

## Schedule 8

### Form of Parent Company Guarantee and Performance Bond

**THIS GUARANTEE** is made the    day of 201

**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.

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

**Schedule 9**

**Form of Collateral Warranty**

**THIS AGREEMENTS is made the day of 20[ ]**

**BETWEEN : -**

- (1) **London Underground Limited** registered in England and Wales under number: 01900907 and having its registered office at Windsor House, 42-50 Victoria Street, London SW1H 0TL (the "**Company**");
  
- (2) [ ] a company registered in England and Wales under number: [.....]and having its registered office at [.....] (the "**Sub-Contractor**"); and
  
- (3) [ ] a company registered in England and Wales under number: [.....]and having its registered office at [.....] (the "**Contractor**").

**WHEREAS :-**

- (A) The Company has entered into a framework agreement, pursuant to which contracts may be made, with the Contractor (together the "**Main Contract**") pursuant to which the Contractor is to undertake and complete the following supply: [ ] (the "**Supply**").
  
- (B) The Sub-Contractor has submitted a tender to the Contractor for the carrying out and completion of certain parts (the "**Sub-Contract Supply**") of the Supply referred to above as more particularly described in the tender.

NOW IN CONSIDERATION of the payment of £1 (one pound) by the Company to the Sub-Contractor (receipt of which the Sub-Contractor hereby acknowledges) IT IS HEREBY AGREED as follows:

- 1. The Sub-Contractor warrants to the Company that:

- (a) the Sub-Contract Supply have been and will be carried out with the skill and care to be expected of appropriately qualified and experienced professional contractors with experience in carrying out works or services of a similar type, nature and complexity to the Sub-Contract Supply;
- (b) reasonable skill and care has been and will continue to be exercised in connection with:
  - (i) the design of any goods, works or services to the extent that the Sub-Contractor has or will be responsible for such design;
  - (ii) the selection of all goods and materials comprised in the Sub-Contract Supply (in so far as such goods and materials have been or will be selected by the Sub-Contractor);
  - (iii) the satisfaction of any performance specification or requirement in so far as the same are included or referred to in the contract between the Contractor and the Sub-Contractor in relation to the Sub-Contract Supply (the “**Sub-Contract**”);
  - (iv) the execution and completion of the Sub-Contract Supply;
  - (v) the Sub-Contract Supply will, on completion of the Main Contract, comply with all Applicable Laws and Standards (as such capitalised terms are defined in the Main Contract);
- (c) the Sub-Contract Supply will be reasonably fit for the purposes for which they are intended (awareness of which purposes the Sub-Contractor hereby acknowledges) 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.