

**Appendix 1a**  
**VARIATION PROCEDURE FORM 1A**

**XX**

Telephone 020-7xxx-xxxx      Fax 020-7xxx-xxxx

Contract No.      xxxx

Variation No.      xxx

Date      xxx

**NOTIFICATION OF PROPOSED VARIATION TO CONTRACT (NPVC)**

**Price only required**

**THIS IS NOT AN INSTRUCTION TO PROCEED**

THE PROCEDURE SET OUT BELOW MUST BE FOLLOWED IN RETURNING THIS FORM.

- (i) This form constitutes a supplementary tender and must be completed as soon as possible and in any case within two weeks from the date hereof.
- (ii) The prices entered on this form will be related to the levels of labour rates and material prices prevailing at the date of tender and NOT at current price levels. In the event of the Order Price not being affected "nil" should be entered in the appropriate space(s).
- (iii) This form is sent in duplicate. One completed copy must be returned to the Company's Representative.

DETAILS OF VARIATION(S)

Signed by [Company's Representative]

Registered Office: Windsor House, 42-50, Victoria Street, London, SW1H 0TL England. Registered Numbers: 6242508 and 6221959 in England and Wales.

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TO BE COMPLETED BY THE CONTRACTOR - Cost of above variation(s)

	Increase to Order Price	Decrease to Order Price	Details and costs of Redundant Parts or Raw Materials
i)			

Date

Signed

on behalf of *[insert name of Contractor]*

**Appendix 1b**  
**VARIATION PROCEDURE FORM 1B**

**[Insert name of contractor]**

Telephone 020-7xxx-xxxx      Fax 020-7xxx-xxxx

Contract No.    xxxx

Datexxx

**NOTIFICATION OF CONTRACTOR'S RECOMMENDED VARIATION TO CONTRACT ("CRVC")**

THE PROCEDURE SET OUT BELOW MUST BE FOLLOWED IN RETURNING THIS FORM.

- (i) This form constitutes a supplementary tender. The Company's Representative shall inform the Contractor as soon as possible and in any case within two weeks from the date hereof whether or not the Contractor's recommended variation is acceptable or not to the Company.
- (ii) The prices entered on this form are related to the levels of labour rates and material prices prevailing at the date of tender and NOT at current price levels. Where the Order Price is not affected by the variation recommended in this CRVC "nil" has been entered in the appropriate space(s).
- (iii) This form is sent in duplicate. One completed copy must be returned to the Contractor.

<b>DETAILS OF VARIATION(S)</b>

**TO BE COMPLETED BY THE CONTRACTOR - Cost of above variation(s)**

	Increase to Order Price	Decrease to Order Price	Details and costs of Redundant Parts or Raw Materials
			Proposed Date for Variation to take place

Date

Signed

on behalf of *[insert name of Contractor]*

**Appendix 2**  
**VARIATION PROCEDURE FORM 2**

**XX**

Telephone 020-7xxx-xxxx      Fax 020-7xxx-xxxx

Contract No.      xxxx

Variation No.      xxx

Date      xxx

**NOTIFICATION OF REQUIRED VARIATION FROM CONTRACT (“NRVC”)**

This form constitutes an **INSTRUCTION TO PROCEED** with the variation(s) detailed below on a “price to be agreed” basis and is a tender form on which your price(s) for such variation(s) must be notified.

THE PROCEDURE SET OUT BELOW MUST BE FOLLOWED IN RETURNING THIS FORM.

- (i) No claim for a change to the Order Price will be accepted unless this form is completed and returned within two weeks from the date hereof unless mutually agreed in writing.
- (ii) The prices entered on this form will be related to the levels of labour rates and material prices prevailing at the date of tender and NOT at current price levels. In the event of the price not being affected, “nil” should be entered in the appropriate space(s).
- (iii) This form is sent in duplicate. One completed copy must be returned to the Company’s Representative.

<b>DETAILS OF VARIATION(S)</b>

Signed [Company’s Representative]

for BCV and SSL

Registered Office: Windsor House, 42-50 Victoria Street London SW1H 0TL, England. Registered Numbers: 6221959 and 6242508 in England and Wales.

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**TO BE COMPLETED BY THE CONTRACTOR - Cost of above variation(s)**

Increase to Order Price	Decrease to Order Price	Details and costs of Redundant Parts or Raw Materials
		Proposed date from which Variation to take place

Date

Signed

on behalf of Contractor

**Appendix 3**  
**VARIATION PROCEDURE FORM 3**

**XX**

Telephone 020-7xxx-xxxx      Fax 020-7xxx-xxxx

Contract No: xxxx      Variation No:      Date:

**AUTHORITY FOR VARIATION TO CONTRACT (“AVC”)**

Pursuant to Clause 15 and Schedule 5 of the Conditions of Contract authority is hereby given for the implementation of the Variation and the variation in the Order Price as detailed below. The duplicate copy of this form must be signed by or on behalf of the Contractor and returned to the Company's Representative as an acceptance by the Contractor of the variation shown below.

<b>DETAILS OF VARIATION</b>	<b>AMOUNT (£)</b>
<b>ALLOWANCE TO XX</b>	
<b>EXTRA COST TO XX</b>	
<b>TOTAL</b>	

Signed

For the Company

Registered Office: Windsor House, 42-50 Victoria Street London, SW1H 0TL, England. Registered Number: 6221959 in England and Wales.

<b>ACCEPTANCE BY THE CONTRACTOR</b>	
<b>Date</b>	<b>Signed</b>

**Schedule 6**  
**QUENSH Menu and Quality and Safety Plan**



# F0780 Contract Menu

This Contract Menu must be used in conjunction with Category 1 Standard [S1552](#) "Contract QUENSH Conditions"

Issue No.: A16

Issue date: November 2014

Review date: November 2019

MAYOR OF LONDON



## Guidance

The menu is a tool which is used by the Client to identify conditions that apply to specific contracts and communicate these conditions to the Supplier.

### How to complete the menu

1. The Client evaluates the scope of work and enters 'Y' or 'N' in the 'Identified by the Client' column of the menu against each condition selected as applicable or not applicable to the Contract. In the 'Other documents / comments' column the Client can make references to other documents which are supplementary information which is available although not contained within the QUENSH manual but should be considered by the Supplier when they review the conditions. Copies of any additional documents identified in the menu shall be made available to the Supplier. All documents referenced in the Menu shall be current issue, unless otherwise advised. This column can also be used to communicate information (comments) to the Supplier which may be of use to the Supplier when reviewing the conditions.
2. The Client fills in 'Client menu (Invitation to Tender)' section on the last page of the menu and issues the menu as part of the ITT.
  - (1) The Supplier receives the ITT, evaluates the scope of work and, as a requirement of the tendering process, inserts 'Y' or 'N' in the 'Identified by the Supplier' column of the menu against each condition selected as being applicable. These selections may be different from those identified by the Client. Where the Supplier's selection differs from the Client's selection, a clear explanation of the reason for these differences shall be given by the Supplier. A reference to these explanations shall be put in the 'Reference to explanation' column on the menu.
  - (2) The Supplier representative signs and dates the 'Supplier menu (Tender)' on the last page of the menu and submits it with the tender, for consideration by the Client.
  - (3) Differences in the Client and Supplier menu selections will be discussed and resolved with the Client at subsequent tender review meetings. The agreed final version of the menu selections shall form a mandatory part of the Contract and shall be complied with by all Suppliers and their sub-contractors.
  - (4) The menu shall be subject to project version and document control.

### Queries on the menu

Any queries in relation to the Contract QUENSH Conditions selected on the menu are to be referred to the Client representative, see contact details/address on last page of the menu.



## Contract menu

### Requirements in QUENSH

Applicable requirements identified by Client				Identified by Supplier	
Section	Topic	Other documents / Comments	Y / N	Agreed? Y / N	Reference to explanation
4	Agreement of the applicable QUENSH contract conditions				
5	Supplier's selection of sub-contractors		Y	Y	
6	Identification of Safety Critical Activities		Y	Y	
7	Works Environmental Management		N	N	
8	Emergency Plan		N	N	
9	Method Statements	Labour Supply Only. MS will be supplied by Client. Supplier to comply with MS requirements	Y	Y	
10	Health, Safety and Environment File		N	N	
11	Pre-start health, safety and environment meeting		N	N	
12	Supplier's site induction		Y	Y	
13	Site Person in Charge		Y	Y	
<b>14</b>	<b>Staff requirements</b>		<b>Y</b>	<b>Y</b>	
<b>14.1</b>	<b>Behaviours</b>		<b>Y</b>	<b>Y</b>	
14.1.1	Alcohol and drugs		Y	Y	
14.1.2	Control of hours worked		Y	Y	
<b>14.2</b>	<b>Knowledge</b>		<b>Y</b>	<b>Y</b>	
14.2.1	English language		Y	Y	
14.2.2	Access Card and Worksite Briefing		Y	Y	
14.2.3	Visitors to sites		Y	Y	
<b>14.3</b>	<b>General competence</b>		<b>Y</b>	<b>Y</b>	
14.3.1	Evidencing competence of safety critical staff		Y	Y	
14.3.2	Identification of safety critical staff		Y	Y	
14.3.3	Competent external safety critical personnel		Y	Y	
14.3.4	Training		Y	Y	



Applicable requirements identified by Client				Identified by Supplier	
Section	Topic	Other documents / Comments	Y / N	Agreed? Y / N	Reference to explanation
22.4.2	Possessions (Possession Master, Technical Officer, Cable Lineman, Signal Operator, etc.)		Y	Y	
23	Removal of supplier's personnel from LU Premises		Y	Y	
24	Incidents		Y	Y	
25	Notification of regulatory concern or action		Y	Y	
26	Confidential Incident Reporting and Analysis System (CIRAS)		Y	Y	
<b>27</b>	<b>Monitoring</b>		<b>Y</b>	<b>Y</b>	
27.1	LU inspections		Y	Y	
27.2	Monitoring the supply chain		Y	Y	
27.3	Health, safety and environmental audits, inspection and tours by the Supplier's personnel		Y	Y	
27.4	Work location inspection and audit		Y	Y	
27.5	Timescales for rectifying non-compliances		Y	Y	
28	Radio transmitters and transceivers		Y	Y	
29	Mobile phones		Y	Y	
30	Knives		Y	Y	
31	Site health, safety and environment committee		Y	Y	
32	Site housekeeping and security		Y	Y	
33	Accidental damage, obstruction or interference with assets		Y	Y	
34	Delivery of materials		Y	Y	
<b>35</b>	<b>Conveyance of loads</b>	<b>Arrangements to be made by the Client. Supplier to comply with arrangements</b>	<b>Y</b>	<b>Y</b>	
35.1	Conveyance of loads on lifts and escalators		Y	Y	
35.2	Conveyance of hazardous materials and substances		Y	Y	
36	Asbestos (non asbestos removal projects)		Y	Y	
37	Working in or near lifts and escalators		N	Y	
38	Work on or adjacent to utilities and High Voltage cables (buried services)	Arrangements to be made by the Client. Supplier to comply with arrangements	Y	Y	



Applicable requirements identified by Client				Identified by Supplier	
Section	Topic	Other documents / Comments	Y / N	Agreed? Y / N	Reference to explanation
44.2	Trackside storage		Y	Y	
44.3	Hazardous materials and substances		Y	Y	
44.4	Allocation of space on operational property		Y	Y	
45	Plant and equipment		Y	Y	
46	Clearance approvals		Y	Y	
47	Access equipment		Y	Y	
48	Temporary works		Y	Y	
49	Temporary fences and hoardings		Y	Y	
<b>50</b>	<b>Temporary lighting and power supplies</b>	<b>Arrangements to be made by the Client. Supplier to comply with arrangements</b>	<b>Y</b>	<b>Y</b>	
50.1	General requirements		Y	Y	
50.2	Lighting in tunnels and shafts		Y	Y	
51	Screening of lights and positioning		Y	Y	
<b>52</b>	<b>Environmental requirements</b>	<b>Arrangements to be made by the Client. Supplier to comply with arrangements</b>	<b>Y</b>	<b>Y</b>	
52.1	General environmental requirements		Y	Y	
52.2	Environmental nuisance		Y	Y	
52.3	Water		Y	Y	
52.4	Waste management		Y	Y	
52.5	Noise and vibration		Y	Y	
52.6	Archaeology, historical interest and listed buildings		Y	Y	
52.7	Wildlife and Habitats		Y	Y	
52.8	Resource Use		Y	Y	
52.9	Pest control		Y	Y	
52.10	Land and water pollution prevention		Y	Y	
<b>53</b>	<b>Quality requirements</b>	<b>Arrangements to be made by the Client. Supplier to</b>	<b>Y</b>	<b>Y</b>	



hereof shall be exercisable and enforceable by the Contractor against the New Company;  
and

2.3.2 any and all rights, claims, counter-claims, demands and other remedies of the Company against the Contractor accrued under or in connection with the Contract prior to the date hereof shall be exercisable by the New Company against the Contractor.

2.4 the Company transfers its rights and obligations under the Contract to the New Company.

3. A person who is not a party to this Deed may not enforce any of its terms by virtue of the Contracts (Rights of Third Parties) Act 1999.

Executed as a deed by the parties and delivered on the date of this Deed

Executed as a deed by affixing the Common Seal of ) .....  
London Underground Limited ) .....  
in the presence of: - ) *[Authorised Signatory]*

Executed as a Deed by [CONTRACTOR] )  
acting by ) .....  
 ) Authorised Signatory  
and ) .....  
 ) Authorised Signatory

Executed as a Deed by [NEW COMPANY] )  
acting by ) .....  
 ) Authorised Signatory  
and ) .....  
 ) Authorised Signatory

## Schedule 8

### Form of Parent Company Guarantee and Performance Bond

**THIS GUARANTEE** is made the \_\_\_\_\_ day of \_\_\_\_\_ 20[ ]  
**BETWEEN:**

- (1) [ ] a company registered in England and Wales under number [ ] and having its registered office at [ ] (the "**Guarantor**");
- (2) [ ] a company registered in England and Wales under number [ ] and having its registered office at Windsor House, 42-50 Victoria Street, London SW1H 0TL (the "**Company**" which expression shall include its successors in title and assigns); and
- (3) [ ] a company registered in England and Wales under number [ ] and having its registered office at [ ] (the "**Contractor**").

**WHEREAS:**

- (A) This Guarantee is supplemental to a framework agreement pursuant to which contracts may be made (together the "**Contract**") for the carrying out of [ ] at [ ] made between (1) the Company and (2) the Contractor.
- (B) The Guarantor has agreed to guarantee to the Company the due and punctual performance of the Contract by the Contractor in the manner hereinafter appearing.
- (C) The Contractor is a party to this Guarantee in order to confirm its request that the Guarantor provide this Guarantee on the terms set out herein.

**NOW IT IS HEREBY AGREED** as follows:

1. The Guarantor unconditionally guarantees to the Company the proper and punctual performance and observance by the Contractor of all its obligations, warranties, duties, undertakings and responsibilities under the Contract and shall forthwith make good any default thereunder on the part of the Contractor and the Guarantor shall pay or be responsible for the payment by the Contractor to the Company of all sums of money, liabilities, awards, losses, damages, costs, charges and expenses that may be or become due and payable under or arising out of the Contract in accordance with its terms or otherwise by reason or in consequence of any such default on the part of the Contractor.
2. This Guarantee shall be a continuing guarantee and indemnity and accordingly shall remain in full force and effect until all obligations, warranties, duties and undertakings now or hereafter to be carried out or performed or observed by the Contractor under or arising out of the Contract have been duly and completely performed and observed in full.
3. The Guarantee is in addition to and not in substitution for any other security or warranty which the Company may at any time hold for the performance of any obligations, warranties, duties and undertakings under the Contract and may be enforced by the Company without first taking any

proceedings or exhausting any right or remedy against the Contractor or any other person or taking any action to enforce any other security, bond or guarantee.

4. The Guarantor shall be under no greater obligation or greater liability under this Guarantee than it would have been under the Contract if it had been named as the Contractor in the Contract.
5. The obligations and liabilities hereunder shall remain in full force and effect and shall not be affected, lessened, impaired or discharged by:
  - (a) any alteration or variation to the terms of the Contract;
  - (b) any alteration in the extent or nature or sequence or method or timing or scope of the works, services or supplies to be carried out under the Contract;
  - (c) any extension of time being given to the Contractor or any other indulgence or concession to the Contractor or any forbearance, forgiveness or any other thing done, omitted or neglected to be done under the Contract;
  - (d) any other bond, security or guarantee now or hereafter held for all or any part of the obligations of the Contractor under the Contract;
  - (e) the release, modification, exchange or waiver of any such bond, security or guarantee;
  - (f) any amalgamation or reconstruction or dissolution including liquidation of the Contractor;
  - (g) the making of a winding up order, the appointment of a provisional liquidator, the passing of a resolution for winding up, liquidation, administration, receivership or insolvency of the Contractor;
  - (h) any legal limitation, disability or incapacity relating to the Contractor (whether or not known to you);
  - (i) any invalidity in, irregularity affecting or unenforceability of the obligations of the Contractor under the Contract;
  - (j) the termination of the Contract; or
  - (k) anything the Company or the Contractor may do or omit or neglect to do including, but without limitation, the assertion of or failure or delay to assert any right or remedy of the Company or the pursuit of any right or remedy by the Company.
6. Until all amounts which may be or become payable and all liabilities, obligations, warranties, duties and undertakings in respect of the Contractor's obligations have been irrevocably paid, performed or discharged in full, the Guarantor shall not, after a claim has been made or by virtue of any payment, performance or discharge by it under this Guarantee:
  - (a) be subrogated to any rights, security or moneys held, received or receivable by the Company or be entitled to any right of contribution or indemnity in respect of any payment made or moneys received on account of the Guarantor's liability under this Guarantee;

- (b) claim, rank, prove or vote as a creditor of the Contractor or its estate in competition with the Company unless the Company so directs; or
  - (c) receive, claim or have the benefit of any payment distribution or security from or on account of the Contractor, or exercise any right of set-off against the Contractor unless the Company so directs.
7. This Guarantee is irrevocable.
8. The benefit of this Guarantee may be assigned by the Company at any time to any assignee of the benefit of the whole of the Contract. No further or other assignments shall be permitted.
9. The Guarantor:
- (a) gives the guarantee contained in this Guarantee as principal obligor and not merely as surety;
  - (b) agrees to indemnify the Company on written demand against any loss or liability suffered by it if any provision set out in the Contract guaranteed by the Guarantor becomes unenforceable, invalid or illegal, and
  - (c) waives any right it may have of first requiring the Company to proceed against, or enforce any other rights or security or claim payment from, any person before claiming from the Guarantor under this Guarantee.
10. Until all amounts which may be or become payable in respect of the Contractor's obligations have been irrevocably paid in full by the Guarantor, the Company may:
- (a) refrain from applying or enforcing any other moneys, security or rights held or received by the Company in respect of those amounts, or apply and enforce the same in such manner and order as it sees fit (whether against those amounts or otherwise) and the Guarantor shall not be entitled to the benefit of the same; and
  - (b) hold in a suspense account any moneys received from the Contractor on account of these Contractor's obligations or on account of the Guarantor's liability under this Guarantee.
11. The Company is entitled to make any number of demands under this Guarantee.
12. The invalidity, illegality or unenforceability in whole of or in part of any provisions of this Guarantee shall not affect the validity, legality and enforceability of the remaining part or provisions of this Guarantee.
13. This Guarantee may be executed in any number of counterparts each of which shall be an original and all of such counterparts taken together shall be deemed to constitute one and the same instrument.

14. No person other than TfL (as such term is defined in the Contract) and its subsidiaries (as defined in section 1159 of the Companies Act 2006) shall have any right to claim or remedy under or pursuant to this Guarantee and the provisions of the Contracts (Rights of Third Parties) Act 1999 are hereby excluded.

15. This Guarantee, executed and delivered as a deed, shall be governed by and interpreted according to the laws of England and the Courts of England shall have exclusive jurisdiction save that the Company shall have the right to bring proceedings in the courts of any other jurisdiction in which any of the Guarantor's assets may be situated.

16. *[For non-UK resident Guarantors only:*

*For the purposes of this Guarantee the Guarantor hereby appoints ..... of ..... [to be a London address] to accept service of process on its behalf, and service on the said ..... at the said address shall be deemed to be good service on the Guarantor; and the Guarantor hereby irrevocably agrees not to revoke or terminate such appointment].*

Executed as a deed by the parties and delivered on the date of this Guarantee

Executed as a Deed by [GUARANTOR] )  
acting by ) .....  
 ) Authorised Signatory  
and ) .....  
 ) Authorised Signatory

Executed as a deed by affixing the Common Seal of )  
[COMPANY] )  
in the presence of:- )

.....  
*[Authorised Signatory]*

Executed as a Deed by [CONTRACTOR] )  
acting by ) .....  
 ) Authorised Signatory  
and ) .....  
 ) Authorised Signatory

## FORM OF ON DEMAND PERFORMANCE BOND WITH ANNEX 1

### BOND

(Letterhead of Guarantor)

To: [Company name] (its successors in title and assigns)

**Contract Bond No. [ • ]**

1. Whereas our clients [ • ] (the "**Contractor**") have entered into a contract with you dated [ • ] (the "**Contract**") in respect of [ • ], we [ • ] (the "**Guarantor**", which term shall include our successors in title and assigns) hereby irrevocably undertake as a primary obligation upon first demand in writing made by you upon us from time to time or at any time to pay to you on each occasion the sum demanded by you within five (5) banking days upon service of your demand.

### PROVIDED THAT:

2. This Bond shall come into force on the date hereof.
3. Any demand hereunder shall be substantially in the form of Annex to this Bond, and as between you and us the facts set out in that demand shall be: (a) deemed to be true and (b) accepted by us as conclusive evidence for the purposes of this Bond that the amount claimed in the demand is due and payable to you hereunder, it being our intention that the event upon which payment must be made hereunder is the service of your demand without any rights on our part to raise any objections, irrespective of the validity or the effectiveness of the Contract and the obligations arising thereunder and irrespective of the underlying facts or their significance under the Contract.
4. All sums payable under this Bond shall be paid in pounds sterling to such bank account as may be specified in your demand in immediately available funds, free of any restriction or condition and free and clear of and without any deduction or withholding whether for or on account of tax, by way of set-off, or otherwise, except to the extent required by law.
5. For the purpose of this paragraph 5, the expression "Expiry Date" means [ • ]. Our liability hereunder shall be limited as follows:
  - (a) we shall have no liability in respect of any demand received after the Expiry Date; and
  - (b) in respect of a demand or demands received on or before the Expiry Date, our liability shall not exceed the aggregate sum of £[ • ].
6. Our obligations hereunder shall remain in full force and effect and shall not in any way be affected, reduced or discharged by:
  - (a) any alteration to the terms of the Contract made by agreement between you and the Contractor; and/or
  - (b) any defence, counterclaim, set-off or other deduction available to the Contractor under the Contract; and/or

- (c) any alteration in the extent or nature or sequence or method or timing of the works/services to be carried out under the Contract; and/or
  - (d) any time being given to the Contractor or any other indulgence or concession to the Contractor or any forbearance, forgiveness or any other thing done, omitted or neglected to be done under the Contract; and/or
  - (e) any other bond, security or guarantee now or hereafter held by you for all or any part of the obligations of the Contractor under the Contract; and/or
  - (f) the release or waiver of any such other bond, security or guarantee; and/or
  - (g) any amalgamation or reconstruction or dissolution including liquidation or change in control or constitution of the Contractor; and/or
  - (h) the termination of the Contract; and/or
  - (i) any other event which might operate to discharge a guarantor at law or in equity.
7. Terms defined in the Contract and not otherwise defined herein shall have the same meaning in this Bond unless inconsistent with the context.
  8. This Bond shall be governed by, and interpreted according to, the laws of England and the Courts of England shall have exclusive jurisdiction in relation to any claim, dispute or difference concerning this Bond and any matter arising from it save that you shall have the right to bring proceedings in the Courts of any other jurisdiction in which any of our assets may be situated.
  9. This Bond may be assigned or transferred without our prior consent to any member of the TfL Group. Any other assignment or transfer of this Bond by either party shall require the consent of the other party, such consent not to be unreasonably withheld or delayed.
  10. This bond may not be amended, varied or supplemented in any manner whatsoever without your prior written consent, other than in accordance with its express terms.
  11. Each of the provisions of this bond is severable and distinct from the others, and if at any time any such provision is or becomes ineffective, inoperable, invalid or unenforceable it shall be severed and deemed to be deleted from this bond, and in such event the remaining provisions of this bond shall continue to have full force and effect.
  12. All bank charges and other fees payable in relation to or in connection with this bond are for the account of the Manufacturer and you shall have no liability or responsibility therefor.
  13. Except to the extent it is inconsistent with the express terms of this bond, this bond is subject to the ICC Uniform Rules for Demand Guarantees, 2010 revision, ICC Publication No. 758.

Executed as a deed by the parties and delivered on the date of this Bond.

Executed as a Deed by [GUARANTOR] )  
acting by ) .....  
 ) Authorised Signatory  
and ) .....  
 ) Authorised Signatory

Executed as a deed by affixing the Common Seal of )  
[COMPANY] )  
in the presence of:- )

.....  
*[Authorised Signatory]*

**ANNEX 1**

**Form of Demand from the Company to the Guarantor**

Dear Sirs

**[Contract Title]**

**Contract No: [ • ] (the “Contract”)**

We refer to the Bond given by you to us dated [ • ].

An event has occurred of the type described in Clause [ • ] of the Contract.

We hereby demand payment from you of the sum of £[ • ] under the Bond. Please make payment by CHAPS made payable to **[Company name / bank account details]**.

Yours faithfully

.....  
**[Company name]**

Windsor House  
42-50 Victoria Street  
London  
SW1H 0TL



and in particular but without limitation will be so fit for the period and with a rate of deterioration reasonably to be expected of high quality, reliable, well designed and engineered goods, materials and construction; and

- (d) it has the right to grant to the Company all licences (including without limitation all rights to sub-licence) of all intellectual property rights as contemplated in this Agreement.

For the purposes of construing the warranties in this Clause 1 references to the Sub-Contract Works shall include any part of the Sub-Contract Works. Each warranty shall be construed as a separate warranty and shall not be limited by reference to, or reference from, the terms of any other warranty or any other term of the Sub-Contract.

2. The Sub-Contractor shall, save in so far as he is delayed by any event in respect of which the Contractor is granted an extension of time under the Main Contract for completion of the Works:
  - (a) Execute and complete the Sub-Contract Works in accordance with the provisions of the Sub-Contract; and
  - (b) ensure that the Contractor shall not become entitled to any extension of time for completion of the Works or to claim any additional payment under the Main Contract due to any failure or delay by the Sub-Contractor.
3. The Sub-Contractor shall from time to time Works the Company and the Contractor with such information as either may reasonably require.
4. To the extent that the intellectual property rights in any and all Documents have not already vested in the Company or the Contractor, the Sub-Contractor hereby grants to the Company an irrevocable, non-exclusive, non-terminable, royalty-free licence to copy and make full use of any and all Documents and all amendments and additions to them and any works, designs or inventions of the Sub-Contractor incorporated or referred to in them for the following purposes:
  - (a) understanding the Works;
  - (b) operating, maintaining, repairing, modifying, altering, enhancing, re-figuring, correcting, replacing, re-procuring and re-tendering the Works;
  - (c) extending, interfacing with, integrating with, connecting into and adjusting the Works;
  - (d) enabling the Company to carry out the operation, maintenance repair, renewal and enhancement of the Underground Network (as such capitalised terms are defined in the Main Contract);
  - (e) executing and completing the Works; and
  - (f) enabling the Company to perform its functions and duties as Infrastructure Manager and Operator of the Underground Network (as such capitalised terms are defined in the Main Contract)

provided always that the Contractor shall not be liable for the consequences of any use of the Documents as aforesaid for any other purpose. Such licence shall carry the right to grant sub-licences and shall be transferable to third parties without the prior consent of the Sub-Contractor.

For the purposes of this Clause, the term "**Documents**" shall mean documents, items of information, data, reports, drawings, specifications, plans, software, designs, inventions and any other materials provided by or on behalf of the Sub-Contractor in connection with the Sub-Contract (whether in existence or to be made).

5. The Sub-Contractor agrees:
  - (a) on request at any time to give the Company or any persons authorised by the Company access to the material referred to in Clause 4 and at the Company's expense to provide copies of any such material; and
  - (b) at the Sub-Contractor's expense to provide the Company with a set of all such material on completion of the Sub-Contract Works.
6. The parties hereby agree that:
  - (a) this Agreement shall be personal to the Sub-Contractor;
  - (b) the Company may assign the benefit of this Agreement to any third party;
  - (c) the rights and remedies contained in this Agreement are cumulative and shall not exclude any other right or remedy available to either party in law or equity.
7. The Sub-Contractor warrants and undertakes to the Company that he has maintained and will continue to maintain all insurances required to be maintained pursuant to the terms of the Sub-Contract and that, insofar as he is responsible for the design of the Sub-Contract Works, he has professional indemnity insurance with a limit of indemnity of not less than two million pounds (£2,000,000) in respect of each and every claim which may be made against the Sub-Contractor in respect of the Sub-Contract Works. The Sub-Contractor shall maintain such professional indemnity insurance for a period of 12 years from completion of the Works provided such insurance remains available at commercially reasonable rates and shall notify the Company forthwith if such insurance ceases to be so available. When deciding whether such insurances are available at commercially reasonable rates, no account shall be taken of any increase in the premium or imposition of terms which arise as a result of the Sub-Contractor's insurance claims record.
8. If any dispute of any kind whatsoever arises between the parties in connection with this Agreement or the Sub-Contract Works which raises issues which are in opinion of the Company the same as or substantially the same as issues raised in a related dispute (the "**Related Dispute**") between the Company and the Contractor and such Related Dispute has already been referred to a conciliator or arbitrator appointed under the provisions to that effect contained in the Main Contract, then the Sub-Contractor hereby agrees that the Company may at his discretion by giving notice in writing to the Sub-Contractor refer the dispute arising out of this Agreement or the Sub-Contract Works to the adjudicator, conciliator, arbitrator or other party (the "**Appointed Party**") appointed to determine the Related Dispute. In this event the Appointed Party shall have power to give such directions for the determination of the dispute and the Related Dispute as he may think fit and to make such awards as may be necessary in the same way as if the procedure of the High Court as to joining one or more defendants or joint co-defendants or third parties was available to the parties and to him.
9. (a) Neither the Sub-Contractor nor the Contractor shall exercise or seek to exercise any right which may be or become available to it to terminate or treat as terminated the Sub-Contract or discontinue or suspend the performance of any of its duties or

obligations thereunder or treat the Sub-Contract as determined without first giving to the Contractor or the Sub-Contractor (as applicable) not less than 35 days prior written notice of its intention to do so, with a copy to the Company, specifying the Sub-Contractor's or Contractor's grounds for terminating or treating as terminated the Sub-Contract or discontinuing or suspending its performance thereof or treating the Sub-Contract as determined.

- (b) If the Main Contract is terminated for any reason, within 35 days of such termination the Company may give written notice to the Sub-Contractor and to the Contractor (a "**Step-in Notice**") that the Company or its appointee shall henceforth become the Contractor under the Sub-Contract in accordance with the terms of sub-clause (c) below.
  - (c) With effect from the date of the service of any Step-in Notice:
    - (i) the Company or its appointee shall be substituted in the Sub-Contract as the Contractor thereunder in place of the Contractor and references in the Sub-Contract to the Contractor shall be construed as references to the Company or its appointee;
    - (ii) the Sub-Contractor shall be bound to continue with the performance of its duties and obligations under the Sub-Contract and any exercise or purported exercise by the Sub-Contractor prior to the date of the Step-in Notice of any right to terminate or treat as terminated the Sub-Contract or to discontinue or suspend the performance of any of its duties or obligations thereunder or to treat the Sub-Contract as automatically determined shall be of no effect;
    - (iii) the Company shall become bound by the terms and conditions of the Sub-Contract in respect of all obligations and duties of the Contractor thereunder which fall to be performed after the date of the Step-in Notice and shall promptly thereafter make payment of any amounts properly due to the Sub-Contractor as at the date of the Step-in Notice and still outstanding; and
    - (iv) the Contractor shall be released from further performance of the duties and obligations of the Contractor under the Sub-Contract after the date of the Step-in Notice, but without prejudice to any rights and remedies of:
      - (1) the Sub-Contractor against the Contractor in respect of any matter or thing done or omitted to be done by the Contractor on or before the date of the Step-in Notice; and
      - (2) the Contractor against the Sub-Contractor in respect of any matter or thing done or omitted to be done by the Sub-Contractor on or before the date of the Step-in Notice.
  - (d) Notwithstanding anything contained in this Agreement and notwithstanding any payments which may be made by the Company to the Sub-Contractor, the Company shall not be under any obligation to the Sub-Contractor and the Sub-Contractor shall not be under any obligation to the Company unless the Company shall have served a Step-in Notice pursuant to Clause 9(b) above.
10. The Sub-Contractor's liabilities, duties and obligations hereunder shall be no greater and of no longer duration than the liabilities, duties and obligations which the Sub-Contractor owes to the Contractor under the Sub-Contract.
11. The Sub-Contractor further undertakes to indemnify the Company from and against the consequences of any breach by the Sub-Contractor of any of the warranties, covenants and undertakings contained in this Agreement.

12. The rights and benefits conferred upon the Company by this Agreement are in addition to any other rights and remedies that the Company may have against the Sub-Contractor including, without prejudice to the generality of the foregoing, any remedies in negligence.
13. Nothing contained in this Agreement shall in any way limit the obligations of the Contractor to the Company arising under the Main Contract or otherwise undertaken by the Contractor to the Company in relation to the Sub-Contract Works.
14. No amendment to this Agreement shall be valid unless it is in writing and signed by all parties.
15. Any person who is not a party to this Agreement may not enforce any of its terms under the Contracts (Rights of Third Parties) Act 1999.
16. This Agreement shall be governed by and construed in accordance with English law and shall be subject to the exclusive jurisdiction of the Courts of England and Wales.

Executed as deed by the parties and delivered on the date of this Agreement.

Executed as a deed by affixing the Common Seal of )  
London Underground Limited )  
in the presence of:- )

.....  
*[Authorised Signatory]*

Executed as a Deed by [SUB-CONTRACTOR] )  
acting by ) .....  
 ) Authorised Signatory  
and ) .....  
 ) Authorised Signatory

Executed as a Deed by [CONTRACTOR] )  
acting by ) .....  
 ) Authorised Signatory  
and ) .....  
 ) Authorised Signatory

## Schedule 10

### Design

#### Design Clauses

1. The Contractor shall in the design of those aspects of the Works within the Designed Portion, exercise all the reasonable skill, care and diligence to be expected of a prudent, competent and properly qualified designer of the relevant discipline experienced in the design of like works for a project of a size, scope, nature and complexity and in a location similar to the Works.
2. The Contractor shall ensure that the Works comply in all respects with the design prepared pursuant to this Schedule 10 (Design).
3. The Contractor warrants (unless otherwise specifically instructed in writing by the Company) only to specify for use or cause or allow for use in or in connection with the Designed Portion, materials which:
  - (a) accord with any relevant recommendations contained in or referred to in the 1997 edition of Good Practice in the Selection of Construction Materials produced by Ove Arup & Partners and sponsored by the British Property Federation and the British Council for Offices;
  - (b) are in accordance with British standards and codes of practice;
  - (c) are not generally known to be deleterious at the time of specification of the Designed Portion; and
  - (d) (in the case of tropical hardwood) are obtained from a source accredited in the Good Wood Guide published by the Friends of the Earth.
4. The Contractor shall immediately notify the Company if the Contractor suspects or becomes aware of any proposed or actual use of any material in or in connection with the Works which is not in accordance with paragraph 3 of this Schedule 10.
5. The Contractor accepts entire responsibility for the design and specification of the Works which he is required to design and specify and for any mistake, inaccuracy, ambiguity, inconsistency or omission in or between his design and specification of the Works and the documents which are part of the Agreement.
6. Terms used in this paragraph 6 shall, where appropriate and where the context so requires, have the same meanings as set out in the CDM Regulations. The Contractor shall;

- (e) comply with the duties and obligations imposed upon a principal designer by the CDM Regulations where appointed as such pursuant to Clause 7.6 of the Conditions of Contract;
- (f) co-operate with the principal designer, the principal contractor and any consultant as required by the CDM Regulations;
- (g) co-operate with the principal designer in the preparation of the health and safety plan; and
- (h) warrant that it is competent for the purposes of the CDM Regulations to perform the tasks of a principal designer and has allocated adequate resources to comply with the duties and obligations imposed upon a principal designer by the CDM Regulations.

7. The Contractor shall effect and maintain professional indemnity in full force and effect from the Commencement Date until the date which is twelve (12) years after the issue of the Completion Certificate or earlier termination of the Contract, provided that such insurance is available in the market at commercially reasonable rates and on commercially reasonable terms. Any increased or additional premium required by reason of the Contractor's own claims record or other acts, omissions, matters or things particular to the Contractor shall be deemed to fall within commercially reasonable rates. Such insurance shall be from a reputable insurer and on terms approved by the Company (such approval not to be unreasonably withheld).

8. When required to do so by the Company, the Contractor shall provide to the Company satisfactory documentary evidence that the insurance required by paragraph 7 of this Schedule 10 is being maintained.

9. Where the Works include a Designed Portion which is not the design for the entirety of the Works, the Contractor shall ensure that the Designed Portion is properly coordinated with the design of other aspects of the Works.

**Schedule 11**  
**Key Personnel**

*The following are Key Personnel*

**Schedule 12**  
**Contractor Performance**

## Schedule 12

### Contractor Performance

1. This Schedule sets out the performance measurement mechanisms and escalation process applied to the Framework Agreement and to Contracts made under it.
2. Service Level Indicators (SDIs) set out in Table 3 shall be used to monitor the performance of the Contractor in five key areas of performance critical to the successful delivery of this contract. The SDI's will be used to measure performance on a periodic basis and continued poor performance could result in the termination of the Framework Agreement in accordance with clause 16 of the Framework Agreement.
  - 2.1 Financial Deductions are not applied to SDI's.
  - 2.2 Liquidated Damages shall be applied for Line or Closures Incidents in accordance with Schedule 12A (Liquidated Damages)
3. The SDI's will be monitored at the intervals stated and at such other intervals as TfL deems necessary but at no greater frequency than one per period. The SDI assessment will be in accordance with the 'traffic light' system set out in Table 1. The Company has no obligation and may sometimes have a limited resource to make SDI assessments and therefore the Grey rating will be used for any element to which the Company Representative makes no assessment but this does not indicate that the Contractor's performance is good only that the Company Representative has no information to indicate otherwise:

Table 1

<b>Green</b>	<b>Good Performance</b>
<b>Grey</b>	<b>No assessment Made</b>
<b>Amber</b>	<b>Acceptable performance</b>
<b>Red</b>	<b>Unacceptable performance</b>

4. The elements of performance that will form the SDI's are defined as follows:

i)	<b>Safety</b>	To perform in a safe manner
ii)	<b>Supply of Labour</b>	To provide the required numbers meeting the required competency standards.
iii)	<b>Productivity</b>	To complete work in accordance with TF's' programme
iv)	<b>Quality</b>	To minimise the cost to TfL of poor quality
v)	<b>Financial Accuracy</b>	To submit accurate financial information in a timely manner.

The SDIs will be assessed and scored as follows:

i) **Safety**

Safety shall be measured by 1) Principal General Inspections and 2) Incident Data and other information sources.

**Green** = A Principal General inspection score of minimum 75% and no incident that has caused concern for which the contractor's labour are wholly or partly responsible.

**Amber** = A Principal General inspection score less than 75% and/or any incident(s) that has caused concern for which the contractor's labour are wholly or partly responsible.

**Red** = The occurrence of any serious incident(s) for which the contractor's labour is wholly or partly responsible or evidence of a trend of unacceptable performance irrespective of the nature of the incidents or Principal General inspection scores.

For the avoidance of doubt TfL will be the sole arbiter of the definition of incidents causing concern, serious incidents and safety trend patterns.

**ii) Supply of Labour**

Supply of Labour shall be measured by:-

- 1) Ability to resource the required numbers of labour and competencies consistent with the commitment offered in the contractor's tender submission,
- 2) Delivery of the required labour and competencies to the work-sites and
- 3) Consistency of labour (maintaining continuity of gang personnel). Collectively, 1) and 2) comprise the 'requirements of the Agreement'.

**Green** = The contractor supplies labour in accordance with the requirements of the Agreement and maintains continuity of gang personnel insofar as it is in its power to do so.

**Amber** = The Contractor occasionally has difficulty in resourcing in accordance with the Agreement and/or maintain continuity of gang personnel.

**Red** = The Contractor frequently has difficulty in resourcing in accordance with the Agreement and/or maintain continuity of gang personnel.

For the avoidance of doubt the word 'occasionally' shall mean once per week and the word 'frequently' shall mean in excess of once per week.

**iii) Productivity**

Productivity is a measure of the quality and work ethos of the personnel supplied by the contractor. It shall be measured as follows: EITHER 1) the contractor's labour making full use of productive working time in respect of services for the Company's Operations Directorate OR 2) the contractor's labour achieving the