



Schedule 8.5 – Exit Management

CHANGE HISTORY

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1 Background

1.1 This Schedule sets out the key principles for the exit arrangements that:

- (a) are intended to achieve an orderly transition of the Services (or any part of the Services) from the Concessionaire to TTL and/or any Replacement Concessionaire in the event of the expiry or termination (including Partial Termination) of this Agreement for any reason; and
- (b) will form the basis of the Exit Plan.

2 General Obligation of the Parties

2.1 Subject to Paragraph 2.2, the Concessionaire:

- (a) shall ensure the orderly transition of the Services (or any part of the Services) from the Concessionaire to TTL and/or any Replacement Concessionaire in the event of the expiry or termination (including Partial Termination) of this Agreement; and
- (b) shall be responsible for the overall management of the exit arrangements set out in this Schedule.

2.2 Without limiting the Concessionaire's obligations under Paragraph 2.1, the Concessionaire shall co-operate with TTL and, where applicable, any Replacement Concessionaire to ensure the orderly transition of the Services (or any part of the Services) from the Concessionaire to TTL and/or any Replacement Concessionaire.

2.3 TTL shall, and shall procure that any Replacement Concessionaire shall, co-operate with the Concessionaire to such extent as is reasonably necessary to enable the Concessionaire to perform its obligations under this Schedule.

3 Exit Manager

3.1 The Concessionaire shall appoint a person for the purposes of managing its obligations under this Schedule and provide written notification of such appointment to TTL within five (5) Working Days following a request by TTL or the first Working Day following:

- (a) the date thirty-six (36) months prior to the Expiry Date; or
- (b) the date of receipt of a Termination Notice,

and, following such notification, TTL shall notify the Concessionaire of the one (1) or more persons who will manage TTL's activities in relation to this Schedule within five (5) Working Days.

3.2 Once appointed, the Concessionaire's Exit Manager shall be a member of the Key Personnel and Clauses 15.3 to 15.5 (Key Personnel) shall accordingly apply to the appointment or removal of the Concessionaire's Exit Manager provided that, in relation to Partial Termination, the Concessionaire shall no longer be required to have an Exit Manager in relation to the exit of the relevant elements of the Services following the end of the relevant Termination Assistance Period.

3.3 The Concessionaire's Exit Manager shall be responsible for ensuring that the Concessionaire and the Sub-contractors comply with this Schedule. The Concessionaire shall ensure that the

Concessionaire's Exit Manager has the requisite authority to arrange and procure any resources of the Concessionaire as are reasonably necessary to enable the Concessionaire to comply with its obligations set out in this Schedule.

- 3.4 The Concessionaire's Exit Manager shall liaise with TTL's Exit Manager in relation to all issues relevant to the expiry or termination or Partial Termination of this Agreement and all matters connected with this Schedule and each Party's compliance with the obligations set out herein.

4 Registers and Exit Information

- 4.1 The Concessionaire shall create and maintain throughout the Term:

- (a) a register of all Sub-contracts and other relevant agreements (including relevant software licences, maintenance and support agreements and equipment rental and lease agreements) required for the performance of the Services; and
- (b) the Infrastructure Register in accordance with requirement GRT6(j) of Schedule 2.1 (Services Description),

(together, the "**Registers**").

- 4.2 The Concessionaire shall throughout the Term maintain and provide to TTL and/or its potential Replacement Concessionaires (subject to potential Replacement Concessionaires entering into reasonable written confidentiality undertakings) within ten (10) Working Days (or within such other timeframe as the Parties, acting reasonably, may agree) of a request for the same, the following material and information in order to support or facilitate the Parties' readiness and preparation for exiting the Services (or any part of the Services) (including the preparation by TTL or any member of the TfL Group of any invitation to tender and/or to facilitate any potential Replacement Concessionaires undertaking due diligence) and when required in accordance with this Agreement, the exit of the Services (or any part of the Services):

- (a) without prejudice to requirements GRT6(k) and GRT6(l) of Schedule 2.1 (Services Description), the information described in Annex 1 (Exit Information); and
- (b) such other documentation and information as TTL shall reasonably require to support the re-tendering of the Services,

(together, the "**Exit Information**").

5 Obligations to Assist on Re-tendering of Services

- 5.1 Subject to Paragraph 4.2, the Concessionaire acknowledges that TTL may disclose the Concessionaire's Confidential Information to an actual or prospective Replacement Concessionaire or any third party whom TTL is considering engaging to the extent that such disclosure is necessary in connection with such engagement.

- 5.2 The Concessionaire shall:

- (a) notify TTL within five (5) Working Days of any material change to the Exit Information which may adversely impact upon the potential transfer and/or continuance of any Services and shall consult with TTL regarding such proposed material changes; and

- (b) provide complete updates of the Exit Information on an as-requested basis as soon as reasonably practicable and in any event within ten (10) Working Days of a request in writing from TTL.

5.3 The Exit Information shall be accurate and complete in all material respects.

6 The Exit Plan

6.1 The Concessionaire shall, within sixty (60) Working Days after the Effective Date, deliver to TTL for Approval a draft Exit Plan which:

- (a) incorporates the information set out in the Outline Exit Plan;
- (b) sets out the Concessionaire's proposed methodology for achieving an orderly transition of the Services (or any part of the Services) from the Concessionaire to TTL and/or its Replacement Concessionaire on the expiry or termination (including Partial Termination) of this Agreement;
- (c) shall set out, as a minimum, the information described in Annex 3 (Exit Plan Content); and
- (d) is otherwise reasonably satisfactory to TTL.

6.2 If the draft Exit Plan is Approved pursuant to Paragraph 6.1, it shall replace the Outline Exit Plan from the date of TTL's notice of Approval.

6.3 The Parties acknowledge that the migration of the Services from the Concessionaire to TTL and/or its Replacement Concessionaire may be phased, such that certain of the Services are handed over before others. Any such arrangements shall be described in detail in the Exit Plan.

Review and Updates to the Exit Plan

6.4 The Concessionaire shall review and (if appropriate) update the Exit Plan on a basis consistent with the principles set out in this Schedule in the first month of each Financial Year (commencing with the second Financial Year) and, if requested by TTL following the occurrence of a Financial Distress Event, within ten (10) Working Days of such request to reflect any changes in the Services that have occurred since the Exit Plan was last Approved. Following such update the Concessionaire shall submit the revised Exit Plan to TTL for Approval.

Finalisation of the Exit Plan

6.5 Within twenty (20) Working Days after service of a Termination Notice or eighteen (18) months prior to the Expiry Date, the Concessionaire will submit to TTL for Approval the Exit Plan in a final form that could be implemented immediately. The final form of the Exit Plan shall be prepared on a basis consistent with the principles set out in this Schedule and shall reflect any changes in the Services that have occurred since the Exit Plan was last Approved.

6.6 Until the final form of the Exit Plan has been Approved, the Concessionaire shall provide the Termination Services in accordance with the principles set out in this Schedule and the last Approved version of the Exit Plan (insofar as relevant).

7 Termination Services

Notification of Requirements for Termination Services

- 7.1 TTL shall be entitled to require the provision of Termination Services at any time during the Term by giving written notice to the Concessionaire (a "**Termination Assistance Notice**"):
- (a) in respect of expiry of this Agreement, at least twelve (12) months prior to the Expiry Date; or
 - (b) in respect of termination of this Agreement, at least six (6) months prior to the date of termination or Partial Termination of this Agreement or as soon as reasonably practicable (but in any event, not later than twenty (20) Working Days) following the service of a Termination Notice.
- 7.2 The Termination Assistance Notice shall specify:
- (a) the date from which Termination Services are required which shall be no less than twenty (20) Working Days from the date of the Termination Assistance Notice;
 - (b) the nature of the Termination Services required; and
 - (c) the period during which it is anticipated that Termination Services will be required, which shall continue no longer than:
 - (i) in respect of expiry of this Agreement, six (6) months; or
 - (ii) in respect of termination (including Partial Termination) of this Agreement, thirty-six (36) months,after the Expiry Date or date of termination or Partial Termination of this Agreement (as applicable).
- 7.3 TTL shall have:
- (a) an option to extend the period of assistance beyond the period specified in the Termination Assistance Notice provided that such extension shall not extend for more than twelve (12) months after the dates specified in Paragraph 7.2(c) (as applicable) and provided that it shall notify the Concessionaire to such effect no later than ninety (90) Working Days prior to the date on which the provision of Termination Services is otherwise due to expire; and
 - (b) the right to terminate its requirement for Termination Services by serving not less than twenty (20) Working Days' written notice upon the Concessionaire to such effect.

Termination Assistance Period

- 7.4 Throughout the Termination Assistance Period, or such shorter period as TTL may require, the Concessionaire shall:
- (a) continue to provide the Services (as applicable) and, if required by TTL pursuant to Paragraph 7.1, provide the Termination Services;

- (b) in addition to providing the Services and the Termination Services, provide to TTL any reasonable assistance requested by TTL to allow the Services to continue without interruption following the termination or expiry (including Partial Termination) of this Agreement and to facilitate the orderly transfer of responsibility for and conduct of the Services to TTL and/or its Replacement Concessionaire;
- (c) use all reasonable endeavours to reallocate resources to provide such assistance as is referred to in Paragraph 7.4(b) without additional costs to TTL;
- (d) provide the Services and the Termination Services at no detriment to the Target Performance Levels, save to the extent that the Parties agree otherwise in accordance with Paragraph 7.6; and
- (e) notwithstanding requirements GRT6(k) and GRT6(l) of Schedule 2.1 (Services Description), at TTL's request and on reasonable notice, deliver up-to-date Registers to TTL.

7.5 Without prejudice to the Concessionaire's obligations under Paragraph 7.4(c), if it is not possible for the Concessionaire to reallocate resources to provide such assistance as is referred to in Paragraph 7.4(b) without additional costs to TTL, any additional costs incurred by the Concessionaire in providing such reasonable assistance which is not already in the scope of the Termination Services or the Exit Plan shall be the responsibility of TTL. Such costs to be agreed in accordance with the Change Control Procedure.

7.6 If the Concessionaire demonstrates to TTL's reasonable satisfaction that transition of the Services (or any part of the Services) and provision of the Termination Services during the Termination Assistance Period will have a material, unavoidable adverse effect on the Concessionaire's ability to meet one (1) or more Target Performance Level(s), the Parties shall vary the relevant Target Performance Level(s) to take account of such adverse effect.

Termination Obligations

7.7 The Concessionaire shall comply with all of its obligations contained in the Exit Plan.

7.8 At the end of the Termination Assistance Period (or earlier if this does not adversely affect the Concessionaire's performance of the Services and the Termination Services and its compliance with the other provisions of this Schedule) in respect of the Services that have been terminated or expired, the Concessionaire shall:

- (a) cease to use TTL Data;
- (b) provide TTL and/or the Replacement Concessionaire with a complete and uncorrupted version of TTL Data in electronic form (or such other format as reasonably required by TTL);
- (c) erase from any computers, storage devices and storage media that are to be retained by the Concessionaire after the end of the Termination Assistance Period all TTL Data and promptly certify to TTL that it has completed such deletion;
- (d) return to TTL such of the following as is in the Concessionaire's possession or control:
 - (i) all copies of TTL Software and any other software licensed by TTL to the Concessionaire under this Agreement;

- (ii) all materials created by the Concessionaire under this Agreement in which the IPRs are owned by TTL;
 - (iii) any parts of the IT Environment and any other equipment which belongs to TTL; and
 - (iv) any items that have been on-charged to TTL, such as consumables;
- (e) ensure Concessionaire Personnel and/or any others authorised by it vacate any TTL Assets unless access is required to continue to deliver the Services;
- (f) provide access to TTL and/or the Replacement Concessionaire for up to twelve (12) months after expiry or termination (including Partial Termination) of this Agreement to:
 - (i) such information relating to the Services as remains in the possession or control of the Concessionaire; and
 - (ii) such members of the Concessionaire Personnel as have been involved in the design, development and provision of the Services and who are still employed by the Concessionaire, provided that TTL and/or the Replacement Concessionaire shall pay the reasonable costs of the Concessionaire actually incurred in responding to requests for access under this Paragraph 7.8(f)(ii).

7.9 Upon termination or expiry (including Partial Termination) of this Agreement (as the case may be) or at the end of the Termination Assistance Period (or earlier if this does not adversely affect the Concessionaire's performance of the Services and the Termination Services and its compliance with the other provisions of this Schedule), each Party shall return to the other Party (or if requested, destroy or delete) all Confidential Information of the other Party in respect of the terminated or expired Services and shall certify that it does not retain the other Party's Confidential Information save to the extent (and for the limited period) that such information needs to be retained by the Party in question for the purposes of providing or receiving any Services or Termination Services or for statutory compliance purposes.

7.10 Except where this Agreement and/or any Concessionaire Wayleave Agreement and/or Operator Wayleave Agreement provide otherwise, all licences, leases and authorisations granted by TTL to the Concessionaire in relation to the terminated or expired Services shall be terminated with effect from the end of the Termination Assistance Period.

8 Concessionaire Effects, Sub-Contracts and Software

8.1 During the Termination Assistance Period, the Concessionaire shall not, in respect of the terminated or expired Services, without TTL's prior written consent:

- (a) terminate, enter into or materially vary any Sub-contract except to the extent that such change does not or will not affect the provision of Services;
- (b) (subject to normal maintenance requirements and Paragraph 7.4 of Schedule 7.2 (Payments on Expiry and Termination)) make material modifications to, or dispose of, any existing Concessionaire Effects or acquire any new Concessionaire Effects; or
- (c) terminate, enter into or materially vary any licence for software in connection with the Services.

- 8.2 By the Expiry Date or date of termination or Partial Termination of this Agreement (as applicable), the Concessionaire shall:
- (a) have procured a non-exclusive, perpetual, irrevocable, royalty-free licence (or licence on such other terms that have been agreed by TTL) for TTL and/or the Replacement Concessionaire to use Service Critical Infrastructure not owned by the Concessionaire (in the case of Partial Termination, the Service Critical Infrastructure not owned by the Concessionaire which is required for the Service Line(s) being terminated) (with a right of sub-licence or assignment on the same terms) and such licence shall commence on the Expiry Date or date of termination or Partial Termination of this Agreement (as applicable); or failing which
 - (b) have procured a suitable alternative to such Service Critical Infrastructure and TTL or the Replacement Concessionaire shall bear the reasonable proven costs of procuring the same, provided that such costs do not exceed the a sum equal to the Replacement Cost, New of such Service Critical Infrastructure.
- 8.3 Within twenty (20) Working Days of receipt of the up-to-date Registers provided by the Concessionaire pursuant to Paragraph 7.4(e), TTL shall provide written notice to the Concessionaire setting out which, if any, of the Transferable Contracts TTL requires to be assigned or novated to TTL and/or the Replacement Concessionaire (the **"Transferring Contracts"**) in order for TTL and/or its Replacement Concessionaire to provide the Services from the expiry of the Termination Assistance Period.
- 8.4 Where requested by TTL and/or its Replacement Concessionaire, the Concessionaire shall provide all reasonable assistance to TTL and/or its Replacement Concessionaire to enable it to determine which Transferable Contracts TTL and/or its Replacement Concessionaire requires to provide the Services or Replacement Services.
- 8.5 The Concessionaire shall as soon as reasonably practicable assign or procure the novation to TTL and/or the Replacement Concessionaire of the Transferring Contracts. The Concessionaire shall execute such documents and provide such other assistance as TTL reasonably requires to effect this novation or assignment.
- 8.6 TTL shall:
- (a) accept assignments from the Concessionaire or join with the Concessionaire in procuring a novation of each Transferring Contract; and
 - (b) once a Transferring Contract is novated or assigned to TTL and/or the Replacement Concessionaire, carry out, perform and discharge all the obligations and liabilities created by or arising under that Transferring Contract and exercise its rights arising under that Transferring Contract, or as applicable, procure that the Replacement Concessionaire does the same.
- 8.7 The Concessionaire shall hold any Transferring Contracts on trust for TTL until such time as the transfer of the relevant Transferring Contract to TTL and/or the Replacement Concessionaire has been effected.
- 8.8 The Concessionaire shall indemnify TTL (and/or the Replacement Concessionaire, as applicable) against each loss, liability and cost arising out of any claims made by a counterparty to a Transferring Contract which is assigned or novated to TTL (and/or Replacement Concessionaire) pursuant to Paragraph 8.5:

- (a) in relation to any matters arising prior to the date of assignment or novation of such Sub-contract; and
- (b) in relation to any matters arising after the date of assignment or novation of such Sub-contract where the loss, liability or cost arises as a result of the Concessionaire's failure to comply with Clause 17 (Intellectual Property Rights) and/or Clause 18 (Transfer and Licences Granted by the Supplier).

8.9 The Parties shall use reasonable endeavours to discuss arrangements relating to the purchase by TTL of Customer Contracts after the Expiry Date or date of termination or Partial Termination of this Agreement. For the avoidance of doubt, TTL has no obligation to purchase Customer Contracts under this Paragraph 8.9.

9 Concessionaire Personnel

- 9.1 TTL and the Concessionaire agree and acknowledge that in the event of the Concessionaire ceasing to provide the Services or part of them for any reason, Schedule 9.1 (Staff Transfer) shall apply.
- 9.2 The Concessionaire shall not take any step (expressly or implicitly or directly or indirectly by itself or through any other person) to dissuade or discourage any employees engaged in the provision of the Services from transferring their employment to TTL and/or the Replacement Concessionaire.
- 9.3 During the Termination Assistance Period, the Concessionaire shall give TTL and/or the Replacement Concessionaire reasonable access to the Concessionaire's personnel to present the case for transferring their employment to TTL and/or the Replacement Concessionaire.
- 9.4 The Concessionaire shall immediately notify TTL or, at the direction of TTL, the Replacement Concessionaire of any period of notice given by the Concessionaire or received from any person referred to in the Staffing Information, regardless of when such notice takes effect.
- 9.5 The Concessionaire shall not (and shall procure that the Notified Affiliates shall not) for a period of twelve (12) months from the date of transfer, re-employ or re-engage or entice any employees, suppliers or Sub-contractors whose employment or engagement is transferred to TTL and/or the Replacement Concessionaire, except that this Paragraph 9.5 shall not apply where the employee, supplier or Sub-contractor applies in response to a public advertisement of a vacancy.

10 Exit Costs

- 10.1 Without prejudice to TTL's other rights and remedies under this Agreement or at law, the Concessionaire shall at its own cost bear (and shall not charge TTL in respect of):
 - (a) costs incurred by the Concessionaire:
 - (i) in the production and maintenance of Exit Information in the Concessionaire's possession (or which should be in the Concessionaire's possession in order to comply with its obligations under this Agreement); and
 - (ii) in the provision of the Termination Services prior to the Expiry Date or date of termination or Partial Termination of this Agreement; and

- (b) the provision (or destruction) of TTL Data or other deliverables which the Concessionaire is required to create or maintain in the provision of the Services during the Term.

10.2 If the Concessionaire provides any Termination Services after the Expiry Date or date of termination or Partial Termination of this Agreement then the Concessionaire may be entitled to claim any additional costs to the extent that it can demonstrate to TTL that such costs are reasonable, in which event the costs for such Concessionaire assistance shall be determined in accordance with the Change Control Procedure. On reasonable request from TTL, the Concessionaire shall provide an estimate of the costs in respect of the Termination Services provided after the Expiry Date or date of termination or Partial Termination of this Agreement.

Annex 1 – Exit Information

- 1.1 In accordance with Paragraph 4.2(a) of this Schedule, the Concessionaire shall, on request, provide to TTL:
- (a) a detailed description of the Service(s) broken down by Service Line;
 - (b) a copy of the CMDB and Registers, updated by the Concessionaire up to the date of delivery of such Registers;
 - (c) service management information including:
 - (i) problem database;
 - (ii) open service issues;
 - (iii) open service requests;
 - (iv) known errors;
 - (v) management plans;
 - (vi) system manuals;
 - (vii) user manuals;
 - (viii) maintenance manuals;
 - (ix) original equipment manufacturer course training notes;
 - (x) the Concessionaire's in-house training notes;
 - (xi) generic method statements;
 - (xii) maintenance schedules;
 - (xiii) maintenance records; and
 - (xiv) fault data contained in the Concessionaire's or any Sub-contractors service management system, asset management system or equivalent;
 - (d) an inventory of TTL Data in the Concessionaire's possession or control;
 - (e) to the extent available, details of the facilities, systems and processes used in the provision of the Services;
 - (f) without prejudice to any obligations in Schedule 9.1 (Staff Transfer), the organisation arrangements including roles and responsibilities;
 - (g) to the extent available and/or applicable, a complete breakdown of all tasks and work streams for the Services on a day to day basis;
 - (h) fully updated versions of the Documents stored in or accessed via the Document Management System in accordance with Schedule 8.4 (Document Management);

- (i) the Exit Plan;
- (j) a full list of tools (including all data in such tools) relating to the Concessionaire Solution used by the Concessionaire in the performance of the Services (such tools may include any service management systems or asset management systems);
- (k) the existing monitoring and system logs, problem tracking/resolution documentation, fault logs, and status reports all relating to the year immediately prior to any such request;
- (l) details of any key terms of any third party contracts and licences, particularly as regards charges, termination, assignment and novation;
- (m) a list of on-going and/or threatened disputes in relation to the provision of the Services;
- (n) to the extent permitted by applicable Law, all information relating to Transferring Concessionaire Employees required to be provided by the Concessionaire under this Agreement; and
- (o) such other material and information as TTL shall reasonably require.

Annex 2 – The Outline Exit Plan

1 Introduction

- 1.1 The Concessionaire will deliver the Exit Plan to TfL for Approval within sixty (60) Working Days after the Effective Date, in accordance with Paragraph 6.1 of this Schedule 8.5. On expiry of the Contract or sooner if deemed necessary, the Concessionaire will provide the required data specified within the agreed Exit Plan according to the timescales required in the Exit Plan.
- 1.2 The Concessionaire's approach to both Ordinary Exit and Emergency Exit will be one of co-operation and support to TTL and/or the Replacement Concessionaire. The Concessionaire's guiding principle will be to provide reasonable support to TTL or Replacement Concessionaire and maintain security, data integrity and service continuity during the transition period.
- 1.3 The Concessionaire will appoint a suitably qualified and empowered senior manager to take the role of Exit Manager as required in accordance with Paragraph 3 of this Schedule 8.5. The Exit Manager will have a good working knowledge of all aspects of the Services.

2 Exit Information

- 2.1 The Concessionaire will maintain the Registers in accordance with Paragraph 4.1 of this Schedule 8.5.
- 2.2 The information recorded within this Register, copies of contracts, performance data, hardware configurations etc will all reside within cloud-based applications and can be made available in a variety of ways:
 - (a) Facilitating secure access to relevant software applications
 - (b) File transfer to secure servers
 - (c) Downloads to encrypted hard drives
 - (d) Physical copies or original documentation
- 2.3 Data transfer will be in-line with the Concessionaire's security best practices and governed by its security management policy accredited to ISO27001.

3 Exit Plan rationale and Assumptions

Provision of TUPE data

- 3.1 The Concessionaire will provide the TUPE information to the Replacement Concessionaire in accordance with the requirements and timescales set out in Schedule 9.1 (Staff Transfer). The Concessionaire will also provide the appropriate support to in-scope staff to facilitate a smooth transition.

Provision of due diligence data

- 3.2 The Concessionaire will provide the appropriate data such as asset registers, configuration details, RACI's etc. to enable the Replacement Concessionaire to 'walk in and take over'.

Support to appropriate governance board(s) during exit

- 3.3 The Concessionaire will supply suitably qualified staff to attend and where appropriate chair meetings associated with transition. Furthermore, the Concessionaire will support the need for documentation associated with governance such as project plans, action and risk registers.

Mutual agreement of any press announcements

- 3.4 Without prejudice to Clause 25 (Publicity and Branding), the Concessionaire will work closely TTL and the Replacement Concessionaire to agree the approach and content for press engagement, social media and information available to the public.

Awareness that relevant legislation will change

- 3.5 The Concessionaire acknowledges that legislation over the Term may differ significantly from the Effective Date. The Concessionaire will make appropriate adjustments to the Exit Plans in line with evolving legislation.

Customer contracts

- 3.6 The Parties will comply with Paragraph 8.9 of this Schedule 8.5 with respect to Customer Contracts.

4 Ordinary Exit and Emergency Exit mechanism

- 4.1 Exit mechanisms will as far as practicable be the same for Ordinary Exit and Emergency Exit. The Concessionaire will seek to support the transfer of Services in both circumstances in order to achieve a smooth transition.

	Emergency Exit	Ordinary Exit
Processes	Provision of updated process information, interface definitions	Additional (to Emergency Exit) reasonable support to a Replacement Concessionaire to put in place similar process sets and interfaces to assist in Mobilisation. Knowledge transfer activities as highlighted within 2.15 knowledge transfer below.
Documentation	Provision of all documentation associated with the concession including supply chain	As Emergency Exit
Data Transfer	Facilitating secure access to relevant software applications File transfer to secure servers Downloads to encrypted hard drives Physical copies or original documentation	As Emergency Exit

Service Management	Provision of updated process information interface definitions supply chain agreements	Additional (to Emergency Exit) reasonable support to a Replacement Concessionaire to put in place similar process sets and interfaces to assist in transition on a reasonable basis to facilitate an orderly transition.
Systems Migration	Provision of updated process information, interface definitions	Additional (to Emergency Exit) reasonable support to a Replacement Concessionaire to put in place similar process sets and interfaces to assist in Mobilisation
Security	Will facilitate an orderly transition securely, in-line with Concessionaire's Security Policies and relevant legislation.	As Emergency Exit
Knowledge	Provision of information as required under Schedule 8.5.	Additional (to Emergency Exit) reasonable support to a Replacement Concessionaire to transfer knowledge and assist in Mobilisation
Assets	Provision of Exit Information	Additional (to Emergency Exit) reasonable support to a Replacement Concessionaire to transfer assets and/or configurations to assist in migration
Segregation	To be agreed with TfL or Replacement Concessionaire	As Emergency Exit
People	Provision of mandatory information including any TUPE requirements	As Emergency Exit

4.2 Table 1 below sets out the functions to deliver both Emergency Exit and Ordinary Exit scenarios highlighting where they differ.

	Emergency Exit	Ordinary Exit
Processes	Provision of updated process information, interface definitions	Additional (to Emergency Exit) reasonable support to a Replacement Concessionaire to put in place similar process sets and interfaces to assist in Mobilisation. Knowledge transfer activities as highlighted within 2.15 knowledge transfer below.
Documentation	Provision of all documentation associated with the concession including supply chain	As Emergency Exit
Data Transfer	Facilitating secure access to relevant software applications	As Emergency Exit

	File transfer to secure servers Downloads to encrypted hard drives Physical copies or original documentation	
Service Management	Provision of updated process information interface definitions supply chain agreements	Additional (to Emergency Exit) reasonable support to a Replacement Concessionaire to put in place similar process sets and interfaces to assist in transition on a reasonable basis to facilitate an orderly transition.
Systems Migration	Provision of updated process information, interface definitions	Additional (to Emergency Exit) reasonable support to a Replacement Concessionaire to put in place similar process sets and interfaces to assist in Mobilisation
Security	Will facilitate an orderly transition securely, in-line with Concessionaire's Security Policies and relevant legislation.	As Emergency Exit
Knowledge	Provision of information as required under Schedule 8.5.	Additional (to Emergency Exit) reasonable support to a Replacement Concessionaire to transfer knowledge and assist in Mobilisation
Assets	Provision of Exit Information	Additional (to Emergency Exit) reasonable support to a Replacement Concessionaire to transfer assets and/or configurations to assist in migration
Segregation	To be agreed with TfL or Replacement Concessionaire	As Emergency Exit
People	Provision of mandatory information including any TUPE requirements	As Emergency Exit

Table 1 Functions for Ordinary and Emergency exit

5 Partial Termination

- 5.1 The Concessionaire will appoint an Exit Manager in accordance with Paragraph 3.1 of this Schedule 8.5.
- 5.2 The Concessionaire understands that, following such notification, TfL shall notify the Concessionaire of the one or more persons who will manage TfL's activities in relation to this Schedule in accordance with Paragraph 3.1 of this Schedule 8.5.

5.3 The Exit Manager will create a project plan to partition the Services with an agreed timeframe based on the extent of the Services to be terminated.

5.4 The project plan will set out:

- (a) creation and delivery of a set of agreed outcomes for the termination project;
- (b) roles and responsibilities for the team set-up to manage the partition;
- (c) create and maintain an actions register and risk register;
- (d) liaise with TTL's/ Replacement Concessionaire's exit manager on all related matters; and
- (e) establish a suitable governance structure.

6 Management structure - Ordinary Exit and an Emergency Exit

6.1 Exit Manager – responsible for the overall delivery of the cessation programme reporting to the Chief Operating Officer. Figure 1 below highlights the likely team functions that will be necessary to deliver an orderly transition. The Exit Manager will have full management authority of those personnel involved in the process who will be relieved of their day-to-day duties as necessary to deliver the Concessionaire's obligations.

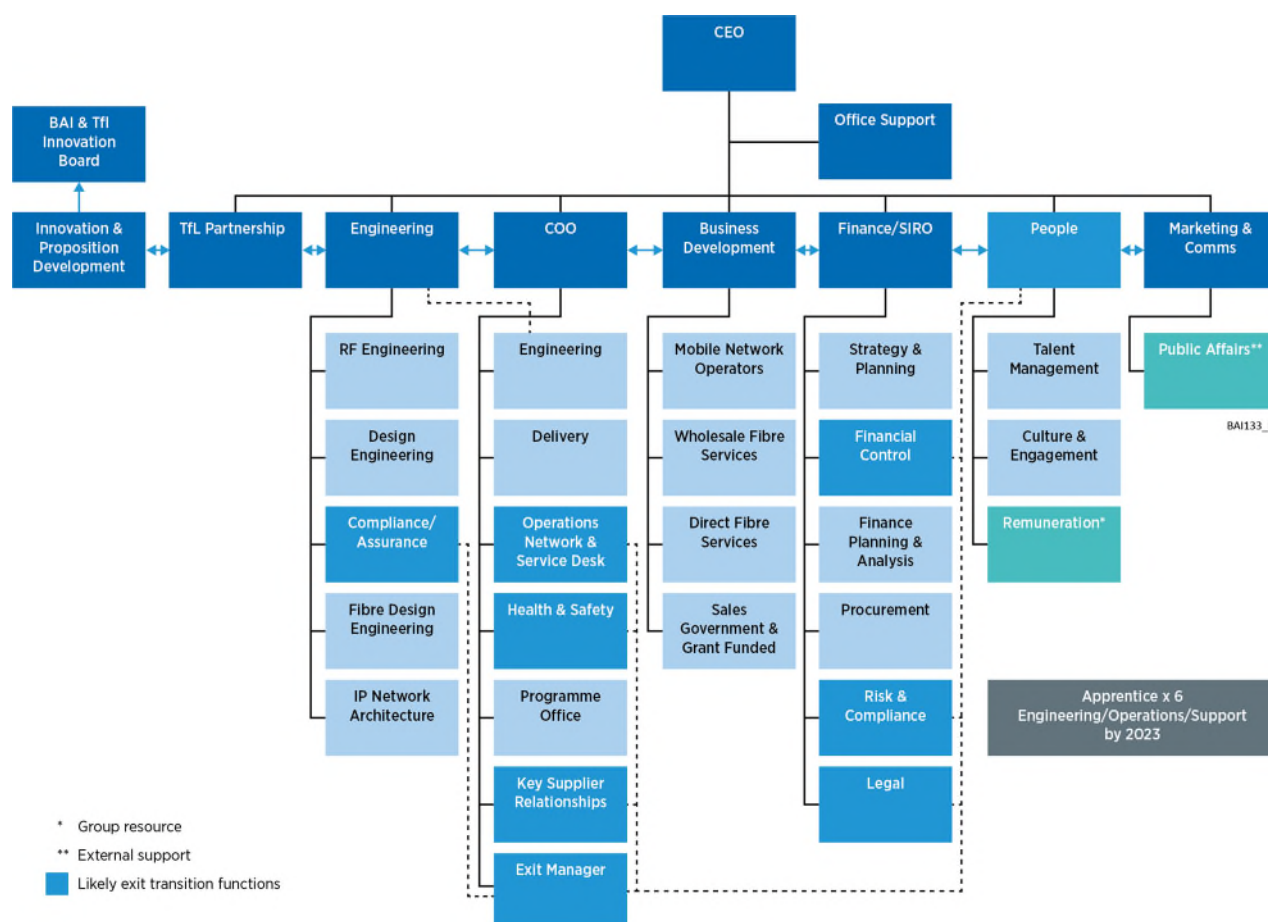


Figure 1 Management structure

7 Management structure - Termination Assistance Period

- 7.1 The structure during the Termination Assistance Period will be the same as highlighted above. Subject Matter Expert roles will be adjusted according to which Services are terminated but management and governance will remain constant.
- 7.2 The key leadership roles required to assist TTL and Replacement Concessionaire will remain in place.
- 7.3 The Concessionaire proposes peer to peer engagement between its transition team and the Replacement Concessionaire to facilitate knowledge transfer and an orderly transition. An escalation process will be agreed to manage issues to resolution.
- 7.4 The Concessionaire's aim is to work closely with management peers to agree and then execute a transition plan that delivers the requirements of all parties within a realistic timeframe.

8 Transfer and cessation processes

- 8.1 Through the detailed planning conducted up to submission of the Exit Plan between TTL and the Concessionaire, timelines and acceptance criteria for both the transfer and cessation processes will be produced.
- 8.2 The Concessionaire will follow ITIL best practice, 'ITIL Service Transition Process Flow' to facilitate an orderly transition. As highlighted in figure 2 below the stages include:
 - (a) Transition Planning & Support (TPS);
 - (b) Change Evaluation;
 - (c) Change Management;
 - (d) Release & Deployment Management;
 - (e) Service validation & Testing (SVT);
 - (f) Service Asset & Configuration Management; and
 - (g) Knowledge Management.
- 8.3 The Exit Manager will carefully manage each stage of the process; documenting, communicating and managing each stage of the process. Where appropriate the Exit Manager will chair governance meetings to manage transition and exit.

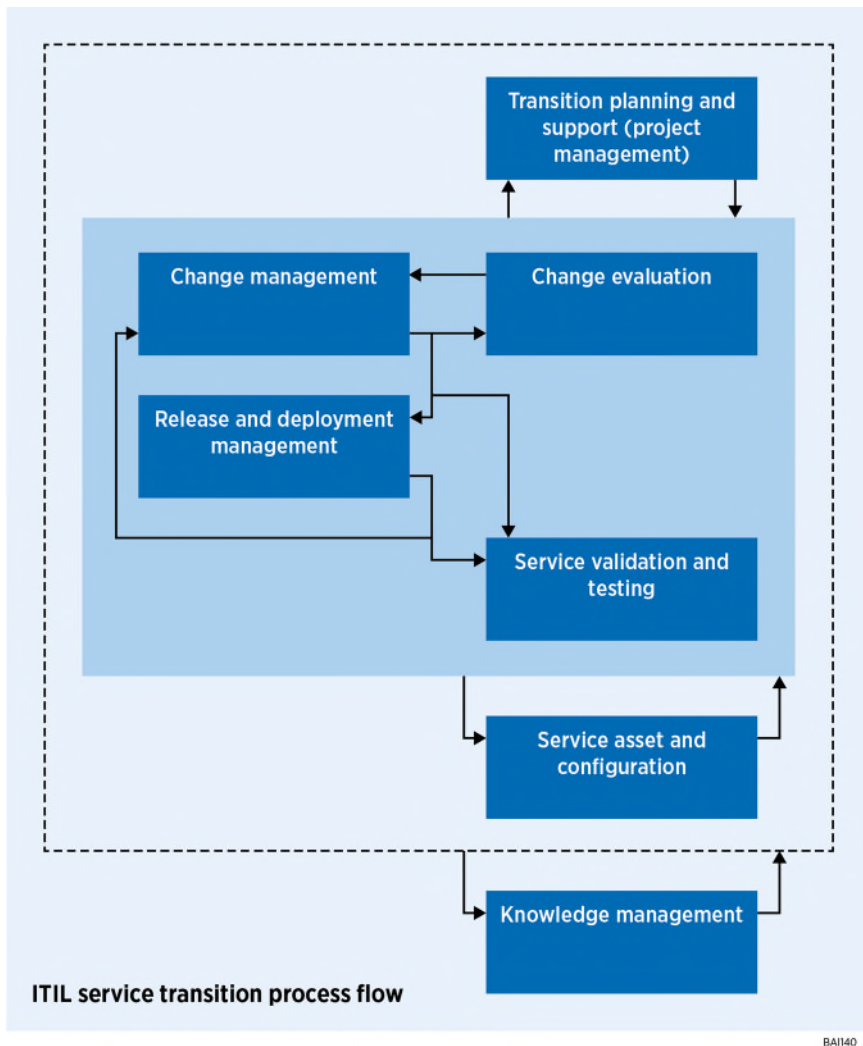


Figure 2 ITIL Transition process

9 Transfer of Services

The process

- 9.1 The processes are set out in Figure 2 above. The Concessionaire will create an execution plan and appoint an Exit Manager responsible for delivering this with the support of the team identified within Figure 1.

Documentation

- 9.2 All documentation associated with operating the Service will be made available in a format to be agreed within the timescales laid out within the Exit Plan.

Data Transfer

- 9.3 The Concessionaire will manage data transfer as follows:
- (a) facilitating secure access to relevant software applications - where appropriate the Concessionaire will authorise access to 'live' systems in order to promote knowledge transfer;

- (b) file transfer to secure servers - if deemed appropriate the Concessionaire will transfer relevant information by directly transferring them to the secure servers of TTL or the Replacement Concessionaire;
- (c) downloads to encrypted hard drives - it may be appropriate for authorised individuals to download information onto encrypted hard drives. The Concessionaire will facilitate this within a clearly defined and secure process to enable flexibility around data transfer; and
- (d) provision of physical copies or original documentation.

Systems Migration

- 9.4 Service migration will follow the ITIL service transition process flow represented within Figure 2. The Concessionaire will supply the appropriate personnel managed by the Exit Manager to co-create a systems migration project plan to facilitate an orderly transition.

Security

- 9.5 The Concessionaire best practices around security in all aspects of migration. The Concessionaire is ISO27001 accredited and uses the SHIELD application to manage all aspects of security. As part of the transition plan, security arrangements between all parties will be documented, communicated and audited to ensure compliance.

Technology Segregation

- 9.6 The Exit Manager will agree the best approach to segregation through internal and external workshops with the appropriate stakeholders. Security, data integrity and service continuity will be the key points of reference when developing the process.

10 Scope of the Termination Services

- 10.1 Termination Services will be provided based on the scope of deliverables identified within the planning stage within the Exit Plan.

11 Timetable and critical issues

- 11.1 Immediately after the Effective Date, we will approach the activities needed for us to meet the Concessionaire's obligations to TTL in a structured way, as set out below in

Milestone	Ref	Notes
Exit Manager Identified	Schedule 8.5, Paragraph 3.1	Already provided as part of this Response.
Allocates and acquires sufficient resources to enable the Concessionaire to comply with the requirements	Schedule 8.5, Paragraph 3.3	See organisation chart within 2.7 above. The amount of resource allocated will be appropriate to the tasks in hand.

The Parties' Exit Managers will liaise with each other in relation to all issues relevant to the termination of this Agreement and all matters connected with this Schedule and each Party's compliance with it.	Schedule 8.5, Paragraph 3.4	This is programmed in during the first set of workshops where all stakeholders will identify responsibilities and actions.
Sets out the Concessionaire's proposed methodology for achieving an orderly transition of the Services from the Concessionaire to TTL and/or its Replacement Concessionaire on the expiry or termination of this Agreement	Schedule 8.5, 6.1(b)	The Concessionaire's project management methodology closely aligned to both PRINCE2 and Pathway will be employed to manage the transition.
Complies with the requirements set out in Paragraph 5.2	Schedule 8.5, 5.1 c	TTL will comply with the requirement laid down within 5.2.
Addresses each of the issues set out in Annex 4 and ensure there is no disruption in the supply of the Services and no deterioration in the quality of the Services	Schedule 8.5, 5.1 d	This is programmed in during the first set of workshops where all stakeholders will identify and allocate tasks. The Concessionaire will set out a plan to avoid disruption to services and the associated quality of that service.
Is otherwise reasonably satisfactory to TTL	Schedule 8.5, 6.1(d)	Acceptance of the draft.

11.2 Table 2.

Milestone	Ref	Notes
Exit Manager Identified	Schedule 8.5, Paragraph 3.1	Already provided as part of this Response.
Allocates and acquires sufficient resources to enable the Concessionaire to comply with the requirements	Schedule 8.5, Paragraph 3.3	See organisation chart within 2.7 above. The amount of resource allocated will be appropriate to the tasks in hand.
The Parties' Exit Managers will liaise with each other in relation to all issues relevant to the termination of this Agreement and all matters connected with this	Schedule 8.5, Paragraph 3.4	This is programmed in during the first set of workshops where all stakeholders will identify responsibilities and actions.

Schedule and each Party's compliance with it.		
Sets out the Concessionaire's proposed methodology for achieving an orderly transition of the Services from the Concessionaire to TTL and/or its Replacement Concessionaire on the expiry or termination of this Agreement	Schedule 8.5, 6.1(b)	The Concessionaire's project management methodology closely aligned to both PRINCE2 and Pathway will be employed to manage the transition.
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Addresses each of the issues set out in Annex 4 and ensure there is no disruption in the supply of the Services and no deterioration in the quality of the Services	Schedule 8.5, 5.1 d	This is programmed in during the first set of workshops where all stakeholders will identify and allocate tasks. The Concessionaire will set out a plan to avoid disruption to services and the associated quality of that service.
Is otherwise reasonably satisfactory to TTL	Schedule 8.5, 6.1(d)	Acceptance of the draft.

Table 2 Exit Manager activities

- 11.3 The Concessionaire will continue to provide the Services as before and comply with the requirements set out in Paragraph 7.4 to 7.6.

12 Staffing Information

- 12.1 The Concessionaire will acknowledge the request for staffing information and will agree a mechanism to transfer this information to TTL or Replacement Concessionaire in accordance with the requirements of Schedule 9.1 (Transferring Staff).

13 Transfer of Intellectual Property Rights, data and knowledge transfer

- 13.1 The Exit Manager will work with the Concessionaire's legal department to arrange for Intellectual Property Rights and associated data to be transferred to TTL. The Exit Manager will organise for all appropriate paperwork (including IPR licence arrangements) in-line with legislation to be completed along with any monies owed to be transferred and receipted.
- 13.2 Data, including provisions for enhanced information exchange and Interface Control Definition (ICD) setting out how each data element to be exchanged will be mapped to relevant fields across systems to ensure data integrity.

- 13.3 The Concessionaire will arrange for data to be transferred in a number of secure ways as set out above. The method will be discussed and agreed at the time. Data transfer will be in-line with the Concessionaire's best practises and security policy. The Exit Manager will make arrangements for Interface Control Documents to be created to show all inputs and outputs along with the interfaces between systems. The exact nature and detail of this documentation will be agreed with TTL at the time but will be sufficient to facilitate a smooth migration of Services.
- 13.4 Once data has been transferred and acknowledgement received from TTL in writing, the Exit Manager will arrange for all data to be deleted and for a data destruction certificate to be issued.
- 13.5 Termination Assistance Services will include:
- (a) Workshops
 - (b) Training
 - (c) Job shadowing
 - (d) Presentations
 - (e) Documentation
- 13.6 The Exit manager will agree the objectives with TTL and ensure these are achieved and signed-off.

14 Access to or use of Sites

- 14.1 Access arrangements will be in place for 3rd parties as part of normal operation. This will be extended where necessary to facilitate transfer.
- 14.2 Access will be granted by the Concessionaire using standard procedures until arrangements have been finalised with the appropriate party. The Concessionaire will act reasonably with respect to granting and arranging access.

Annex 3 – Exit Plan Content

- 1.1 In accordance with Paragraph 6.1(c) of this Schedule, the Exit Plan shall include as a minimum:
- (a) how the Exit Information is obtained;
 - (b) the rationale considered and any assumptions made in developing the Exit Plan;
 - (c) separate mechanisms for dealing with Ordinary Exit and Emergency Exit, the provisions relating to Emergency Exit being prepared on the assumption that the Concessionaire may be unable to provide the full level of assistance which is required by the provisions relating to Ordinary Exit, and in the case of Emergency Exit, provision for the supply by the Concessionaire of all such reasonable assistance as TTL shall require to enable TTL or its sub-contractors to provide the Services;
 - (d) a mechanism for dealing with Partial Termination and a detailed description setting out how the Concessionaire will continue to provide the remaining Services under this Agreement;
 - (e) the management structure to be employed during both transfer and cessation of the Services in an Ordinary Exit and an Emergency Exit;
 - (f) the management structure to be employed during the Termination Assistance Period;
 - (g) a detailed description of both the transfer and cessation processes, including a timetable, applicable in the case of an Ordinary Exit and an Emergency Exit;
 - (h) how the Services will transfer to the Replacement Concessionaire and/or TTL, including details of the processes, documentation, data transfer, systems migration, security and the segregation of TTL's or any member of the TfL Group's technology components from any technology components operated by the Concessionaire or its Sub-contractors (where applicable);
 - (i) the scope of the Termination Services that may be required for the benefit of TTL (including such of the services set out in Annex 4 (Scope of the Termination Services) as are applicable);
 - (j) a timetable and critical issues for providing the Termination Services;
 - (k) how the Termination Services would be provided (if required by TTL) during the Termination Assistance Period;
 - (l) procedures to deal with requests made by TTL and/or a Replacement Concessionaire for Staffing Information pursuant to Schedule 9.1 (Staff Transfer);
 - (m) the approach to access to, and the transfer of, Intellectual Property Rights, data, including provisions for enhanced information exchange and knowledge transfer to assist TTL Personnel and/or any employees of the Replacement Concessionaire to understand the Services and to assist the Replacement Concessionaire's operation of the Replacement Services;

- (n) identification of access to or use of Sites that TTL and/or the Replacement Concessionaire may require, making reasonable assumptions using the Concessionaire's experience under this Agreement, and how such access and/or use will be facilitated until such time as TTL and/or the Replacement Concessionaire have defined what such access arrangements are reasonably required to fulfil any future Replacement Concessionaire's transition plan; and
- (o) how each of the issues set out in this Schedule will be addressed to facilitate the transition of the Services (or any part of the Services) from the Concessionaire to the Replacement Concessionaire and/or TTL with the aim of ensuring that there is no disruption to or degradation of the Services during the Termination Assistance Period.

Annex 4 – Scope of the Termination Services

- 1.1 The Termination Services to be provided by the Concessionaire shall include such of the following services as TTL may specify:
- (a) ceasing all non-critical software changes (except where agreed in writing with TTL);
 - (b) notifying the Sub-contractors of procedures to be followed during the Termination Assistance Period and providing management to ensure these procedures are followed;
 - (c) providing assistance and expertise as necessary to examine all operational and business processes (including all supporting documentation) in place and re-writing and implementing processes and procedures such that they are appropriate for use by TTL and/or the Replacement Concessionaire after the end of the Termination Assistance Period;
 - (d) delivering to TTL the existing systems support profiles, monitoring or system logs, problem tracking/resolution documentation and status reports all relating to the twelve (12) month period immediately prior to the commencement of the Termination Services;
 - (e) providing details of work volumes and staffing requirements over the twelve (12) month period immediately prior to the commencement of the Termination Services;
 - (f) with respect to work in progress as at the end of the Termination Assistance Period, documenting the current status and stabilising for continuity during transition;
 - (g) providing TTL with any problem logs which have not previously been provided to TTL;
 - (h) providing assistance and expertise as necessary to examine all governance and reports in place for the provision of the Services and re-writing and implementing these during and for a period of twelve (12) months after the Termination Assistance Period;
 - (i) providing assistance and expertise as necessary to examine all relevant roles and responsibilities in place for the provision of the Services and re-writing and implementing these such that they are appropriate for the continuation of the Services after the Termination Assistance Period;
 - (j) reviewing all software libraries used in connection with the Services and providing details of these to TTL and/or the Replacement Concessionaire;
 - (k) making available to TTL and/or the Replacement Concessionaire expertise to analyse training requirements and provide all necessary training for the use of tools by such staff as are nominated by TTL (acting reasonably) at the time of termination or expiry (including Partial Termination) of this Agreement;
 - (l) assisting in establishing naming conventions for any new production site;

- (m) analysing and providing information about capacity and performance requirements, processor requirements and bandwidth requirements, and known planned requirements for capacity growth across these areas;
- (n) generating a computer listing of the source code (if required) in a form and on media reasonably requested by TTL;
- (o) agreeing with TTL a handover plan for all of the Concessionaire's responsibilities as set out in the Security Management Plan;
- (p) delivering copies of the production databases (with content listings) to TTL's and/or the Replacement Concessionaire's operations staff (on appropriate media) as reasonably requested by TTL;
- (q) assisting with the loading, testing and implementation of the production databases;
- (r) assisting in the execution of a parallel operation until the effective date of expiry or termination (including Partial Termination) of this Agreement;
- (s) in respect of the maintenance and support of the Concessionaire IT System, providing historical performance data for the previous five (5) Contract Years;
- (t) assisting in the execution of a parallel operation of the maintenance and support of the Concessionaire IT System until the end of the Termination Assistance Period or as otherwise specified by TTL (provided that these Services shall end on a date no later than the end of the Termination Assistance Period);
- (u) providing an information pack listing and describing the Services for use by TTL or any member of the TfL Group in the procurement of the Replacement Services;
- (v) answering all reasonable questions from TTL and/or the Replacement Concessionaire regarding the Services;
- (w) agreeing with TTL and/or the Replacement Concessionaire a plan for the migration of TTL Data to TTL and/or the Replacement Concessionaire;
- (x) providing access to TTL and/or the Replacement Concessionaire during the Termination Assistance Period and for a period not exceeding six (6) months afterwards for the purpose of the smooth transfer of the Services to TTL and/or the Replacement Concessionaire:
 - (i) to information and documentation relating to the Transferring Services that is in the possession or control of the Concessionaire or its Sub-contractors (and the Concessionaire agrees and shall procure that its Sub-contractors do not destroy or dispose of that information within this period) including the right to take reasonable copies of that material; and
 - (ii) following reasonable notice and during the Concessionaire's normal business hours, to members of the Concessionaire Personnel who have been involved in the provision or management of the Services and who are still employed or engaged by the Concessionaire or its Sub-contractors or a Notified Affiliate; and
- (y) knowledge transfer services, including:

- (i) transferring all training material and providing appropriate training to those TTL and/or Replacement Concessionaire staff responsible for internal training in connection with the provision of the Services;
- (ii) providing for transfer to TTL and/or the Replacement Concessionaire of all knowledge reasonably required for the provision of the Services which may, as appropriate, include information, records and documents; and
- (iii) providing the Concessionaire and/or the Replacement Concessionaire with access to such members of the Concessionaire Personnel as have been involved in the design, development, provision or management of the Services and who are still employed or engaged by the Concessionaire or its Sub-contractors or a Notified Affiliate.

1.2 The Concessionaire shall:

- (a) provide a documented plan relating to the training matters referred to in Paragraph 1.1(k) for agreement by TTL at the time of termination or expiry (including Partial Termination) of this Agreement;
- (b) co-operate fully in the execution of the handover plan agreed pursuant to Paragraph 1.1(o), providing skills and expertise of a suitable standard; and
- (c) fully co-operate in the execution of TTL database migration plan agreed pursuant to Paragraph 1.1(w), providing skills and expertise of a reasonably acceptable standard.

1.3 To facilitate the transfer of knowledge from the Concessionaire to TTL and/or its Replacement Concessionaire, the Concessionaire shall provide a detailed explanation of the procedures and operations used to provide the Services, the change management process and other standards and procedures to the operations personnel of TTL and/or the Replacement Concessionaire.

1.4 The information which the Concessionaire shall provide to TTL and/or the Replacement Concessionaire pursuant to Paragraph 1.1(y) shall include:

- (a) copies of up-to-date procedures and operations manuals;
- (b) product information;
- (c) agreements with third party suppliers of goods and services which are to be transferred to TTL and/or the Replacement Concessionaire;
- (d) key support contact details for third party supplier personnel under contracts which are to be assigned or novated to TTL pursuant to this Schedule;
- (e) information regarding any unresolved faults in progress at the commencement of the Termination Assistance Period as well as those expected to be in progress at the end of the Termination Assistance Period;
- (f) details of physical and logical security processes and tools which will be available to TTL; and
- (g) any relevant interface information.

- 1.5 During the Termination Assistance Period the Concessionaire shall grant any agent or personnel (including employees, consultants and suppliers) of the Replacement Concessionaire and/or TTL access, during business hours and upon reasonable prior written notice, to any Sites for the purpose of effecting a prompt knowledge transfer provided that:
- (a) any such agent or personnel (including employees, consultants and Concessionaires) having access to any Sites pursuant to this Paragraph 1.5 shall:
 - (i) sign a confidentiality undertaking in favour of the Concessionaire (in such form as the Concessionaire shall reasonably require); and
 - (ii) during each period of access comply with the security, systems and facilities operating procedures of the Concessionaire relevant to such Site and that TTL deems reasonable; and
 - (b) TTL and/or the Replacement Concessionaire shall pay the reasonable, proven and proper costs of the Concessionaire incurred in facilitating such access.