism);
- (L) the Company becomes entitled to terminate a Call-Off Contract in accordance with the Escalation Procedure set out in paragraph 4 of Schedule 13 (Performance Measurement Mechanism);
- (M) the Supplier has, at the date of this Framework Agreement, been in one of the situations referred to in Regulation 57(1) of the Public Contracts Regulations 2015 and should therefore have been excluded from the procurement procedure in accordance with Regulation 80(2) of the Utilities Contracts Regulations 2016; or
- (N) the Company becomes entitled to terminate this Framework Agreement pursuant to paragraph 8 of Schedule 14(a) (Performance Measurement Mechanism) occur.

50.2 If a breach of this Framework Agreement, that is not a Supplier Default, has continued for more than ten (10) Working Days or occurred more than three (3) times in any six (6) month period then the Company may serve a notice on the Supplier:

- (A) specifying that it is a formal warning notice;
- (B) giving reasonable details of the breach; and
- (C) stating that the breach is a breach which, if it recurs frequently or continues, may result in a termination of this Framework Agreement.

50.3 If a breach of a Call-Off Contract, that is not a Supplier Default, has continued for more than ten (10) Working Days or occurred more than three (3) times in any six (6) month period then the Company may serve a notice on the Supplier:

- (A) specifying that it is a formal warning notice;
  - (B) giving reasonable details of the breach; and
  - (C) stating that the breach is a breach which, if it recurs frequently or continues, may result in a termination of the relevant Call-Off Contract.
- 50.4 If, following service of a warning notice the breach specified in a warning notice given further to Clause 50.2 or Clause 50.3 has continued beyond twenty (20) Working Days or recurred in three (3) or more months within the six (6) month period after the date of service, then the Company may serve another notice (a "Final Warning Notice") on the Supplier:
- (A) specifying that it is a Final Warning Notice;
  - (B) stating that the breach specified has been the subject of a warning notice served within the six (6) month period prior to the date of service of the Final Warning Notice; and
  - (C) stating that if the breach continues for more than ten (10) Working Days or recurs in three (3) or more months within the six (6) month period after the date of service of the Final Warning Notice, such breach shall constitute a Persistent Breach and this Framework Agreement (or the relevant Call-Off Contract) may be terminated further to Clause 50.6.
- 50.5 A warning notice may not be served in respect of any incident of breach which has previously been counted in the making of a separate warning notice.
- 50.6 If a Supplier Default has occurred and the Company wishes to terminate this Framework Agreement in whole or in part, the Company must serve a Termination Notice on the Supplier.
- 50.7 If a Supplier Default has occurred and the Company wishes to terminate the relevant Call-Off Contract in whole or in part, the Company must serve a Termination Notice on the Supplier.
- 50.8 The Termination Notice must specify the type of Supplier Default which has occurred entitling the Company to terminate and whether the Company is terminating this Framework Agreement in whole or in part and if in part, the extent of the termination, and the date on which the termination shall become effective.
- 50.9 If anyone employed by the Supplier, acting independently of the Supplier, commits a Safety Breach or Prohibited Act, then, without prejudice to the Company's rights pursuant to this Clause 50, the Company may require the Supplier to exclude that individual from the Services with immediate effect and that individual may only resume the performance of the Services at the Company's absolute discretion.

## **51. Compensation on Termination**

- 51.1 The Company may (in its absolute discretion) terminate any or all Call-Off Contracts in the event this Framework Agreement is terminated (for any reason). The provisions of this Framework Agreement shall continue to apply to any Call-Off Contracts which are not terminated by the Company pursuant to this Clause 51. Termination of an individual Call-Off Contract shall not affect this Framework

Agreement or any other current Call-Off Contract.

51.2 Following a termination of an individual Call-Off Contract pursuant to Clause 51.1 above or Clause 49 (Voluntary Termination by the Company), the Supplier shall be entitled to be paid:

- (A) the total value of the Services provided under that Call-Off Contract at the date of termination of that Call-Off Contract, such value to be ascertained in accordance with the relevant Call-Off Contract as if such Call-Off Contract had not been terminated, together with any amounts due to the Supplier under that Call-Off Contracts not included in such total value; and
- (B) the reasonable properly incurred cost of removal of the Supplier's property from the relevant Sites;

less any amounts previously paid to the Supplier under the relevant Call-Off Contract.

51.3 Following a termination of this Framework Agreement (in whole or in part) in accordance with Clause 50 (Termination on Supplier Default) the Supplier shall indemnify the Company and keep the Company fully and effectively indemnified against all expense, loss, damage and liabilities suffered or incurred by the Company associated with or arising from the termination, from the date of termination to the Expiry Date (as may have been extended only where notice has been served pursuant to Clause 2.2 (Duration and Option to Extend)).

51.4 Following a termination of a Call-Off Contract (in whole or in part) in accordance with Clause 50 (Termination on Supplier Default):

- (A) the Supplier shall indemnify the Company and keep the Company fully and effectively indemnified against all expense, loss, damage and liabilities suffered or incurred by the Company associated with or arising from the termination including any additional expense incurred by the Company in continuing to provide the Services in respect of which the Call-Off Contract has been terminated, from the date of termination to the expiry date for such Call-Off Contract including for the avoidance of doubt the cost of finding an alternative contractor or contractors and any additional amounts charged by them for providing the Services; and
- (B) the Supplier shall be entitled to be paid for Services provided and which have not been paid for at the date of termination, to the extent that the provision of such Services has been terminated, less the cost to the Company of having the Services that have not been carried out completed (whether the Company has those Services delivered or not).

51.5 In the event that the Company terminates this Framework Agreement for any reason under Clause 50 (Termination on Supplier Default), the Supplier shall, without prejudice to any other rights or remedies which the Company may have under this Framework Agreement or under general law, at the Company's option:

- (A) permit the Company to enter the Supplier's premises and take possession of any equipment, goods or Documentation which are the property of the Company; and
- (B) promptly return to the Company any equipment, goods or Documentation which are the property of the Company and of which the Supplier or any of its

Sub-Contractors have possession.

51.6 In the event that the Company terminates a Call-Off Contract for any reason under Clause 50 (Termination on Supplier Default), the Supplier shall, without prejudice to any other rights or remedies which the Company may have under the relevant Call-Off Contract or under general law, at the Company's option:

- (A) permit the Company to enter the Supplier's premises and take possession of any equipment, goods or Documentation which are the property of the Company;
- (B) permit the Company to place an order for the remaining Services with any other person or persons or complete the provision of such Services by its own workmen;
- (C) promptly return to the Company any equipment, goods or Documentation which are the property of the Company and of which the Supplier or any of its Sub-Contractors have possession; and
- (D) sell to the Company, at the purchase price any materials or goods properly ordered for the Services in respect of which the relevant Call-Off Contract has been terminated (and which have not at the date of termination become the property of the Company) and on such payment in full by the Company such materials or goods shall become the property of the Company.

In each such case, the Company shall be entitled to retain the benefit of any part of the Services already provided by the Supplier in accordance with the relevant Call-Off Contract.

51.7 Any amounts which the Company is liable to pay pursuant to this Clause 51 shall, in default of agreement, be determined pursuant to the provisions of Schedule 14 (Dispute Resolution Procedure).

## **52. Accrued Rights and Survival**

52.1 In the event that a Call-Off Contract is terminated, the liability of the Company to pay the Supplier in respect of the performance of the Services shall be limited to payment to the Supplier for those Services provided in accordance with the relevant Call-Off Contract up until the date of such termination.

52.2 Save as otherwise expressly set out in this Framework Agreement, the relevant Call-Off Contract or as already taken into account in the calculation of any payment of compensation on termination pursuant to this Framework Agreement, termination of this Framework Agreement or a Call-Off Contract for whatever reason shall not affect the accrued rights of the Parties arising in any way out of this Framework Agreement or the relevant Call-Off Contract as at the date of termination and in particular but without limitation the right to recover damages against the other Party.

52.3 The provisions of Clauses 18 (Records and Audit), 23.13 (Price and Payment), 36 (TUPE), 40 (Offers of Employment (Non-Solicitation)), 41 (Responsible Procurement), 43 (Intellectual Property Rights), 44 (Confidentiality), 45 (Freedom of Information), 46 (Data Transparency), 47 (Data Protection and Cyber Security), 49 (Voluntary Termination by the Company), 52 (Accrued Rights and Survival), 56 (Indemnity), 58 (Environmental Claims), 64 (Severance), 65 (Publicity), 66 (Corrupt Gifts and Payment of Commission), 67 (No Waiver), 69 (Entire Agreement), 81 (Notices and

Service of Process), 71 (Dispute Resolution), 75 (Governing Law and Jurisdiction), 76 (Contracts (Rights of Third Parties) Act 1999 and 82.1 (Transport for London Group will survive the termination or expiry of this Framework Agreement and each Call-Off Contract and continue in full force and effect, along with any other Clauses or Schedules of this Framework Agreement and each Call-Off Contract necessary to give effect to them. In addition, any other provision of this Framework Agreement and any Call-Off Contract which by its nature or implication (including in respect of any accrued rights and liabilities) is required to survive the termination will survive such termination as aforesaid.

**53. Force Majeure**

- 53.1 No Party to a Call-Off Contract shall be entitled to bring a claim for a breach of obligations under that Call-Off Contract by the other Party or incur any liability to the other Party for any losses or damages incurred by that other Party to the extent that a Force Majeure Event occurs and the Affected Party is prevented from carrying out obligations by that Force Majeure Event. For the avoidance of doubt, the Company shall not be entitled to terminate the relevant Call-Off Contract for a Supplier Default if such Supplier Default arises from a Force Majeure Event (but without prejudice to Clauses 53.5 or 53.6).
- 53.2 The Company shall be under no obligation to make any payments to the Supplier of the Contract Price in respect of any Services affected by the Force Majeure Event.
- 53.3 On the occurrence of a Force Majeure Event, the Affected Party shall notify the other Party as soon as practicable. The notification shall include details of the Force Majeure Event, including evidence of its effect on the obligations of the Affected Party and any action proposed to mitigate its effect.
- 53.4 As soon as practicable following such notification, the Parties to the relevant Call-Off Contract shall consult with each other in good faith and use all reasonable endeavours to agree appropriate terms to mitigate the effects of the Force Majeure Event and facilitate the continued performance of the Call-Off Contract.
- 53.5 If no such terms are agreed on or before the date falling eighty (80) Working Days after the date of the commencement of the Force Majeure Event and such Force Majeure Event is continuing or its consequence remains such that the Affected Party is unable to comply with its obligations under the relevant Call-Off Contract for a period of more than one hundred and twenty (120) Working Days, then, subject to Clause 53.6, either Party may terminate the Call-Off Contract in respect of the affected Services by giving twenty (20) Working Days' written notice to the other Party.
- 53.6 If a Call-Off Contract is terminated, in whole or in part, under Clause 53.5 no compensation shall be payable by either Party in relation to such termination.
- 53.7 The Parties shall at all times following the occurrence of a Force Majeure Event use all reasonable endeavours to prevent and mitigate the effects of any delay and the Supplier shall at all times during which a Force Majeure Event is subsisting take all steps in accordance with Good Industry Practice to overcome or minimise the consequences of the Force Majeure Event.
- 53.8 The Affected Party shall notify the other Party as soon as practicable after the Force Majeure Event ceases or no longer causes the Affected Party to be unable to comply with its obligations under the relevant Call-Off Contract. Following such notification

the relevant Call-Off Contract shall continue to be performed on the terms existing immediately prior to the occurrence of the Force Majeure Event.

**54. Suspension**

- 54.1 Without prejudice to Clause 49 (Voluntary Termination by the Company), the Company shall have the right at any time to require the Supplier to suspend the provision of the Services (or any part thereof) under a Call-Off Contract by giving notice in writing to the Supplier.
- 54.2 In the event that provision of the Services is suspended in accordance with Clause 54.1, the Supplier shall:
- (A) issue to the Company an application for payment in respect of those Services provided to the Company in accordance with the relevant Call-Off Contract up until the date of such suspension; and
  - (B) not carry out any further work in connection with the provision of the Services which are the subject of the suspension until such time as the Company issues a notice lifting the suspension (a "Notice to Proceed").
- 54.3 In the event that the performance of the Services is suspended in accordance with Clause 54.1, and such suspension continues for a period of twenty (20) Working Days, the Supplier shall be entitled to request that the Company serve a Notice to Proceed. In the event that no Notice to Proceed is issued by the Company within a further ten (10) Working Days from such request of the Supplier, the Supplier shall be entitled to approach the Company with a request for a variation, in accordance with the Contract Variation Procedure.
- 54.4 In the event that the Parties to the relevant Call-Off Contract are unable to agree upon the variation requested under Clause 54.3, then a Dispute shall be deemed to have arisen and the matter shall be referred for resolution in accordance with Clause 71 (Dispute Resolution).

**55. Co-operation in Handover**

The Parties shall comply with their respective obligations as set out in Schedule 15 (Obligations on Handover).

## PART 14: INDEMNITIES AND INSURANCE

### 56. Indemnity

56.1 The Supplier shall be liable for, and shall at all times, indemnify the Company, including any of its employees, servants, agents, sub-contractors, directors and officers and members of the TfL Group, and shall keep them indemnified on an after-tax basis against all Losses suffered or incurred by the Company, any of its employees, servants, agents, sub-contractors, directors and officers or any relevant member of the TfL Group:

- (A) in respect of death or personal injury to any person;
- (B) in respect of loss of or damage to any property belonging to the Company, or for which it is responsible (including the TfL Network and Sites and any other property belonging to the Company or for which it is responsible); and
- (C) in respect of claims against the Company made by third parties (whether under contract, tort, breach of statutory duty or otherwise),

arising from or in connection with the performance or non-performance of the Supplier under this Framework Agreement and each Call-Off Contract, or in the course of or by reason of any act, omission, negligence or breach of contract or breach of statutory duty, wilful misconduct of the Supplier or any Supplier Party.

56.2 The Supplier shall not be liable under the indemnity in Clause 56.1 to the extent Losses are solely due to the negligence, breach of duty or breach of contract of the Company.

56.3 The Supplier's indemnity under Clause 56.1 and all other indemnities under this Framework Agreement shall remain in force for the duration of this Framework Agreement and the duration each Call-Off Contract and for the period of twelve (12) years after the Expiry Date (or expiry date of the relevant Call-Off Contract) or earlier termination of this Framework Agreement (or the relevant Call-Off Contract).

56.4 The Company may withhold from any sum due or which may become due to the Supplier any sum due to the Company as a result of the operation of Clause 56.1 provided that an appropriate notice to withhold payment has been served by the Company on the Supplier.

56.5 Other than in respect of (i) the Losses described in Clause 56.1(C) above and (ii) Excepted Liabilities, a party to this Framework Agreement or a Call-Off Contract shall have no liability to the other party for any Consequential Loss arising out of the performance of its obligations under or in connection with this Framework Agreement or the relevant Call-Off Contract. Each Party respectively undertakes not to sue the other Party or any member of the TfL Group in respect of Consequential Loss for which liability is excluded in this Clause 56.5.

56.6 The Supplier shall have no claim against the Company in respect of delay or disruption of the Services, except as expressly provided for in this Framework Agreement or the relevant Call-Off Contract.

## 56.7 Control of indemnity claims

- (A) Subject to Clause 56.7(B), if a claim is made against a Party ("the Indemnified Party"), or the Indemnified Party becomes aware that a claim is likely to be made, by a third party which may give rise to a claim under an indemnity given by a Party ("the Indemnifying Party"):
- (1) the Indemnified Party shall promptly notify the Indemnifying Party of the claim, giving full particulars of the claim, and consult with the Indemnifying Party in relation to the proposed actions to be taken prior to settlement or compromise of the claim;
  - (2) each Party shall provide the other Party with such assistance and information as it reasonably requests in relation to the claim;
  - (3) the Indemnified Party shall not admit liability in respect of or settle the matter without first obtaining the Indemnifying Party's written consent; and
  - (4) subject to applicable security and confidentiality restrictions, the Indemnified Party shall provide the Indemnifying Party with reasonable access to its premises and personnel and all relevant assets, documents and records for the purpose of investigating the matter.
- (B) The Company may elect at any time to have sole control of the defence of proceedings relating to any claim for which the Supplier has given an indemnity and all negotiations for its settlement (in which case the provisions in Clause 56.7(D) shall apply to the Company as if it were the Indemnifying Party and the Supplier were the Indemnified Party).
- (C) If the Company elects to have sole control of the defence of proceedings pursuant to Clause 56.7(B) after the Supplier has already commenced the defence of such proceedings, the Supplier shall promptly take all steps necessary to transfer the conduct of such claim to the Company, and shall provide to the Company all reasonable co-operation, access and assistance for the purposes of considering and resisting such claim.
- (D) The Indemnifying Party shall:
- (1) assume and conduct the defence of any proceedings relating to the claim diligently using competent counsel and in such a way as not to bring the reputation of the Indemnified Party into disrepute in which case the Indemnified Party shall not, unless the Indemnifying Party has failed to resolve the claim within a reasonable period, take any action to settle or prosecute the claim;
  - (2) consult with the Indemnified Party and keep the Indemnified Party informed of all material matters, including formulation of any defence and counter-claims and filing of evidence from employees of the Indemnified Party;
  - (3) not compromise the claim in any way whatsoever by making statements or admissions (other than in accordance with the Indemnified Party's consent, not to be unreasonably withheld or delayed) and do nothing which could prejudice the defence of any such

claim; and

- (4) obtain the Indemnified Party's prior written consent, which shall not be unreasonably withheld or delayed, before any settlement is made in respect of the claim.

## **57. Insurance**

57.1 Without prejudice to the obligation to indemnify the Company set out in Clause 56.1 (Indemnity), the Supplier undertakes to:

- (A) maintain at its own cost insurance which complies with the Employers' Liability (Compulsory Insurance) Act 1969 and any statutory orders made under such Act or any amendment or re-enactment thereof at a level of not less than £5,000,000 (five million pounds) per occurrence;
- (B) maintain at its own cost an adequate level of public liability insurance in respect of the Supplier's liability for death or injury to any person and loss of or damage to property and being not less than £10,000,000 (ten million pounds) per occurrence;
- (C) maintain at its own cost an adequate level of product liability insurance of not less than £10,000,000 (ten million pounds) per occurrence;
- (D) maintain at its own cost an adequate level of professional indemnity insurance of not less than £3,000,000 (three million pounds) per occurrence;
- (E) ensure that the foregoing insurance policy or policies shall be or are effected with a reputable insurer. Such insurance shall be on terms approved by the Company (such approval not to be unreasonably withheld or delayed) and shall be maintained in force for a period not less than twelve (12) years after the completion of the Services under the last Call-Off Contract;
- (F) ensure that any Sub-Contractors also maintain adequate insurance having regard to the obligations under this Framework Agreement and each Call-Off Contract which they are contracted to fulfil; and
- (G) produce within five (5) Working Days of any reasonable request by the Company and in any event before the commencement of any of the Services under each Call-Off Contract satisfactory evidence in the form of a broker's letter or similar confirming the existence of insurance in accordance with the terms of this Clause 57.

57.2 The Supplier's liabilities under this Framework Agreement and each Call-Off Contract shall not be deemed to be released or limited by the Supplier taking out the insurance policies referred to in Clause 57.1.

57.3 If the Supplier fails to maintain the insurance policies as provided in this Clause 57, the Company may effect and keep in force any such insurance and pay such premium or premiums at commercially competitive rates as may be necessary for that purpose and from time to time deduct the amount so paid from any monies due or which become due to the Supplier or recover the same as a debt due from the Supplier.

## **58. Environmental Claims**

- 58.1 The Supplier shall indemnify the Company against Losses and costs of Remediation in respect of any Environmental Claims which may arise out of or by reason of the Supplier's performance, non-performance or part performance of this Framework Agreement and each Call-Off Contract to the extent that such Losses and Remediation costs are due to any act, negligence, breach of contract, breach of statutory duty, error, omission or default by the Supplier, its employees, Sub-Contractors or agents.
- 58.2 The Supplier shall notify the Company's Representative and the Company as soon as it becomes aware that any Remediation is or will become necessary on any part of the Company's site.
- 58.3 Where the Supplier discovers or suspects that the site has been contaminated or polluted by another party, the Supplier shall notify the Company's Representative and the Company of the identity of the other party, where known. The Supplier shall not without the prior written consent of the Company undertake any environmental investigations on site or commission or undertake any Remediation. The Supplier shall provide the Company with a separate record of the costs of any Remediation as soon as possible after such costs are incurred.
- 58.4 In the event that the Supplier commissions an environmental assessment, the Supplier shall procure that the environmental assessment includes an acknowledgement by its authors that the Company can rely on any reports, recommendations or summaries prepared in relation to the environmental assessment.
- 58.5 The Supplier shall provide to the Company's Representative:
- (A) copies of all environment-related permissions, permits, consents, licenses, registrations and authorisations required for him to carry out the Services (for the purposes of this Clause 58.5, the "authorisations");
  - (B) copies of any amendments to the authorisations;
  - (C) notification of any revocations, suspensions, cancellations, withdrawals, adverse amendments or refusals to provide any of the authorisations; and
  - (D) notification of any event or circumstance that is likely to cause the revocation, suspension, cancellation, withdrawal, adverse amendment or refusal to provide any of the authorisations.

## **59. Sole Remedy**

- 59.1 Without prejudice to any entitlement of the Supplier:
- (A) to specific performance of any obligation under this Framework Agreement or any Call-Off Contract; or
  - (B) to injunctive relief;

the Supplier's sole remedy in relation to matters for which an express right or remedy is stated in this Framework Agreement and each Call-Off Contract shall be that right

or remedy and the Supplier shall have no additional right or remedy arising by common law, in equity, by statute or otherwise.

- 59.2 The Supplier shall not be held to be failing to comply with its obligations under this Framework Agreement and each Call-Off Contract to the extent that such failure to comply is a result of the Company's breach of its obligations hereunder.

**60. Bonds, Warranties and Guarantees**

- 60.1 Where stated in Schedule 1 (Detailed Terms), the Supplier shall at its own expense provide within five (5) Working Days of the Company's request the following:

- (A) an executed bond issued by a financial institution whose long term debt obligations are rated not less than A- by Standard & Poor's and/or A3 by Moody's in the form set out in Schedule 10 (Form of Parent Company Guarantee and Performance Bond) in favour of the Company; and/or (as applicable)
- (B) an executed parent company guarantee from the ultimate holding company or other parent company of the Supplier (provided that such company's long-term debt obligations are rated not less than A- by Standard & Poor's and/or A3 by Moody's) in the form set out in Schedule 10 in favour of the Company.

- 60.2 The Supplier shall ensure that any bond required under Clause 60.1:

- (A) provides, in aggregate, credit protection for the Company in an amount of not less than the amount specified in Schedule 1 (Detailed Terms); and
- (B) is renewed every twelve (12) months until the Expiry Date (or date of termination if earlier).

- 60.3 If at any time the existing bond and/or parent company guarantee cease(s) to meet the requirements of Clauses 60.1 and 60.2 then the Supplier shall replace such bond and/or parent company guarantee with a bond and/or parent company guarantee (as the case may be) that meets the requirements within five (5) Working Days.

- 60.4 If requested by the Company, the Supplier shall provide an accompanying legal opinion to the bond and/or parent company guarantee supplied under Clause 60.1 completed and signed by a qualified lawyer from the country in which the Guarantor and/or parent company is resident in form and substance satisfactory to the Company.

- 60.5 The Company shall not be obliged to make any payment to the Supplier under this Framework Agreement or any Call-Off Contract unless and until the parent company guarantee and/or performance bond (as the case may be) and legal opinion (if applicable) have been provided in a form satisfactory to the Company.

- 60.6 If required by the Company, the Supplier shall procure that the terms of any Sub-Contract require the Sub-Contractor, within five (5) Working Days of a written request by the Company to the Sub-Contractor, to enter into:

- (A) a collateral warranty in the form set out in Schedule 12 (Form of Collateral Warranty) in favour of the Company and if requested by the Company, the Supplier shall require the Sub-Contractor to provide an accompanying legal

opinion completed and signed by a qualified lawyer from the country in which the Sub-Contractor is resident in form and substance satisfactory to the Company; and

- (B) a parent company guarantee in the form provided by the Company from the ultimate holding company of the Sub-Contractor in respect of any of the Sub-Contractor's obligations under any collateral warranty required under this Clause 60.6.

- 60.7 If any warranty (including any accompanying parent company guarantee) required under Clause 60.6 is not delivered to the Company in accordance with Clause 60.6 one quarter of the Contract Price relative to the Services supplied by the relevant Sub-Contractor shall be retained in assessments of the amount due and is not payable until such warranty has been delivered.
- 60.8 The Supplier shall be regarded as being in material breach of this Framework Agreement which is incapable of remedy in the event that any parent company guarantee and/or performance bond (as the case may be) is or becomes invalid or otherwise unenforceable.
- 60.9 Where the Supplier has provided the Company with a performance bond and thereafter any variation is made to the Services or this Framework Agreement under Clause 20 (Variations), the Company may in its discretion require the Supplier to provide at its expense a replacement performance bond for a greater sum where such variation either alone or when aggregated with any other variations has resulted in a material increase to the value of this Framework Agreement to the Company.

## PART 15: GENERAL CONDITIONS

### 61. Assignment and Sub-contracting

- 61.1 The Supplier shall not assign, novate or sub-contract any of its rights or obligations under this Framework Agreement or any Call-Off Contract or any part thereof without the prior written consent of the Company.
- 61.2 The sub-contracting of all or any part of the Services to a Sub-Contractor shall not relieve the Supplier of its obligations to perform the Services under this Framework Agreement or the relevant Call-Off Contract.
- 61.3 Subject to the provisions of this Framework Agreement, the Supplier shall be responsible as against the Company for the acts and omissions of the Supplier Parties as if they were the acts and omissions of the Supplier. The Supplier shall, as between itself and the Company, be responsible for the selection of and pricing by any Supplier Party.
- 61.4 The Company may novate, assign, transfer or sub-contract this Framework Agreement or any part thereof to any person at any time without the consent of the Supplier, provided the Company has given prior written notice to the Supplier.
- 61.5 Within five (5) Working Days of any written request by the Company to the Supplier, the Supplier shall execute a deed of novation in the form set out in Schedule 9 (Deed of Novation) in favour of any person to whom this Framework Agreement is being novated.
- 61.6 The Company may novate, assign, transfer or sub-contract the relevant Call-Off Contract or any part thereof to any person at any time without the consent of the Supplier, provided the Company has given prior written notice to the Supplier.
- 61.7 Within five (5) Working Days of any written request by the Company to the Supplier, the Supplier shall execute a deed of novation in the form set out in Schedule 9 (Deed of Novation) in favour of any person to whom the relevant Call-Off Contract is being novated.
- 61.8 Subject to the Company's prior written consent pursuant to Clause 61.1, where the Supplier subcontracts any or all of the Services, the Supplier shall include in each Sub-Contract (and procure that its Sub-Contractors include in each of their sub-contracts):
- (A) payment terms substantially similar to those set out in Clause 23 (Price and Payment); and
  - (B) terms allowing the Supplier or (in respect of a Sub-contract below the first tier) the payer under the relevant subcontract to terminate that Sub-contract if the relevant Sub-contractor fails to comply in the performance of its contract with legal obligations in the fields of environmental, social or labour law.
- 61.9 On or before the Commencement Date the Supplier shall notify the Company in writing of the name, contact details and details of the legal representatives of any Sub-Contractor, to the extent that such information has not already been provided by the Supplier to the Company. The Supplier shall also immediately provide to the Company in writing the name, contact details and details of the legal representatives

of each new Sub-Contractor which the Supplier subsequently involves in the Services after the Commencement Date.

61.10 The Company reserves the right to verify whether there are any grounds for excluding any Sub-Contractor under Regulation 57 of the Public Contracts Regulations 2015. Where necessary for the purpose of the Company's exercise of its right under this Clause 61.10, the Company may request that the information provided by the Supplier under Clause 61.10 shall be accompanied by one or more European Single Procurement Document(s) (within the meaning of Regulation 59 of the Public Contracts Regulations 2015) in respect of the relevant Sub-Contractor(s). Further, the Company:

(A) shall require that the Supplier replace any Sub-Contractor in respect of which the verification has shown that there are compulsory grounds for exclusion under Regulation 57 of the Public Contracts Regulations 2015; and

(B) may require that the Supplier replace any Sub-Contractor in respect of which the verification has shown that there are non-compulsory grounds for exclusion under Regulation 57 of the Public Contracts Regulations 2015.

61.11 The Supplier shall promptly notify the Company of any circumstances from time to time that might give rise to a right of the Company to require replacement of a Sub-Contractor pursuant to Clause 61.10(A) or (B).

61.12 The Company shall have no obligation to make any termination or compensation payment in respect of any termination pursuant to Clause 61.10(A) or (B).

## **62. Change of Control**

The Supplier shall not without the prior written consent of the Company implement any Change of Control of the Supplier.

## **63. Costs**

Except as otherwise agreed each Party shall bear its own costs incurred in connection with the negotiation, preparation and execution of this Framework Agreement.

## **64. Severance**

64.1 Each provision of this Framework Agreement (including each provision in each of the Schedules) and each Call-Off Contract is severable and distinct from the others. The Parties intend that every such provision shall be and remain valid and enforceable to the fullest extent permitted by Applicable Law. If any such provision is or at any time becomes to any extent invalid, illegal or unenforceable under any enactment or rule of law it shall to that extent be deemed not to form part of this Framework Agreement or the relevant Call-Off Contract. The remaining provisions of this Framework Agreement or the Call-Off Contract shall continue in full force and effect and their validity, legality and enforceability shall not therefore be affected or impaired.

64.2 If a provision of this Framework Agreement or a Call-Off Contract is held to any extent to be invalid, illegal or unenforceable and the deemed deletion of that provision under Clause 64.1 is so fundamental as to prevent the accomplishment of the purpose of this Framework Agreement or materially alters the balance of risks and rewards in this Framework Agreement, then either Party may give notice to the other Party

requiring the Parties to commence negotiations in good faith to amend this Framework Agreement and/or the relevant Call-Off Contract so that, as amended, it is valid and enforceable, preserves the balance of risks and rewards as set out in this Framework Agreement and, to the extent that it is reasonably possible, achieves the Parties' original commercial intention.

**65. Publicity**

The text of any press release or other communication to be published by or in the media concerning the subject matter of this Framework Agreement or any Call-Off Contract shall require the prior written approval of the Company. No interviews concerning the same shall be given by the Supplier with the media without prior written approval from the Company of the content of such an interview.

**66. Corrupt Gifts and Payments of Commission**

- 66.1 The Supplier undertakes that it shall not and shall procure that its Sub-Contractors and suppliers shall not enter into or offer to enter into any business arrangement with any servant, employee, officer or agent of the Company other than as a representative of the Company without the Company's prior written approval.
- 66.2 The Supplier undertakes that it shall not, and shall use reasonable endeavours to procure that its Sub-Contractors and suppliers shall not commit any Prohibited Acts or cause the Company to commit any equivalent act.
- 66.3 The Company shall have the right to audit any and all records necessary to confirm compliance with this Clause 66 at any time during performance of this Framework Agreement and each Call-Off Contract and during the twelve (12) year period following completion of performance
- 66.4 Without prejudice to Clause 66.1, the Supplier shall ensure that it and any other Sub-Contractors shall:
- (A) comply with all Applicable Laws relating to anti-bribery and anti-corruption including but not limited to the Bribery Act 2010 ("Relevant Requirements");
  - (B) not engage in any activity, practice or conduct which would constitute an offence under sections 1, 2 or 6 of the Bribery Act 2010 if such activity, practice or conduct were carried out in the UK;
  - (C) comply with the Company's policy on fraud, theft, bribery, corruption, irregularity and waste referred to as "TfL's Fraud and Bribery Policy" as the Company may update it from time to time ("Relevant Policy");
  - (D) have and shall maintain in place throughout the term of this Framework Agreement and each Call-Off Contract its own policies and procedures, including adequate procedures under the Bribery Act 2010, to ensure compliance with the Relevant Requirements, the Relevant Policy and Clause 66.4(A), and will enforce them where appropriate;
  - (E) promptly report to the Company any request or demand for any undue financial or other advantage of any kind received by the Supplier or any Sub-Contractor in connection with the performance of this Framework Agreement and each Call-Off Contract of which the Supplier is, or ought reasonably to be, aware;

- (F) immediately notify the Company in writing if a foreign public official becomes an officer or employee of the Supplier, and the Supplier warrants that it has no foreign public officials as officers, employees or direct or indirect owners at the date of this Framework Agreement; and
- (G) on 31 March annually, certify to the Company in writing signed by an officer of the Supplier compliance with this Clause 66 by the Supplier and all Sub-Contractors. The Supplier shall provide such supporting evidence of compliance as the Company may reasonably request.

**67. No Waiver**

- 67.1 No failure or delay on the part of a party to exercise any right or remedy under this Framework Agreement or a Call-Off Contract shall be construed or operate as a waiver thereof nor shall any single or partial exercise of any right or remedy as the case may be. The rights and remedies provided in this Framework Agreement and each Call-Off Contract are cumulative and are not exclusive of any rights or remedies provided by law.
- 67.2 No payment made by the Company shall indicate or be taken to indicate the Company's acceptance or approval of any part of the Services or any act or omission of the Supplier from any obligation or liability imposed upon the Supplier by any provision of this Framework Agreement, the relevant Call-Off Contract or otherwise.

**68. Mitigation**

Both Parties shall take all reasonable steps and in the case of the Supplier act in accordance with Good Industry Practice to minimise and mitigate any loss and/or compensation for which it may make a claim against or which it may otherwise be entitled to recover from the other Party, including in the case of the Supplier by procuring (where applicable) that all Supplier Parties take all reasonable steps to mitigate and minimise such loss and/or compensation.

**69. Entire Agreement**

This Framework Agreement and each Call-Off Contract embodies and sets forth the entire agreement and understanding of the Parties and shall supersede all prior oral or written contracts understandings or arrangements relating to the subject matter of this Framework Agreement and each Call-Off Contract. Except in the case of fraud, Party shall be entitled to rely on any contract, understanding or arrangement which is not expressly set forth in this Framework Agreement or the relevant Call-Off Contract.

**70. Other Contracts with the Company**

Except as otherwise agreed in writing by the Parties, if the Supplier or any Supplier Party has entered or enters into any other contract with the Company relating in any way to the subject matter of this Framework Agreement, no breach by the Company of such other contract nor any other act or omission nor any written or oral statement nor any representation whatsoever of or by the Company, its servants or agents or other contractors relating to or connected with any other such contract shall, regardless of any negligence on its part or their part:

- (A) give the Supplier any right under this Framework Agreement to a Relief Event or an extension of time or additional payment or damages or any other relief or remedy whatsoever against the Company;

- (B) affect, modify, reduce or extinguish either the obligations of the Supplier or the rights or remedies of the Company under this Framework Agreement; or
- (C) be taken to amend, add to, delete, or waive any term or condition of this Framework Agreement.

**71. Dispute Resolution**

If any question, dispute, difference or claim (a "Dispute") should arise under or in connection with this Framework Agreement or any Call-Off Contract, either Party may refer it for resolution pursuant to Schedule 14 (Dispute Resolution Procedure).

**72. Counterparts**

This Framework Agreement and each Call-Off Contract may be executed in several counterparts each of which shall be deemed an original and all of which shall constitute one and the same document.

**73. Partnerships and Joint Ventures**

- 73.1 If the Supplier is a partnership, the rights, obligations and liabilities of the partners in the partnership under this Framework Agreement and each Call-Off Contract are joint and several. This Framework Agreement, each Call-Off Contract and the liabilities of the partners under each of them shall not automatically terminate upon the death, retirement or resignation of any one or more members of such partnership or upon the admission of additional partner or partners. The partner or partners in the partnership shall use their reasonable endeavours to procure that any additional partner or partners enter into an agreement with the Company confirming his/her acceptance of the rights, obligations and liabilities of the Supplier under this Framework Agreement and each Call-Off Contract.
- 73.2 If the Supplier comprises two (2) or more parties in joint venture, the rights, obligations and liabilities of each such party under this Framework Agreement and each Call-Off Contract are joint and several.
- 73.3 Nothing in this Framework Agreement nor any Call-Off Contract shall constitute, or shall be deemed to constitute, a partnership between the Parties. Except as expressly provided in this Framework Agreement, neither Party is deemed to be the agent of the other, and neither Party holds itself out as the agent of the other.

**74. Independent Supplier**

The Supplier is an independent supplier and is not and shall not hold itself out as, and shall procure that none of the Supplier's employees or Sub-Contractors or their employees hold themselves out as, an agent of the Company.

**75. Governing Law and Jurisdiction**

- 75.1 This Framework Agreement, each Call-Off Contract and any dispute or claim arising out of or in connection with any of them or its subject matter (whether contractual or non-contractual in nature such as claims in tort, from breach of statute or regulation or otherwise) shall be governed by and construed in accordance with the law of England and Wales.

- 75.2 The Company and the Supplier submit, subject to the provisions of this Framework Agreement, to the exclusive jurisdiction of the courts of England and Wales provided that the Company has the right in its absolute discretion to enforce a judgement and/or to take proceedings in any other jurisdiction in which the Supplier is incorporated or in which any asset of the Supplier may be situated.

**76. Contracts (Rights of Third Parties) Act 1999**

- 76.1 Subject to the Replacement Employer's rights under Clause 36 (TUPE), no person except any member of the TfL Group may enforce this Framework Agreement or any Call-Off Contract by virtue of the Contracts (Rights of Third Parties) Act 1999 or otherwise, but this does not affect any other right or remedy of a third party arising at law.
- 76.2 Notwithstanding those rights referred to in Clause 76.1, the Company and the Supplier may agree to vary or rescind this Framework Agreement and/or a Call-Off Contract) without the consent of any third party.

**77. Further Assurance**

- 77.1 Each Party agrees to do all further acts and things and execute and deliver all instruments as shall be necessary or expedient for the carrying out of the provisions of this Framework Agreement and each Cal-Off Contract.

**78. Duty of the Supplier to notify Occasion of Tax Non-Compliance**

- 78.1 The Supplier shall send written notification of any Occasion of Tax Non-Compliance to the Company within five (5) Working Days from the date it became aware that it has committed an Occasion of Tax Non-Compliance during the performance of this Framework Agreement or any Call-Off Contract. The notification shall include steps being taken, if applicable, to remedy the Occasion of Tax Non-Compliance.
- 78.2 For the avoidance of doubt, the obligation in Clause 78.1 also applies to an Occasion of Tax Non-Compliance in non-UK jurisdictions. If the Occasion of Tax Non-Compliance occurred in non-UK jurisdictions, the notification must be accompanied by a full explanation of the Occasion of Tax Non-Compliance and any relevant tax laws and administrative provisions so the Company can understand the nature and seriousness of the Occasion of Tax Non-Compliance.
- 78.3 Promptly upon a request by the Company, the Supplier shall supply to the Company a certificate signed by two (2) of its directors or senior officers on its behalf certifying that no Occasion of Tax Non-Compliance is continuing, or if an Occasion of Tax Non-Compliance is continuing, specifying the Occasion of Tax Non-Compliance and the steps, if applicable, taken to remedy it. This should include any mitigating factors that the Supplier considers relevant.
- 78.4 In exercising its rights or remedies under this Clause 78 or Clause 50 (Termination on Supplier Default), the Company shall:
- (A) act in a reasonable and proportionate manner taking into account, among other things:
    - (1) the gravity and duration of the Occasion of Tax Non-Compliance and any sanctions imposed by a court or tribunal; and

- (2) any remedial action taken by the Supplier to prevent reoccurrence of the Occasion of Tax Non-Compliance;
- (B) seriously consider, where appropriate, action other than termination of this Framework Agreement to deal with the failure of the Supplier to comply with this Clause 78.

**79. Capacity**

Save as otherwise expressly provided, the obligations of the Company under this Framework Agreement are obligations of the Company in its capacity as a contracting counterparty and nothing in this Framework Agreement shall operate as an obligation upon, or in any other way fetter or constrain the Company in any other capacity, nor shall the exercise by the Company of its duties and powers in any other capacity lead to any liability under this Framework Agreement (howsoever arising) on the part of the Company to the Supplier.

**80. Amendments**

Any amendments to this Framework Agreement and each Call-Off Contract, other than those made in accordance with Clause 20 (Variations), shall be effective only if made by agreement in writing between the Company's Representative and the Supplier's Representative, or those persons duly appointed by either Party to act on behalf of the Company's Representative and the Supplier's Representative in accordance with Clause 17 (Company's and Supplier's Representatives).

**81. Notices and Service of Process**

81.1 Subject to Clause 81.2, any notice or other document given under, or in connection with, this Framework Agreement and each Call-Off Contract must be in English and in writing and sent by letter, electronic mail or fax or delivered by hand to the other Party's representatives in each case to the address identified below. The notice or other document will be effective as follows:

- (A) if the notice or other document is sent by letter, it will be effective when it is delivered;
- (B) if the notice or other document is sent by electronic mail, it shall be deemed to be given five (5) working hours (where "working hours" are 09:00 to 17:00 in a Working Day) following the time when the sender's electronic mail system dispatches the electronic mail provided that the correct email addresses are used, and the onus shall be on the sender to prove the time that the electronic mail was dispatched and the address it was sent to. The place of delivery of electronic mail will be deemed to be the postal address of the recipient set out in Schedule 1 (Detailed Terms) or the relevant Call-Off Contract;
- (C) if the notice or other document is sent by fax, it will be effective when it has been transmitted and the transmission report from the fax machine states that the entire fax has been sent successfully; and
- (D) if the notice or other document is delivered by hand to the other Party's representative, it will be effective immediately upon delivery.

The address, electronic mail address and fax numbers of the Company and the Supplier are set out in Schedule 1 (Detailed Terms).