

2.4.3.1. a **Compliance Certificate** dated as of the date the Transition Milestone Criteria were achieved by the Service Provider, which shall confirm that the Service Provider has achieved the Transition Milestone Criteria and that it is entitled to the Charges associated with that Transition Milestone from the date of the Compliance Certificate;

2.4.3.2. a **Qualified Compliance Certificate** dated as of the date the Authority considers sufficient Transition Milestone Criteria were achieved and which confirms that the Service Provider is provisionally entitled to the Charges associated with that Transition Milestone from the date of the Qualified Compliance Certificate, but that there are other outstanding criteria which the Service Provider must still achieve in order to retain such payments pursuant to paragraph 2.4.17.3.2; or

2.4.3.3. a **Non-Compliance Certificate** dated as of the date the Service Provider stated in its application that it believed it was entitled to the Compliance Certificate, which shall state that the Service Provider has not fully achieved the Transition Milestone Criteria for the applicable Transition Milestone and that it is not entitled to the Charges associated with that Transition Milestone or any part of such payments.

The Authority's entitlement to exercise its discretion under this paragraph shall not be limited or otherwise impaired due to a Compliance Certificate having been issued in relation to a different Transition Milestone.

Dispute Procedure

2.4.4. Where the Service Provider disputes the issue of a Qualified Compliance Certificate or a Non-Compliance Certificate, it may refer the matter for resolution to the Transition Governance Group and/or the Service Provider may refer the matter for resolution in accordance with Clause 33 (Dispute Resolution).

Non-Compliance Certificate

2.4.5. The Authority shall only be entitled to issue a Non-Compliance Certificate in circumstances where the Service Provider has failed to complete the Transition Milestone Criteria for the Transition Milestone and/or a Non-Compliance Certificate is issued after the Consultation Period in accordance with paragraph 2.4.16.2.

2.4.6. Where the Authority issues a Non-Compliance Certificate, it shall include on the certificate specific reasons for the Service Provider's failure to obtain a Compliance Certificate which the Service Provider must address to obtain a Compliance Certificate.

2.4.7. As soon as reasonably practicable after the receipt of a Non-Compliance Certificate and in any event within ten (10) Business Days, the Service Provider shall provide the Authority with full details of a revised programme for remedying as soon as possible its failure to satisfy the Transition Milestone Criteria together with a new date by which the failure to satisfy such Transition Milestone Criteria shall be remedied and the terms of any Corrective Action Notice(s) shall be complied with.

2.4.8. Subject to paragraph 2.4.9, the Service Provider shall carry out the actions in the revised programme referred to in paragraph 2.4.7 by the new

date and the Authority and the Service Provider shall comply with this paragraph 2.4 accordingly in relation thereto.

- 2.4.9. The Authority may, at its discretion, reject a revised programme and/or new Transition Milestone Date submitted in accordance with paragraph 2.4.7, whereupon the Service Provider shall resubmit a further revised programme and/or new Transition Milestone Date in accordance with paragraph 2.4.7 and paragraph 2.4.8 and this paragraph 2.4.9 shall then apply.

Qualified Compliance Certificate

- 2.4.10. Where the Authority issues a Qualified Compliance Certificate, it shall include on the certificate specific reasons for the Service Provider's failure to obtain a Compliance Certificate which the Service Provider must address to obtain a Compliance Certificate.
- 2.4.11. Following the issue of a Qualified Compliance Certificate, the Service Provider shall provide the Authority with all information and assistance as the Authority may reasonably require to confirm that the outstanding Transition Milestone Criteria and Corrective Action Notice(s) (if any) have been or are being properly resolved.
- 2.4.12. The Service Provider shall address the reasons for failure to obtain a Compliance Certificate and, within fourteen (14) days of the issue of the Qualified Compliance Certificate (or such longer time period as the Authority may in its absolute discretion grant), shall provide the Authority with evidence to the Authority's satisfaction that each of the reasons for failure to obtain the Compliance Certificate and each issue specified in any Corrective Action Notice(s) have been fully resolved.
- 2.4.13. The Authority shall confirm within five (5) Business Days of the expiry of the time period granted by the Authority for the resolution of the outstanding Transition Milestone Criteria pursuant to paragraph 2.4.12 whether all such outstanding Milestone Criteria have been properly resolved within the time period.
- 2.4.14. If the Service Provider has resolved all outstanding Milestone Criteria to the Authority's satisfaction within the time period set out in paragraph 2.4.12, The Authority shall endorse the Qualified Compliance Certificate issued pursuant to paragraph 2.4.3.2 with the word "Compliant" and the date of such endorsement. Such Qualified Compliance Certificate shall then be deemed for all purposes to be a Compliance Certificate as if it had been issued as of the date of the Qualified Compliance Certificate.

Consultation process

- 2.4.15. If the Service Provider has failed to comply with all outstanding Transition Milestone Criteria and any Corrective Action Notice(s) within the time period set out in paragraph 2.4.12, the Authority, in its absolute discretion, shall either:
- 2.4.15.1. grant the Service Provider such additional time to satisfy the Transition Milestone Criteria as The Authority in its absolute discretion may decide, subject to such additional or amended requirements as the Authority considers in its absolute discretion to be appropriate, whereupon

the Qualified Compliance Certificate issued pursuant paragraph 2.4.3.2 shall be amended by the Authority to reflect such additional time and the provisions of this paragraph 2.4 shall apply to such Qualified Compliance Certificate as if such additional time had been included in the original time period granted pursuant to paragraph 2.4.12 for resolution of the outstanding Milestone Criteria; or

2.4.15.2. notify the Service Provider in writing:

2.4.15.2.1. that it intends to issue a Non-Compliance Certificate in accordance with paragraph 2.4.16 upon the expiry of twenty eight (28) days (or such longer period as the TfL Director of Customer Experience in his absolute discretion determines in accordance with paragraph 2.4.16.2) from the date of such notification; and

2.4.15.2.2. the name of the TfL Director of Customer Experience to whom the Service Provider may make a representation in writing in relation to the intention referred to in paragraph 2.4.15.2.1 above.

2.4.16. Upon receipt of notification pursuant to paragraph 2.4.15:

2.4.16.1. the Service Provider may within fourteen (14) days (the "**Submission Period**") submit in writing to the TfL Director of Customer Experience such details of the situation which resulted in the notification pursuant to paragraph 2.4.15.2 as it, in its absolute discretion, determines are relevant together with a proposal for resolving the situation; and

2.4.16.2. the TfL Director of Customer Experience shall make himself reasonably available to consult with a member of Service Provider Personnel during a period of fourteen (14) days from the end of the Submission Period or such longer period as the TfL Director of Customer Experience in his absolute discretion determines (the "**Consultation Period**").

2.4.17. Without prejudice to the Authority's other rights and remedies under the Contract, upon expiry of the Consultation Period, the Authority may:

2.4.17.1. endorse the Qualified Compliance Certificate with the word "Compliant" and the date of such endorsement, whereupon such Qualified Compliance Certificate shall be deemed for all purposes to be a Compliance Certificate as if it had been issued as of the date of the Qualified Compliance Certificate;

2.4.17.2. grant such additional time to satisfy the Transition Milestone Criteria as the Authority in its absolute discretion may decide, subject to such additional or amended requirements as the Authority considers in its absolute discretion to be appropriate and the provisions of this paragraph 2.4 shall apply as if such grant of additional time had been made pursuant to paragraph 2.4.15.1; or

2.4.17.3. endorse the Qualified Compliance Certificate with the words "Non-Compliant" and the date of such endorsement, such endorsement having been countersigned by the TfL Director of Customer Experience, whereupon:

2.4.17.3.1. such Qualified Compliance Certificate shall be deemed to be a Non Compliance Certificate as if it had been dated as of the date of the Qualified Compliance Certificate and the provisions of this paragraph 2.4 shall apply accordingly and for the purposes of paragraph 2.4.7 the date of receipt of such Non-Compliance Certificate shall be the date of endorsement pursuant to this paragraph 2.4.17.3; and

2.4.17.3.2. the Service Provider shall not be entitled to the Charges associated with the Transition Milestone and within thirty (30) days of the date of such endorsement the Service Provider shall repay to the Authority all or a proportion of any such payments that the Authority in its absolute discretion shall specify at the date of such endorsement.

2.4.18. Where the Service Provider obtains a Compliance Certificate in accordance with this paragraph 2.4, the Charges associated with that Transition Milestone shall be payable to the Service Provider from the date written by the Authority on the Compliance Certificate.

2.5. Further consequences of not achieving milestones

2.5.1. Without prejudice to other provisions of the Contract, if any of the events in the following table occur, then the consequences associated with the event specified in the table shall apply.

Milestone Event	Milestone consequences
Subject to Clause 50 (Authority Events), the Service Provider does not achieve the Service Commencement Date within 60 days of the originally planned date (“the SCD Long-Stop Date”).	The Authority shall have the right to terminate the Contract in accordance with Clause 34.1.8).
Subject to Clause 50 (Authority Events), the Compliance Certificate for the Final Service Transition Milestone is not achieved prior to nine (9) months (“the Transition Long-Stop Date”).	The Authority shall have the right to terminate the Contract in accordance with Clause 34.1.9.

3. Pre-Transition Phase

3.1. Preparation and Assurance activities

3.1.1. To prepare for Transition and Assure the Authority that the Service Provider has prepared for Transition, the Service Provider shall:

3.1.1.1. carry out the activities defined in the Transition Plans to prepare for Transition and achieve the Transition Milestone Dates set out in the High-Level Transition Plan and/or the Detailed Transition Plan in accordance with the process set out in paragraph 2.4;

3.1.1.2. carry out detailed Transition planning in accordance with paragraph 3.2 and the High-Level Transition Plan;

3.1.1.3. demonstrate, within the proposed Transition Plans, that relevant and sequential milestones have been set that provide on-going Assurance to the Authority as to the quality and completeness of the Transition Plans and the Service Provider’s delivery against such plans;