

Schedule 2

Agreement details

Unit 8

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1 Bus Unit

- 1.1 The name of the Bus Unit is Unit 8 - Newlands.
- 1.2 This Partnering Contract is a Directly Appointed Unit.
- 1.3 Appendix 1 (Bus Unit Route specifications) to this Schedule 2 (Agreement details) sets out further detail on each Route, including Route variants, and signage requirements.
- 1.4 Appendix 2 (Bus Unit Timetable) to this Schedule 2 (Agreement details) sets out the Bus Unit Timetable for Public Routes and School Routes in respect of this Bus Unit including information on timing points, Timetabled Service Connections, Bus Stops, Vehicle Size Classification and valid days of operation for each Scheduled Service on a Route.
- 1.5 Appendix 3 (Route directions: Public Routes) to this Schedule 2 (Agreement details) describes the directions that must be followed in delivering Scheduled Services on a Public Route.
- 1.6 Appendix 4 (Route directions: School Routes) to this Schedule 2 (Agreement details) describes the directions that must be followed in delivering Scheduled Services on a School Route.
- 1.7 Appendix 5 (Bus Unit termini, Facilities and layover spaces) to this Schedule 2 (Agreement details) provides information on Bus Unit termini, Facilities, and layover spaces.
- 1.8 Appendix 6 (Base Service Fee Table) to this Schedule 2 (Agreement details) sets out the Base Service Fee payable by GWRC in accordance with this Partnering Contract.
- 1.9 Appendix 7 (Special Event Services Rates) to this Schedule 2 (Agreement details) sets out the rates payable by GWRC in connection with Special Event Services provided by the Operator in accordance with this Partnering Contract.
- 1.10 Appendix 8 (Net Financial Impact) to this Schedule 2 (Agreement details) sets out rates relevant to the calculation of any Net Financial Impact.
- 1.11 Appendix 9 (Insurance Policy) to this Schedule 2 (Agreement details) contains requirements relating to the insurance policies to be taken out by the Operator.
- 1.12 Appendix 10 (Not used) to this Schedule 2 (Agreement details) is not used.
- 1.13 Appendix 11 (Transferring Vehicles) to this Schedule 2 (Agreement details) contains information related to those Vehicles which are Transferring Vehicles.
- 1.14 Appendix 12 (Scheduled Services excluded from Punctuality KPI and/or Reliability KPI) specifies those Scheduled Services that are excluded from either or both of the Punctuality KPI and the Reliability KPI (if any). ***[Note to tenderers - this is only applicable in respect of those Bus Units which contain Scheduled Services which will be excluded from the Punctuality KPI and/or Reliability KPI. These services***

will be indicated in Appendix 12 of Schedule 2 on a unit-specific basis. It is expected that this will only be relevant for a few routes]

- 1.15 Appendix 13 (Emission Profile) contains the agreed profile for engine types across the fleet of Vehicles.
- 1.16 To the extent of any inconsistency or conflict between any provision of Appendices 1, 3 or 4 of this Schedule 2 and the Bus Unit Timetable, the Bus Unit Timetable shall prevail and take precedence over Appendices 1, 3 or 4 (as applicable).

2 Addresses for notices

2.1 The Parties' addresses for notices are:

GWRC	
Postal address	[insert]
Physical address	[insert]
Email	[insert]
Operator	
Postal address	[insert]
Physical address	[insert]
Email	[insert]

3 Operator's Key Personnel

3.1 The Operator's Key Personnel at the date of this Partnering Contract are:

Name of Key Personnel	Position description	Contact Details
<i>[insert details of Authorised Representative consistent with the details to be inserted in paragraph 4 below]</i>	Authorised Representative	<i>[insert details of Authorised Representative consistent with the details to be inserted in paragraph 4 below]</i>
[insert]	[insert]	[insert]
[insert]		

4 Authorised Representatives

4.1 The Parties' Authorised Representatives at the date of this Partnering Contract are:

Party	Name of Authorised Representative	Contact details
GWRC	[GW to insert]	[GW to insert]
Operator	[insert]	[insert]

5 Associated Bundled Partnering Contracts

5.1 The following contracts are "Associated Bundled Partnering Contracts":

[Note to Tenderers - where a Tenderer or a Related Company of the Tenderer has been awarded multiple bus partnering contracts on the basis of a "bundled" Tender, all of the other partnering contracts (i.e. not including this Partnering Contract) included in that "bundle" will be listed in the definition of Associated Bundled Partnering Contract for the purposes of the cross-default Termination Event set out at clause 47.4.19]

6 Associated Partnering Contracts

6.1 The following contracts are "Associated Partnering Contracts":

[Note to Tenderers - where a Tenderer or a Related Company of the Tenderer has been awarded multiple bus partnering contracts (whether bundled or un-bundled), all of the other partnering contracts will be listed in the definition of Associated Partnering Contract (i.e. this will include the "Associated Bundled Partnering Contracts" but will not include this Partnering Contract) for the purposes of clauses 10.7.2, 10.16, 10.17.3 and its other uses in this Partnering Contract.]

7 RTPI Equipment

7.1 RTPI Equipment means the following equipment, systems and items:

[Insert details (including quantities) of equipment to be provided by GWRC to the Operator - note that AVL Unit and User Workstation are both defined terms in Schedule 1 (Definitions and interpretation) and can be used here if appropriate.]

8 Ticketing Equipment & Operator Ticketing Equipment

8.1 Ticketing Equipment means the following equipment, systems and items:

[Insert details (including quantities) of ticketing equipment to be provided by GWRC to the Operator]

8.2 Operator Ticketing Equipment means the following equipment, systems and items:

[Insert details (including quantities) of Operator Ticketing Equipment. This is a subset of Ticketing Equipment for which the Operator will be responsible (including the on-board consoles)]

9 Peak Vehicle Requirement

9.1 The Peak Vehicle Requirement is [Drafting note - insert number. This will be the PVR tendered by the successful tenderer for the first year of the term (i.e. the PVR figure in cell H181 of the unit tabs of returnable Part 4)], as may be amended in accordance with Schedule 14 (Change Events and Net Financial Impact) and Annexure 1 (Timetable Change Process).

10 Key Subcontractors

10.1 Each of the following persons is a "Key Subcontractor":

Name	Role
[Note to Tenderers - this table will list out all of those subcontractors which are party to a Key Subcontract (i.e. any subcontractor which will provide Scheduled Services or Special Event Services on any Route).]	

11 Key dates

11.1 The table below sets out some of the key dates and associated actions contemplated by this Partnering Contract. This table is provided for information and ease of reference only. In the event of any conflict or inconsistency between the table (on the one hand) and any other provision of this Partnering Contract or any other Transaction Documents (on the other hand), that other provision shall prevail.

[Note to Tenderers - this table will be populated before contract signature]

Reference	Key date	Associated clause
Anticipated Commencement Date	[insert]	Definition of Commencement Date [This is the date on which GWRC expects Services will commence. This will be one day after the Initial Conditions Precedent Date for

		<i>Satisfaction]</i>
Initial Conditions Precedent Date for Satisfaction	<i>[insert] [Note to tenderers - this will be set at one day prior to the anticipated Commencement Date (i.e. one day prior to the date GW requires passenger services to commence)]</i>	Definition of Initial Conditions Precedent Date for Satisfaction
Milestone Dates	Refer to Appendix 2 (Milestone Dates) to Schedule 13 (Transition Plan)	Definition of Milestone Date
<i>[insert]</i>		

12 Initial Expiry Date

12.1 The date falling 9 years after the earlier of:

- 12.1.1 the Commencement Date; and
- 12.1.2 the Initial Conditions Precedent Date for Satisfaction.

13 Transferring Depots

13.1 Transferring Depot means:

- 13.1.1 those depot, Vehicle maintenance or Vehicle stabling facilities to be used by the Operator or the Operator Associates in connection with the provision of the Services which are located at the following locations and including any fixtures, fittings, equipment or other items specified in the Depot Acquisition Programme: *[Note to Tenderers - Insert addresses of those depot facilities specifically acquired by the Operator for the purposes of this Partnering Contract after 30 September 2015 and which the Parties have agreed to be Transferring Depots for these purposes. Please see the process in clause 11.2.6 which allows the Depot Acquisition Programme to be updated after signing the Partnering Contract (but as a condition precedent to the Commencement Date) to include details of fixtures, fittings etc which may not be known at the time of tendering];* and

13.1.2 any other depot, Vehicle maintenance or Vehicle stabling facilities to be used by the Operator or the Operator Associates in connection with the provision of the Services which are acquired or developed by, or otherwise made available to, the Operator in accordance with the Depot Acquisition Programme and including any fixtures, fittings, equipment or other items specified in the Depot Acquisition Programme,

excluding the following Depots which may be used by the Operator temporarily while acquiring or developing any other Depot: [*Note to tenderers - insert address of any Depot that will be used on a temporary basis from the Commencement Date.*]

14 Transferring Vehicles

14.1 As at the date of this Partnering Contract, the Parties have agreed that the Vehicles specified in Appendix 11 (*Transferring Vehicles*) of this Schedule 2 (*Agreement details*) shall be Transferring Vehicles.

14.2 Appendix 11 (*Transferring Vehicles*) of this Schedule 2 (*Agreement details*) shall only be amended in accordance with clause 10.9B or otherwise to the extent that GWRC (in its absolute discretion) has provided its prior written agreement to this.

15 Bus Unit specific obligations and rights

15.1 Not used.

16 Depot Acquisition Programme

[*Note to Tenderers- as per the requirements of the Procurement Documents, you are required to propose a Depot Acquisition Programme (please see the note to tenderers in the definition of Depot Acquisition Programme). This must include the specification for any Depots which are Transferring Depots. Once agreed by GWRC, this will then be set out here.*]

17 Timetabled Service Connections

17.1 There are no Timetabled Service Connections in this Bus Unit.

18 Rates for installation of Installation Kits

18.1 The costs of installation of Installation Kits per Vehicle are as follows:

Installation Kit for Ticketing Equipment	\$2,203.15
Installation Kit for RTPI Equipment	\$888.27

19 Approved Transferring Asset Agreements

19.1 The following documents in the version set out at Annexure 21 (*Approved Transferring Asset Agreements*):

[Note to Tenderers - this will set out details of any lease, licence or other arrangement under which a Third Party Transferring Asset is made available for use by the Operator or a Transferring Asset Related Party, the terms of which have been approved by GWRC prior to the date of the Partnering Contract. This will not include any such leases, licences or other arrangements as between a Transferring Asset Related Party and the Operator under which the Third Party Transferring Asset is made available by the Transferring Asset Related Party for use by the Operator. Nor will this include any lease, licence or other arrangement in respect of temporary depots (i.e. depots which will be used on a temporary basis until the permanent depot is established).

Full versions of the documents (in the approved form) will be set out in the Annexure.]

20 Not used

21 Farebox Account

21.1 The Farebox Account is the bank account named "GWRC Farebox Revenue Trust Account" having account number [#] and held by the Operator with the [xxx] bank at the [xxx] branch and any other bank account subsequently opened by the Operator pursuant to clause 39.14. *[Note to Tenderers - Operator will be required to specify a New Zealand registered bank and a local Wellington Branch. Note also the requirement to ensure that the bank is an Approved Bank (see clause 39.14)]*

22 GWRC Account

22.1 The GWRC Account is the bank account named "[insert]" having account number [#] and held by GWRC with the [xxx] bank at the [xxx] branch (or such other bank account as GWRC may notify to the Operator in writing from time to time). *[Note to tenderers - this will include the bank details of GWRC's account]*

23 Joint Insurance Account

23.1 The Joint Insurance Account is the joint bank account in the names of GWRC and the Operator, having account number [#] and held with [bank] at [branch]. *[Note to Tenderers - it is intended that the Joint Insurance Account will be established with an Approved Bank prior to contract signature and the relevant details inserted here.]*

24 Guarantor

[Drafting note - either clause 24.1 or 24.2 will be deleted, depending on whether or not a parent company guarantee will be provided.]

24.1 [The Operator is not required to provide a Parent Company Guarantee and the Guarantor is not applicable to this Partnering Contract.] *[Note to Tenderers - If the*

Operator does not have any holding company or parent company, then a PCG will not be required. Otherwise, this clause 24.1 will be deleted and the name of the Guarantor will be set out below.

24.2 [The Guarantor is *[insert]* and any person which replaces the guarantor as contemplated by clause 47.4.13.]

25 Peak Times and Off Peak Times

25.1 Peak Times means on weekdays (excluding Public Holidays) between 6.30 am and 9.00 am (both inclusive) and between 3.00 pm and 6.30 pm (both inclusive).

25.2 Off Peak Times means:

25.2.1 on weekdays (excluding Public Holidays) between 9.01 am and 2.59 pm (both inclusive) and between 6.31 pm and 6.29 am (both inclusive); and

25.2.2 at any time on weekends and Public Holidays.

26 Liability Cap

26.1 The Liability Cap is:

26.1.1 in respect of each Liability Event which occurs on or prior to the last day of the twelfth Relevant Month, \$*[insert GWRC's estimate of the Services Fee payable for the first 12 Relevant Months (without the application of Performance Deductions, Reporting Error Deductions and Fleet Deductions)]*; and

26.1.2 in respect of each Liability Event which occurs on or after the first day of the thirteenth Relevant Month, the aggregate of the Services Fee (without the application of Performance Deductions, Reporting Error Deductions and Fleet Deductions) applying for the 12 Relevant Months immediately prior to the Liability Event occurring.

27 Liquidated Damages

27.1 The Liquidated Damages Rate is *[insert]* (Indexed) per day.

27.2 The Liquidated Damages Cap is 60 calendar days.

28 Performance Bond Amount

28.1 Means:

28.1.1 in respect of the initial Performance Bond provided pursuant to clause 44.1, \$*[insert]*; *[Note to Tenderers - this will be based on [redacted] of the projected Performance Base calculated for the first year of the Partnering Contract]*

28.1.2 in respect of each subsequent Performance Bond, the amount equal to *[redacted]* of the aggregate of the Performance Base which applied to the 12



months preceding the date on which the Performance Bond is required to be provided.

[Drafting note - if one bond is provided across the units, this may require amendment.]

29 Permitted Change of Ownership and Permitted Security Interest

29.1 Permitted Change of Ownership means:

- 29.1.1 [any Change of Ownership as part of an intra-group transfer, restructure or reorganisation of the group of companies of which a Shareholder is a member as at the date of this Partnering Contract and there is no resulting change in ultimate beneficial shareholding;
- 29.1.2 in the case of a Change of Ownership in the Operator only, any Change of Ownership where the transferee is an existing Shareholder as at the date of this Partnering Contract;
- 29.1.3 any Change of Ownership where the transferee is a corporate or unincorporated fund managed by, or under common management or Control with, the transferor; or
- 29.1.4 if the Guarantor (if applicable) is listed on a stock exchange, any Change of Ownership in the Guarantor which occurs due to the acquisition of a relevant interest (as defined in sections 235 to 237 of the Financial Markets Conduct Act 2013) in 20 per cent or less of the voting securities of the Guarantor.] *[Note to tenderers - this clause will be tailored to individual Operator requirements as agreed with GWRC, noting that Operators will have different requirements due to specific corporate structure issues.]*

29.2 Permitted Security Interest means:

- 29.2.1 *[Note to Tenderers - to be specified at contract close by reference to any charge over the Operator's assets approved by GWRC. In deciding whether or not a security interest is acceptable, GW will have regard to whether the security interest would impact the Operator's ability to provide the services, GWRC's rights or the ability to transfer Transferring Assets at the end of the term.]*

Appendix 1: Bus Unit Route specifications

Unit overview

- 1.1 This Bus Unit covers the northern Wellington suburbs of Newlands, Woodridge, Paparangi and Johnsonville. This Bus Unit consists of:
 - 1.1.1 a medium frequency service (Route 52) connecting Wellington with Newlands, Woodridge, Paparangi and Johnsonville;
 - 1.1.2 at peak times targeted commuter services (Routes 56, 57 and 58) provide additional coverage, capacity and travel options; and
 - 1.1.3 one School Route.
- 1.2 Under the Wellington Regional Public Transport Plan 2014:
 - 1.2.1 Route 52 is defined as a Local Route; and
 - 1.2.2 all other Routes within this Bus Unit are defined as Targeted Routes.
- 1.3 The Public Routes for this Bus Unit are Routes:
 - 1.3.1 52 Newlands, Woodridge & Paparangi;
 - 1.3.2 56 Paparangi;
 - 1.3.3 57 Woodridge; and
 - 1.3.4 58 Newlands.
- 1.4 **Route variants**
 - 1.4.1 A Route consists of one main journey pattern, but some Routes have variants from the main journey pattern designed to target specific locations and demand. These variants follow broadly the same journey pattern as the main Route but may be, for example, a shortened version that only runs during peak hours. These variants to the main Route are referred to as "**Route variants**" and are indicated in the Bus Unit Timetable.
 - 1.4.2 Note: if a Route has only one journey pattern, for consistency, this will still be referred to as a Route variant in the Bus Unit Timetable.
- 1.5 **Valid Day Codes**
 - 1.5.1 "**Valid Day Codes**" means repeating patterns of days on which a Scheduled Service shall operate. These codes are provided to inform the Operator of the days on which the Operator shall provide Scheduled Services for Routes and Route variants. Table 1 – Valid Day Codes lists and describes the Valid Day Codes for Routes in this Bus Unit. The Valid Day Codes for each Route are specified in the Bus Unit Timetables.

Table 1 – Valid Day Codes

Valid Day Code	Description
F-XHol	Friday - except Public Holidays
MTuWThF-Sch	Weekdays - school days only
MTuWThF-XHol	Weekdays - except Public Holidays
MTuWThF-XSch	Weekdays - school holidays only
MWThF-Sch	Monday Wednesday Thursday Friday - school days only
Sa	Saturday
Su+Hol	Sunday and Public Holidays
Tu-Sch	Tuesday - school days only

1.5.2 Note that school days and school holidays are as published by the New Zealand Ministry of Education.

1.6 Destination signage

1.6.1 The Operator must display on the bus destination front and side displays the Route number, one primary destination and secondary destinations unless otherwise agreed by GWRC. Secondary destination information may be alternated.

1.6.2 Example of display for:

- 1 primary destination;
- 2/3 secondary destination and alternate destination:

¹ Primary Info ^{2/3} Secondary Info	210
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1.6.3 Information on the destination displays which the Operator must display for each Route and Route variant in this Bus Unit can be found in Table 2 - *Routes, Route variants and service details* of this Appendix 1. The After-Midnight Route and School Route Scheduled Services may have more than one destination.

1.6.4 In respect of the secondary destination and alternate destination, if a Vehicle’s destination displays:

- (a) do not have an alternating text function, the secondary destination should display the information set out in the column entitled "Secondary destination information (without alternating text function)";

- (b) do have an alternating text function, the secondary destination should alternate between the information set out in the column entitled "Secondary destination information (with alternating text function)" and "Alternate destination information",

of Table 2 - *Routes, Route variants and service details* of this Appendix 1.

- 1.6.5 Unless a Vehicle is delivering, or about to commence delivering, a Scheduled Service or a Special Event Service, the displays should read "Not In Service" as the destination and "NIS" as the Route number.

Table 2 - Routes, Route variants and service details

Route	Route type	Service type	Non-standard operational component	Variant		Destination display				
						Primary line	Secondary destination information (without alternating text function)	Secondary destination information (with alternating text function)	Alternate destination information	Route number display
52	Public	Local		1	Johnsonville - Newlands - Courtenay Place	Courtenay Place	via Newlands, Wgtn Stn	via Newlands, Wgtn Stn		52
				2	Courtenay Place - Newlands - Johnsonville	Johnsonville	via Wgtn Stn, Newlands	via Wgtn Stn, Newlands		52
				3	St Brigid's School - Johnsonville - Newlands - Courtenay Place (school extn)	Courtenay Place	via Newlands, Wgtn Stn	via Newlands, Wgtn Stn		52
				4	Courtenay Place - Newlands - Johnsonville - St Brigid's School (school extn)	Johnsonville/SB Sch	via Newlands, St Brigid's	via Wgtn Stn, Newlands	St Brigid's Sch	52
				5	Basin Reserve - Courtenay Place - Newlands - Johnsonville (school extn)	Johnsonville	via Wgtn Stn, Newlands	via Wgtn Stn, Newlands		52
56	Public	Targeted		1	Johnsonville - Paparangi - Courtenay Place	Courtenay Place	via Paparangi, Wgtn Stn	via Paparangi, Wgtn Stn		56
				2	Courtenay Place - Paparangi - Johnsonville	Johnsonville	via Wgtn Stn, Paparangi	via Wgtn Stn, Paparangi		56
57	Public	Targeted		1	Woodridge - Courtenay Place	Courtenay Place	via Newlands Rd, Wgtn Stn	via Newlands Rd, Wgtn Stn		57
				2	Courtenay Place - Woodridge	Woodridge	via Wgtn Stn, Newlands Rd	via Wgtn Stn, Newlands Rd		57
58	Public	Targeted		1	Newlands - Courtenay Place	Courtenay Place	via Newlands Rd, Wgtn Stn	via Newlands Rd, Wgtn Stn		58
				2	Courtenay Place - Newlands	Newlands	via Wgtn Stn, Baylands Dr	via Wgtn Stn, Baylands Dr		58
630	School	Targeted		1	Newlands College & Intermediate School - Johnsonville - Courtenay Place	Courtenay Place	via Johnsonville	via Johnsonville		630

Appendix 2: Bus Unit Timetable

- 1 The Bus Unit Timetables for Public Routes and School Routes are in the attached Excel files initialled by the Parties and dated with the date of this Partnering Contract.
- 2 The Bus Unit Timetables for Public Routes are divided into:
 - 2.1 Unit 08 - Newlands - Public Route 52, 56, 57, 58 timetable; and
 - 2.2 Unit 08 - Newlands - School Route timetables.

Special Timetables

Public holidays

- 3 A Sunday timetable will run on all Public Holidays (observed and actual dates), unless the actual date of the Public Holiday falls on a Saturday, then a Saturday timetable will run that day and a Sunday timetable will run on the observed date. The exception to this is Christmas Day where a Sunday timetable will run on all dates, both observed and actual.
- 4 Routes with no weekend timetable will not run on Public Holidays (observed or actual dates).
- 5 Routes with a Saturday-only weekend timetable will not run on Public Holidays (observed and actual dates). The exception to this is if the actual date falls on a Saturday, then a Saturday timetable will run that day but no service will run on the observed date. These Routes will not run on Christmas Day, even if it falls on a Saturday.
- 6 The Public Holiday timetable requirements are set out in Table 3 - *Public Holiday Timetable requirements*.

Table 3 - Public Holiday timetable requirements

Public Holiday	Actual date	Timetable if actual date does not fall on Saturday	Timetable if actual date falls on Saturday	Timetable for observed date
New Year's Day	1 January	Sunday	Saturday	Sunday
Day after New Year's Day	2 January	Sunday	Saturday	Sunday
Wellington Anniversary Day	Monday closest to 22 January	Sunday	N/A	Sunday
Waitangi Day	6 February	Sunday	Saturday	Sunday
Good Friday	Varies	Sunday	N/A	Sunday
Easter Monday	Varies	Sunday	N/A	Sunday

ANZAC Day	25 April	Sunday	Saturday	Sunday
Queen's Birthday	1st Monday in June	Sunday	N/A	Sunday
Labour Day	4th Monday in October	Sunday	N/A	Sunday
Christmas Day	25 December	Sunday	Sunday	Sunday
Boxing Day	26 December	Sunday	Saturday	Sunday

Christmas Timetable

- 7 A Christmas Timetable will run from Christmas Day to the day after New Year's Day (actual and observed dates). The normal timetable will resume on the first Business Day after New Year's Day (observed date).
- 8 For this Bus Unit, Business Days between Christmas Day and New Year's Day will run a Saturday timetable. However, if a Route does not have a Saturday timetable it will not run on these days.

After-Midnight Routes on Public Holidays

- 9 After-Midnight Routes run on the following Public Holidays only:
 - 9.1 the morning of 1 January; and
 - 9.2 the mornings of 2 January and 6 February (Waitangi Day), if the actual days fall on either a Saturday or a Sunday.
- 10 After-Midnight Routes do not run on the following days or Public Holidays:
 - 10.1 the morning of the Saturday of Easter weekend;
 - 10.2 the morning of ANZAC Day 25 April (actual);
 - 10.3 the morning of Christmas Day December 25 (actual); and
 - 10.4 the morning of Boxing Day December 26 (actual).

Daylight Savings changeover

- 11 Daylight saving commences on the last Sunday in September, when 2.00am becomes 3.00am. It ends on the first Sunday in April, when 3.00am becomes 2.00am. After-Midnight Routes have special operational requirements specific to these evenings which are specified in the Bus Unit Timetable.
- 12 There are no Routes in this Bus Unit affected by daylight savings changeover.

Appendix 3: Route directions: Public Routes

- 1 In this Appendix 3:
 - 1.1 Route information in square brackets, e.g. **[6000 Wellington Station – Stop A]**, indicates a Bus Stop that is designated as an Origin, Destination or Intermediate Timing Point. All other Bus Stops are set out in the Bus Unit Timetable.
 - 1.2 The character '(L)' means that the Vehicle must turn left onto the following named street.
 - 1.3 The character '(R)' means that the Vehicle must turn right onto the following named street.

Non-standard Route operations

- 2 Scheduled Services in some PTOM Units may have non-standard operations as listed in paragraph 3 of this Appendix 3. For example, where a Route or part of a Route operates an Express Segment or an On Request Segment. A Scheduled Service with standard operation services all Bus Stops on a given Route in accordance with the Bus Unit Timetable.
- 3 No Routes or Route variants in this Bus Unit vary from standard operation in their delivery.
- 4 Delivery of Scheduled Services that include these non-standard operations is described in paragraph 3.2 of Schedule 3 (*Passenger Services*).

Route directions

- 5 Where a Bus Stop code is indicated as '[PROXXXX/RESXXXX]' it is not yet operational but will be prior to the Commencement Date.

Route 52 (Inbound): Johnsonville – Newlands - Wellington

Route variant 1: Johnsonville – Newlands - Courtenay Place

[3000 Johnsonville Station – Stop A] (R) Moorefield Road, (R) Helston Road **[3510 Helston Road (near 201)]**, Bracken Road, (L) Horokiwi Road West, (L) Woodridge Drive, (L) Kentwood Drive **[3710 Woodridge - Kentwood Drive (near 57)]**, (R) Cedarwood Street, (R) Woodridge Drive, (R) Horokiwi Road West, (L) Baylands Drive **[3760 Baylands Drive (near 82)]**, (L) Somes Crescent, (L) Baylands Drive, (L) Kenmore Street, (R) Glanmire Road, (R) Link Road, (L) Kenmore Street, (L) Newlands Road **[3540 Newlands Park]**, (L) Centennial Highway, (R) Hutt Road **[5486 Kaiwharawhara - Westminster Street]**, Thorndon Quay, (R) Lambton Quay **[5500 Wellington Station – Stop C]**, (L) Hunter Street, (R) Customhouse Quay, Willis Street, (L) Manners Street, Courtenay Place **[5516 Courtenay Place at Blair Street]**

Route variant 3: St Brigid's School – Johnsonville - Newlands - Courtenay Place (school extn)

[3008 St Brigids School - Phillip Street (school stop)], (L) Broderick Road, (L) Gothic Street [3000 Johnsonville Station – Stop A] (R) Moorefield Road, (R) Helston Road [3510 Helston Road (near 201)], Bracken Road, (L) Horokiwi Road West, (L) Woodridge Drive, (L) Kentwood Drive [3710 Woodridge - Kentwood Drive (near 57)], (R) Cedarwood Street, (R) Woodridge Drive, (R) Horokiwi Road West, (L) Baylands Drive [3760 Baylands Drive (near 82)], (L) Somes Crescent, (L) Baylands Drive, (L) Kenmore Street, (R) Glanmire Road, (R) Link Road, (L) Kenmore Street, (L) Newlands Road [3540 Newlands Park], (L) Centennial Highway, (R) Hutt Road [5486 Kaiwharawhara - Westminster Street], Thorndon Quay, (R) Lambton Quay [5500 Wellington Station – Stop C], (L) Hunter Street, (R) Customhouse Quay, Willis Street, (L) Manners Street, Courtenay Place [5516 Courtenay Place at Blair Street]

Route 52 (Outbound): Wellington – Newlands - Johnsonville

Route variant 2: Courtenay Place –Newlands - Johnsonville

[5000 Courtenay Place – Paramount], Manners Street, (R) Willis Street, (L) Lambton Quay [5016 Wellington Station – Stop D], Thorndon Quay, Hutt Road [5028 Kaiwharawhara – Fore Street], (L) Centennial Highway, (R) Newlands Road [3608 Newlands Park (Northpac Timber)], (R) Kenmore Street, (R) Link Road, (L) Glanmire Road, (L) Kenmore Street, (R) Baylands Drive, (R) Somes Crescent, (R) Baylands Drive [3534 Baylands Drive (near 81)], (R) Horokiwi Road West, (L) Woodridge Drive, (L) Kentwood Drive [3754 Kentwood Drive (near 14)], (R) Cedarwood Street, (R) Woodridge Drive, (R) Horokiwi Road West, (R) Bracken Road, Helston Road [3614 Helston Road (near 202)], (L) Moorefield Road, Johnsonville Road, (R) Broderick Road, (R) Gothic Street [3000 Johnsonville Station – Stop A]

Route variant 4: Courtenay Place – Newlands - Johnsonville - St Brigid’s School (school extn)

[5000 Courtenay Place – Paramount], Manners Street, (R) Willis Street, (L) Lambton Quay [5016 Wellington Station – Stop D], Thorndon Quay, Hutt Road [5028 Kaiwharawhara – Fore Street], (L) Centennial Highway, (R) Newlands Road [3608 Newlands Park (Northpac Timber)], (R) Kenmore Street, (R) Link Road, (L) Glanmire Road, (L) Kenmore Street, (R) Baylands Drive, (R) Somes Crescent, (R) Baylands Drive [3534 Baylands drive (near 81)], (R) Horokiwi Road West, (L) Woodridge Drive, (L) Kentwood Drive [3754 Kentwood Drive (near 14)], (R) Cedarwood Street, (R) Woodridge Drive, (R) Horokiwi Road West, (R) Bracken Road, Helston Road [3614 Helston Road (near 202)], (L) Moorefield Road, Johnsonville Road, (R) Broderick Road, (R) Gothic Street [3000 Johnsonville Station – Stop A], (R) Moorefield Road, (L) Frankmoore Avenue, (L) Philip Street [3008 St Brigid’s School - Phillip Street (school stop)]

Route variant 5: Basin Reserve – Courtenay Place – Newlands - Johnsonville (school extn)

[6010 Basin Reserve (school stop)], (R) Rugby Street, (R) Sussex Street, (R) Buckle Street, (L) Cambridge Terrace, (L) Courtenay Place [5000 Courtenay Place – Paramount], Manners Street, (R) Willis Street, (L) Lambton Quay [5016 Wellington Station – Stop D], Thorndon Quay, Hutt Road [5028 Kaiwharawhara – Fore Street], (L) Centennial Highway, (R) Newlands Road [3608 Newlands Park (Northpac Timber)], (R) Kenmore Street, (R) Link Road, (L) Glanmire Road, (L) Kenmore Street, (R) Baylands Drive, (R) Somes Crescent, (R) Baylands Drive [3534 Baylands drive (near 81)], (R) Horokiwi Road West, (L) Woodridge Drive, (L) Kentwood Drive [3754 Kentwood Drive (near 14)], (R)

Cedarwood Street, (R) Woodridge Drive, (R) Horokiwi Road West, (R) Bracken Road, Helston Road [3614 Helston Road (near 202)], (L) Moorefield Road, Johnsonville Road, (R) Broderick Road, (R) Gothic Street [3000 Johnsonville Station – Stop A]

Route 56 (Inbound): Johnsonville – Paparangi - Wellington

Route variant 1

[3000 Johnsonville Station – Stop A] (R) Moorefield Road, (R) Helston Road [3510 Helston Road (near 201)], Bracken Road, (R) Newlands Road [3540 Newlands Park], (L) Centennial Highway, (R) Hutt Road [5486 Kaiwharawhara - Westminster Street], Thorndon Quay, (R) Lambton Quay [5500 Wellington Station – Stop C], (L) Hunter Street, (R) Customhouse Quay, Willis Street, (L) Manners Street, Courtenay Place [5516 Courtenay Place at Blair Street]

Route 56 (Outbound): Wellington - Paparangi - Johnsonville

Route variant 2

[5000 Courtenay Place – Paramount], Manners Street, (R) Willis Street, (L) Lambton Quay [Wellington Station – Stop D], Thorndon Quay, Hutt Road [5028 Kaiwharawhara – Fore Street], (L) Centennial Highway, (R) Newlands Road [3608 Newlands Park (Northpac Timber)], (L) Bracken Road, Helston Road [3614 Helston Road (near 202)], (L) Moorefield Road, Johnsonville Road, (R) Broderick Road, (R) Gothic Street [3000 Johnsonville Station – Stop A]

Route 57 (Inbound): Woodridge - Wellington

Route variant 1

[3710 Woodridge - Kentwood Drive (near 57)] Kentwood Drive, (R) Woodridge Drive, (R) Horokiwi Road West, Newlands Road [3540 Newlands Park], (L) Centennial Highway, (R) Hutt Road [5486 Kaiwharawhara - Westminster Street], Thorndon Quay, (R) Lambton Quay [5500 Wellington Station – Stop C], (L) Hunter Street, (R) Customhouse Quay, Willis Street, (L) Manners Street, Courtenay Place [5516 Courtenay Place at Blair Street]

Route 57: Wellington - Woodridge

Route variant 2

[5000 Courtenay Place – Paramount], Manners Street, (R) Willis Street, (L) Lambton Quay [Wellington Station – Stop D], Thorndon Quay, Hutt Road [5028 Kaiwharawhara – Fore Street], (L) Centennial Highway, (R) Newlands Road [3608 Newlands Park (Northpac Timber)], Horokiwi Road West, (L) Cedarwood Street, (L) Kentwood Drive [3745 Kentwood Drive (near 14)]

Route 58 (Inbound): Newlands - Wellington

Route variant 1

[3760 Baylands Drive (near 82)] Baylands Drive, (L) Somes Crescent, (L) Baylands Drive, (L) Kenmore Street, (R) Glanmire Road, (R) Link Road, (L) Kenmore Street, (L) Newlands Road [3540 Newlands Park], (L) Centennial Highway, (R) Hutt Road [5486 Kaiwharawhara - Westminster Street],

Thorndon Quay, (R) Lambton Quay **[5500 Wellington Station – Stop C]**, (L) Hunter Street, (R) Customhouse Quay, Willis Street, (L) Manners Street, Courtenay Place **[5516 Courtenay Place at Blair Street]**

Route 58 (Outbound): Wellington - Newlands

Route variant 2

[5000 Courtenay Place – Paramount], Manners Street, (R) Willis Street, (L) Lambton Quay **[5016 Wellington Station – Stop D]**, Thorndon Quay, Hutt Road **[5028 Kaiwharawhara – Fore Street]**, (L) Centennial Highway, (R) Newlands Road **[3608 Newlands Park (Northpac Timber)]**, (R) Kenmore Street, (R) Link Road, (L) Glanmire Road, (L) Kenmore Street, (R) Baylands Drive, (R) Somes Crescent, (R) Baylands Drive **[3534 Baylands Drive (near 81)]**

Appendix 4: Route directions: School Routes

- 1 In this Appendix 4:
 - 1.1 Route information in square brackets, e.g. **[6000 Wellington Station – Stop A]**, indicates a Bus Stop that is designated as an Origin, Destination or Intermediate Timing Point. All other Bus Stops are specified in the Route Bus Stops table in the attached Word files initialled by the Parties and dated with the date of this Partnering Contract.
 - 1.2 The character '(L)' means that the Vehicle must turn left onto the following named street.
 - 1.3 The character '(R)' means that the Vehicle must turn right onto the following named street.

Unless specified otherwise in the Bus Unit Timetable, the Scheduled Services on School Routes must operate on all days which are school days for the schools on those Scheduled Services.

Non-standard Route operations

- 2 Scheduled Services in some PTOM Units may have non-standard operations as listed in paragraph 3 of this Appendix 4. For example, where a Route or part of a Route operates an Express Segment or an On Request Segment. A Scheduled Service with standard operation services all Bus Stops on a given Route in accordance with the Bus Unit Timetable.
- 3 No Routes or Route variants in this Bus Unit vary from standard operation in their delivery.
- 4 Delivery of Scheduled Services that include these non-standard operations is described in paragraph 3.2 of Schedule 3 (Passenger Services).

Route directions

- 5 Where a Bus Stop code is indicated as '[PROXXXX/RESXXXX]' it is not yet operational but will be prior to the Commencement Date.

Route 630 (Outbound): Newlands College & Intermediate School - Johnsonville - Wellington

Route variant 1

[3414 Newlands College - Bracken Road (opposite)] Bracken Road, Helston Road, (L) Moorefield Road, (R) Moorefield Road, (L) Hawea Street, Johnsonville Station – Stop A, Gothic Street, (L) Broderick Road, (R) Johnsonville Road, Centennial Highway (SH1), (R) Hutt Road, Thorndon Quay, (R) Lambton Quay (Wellington Station – Stop C), (L) Hunter Street, (R) Customhouse Quay, Willis Street, (L) Manners Street, Courtenay Place **[5516 Courtenay Place at Blair Street]**

Schools: Newlands College
Newlands Intermediate School

Appendix 5: Bus Unit termini, Facilities and layover spaces

Bus Unit termini, Facilities and layovers

- 1 The first and last Bus Stops on Routes (known as bus termini) may be available as layover areas for Vehicles that are between arriving and departing Scheduled Services if:
 - 1.1 the terminus is indicated as “Yes” in the column entitled “Layover at Terminus”;
 - 1.2 this Bus Unit is listed in the column entitled “Terminus Use”; and
 - 1.3 not otherwise restricted by the restrictions listed in the column entitled “Restrictions”,

in Table 4 - *Bus Unit termini and layover restrictions*, except where this could block access to the Bus Stop for other in-service buses, or obstruct general traffic.
- 2 Bus termini are not to be used for extended parking for Vehicles while not providing Scheduled Services.
- 3 Vehicles arriving at a terminus which is available as a layover area (as specified in paragraph 1 of this Appendix 5) may layover only for the maximum layover minutes as specified in Table 4 - *Bus Unit termini and layover use and restrictions* while they wait for their next Scheduled Service that will begin from the same terminus.
- 4 The Operator must ensure Vehicles at a terminus comply with the Operator’s bus idling policy in accordance with Schedule 9 (*Facilities Protocol*).

Table 4 – Bus Unit termini and layover use and restrictions

Terminus – Bus Stop number and name	Layover at Terminus	Terminus Use	Restrictions	Maximum layover minutes
[3000] Johnsonville Station - Stop A	No	Unit 1; 3; 4; 8; 18;		0
[3414] Newlands College - Bracken Road (opposite)	No	Unit 1; 8;		0
[3534] Baylands Drive (near 81)	Yes	Exclusive		10
[3710] Woodridge - Kentwood Drive (near 57)	Yes	Exclusive		10
[3754] Kentwood Drive (near 14)	Yes	Exclusive		10
[3760] Baylands Drive (near 82)	Yes	Exclusive		10
[5000] Courtenay Place – Paramount	Yes	Unit 1, 4, 8, 10, 11, 12, 13, 18	After-Midnights Routes only	20
[5516] Courtenay Place at Blair Street	No	Unit 1; 3; 4; 5; 8; 12; 18;		0

Facilities

- 5 The Operator must ensure that all Vehicles use the platforms and layovers at Interchanges in accordance with the allocation set out in the applicable Platform and Layover Allocation Map.
- 6 GWRC may notify the Operator in writing from time to time of any facilities that will be treated as Facilities for the purposes of this Partnering Contract.

Parking available for this Unit is as described in the Platform and Layover Allocation map provided to the Operator by GWRC from time to time.

Layover spaces (which are not at termini)

- 7 Layover spaces may be made available for Vehicle parking by the relevant road controlling authority. Without limiting clause 13.3, if layover spaces existing as at the date of this Partnering Contract are no longer available at any point during the Term, GWRC will work with the Operator to request that the relevant road controlling authority permits use of other suitable layover spaces.
- 8 Layover spaces may be used by the Operator only in accordance with, and during the hours which are permitted by, parking restrictions and traffic resolutions by the relevant road controlling authority.

Appendix 6: Base Service Fee Table

[*Note to tenderers - this will be populated based on the successful tenderer's tender.*]

The Parties acknowledge and agree that the amounts set out in this Appendix 6 shall not be Indexed in accordance with clause 34.2 (*Amounts to be Indexed*) (other than for the purposes of the definition of Performance Base).

In the event that the Commencement Date is before 1 July 2018 the Base Service Fee for the 2018/19 Period will also apply for the 2017/18 Period.

Period	Base Service Fee
2018/19	[insert]
2019/20	[insert]
2020/21	[insert]
2021/22	[insert]
2022/23	[insert]
2023/24	[insert]
2024/25	[insert]
2025/26	[insert]
2026/27	[insert]
2027/28	[insert]

Appendix 7: Special Event Services Rates

[Note to tenderers - this will be populated based on the successful tenderer's tender.]

The Parties acknowledge and agree that the amounts set out in this Appendix 7 shall be Indexed in accordance with clause 34.2 (*Amounts to be Indexed*).

Metric	Amount (\$)			
	Small Vehicle	Medium Vehicle	Large Vehicle	Double Decker
<i>Rate_{km}</i>	[insert]	[insert]	[insert]	[insert]
<i>Rate_{hr}</i>	[insert]			

Appendix 8: Net Financial Impact

[Note to tenderers - this will be populated based on the successful tenderer's tender.]

Subject to paragraph 7.5 of Schedule 6 (*Financial and Performance Regime*), the Parties acknowledge and agree that the amounts set out in this Appendix 8 shall not be Indexed in accordance with clause 34.2 (*Amounts to be Indexed*).

Metric	Amount			
	Small Vehicle	Medium Vehicle	Large Vehicle	Double Decker
PVR Variation Rate	[insert]	[insert]	[insert]	[insert]
Service Kilometres Rate	[insert]	[insert]	[insert]	[insert]
Service Hours Rate	[insert]			
Margin	■			



Appendix 9: Insurance Policy

No.	Policy	Reference	Value (at the date of this Partnering Contract) [<i>Note to tenderers - values to be specified by GWRC which will be specific to each Bus Unit</i>]
1	[Material Damage Policy]	[Drafting note - to be inserted].	[Drafting note - to be inserted].
2	Public Liability Policy	Minimum limit of liability (to apply in excess of any relevant policy deductible)	\$20,000,000 each and every loss or series of losses arising out of any one event
3	Motor Vehicle Policy	Minimum limit of liability (to apply in excess of any relevant policy deductible)	[insert replacement value] each and every loss or series of losses arising out of any one event.

Appendix 10: Not used

Appendix 11: Transferring Vehicles

Manufacturer	Vehicle Size Classification	Unique identifier	First made available for the provision of Services (date)	Age when first made available for the provision of Services (months)	Capital cost (which amounts shall not be Indexed)
[insert]	[insert]	[insert]	[insert]		[insert]
[insert]	[insert]	[insert]	[insert]		[insert]

Appendix 12: Scheduled Services excluded from Punctuality KPI and/or Reliability KPI

Not used.

Appendix 13: Emission Profile

[Note to tenderers - this will be populated based on the successful tenderer's tender.]

Engine type	Bus size	2017/ 18	2018/ 19	2019/ 20	2020/ 21	2021/ 22	2022/ 23	2023/ 24	2024/ 25	2025/ 26	2026/ 27
Euro III	Small Vehicle	xx									
	Medium Vehicle										
	Large Vehicle										
	Double Decker (2 axle)										
	Double Decker (3 axle)										
Euro IV	Small Vehicle										
	Medium Vehicle										
	Large Vehicle										
	Double Decker (2 axle)										
	Double Decker (3 axle)										
Euro V	Small Vehicle										
	Medium Vehicle										
	Large Vehicle										
	Double Decker (2 axle)										
	Double Decker (3 axle)										
Euro VI	Small Vehicle										
	Medium Vehicle										
	Large Vehicle										
	Double Decker (2 axle)										
	Double Decker (3 axle)										
Micro-hybrid (Euro VI)	Small Vehicle										
	Medium Vehicle										
	Large Vehicle										
	Double Decker (2 axle)										

Engine type	Bus size	2017/ 18	2018/ 19	2019/ 20	2020/ 21	2021/ 22	2022/ 23	2023/ 24	2024/ 25	2025/ 26	2026/ 27
	Double Decker (3 axle)										
Hybrid (Euro V)	Small Vehicle										
	Medium Vehicle										
	Large Vehicle										
	Double Decker (2 axle)										
	Double Decker (3 axle)										
Hybrid (Euro VI)	Small Vehicle										
	Medium Vehicle										
	Large Vehicle										
	Double Decker (2 axle)										
	Double Decker (3 axle)										
Electric	Small Vehicle										
	Medium Vehicle										
	Large Vehicle										
	Double Decker (2 axle)										
	Double Decker (3 axle)										
Natural gas	Small Vehicle										
	Medium Vehicle										
	Large Vehicle										
	Double Decker (2 axle)										
	Double Decker (3 axle)										
Total Vehicles in fleet											

Schedule 3

Passenger Services

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1 Introduction

1.1 This Schedule sets out the required Passenger Services Objectives and Outcomes and the Operator's obligations in regard to the activities to be carried out in the delivery of:

1.1.1 Passenger Operating Services; and

1.1.2 PT Network Project Services.

2 Passenger Services objectives, outcomes and outputs

Objectives and Passenger Services outcomes

2.1 Without prejudice to any other obligation of the Operator or any rights or remedies of GWRC, the Operator shall ensure that the Passenger Services are provided to achieve the following Passenger Services Objectives and Outcomes:

2.1.1 Passenger Operating Services are provided in a manner that enables the Operator to ensure that:

- (a) Scheduled Services and Special Event Services are delivered safely, reliably and punctually in accordance with the Bus Unit Timetable or Special Events Plan (as applicable) and in a manner that encourages patronage growth, maximises payments under Schedule 6 (*Financial and Performance Regime*) and minimises Performance Deductions;
- (b) the Vehicles are always operated in accordance with:
 - (i) the Licence;
 - (ii) Schedule 4 (*Vehicle Quality Standards*); and
 - (iii) all Land Transport Rules including but not limited to Passenger Service Vehicles 1999, Vehicle Dimensions and Mass 2002, and Work Time and Logbooks 2007;
- (c) the Operator complies with its obligations set out at Schedule 9 (*Facilities Protocol*);
- (d) the Operator complies with the Customer Service Standards;
- (e) the Operator complies with its obligations under this Partnering Contract, the other Transaction Documents and the requirements of all applicable Law; and
- (f) fare evasion and Ticket Offences are minimised; and

2.1.2 PT Network Project Services are provided in a manner that ensures:

- (a) the Operator provides an effective contribution to the planning and implementation of PT Network Projects; and

- (b) as little adverse impact as possible from the implementation of the PT Network Projects to the on-time performance of Scheduled Services.
- 2.2 The Operator shall measure its performance against the Passenger Services Objectives and Outcomes by:
 - 2.2.1 measuring the Operator's adherence to the Bus Unit Timetable and its performance as against the Reliability KPI and Punctuality KPI and applying Performance Deductions;
 - 2.2.2 measuring (with GWRC) the Parties' ability to achieve patronage growth and applying the FIM; and
 - 2.2.3 measuring its performance against the Performance Indicators (and, in the applicable circumstances, the Operator will be rewarded through Performance Payments calculated in accordance with paragraph 9 (*Calculation of Performance Payments*) of Schedule 6 (*Financial and Performance Regime*)).

3 Passenger Operating Services

Compliance with Bus Unit Timetable and passenger related obligations

- 3.1 The Operator shall provide the Scheduled Services along each Route (including ensuring that Vehicles travel past each Bus Stop along the relevant Route) in accordance with the Bus Unit Timetable, except to the extent that an Alternative Service is provided in accordance with paragraph 3.4.
- 3.2 Subject to the Conditions of Carriage, the Operator shall:
 - 3.2.1 carry all passengers who wish to use the Scheduled Service;
 - 3.2.2 permit passengers to embark and disembark from the Vehicles at each Bus Stop along the relevant Route;
 - 3.2.3 to the extent that a Passenger Operating Service has an Express Segment, allow passengers who had got on the Vehicle by mistake, to disembark (but not allow passengers to board) at any Bus Stop on such Express Segment despite that Bus Stop not appearing on the Bus Unit Timetable in respect of that Passenger Operating Service only if the passenger wishes to do so. Otherwise, the Vehicle should not stop at any Bus Stops in an Express Segment;
 - 3.2.4 to the extent that a Passenger Operating Service:
 - (a) is a Hail and Ride Service and if it is safe to do so, permit passengers to embark and disembark from the Vehicles at any point along the relevant Route as requested by the passengers;
 - or

- (b) has a Hail and Ride Segment and if it is safe to do so, permit passengers to embark and disembark from the Vehicles at any point along the Hail and Ride Segment as requested by the passengers;
 - 3.2.5 to the extent that a Passenger Operating Service has an On Request Segment, allow passengers to disembark from the Vehicle at any Bus Stop on the relevant On Request Segment of the Route, provided that the passenger has indicated that (and the driver must ask passengers to indicate whether) they wish to disembark in that On Request Segment prior to the relevant Vehicle reaching the point on the relevant Route directions (as set out in Appendix 3 (*Route directions: Public Routes*) or Appendix 4 (*Route directions: School Routes*) to Schedule 2 (*Agreement details*)) at which it would otherwise not have deviated onto that On Request Segment. If no passenger so indicates, the Vehicle does not need to follow the deviation onto that On Request Segment (which deviation is set out in Appendix 3 (*Route Directions: Public Routes*) or Appendix 4 (*Route Directions: School Routes*) of Schedule 2 (*Agreement Details*));
 - 3.2.6 to the extent that a Passenger Operating Service is in respect of a School Route, permit passengers:
 - (a) to embark only at designated Bus Stops, and disembark only at the schools or Timetabled Service Connections on an inbound School Route; and
 - (b) to embark only at the schools or Timetabled Service Connections, and disembark only at designated Bus Stops on an outbound School Route;
 - 3.2.7 to the extent that a Passenger Operating Service is in respect of a School Route, only permit passengers travelling on a child concession fare to use the Passenger Operating Service, unless:
 - (a) GWRC advises, at its sole discretion, that passengers not eligible to travel on a child concession fare can board that Passenger Operating Service; or
 - (b) Appendix 4 (*Route Directions: School Routes*) of Schedule 2 (*Agreement Details*) specifies otherwise; and
 - 3.2.8 comply with all notes and instructions set out in Appendices 3 (*Route directions: Public Routes*) and 4 (*Route directions: School Routes*) of Schedule 2 (*Agreement Details*).
- 3.3 The Operator must ensure that Vehicles providing Scheduled Services:

- 3.3.1 follow the Route directions in Appendix 3 (*Route directions: Public Routes*) or Appendix 4 (*Route directions: School Routes*) (as applicable) of Schedule 2 (*Agreement Details*);
- 3.3.2 display the destination signage set out in Appendix 1 (*Bus Unit Route specifications*) of Schedule 2 (or any other signage notified by GWRC to the Operator in writing) on the front and side facing displays of the Vehicle when the Vehicle is providing or is about to provide Scheduled Services or Special Event Services (otherwise the displays should read "Not In Service" as the destination and "NIS" as the Route number);
- 3.3.3 display the Route number to which the Scheduled Service relates (as set out in Appendix 1 (*Bus Unit Route specifications*) of Schedule 2 (or any other signage notified by GWRC to the Operator in writing)) on the front, side and rear (where fitted) displays when the Vehicle is providing Scheduled Services or is about to provide Scheduled Services (otherwise the display should read 'NIS'); and
- 3.3.4 are of the relevant Vehicle Size Classification specified in Appendix 2 (*Bus Unit Timetable*) of Schedule 2 (*Agreement Details*) (as applicable).

Alternative Services

- 3.4 If the Operator:
 - 3.4.1 is unable, due to any type of Service Disruption, to provide any of the Scheduled Services in accordance with this Partnering Contract, then the Operator shall:
 - (a) immediately notify GWRC and take all required steps to promptly provide Alternative Services, ensuring that such Alternative Services:
 - (i) stop at or as close as possible to each Bus Stop applicable to the Scheduled Service being replaced; and
 - (ii) the times at which the Alternative Services stop and depart from relevant locations correspond as much as possible to the relevant times specified in the Bus Unit Timetable in respect of the Scheduled Service being replaced;
 - (b) follow any reasonable instructions by GWRC in relation to any such Alternative Services; and

- (c) provide GWRC with a revised Working Timetable and updated Run Board data reflecting the Alternative Services as soon as reasonably practicable; and
- 3.4.2 provides an Alternative Service under paragraph 3.4.1 for a period of 5 consecutive days or more, then:
 - (a) the Operator shall, prior to the fifth consecutive day on which Alternative Services are being provided, provide to GWRC a revised Working Timetable and updated Run Board data reflecting the Alternative Service, and such revised Working Timetable and updated Run Board data shall apply until the Operator is required to cease providing the Alternative Service;
 - (b) GWRC must propose a change to the Bus Unit Timetable in accordance with the Timetable Change Process in order to reflect the Alternative Services being provided; and
 - (c) such change to the Bus Unit Timetable shall apply from 3 a.m. on the fifth consecutive day on which Alternative Services are being provided until the date and time of any subsequent change to the Bus Unit Timetable made in accordance with the Timetable Change Process.
- 3.5 Without prejudice to paragraph 3.1 above, provision of Alternative Services in accordance with paragraph 3.4 does not relieve the Operator from:
 - 3.5.1 Performance Deductions, despite the Operator not being able to fully comply with the Reliability KPI or the Punctuality KPI;
 - 3.5.2 compliance with the Performance Indicators;
 - 3.5.3 compliance with the requirements of Annexure 3 (*Customer Communication and Information Systems*) or the Bus Services Equipment Operations Manual; or
 - 3.5.4 its other obligations and liabilities under or in connection with this Partnering Contract.
- 3.6 The Operator acknowledges and agrees that, notwithstanding anything to the contrary in this Partnering Contract but subject to paragraph 3.14.3, the occurrence of a Service Disruption, the provision of Alternative Services and the performance by the Operator of its obligations under this Schedule in respect of Service Disruptions shall not:
 - 3.6.1 constitute an NFI Event; or
 - 3.6.2 entitle the Operator to any additional payment, compensation or relief from its obligations under this Partnering Contract.

Service Disruptions

- 3.7 The Operator shall ensure that GWRC and the Metlink call centre is notified of all Service Disruptions (including in respect of Alternative Services) in accordance with the Operator's obligations set out in Schedule 5 (*Planning, Reporting and Meetings*) and Annexure 3 (*Customer Communication and Information Systems*).
- 3.8 The Operator shall be responsible for:
- 3.8.1 planning and implementing an operational response to the Service Disruption, including through the provision of Alternative Services;
 - 3.8.2 maintaining adequate records of Service Disruptions and Alternative Services in order to allow the Operator to continually improve its operational response to Service Disruptions and to allow GWRC to respond to requests for information; and
 - 3.8.3 providing GWRC with access to such records promptly following a request thereof.
- 3.8A If a Service Disruption impacts more than one PTOM Operator, GWRC will be responsible for undertaking a coordination role to facilitate a network response to minimise disruption to customers provided that any failure by GWRC to do so shall not relieve the Operator from any of its obligations under this Partnering Contract.
- 3.9 Where required by GWRC, the Operator shall work with GWRC to jointly plan the operational response to Service Disruptions, including through the provision of Alternative Services.
- 3.10 The Operator shall ensure that details about each Service Disruption that has occurred (including the reason for and operational response to each Service Disruption) are set out in the relevant reports required by Schedule 5 (*Planning, Reporting and Meetings*).
- 3.11 The Operator shall:
- 3.11.1 provide information about the Service Disruption to GWRC and customers in accordance with the requirements of Annexure 3 (*Customer Communication and Information Systems*) and the Bus Services Equipment Operations Manual; and
 - 3.11.2 without prejudice to paragraph 3.11.1, provide appropriate on-Vehicle assistance to affected passengers so as to minimise disruption to passengers to the extent reasonably practicable.
- 3.12 In the case of a Service Disruption that relates to any planned activity of the Operator or an Operator Associate (including industrial action), without limiting paragraphs 3.7 to 3.11, the Operator shall ensure that:

- 3.12.1 information is provided to GWRC as soon as reasonably practicable in advance and, at the latest, 2 weeks prior to the Service Disruption taking place and in accordance with the Operator's obligations set out in Annexure 3 (*Customer Communication and Information Systems*) and the Bus Services Equipment Operations Manual;
- 3.12.2 a summary of Service Disruptions notified to GWRC under paragraph 3.12.1 during the month is included in the relevant Monthly Operational Report; and
- 3.12.3 such information is included (if known) in the Annual Business Plan.

Major Service Disruptions

- 3.13 A Service Disruption shall be deemed to be a Major Service Disruption:
 - 3.13.1 once GWRC notifies the Operator that an integrated response to the event giving rise to the Service Disruption has been activated through the RTRT, excluding any RTRT training exercises; or
 - 3.13.2 if:
 - (a) the Route directions for the Scheduled Service or Special Event Service (as set out in Appendix 3 (*Route directions: Public Routes*) or Appendix 4 (*Route Directions: School Routes*) of Schedule 2 (*Agreement Details*) or the Special Events Plan, as applicable) require the service to use a 'national road', 'regional road' or 'arterial road' (each as defined by the Transport Agency from time to time); and
 - (b) any of these roads is closed to through traffic for a consecutive period of more than four hours; and
 - (c) the Scheduled Service or Special Event Service has departed from its Origin when that road is closed.
- 3.14 If a Major Service Disruption occurs:
 - 3.14.1 the Operator must comply with its obligations in this Partnering Contract in respect of Service Disruptions (treating the Major Service Disruption as a Service Disruption), including paragraphs 3.4 to 3.12;
 - 3.14.2 the Operator must comply with GWRC's instructions in respect of changes to Scheduled Services and Alternative Services; and
 - 3.14.3 paragraph 11 (*Major Service Disruptions, Force Majeure Events and Deemed Performance*) of Schedule 6 (*Financial and Performance Regime*) shall apply.

Christmas period and Public Holidays

- 3.15 The Operator shall ensure that Scheduled Services are provided:

- 3.15.1 during the Christmas period, in accordance with the Christmas Timetable;
 - 3.15.2 on ANZAC Day or Waitangi Day where they fall on a Saturday, in accordance with the Bus Unit Timetable applicable for a Saturday;
 - 3.15.3 on ANZAC Day or Waitangi Day where they fall on a day other than a Saturday, including any Monday observance, in accordance with the Bus Unit Timetable applicable for a Sunday; and
 - 3.15.4 during all other Public Holidays, in accordance with the Bus Unit Timetable applicable at that time on Sundays,
- in each case, as set out in Appendix 2 (*Bus Unit Timetable*) of Schedule 2 (*Agreement details*).
- 3.16 The Operator acknowledges and agrees that, notwithstanding anything to the contrary in this Partnering Contract, the operation of the Scheduled Services in accordance with the Christmas Timetable as required by paragraph 3.15.1 and the operation of Scheduled Services on ANZAC Day, Waitangi Day and other Public Holidays in accordance with paragraphs 3.15.2 to 3.15.4 shall not:
- 3.16.1 constitute an NFI Event; or
 - 3.16.2 entitle the Operator to any additional payment, compensation or relief from its obligations under this Partnering Contract.

School Routes - term times

- 3.16A The Operator shall provide the Scheduled Services in respect of the School Routes at all times during the relevant school term times, as notified to the Operator by GWRC from time to time. Changes made to those term times shall not constitute a Contract Variation or Minor Contract Variation or otherwise entitle the Operator to any additional payment, compensation or relief from its obligations.

Special Event Services

- 3.17 The Operator shall provide the Special Event Services in accordance with:
- 3.17.1 the Special Events Plan approved in accordance with the provisions of Schedule 5 (*Planning, Reporting and Meetings*); and
 - 3.17.2 the directions of GWRC given pursuant to paragraph 3.22.3.
- 3.18 GWRC may propose the provision of a special event service that is not included in the Special Events Plan or any change to a Special Event by providing the lesser of 10 Business Days' advance notice and as much advance notice as is reasonably practicable.
- 3.19 A Special Event Notice provided by GWRC under paragraph 3.18 shall include the following:
- 3.19.1 details of the relevant Special Event or change to the Special Event, including the nature, date and location of such Special Event; and

- 3.19.2 the estimated number of persons that will attend the Special Event and the estimated number of persons that will use the proposed special event services.
- 3.20 The Operator shall promptly consider the contents of a Special Event Notice and if at least 10 Business Days' advance notice has been provided in accordance with paragraph 3.18, the Operator shall, within the time period specified in the Special Event Notice, update the Special Events Plan (including the details required by paragraph 1.4.1 of Appendix 1 (*Plans*) to Schedule 5 (*Planning, Reporting and Meetings*)) in relation to the relevant Special Event and the proposed special event services referred to in the Special Event Notice, which paragraph shall apply to the relevant Special Event and the proposed special event services as if they were contained in the Special Events Plan.
- 3.21 The Operator shall promptly provide GWRC with such information as GWRC may reasonably request in connection with any matter referred to in a Special Event Notice or any of the information provided by the Operator pursuant to paragraph 3.20.
- 3.22 GWRC shall:
- 3.22.1 and the Operator shall, if less than 10 Business Days' advance notice has been provided in accordance with paragraph 3.18, meet and work together in good faith and acting reasonably in order to agree the terms and conditions on which the special event services will be provided within the time period specified in the Special Events Notice, including a budget for the special event services; or
- 3.22.2 if at least 10 Business Days' advance notice has been provided in accordance with paragraph 3.18, consider the proposed special event services contemplated in the Special Event Notice and any associated information provided by the Operator pursuant to paragraph 3.20, and GWRC shall:
- 3.22.3 approve (with or without conditions) the proposed special event services, the budget applying to the special event services, the updated Special Events Plan (if applicable) and the matters contemplated by the Special Event Notice or any associated information provided by the Operator pursuant to paragraph 3.20 (including any security proposal provided by the Operator in connection therewith) by issuing written notice to the Operator to that effect; or
- 3.22.4 decline the proposed special event services by issuing written notice to the Operator to that effect.
- 3.23 If GWRC has approved a proposed special event service subject to conditions pursuant to paragraph 3.22.3:

- 3.23.1 such conditions shall be reasonable; and
- 3.23.2 the Operator shall comply with such conditions.

Special Event Services Fee - supporting documentation

- 3.24 To the extent that the Operator wishes to claim payment of a Special Event Services Fee in connection with the provision of a Special Event Service, the Operator shall ensure that relevant payment claim submitted by it is accompanied by supporting documentation setting out a detailed breakdown of the calculation of the Special Event Services Fee together with a statement signed by the Operator's Authorised Representative as being true and accurate which confirms:
 - 3.24.1 the number of Vehicles utilised in providing the relevant Special Event Service; and
 - 3.24.2 the aggregate number of additional Revenue Service Kilometres travelled by each Vehicle in order to provide the Special Event Service; and
 - 3.24.3 the aggregate number of additional Revenue Service Hours travelled by each Vehicle in order to provide the Special Event Service(s).
- 3.25 During the development of each Special Event Plan a budget for Special Event Services detailed in such plan shall be agreed by the Parties pursuant to paragraph 2.7 of Schedule 5 (*Planning, Reporting and Meetings*), along with any conditions applying to the Special Event Services. The Operator shall not be entitled to claim for payment of a Special Event Services Fee exceeding the budget agreed in the Special Event Plan, unless otherwise agreed to in writing by GWRC under paragraph 3.22.3 or otherwise.
- 3.26 The Parties acknowledge and agree that GWRC is not obliged to instruct the Operator to provide Special Event Services and GWRC's decision not to instruct the Operator to provide Special Event Services shall be deemed not to be an act or omission by GWRC (including a breach of contract) under or in connection with this Partnering Contract and shall not entitle the Operator to make any Claim against GWRC in respect of any Special Event.

Working Timetable and Bus Unit Timetable changes

- 3.27 The Operator shall adopt, implement and comply with the Operator's obligations set out in the Timetable Change Process.
- 3.28 It is acknowledged that the Bus Unit Timetable forms part of the Timetable.
- 3.29 All changes to the Bus Unit Timetable and the Timetable proposed by any of the Operator, GWRC or any other PTOM Operator shall occur in accordance with the Timetable Change Process.
- 3.30 All changes to the Working Timetable shall occur in accordance with paragraphs 3.32 to 3.34 of this Schedule 3.

- 3.31 The Operator shall participate in reviews of the Timetable Change Process in accordance with the requirements set out in the Regional Agreement.

Working Timetable

- 3.32 The Working Timetable shall be prepared by the Operator in a form that:
- 3.32.1 will ensure that the Operator is able to meet its obligations under the Transaction Documents (including achieving the Passenger Services Objectives and Outcomes, meeting the requirements of the Reliability KPI and the Punctuality KPI and achieving the PI Achieve Benchmark in respect of each of the Performance Indicators);
 - 3.32.2 GWRC (acting reasonably) considers meets the requirements of paragraph 3.32.1; and
 - 3.32.3 ensures that a minimum of two minutes is provided immediately prior to departure of each Scheduled Service and Special Event Service from its Origin, in order to allow for the disembarking and embarking of customers and for the management of RTPi Systems, Ticketing Equipment and other Vehicle systems; and
 - 3.32.4 includes the following information only:
 - (a) all Run Board information necessary for the operation of the RTPi System and otherwise as specified in the Bus Services Equipment Operations Manual;
 - (b) all Vehicle movements between an Origin and Destination required for:
 - (i) Scheduled Services; and
 - (ii) Special Event Services;
 - (c) management of the Operator's obligations with respect to Timetabled Service Connections specified in paragraph 17 (*Timetabled Service Connections*) and Appendix 2 (*Bus Unit Timetable*) of Schedule 2 (*Agreement details*);
 - (d) allocation of Vehicles based on compliance with the Vehicle Size Classifications for each Route as specified in Appendix 2 (*Bus Unit Timetable*) of Schedule 2 (*Agreement details*); and
 - (e) the time margins that exist between Origins and Destinations on the Working Timetable and the Bus Unit Timetable.
- 3.33 The Operator shall promptly update the Working Timetable to take account of any:
- 3.33.1 Alternative Services, to the extent the Operator is required to do so pursuant to paragraph 3.4.2(a);

- 3.33.2 changes to the Bus Unit Timetable made in accordance with the Timetable Change Process;
 - 3.33.3 Contract Variation which is to be implemented in accordance with the terms of this Partnering Contract; or
 - 3.33.4 change to scheduling of resources required to provide the Bus Unit Timetable.
- 3.34 The Operator shall provide GWRC with:
- 3.34.1 the initial draft Working Timetable at least 60 Business Days prior to the Conditions Precedent Date for Satisfaction;
 - 3.34.2 a further updated Working Timetable 20 Business Days prior to the Conditions Precedent Date for Satisfaction, incorporating any reasonable comments of GWRC;
 - 3.34.3 to the extent that the Operator is obliged to update the Working Timetable pursuant to paragraph 3.33, a copy of such updated or amended Working Timetable in accordance with any timeframe specified in this Partnering Contract and otherwise promptly following a request from GWRC;
 - 3.34.4 to the extent that the Operator otherwise amends the Working Timetable other than pursuant to paragraph 3.33, a copy of such updated or amended Working Timetable at least 30 Business Days in advance of the date of implementation of the amended Working Timetable; and
 - 3.34.5 a summary of any material changes to the Working Timetable when each revised Working Timetable is provided to GWRC, including an explanation of the reasons for the changes.
- 3.35 If GWRC or the Operator find errors or omissions caused by the Operator's breach of this Partnering Contract in the Working Timetable or the Bus Unit Timetable after such timetables have been made available to the public or been used to update any of the GWRC Assets (such as the RTPI System), to the extent that such errors or omissions were caused by the Operator's breach of this Partnering Contract the Operator shall pay to GWRC its costs incurred in making system corrections within 10 Business Days of GWRC's written demand.

Customer Service Standards

- 3.36 The Operator shall adopt, implement and comply with the Customer Service Standards.
- 3.37 Without prejudice to clause 9 (*Licence, Laws and standards*), the Operator shall ensure that the Vehicles, personnel and other resources used in the provision of Scheduled Services and Special Event Services satisfy the baseline Customer Service Standards.

- 3.38 Where compliance by the Operator with the baseline Customer Service Standards would, under applicable Law or any Transaction Document, require the consent or approval of another person, the Operator shall use best endeavours to ensure that the other person provides such consent or approval, and does not prohibit or restrict the Operator's compliance with those requirements.
- 3.39 The Operator shall participate in reviews of the baseline Customer Service Standards in accordance with the requirements set out in the Regional Agreement.

Cancellation of Scheduled Services, Special Event Services and Alternative Services by the Operator

- 3.40 Without limiting the Operator's obligations in respect of providing Alternative Services, the Operator shall:
- 3.40.1 manage cancellation of Scheduled Services, Special Event Services and Alternative Services in accordance with the Service Cancellation Plan; and
 - 3.40.2 ensure that GWRC is promptly notified of all cancellations of Scheduled Services, Special Event Services and Alternative Services and otherwise comply with its obligations in respect of cancellations in Annexure 3 (*Customer Communication and Information Systems*) and the Bus Services Equipment Operations Manual.

Customer Communication and Information Systems

- 3.41 The Operator shall adopt, implement and comply with its obligations set out in Annexure 3 (*Customer Communication and Information Systems*).
- 3.42 The Operator shall ensure that all Scheduled Services and Special Event Services are tracked, monitored and reported to GWRC:
- 3.42.1 using the RTPI System and any other systems and methods described in Annexure 3 (*Customer Communication and Information Systems*);
 - 3.42.2 in accordance with the Operator's obligations related to the RTPI System including as set out in the Bus Services Equipment Operations Manual and any other systems and methods as set out in Annexure 3 (*Customer Communication and Information Systems*);
 - 3.42.3 in accordance with the measurement and reporting requirements described in relation to the Reliability KPI and the Punctuality KPI described at paragraph 5 (*Calculation of Performance Deductions*) of Schedule 6 (*Financial and Performance Regime*); and
 - 3.42.4 in accordance with the measurement and reporting requirements in relation to the Performance Indicators set out in Appendix 6 (*Performance Indicators*) of Schedule 5 (*Planning, Reporting and Meetings*).

- 3.43 The Operator shall participate in the change process in respect of Annexure 3 (*Customer Communication and Information Systems*) in accordance with the requirements set out in the Regional Agreement.

Functioning GWRC equipment

- 3.44 Without limiting the Operator's obligations in clause 12 (*Other assets and systems used in the provision of the Services*), in the event that the RTPI Equipment, the Ticketing Equipment or any other GWRC Asset installed on a Vehicle is discovered to be not functioning or defective either immediately prior to or during performance of a Scheduled Service or Special Event Service, the Operator:

- 3.44.1 if the fault is in the Ticketing Equipment (other than where the fault does not limit the ability of the drivers to collect electronic and cash fares and electronically record passenger numbers, in which case paragraph 3.44.2 shall apply):
- (a) may continue to use the Vehicle until the completion of the Scheduled Service or Special Event Service during which the fault was first discovered;
 - (b) must use best endeavours to repair the fault prior to the immediately subsequent Scheduled Service or Special Event Service for which that Vehicle will be used; and
 - (c) may use the Vehicle to provide the immediately subsequent Scheduled Service or Special Event Service if the fault has not been repaired, providing that the Operator complied with its obligation in paragraph 3.44.1(b); or
- 3.44.2 if the fault is in the RTPI Equipment or any other GWRC Asset, may continue to use the Vehicle until the completion of the immediately subsequent Scheduled Service or Special Event Service to the Scheduled Service or Special Event Service during which the fault was first discovered,

after which the Vehicle may not be used to provide Special Event Services or Scheduled Services until the fault has been repaired or the relevant GWRC Asset has been replaced.

- 3.45 If faults or defects are discovered in any GWRC Asset, the Operator must follow the applicable procedure and comply with its obligations in clause 12 (*Other assets and systems used in the provision of the Services*) and the Bus Services Equipment Operations Manual.
- 3.46 Other than in the circumstances described in paragraph 3.44, the Operator must not use a Vehicle to provide Scheduled Services or Special Event Services without fully functioning RTPI Equipment, Ticketing Equipment and any other GWRC Assets required to be installed on a Vehicle pursuant to clause 10.1.5.

- 3.47 The Operator acknowledges and agrees that paragraphs 3.44 to 3.46 (*Functioning GWRC Equipment*) do not limit the provisions of paragraphs 11.5 to 11.7 of Schedule 6 (*Financial and Performance Regime*).

Ticketing System data and updates

- 3.47A Subject to the provisions of the Bus Services Equipment Operations Manual, the Operator shall ensure that each Vehicle visits (except to the extent that the Vehicle requires repair and consequently is unable to do so) at least one Ticketing Equipment wifi access point (at Depots or other such locations as may be specified by GWRC in writing from time to time, acting reasonably) at least once in each day that such Vehicle is being used to operate Scheduled Services in order to enable the transfer of data between the Ticketing Equipment that is on-board that Vehicle and the Ticketing Equipment at the wifi access point.

Fares, Ticketing and Enforcement Requirements

- 3.48 The Operator shall adopt, implement and comply with Annexure 6 (*Fares, Ticketing and Enforcement Requirements*).
- 3.49 The Operator shall participate in reviews of Annexure 6 (*Fares, Ticketing and Enforcement Requirements*) in accordance with requirements set out in the Regional Agreement.
- 3.50 Without prejudice to paragraph 3.48, the Operator shall implement and comply with the Revenue Protection Plan.

Conditions of Carriage, bicycles and other passenger equipment

- 3.51 The Operator shall adopt, implement and comply with the Conditions of Carriage, including by ensuring that drivers allow passengers to travel on the Vehicles, to the extent that this can be accommodated on the Vehicles, with prams, bicycles (using bicycle racks fitted to the Vehicles), wheelchairs, scooters and other equipment in accordance with the Conditions of Carriage and any relevant policies and guidelines provided to the Operator by GWRC or published on the Metlink website (www.metlink.org.nz) from time to time (including the 'Travelling with Cycles & Scooters' guidelines and the Metlink 'Bike Racks on Buses' guidelines).
- 3.52 The Operator shall duly enforce the Conditions of Carriage.
- 3.53 The Operator shall promptly participate in reviews of the Conditions of Carriage if requested to do so by GWRC.

4 Vehicle service requirements

Vehicle emissions

- 4.1 The Operator shall ensure that:
- 4.1.1 each Vehicle is operated and maintained in a manner that ensures that the Vehicle's emissions:

- (a) do not exceed the Emissions Limits for that Vehicle;
 - (b) comply with any relevant standards of the manufacturer in respect of emissions; and
 - (c) comply with all applicable Laws and Consents; and
- 4.1.2 at all times, the profile of engine types, Emission Standard and Vehicle Size Classification across the fleet of Vehicles specified in the Fleet List and the Vehicle Acquisition Plan complies with and is consistent with that set out in the Emission Profile, unless otherwise agreed in writing by GWRC.
- 4.2 The Operator shall ensure that when in operation, none of the Vehicles emit any visible exhaust smoke. If requested to do so by GWRC, the Operator shall display a sticker (to be provided by GWRC) on each Vehicle in a prominent position on the back of the Vehicle visible to the public, which encourages the public to report the Vehicle to GWRC if it is emitting visible exhaust smoke. Any such report of visible exhaust smoke shall be deemed to be a Complaint.
- 4.3 The Operator shall:
- 4.3.1 work with GWRC in good faith in order to:
 - (a) establish data on the Vehicles' performance against the Emission Limits; and
 - (b) test, develop and implement Vehicle emission reduction strategies to lower and progressively monitor the emissions of the Vehicles;
 - 4.3.2 if requested to do so by GWRC from time to time, promptly present those Vehicles nominated by GWRC to undergo an exhaust emission test to check that the level of exhaust emissions does not exceed any of the Emission Limits;
 - 4.3.3 provide a copy of the test results referred to in paragraph 4.3.2 to GWRC within 1 Business Day of such test being completed;
 - 4.3.4 in the event that such emissions testing identifies that a Vehicle exceeds any of the Emission Limits, ensure that the Vehicle is retested within 5 Business Days of the initial test and provide a copy of the test results to GWRC within 1 Business Day of the retest; and
 - 4.3.5 if the test undertaken pursuant to paragraph 4.3.4 identifies that the Vehicle exceeds any of the Emission Limits, not use that Vehicle to provide Passenger Services until the Operator provides to GWRC evidence confirming that the emission levels have been reduced to a level which is satisfactory to GWRC.
- 4.4 The cost of:

- 4.4.1 any initial testing undertaken pursuant to paragraph 4.3.2 shall be borne by GWRC; and
- 4.4.2 any re-testing undertaken pursuant to paragraph 4.3.4 or otherwise to provide the evidence required by paragraph 4.3.5 shall be borne by the Operator.
- 4.5 The Operator acknowledges and agrees that GWRC may regularly publish the Vehicle test performance data provided under paragraph 4.3.
- 4.6 The Operator acknowledges and agrees that GWRC may exercise its rights under clause 24 (*Audit and Inspection Rights*) for the purposes of verifying the extent to which the Vehicles comply with the emission control requirements under this Partnering Contract, including verifying the extent to which:
 - 4.6.1 appropriate maintenance activities are being undertaken; and
 - 4.6.2 appropriate levels of parts and consumables (including diesel exhaust fluid such as "AdBlue") are being replaced by the Operator on Vehicles in accordance with manufacturers' guidelines and Good Industry Practice.

Cleaning

- 4.7 The Operator shall ensure that:
 - 4.7.1 each Vehicle is presented for use in Passenger Services in a condition that is clean and tidy and safe for use by the public in accordance with Good Industry Practice;
 - 4.7.2 each Vehicle (including those which overnight at remote depots) is cleaned (internally and externally) daily as a minimum and more frequently if required in order to comply with paragraph 4.7.1;
 - 4.7.3 damage to upholstery, flooring, bodywork and paint work on a Vehicle is repaired in a manner which is consistent with Schedule 4 (*Vehicle Quality Standards*) and the Metlink Branding Manual within the time required by clause 10.3 (*Condition failures and non-compliant Vehicles*) or, if clause 10.3 does not apply, within three Business Days of such damage occurring; and
 - 4.7.4 at all times during the Term, Vehicles are cleaned in accordance with the requirements set out in the Fleet Maintenance Plan and the Vehicle Inspection and Cleaning Plan and, as a minimum, as set out below:

Minimum Cleaning Requirements				
Daily	Every second day	Monthly	6 monthly	Annually

Seat cleaning as necessary	Exterior bus wash	Clean roofline	Fumigate bus	Full interior steam clean or equivalent
Floor swept and mopped	Internal passenger windows wiped, including sills	Valet driver's area		Shampoo seats
Rubbish removed		Valet walls and all interior glass		External polish
All gums and other substances removed		Valet passenger seating area		
Graffiti removed		Clean and disinfect passenger hand holds		
Livery and stickers checked and replaced as necessary		Wheelchair ramp checked and cleaned		

4.8 In addition to the foregoing, the Operator shall remove any graffiti from a Vehicle:

- 4.8.1 immediately if the graffiti is located on the exterior of a Vehicle;
- 4.8.2 immediately if the graffiti is considered to be offensive (irrespective of whether the graffiti is located on the interior or exterior of the Vehicle);
- 4.8.3 within 24 hours if the graffiti is located on the interior of a Vehicle and is not considered to be offensive; and
- 4.8.4 within 5 days for all other graffiti where paragraphs 4.8.1 to 4.8.3 do not apply,

and the Operator shall not use (and shall ensure that the Operator Associates shall not use) such Vehicle in the provision of Passenger Services if the graffiti has not

been removed in accordance with the relevant time period specified in this paragraph 4.8.

Mid-Life Updates

4.9 Subject to paragraph 4.11, the Operator shall undertake a Mid-Life Update of each Vehicle during the period of the Vehicle having an Age of between 8 years and 10 years, zero months.

4.10 The extent and elements of each Mid-Life Update are to be agreed between GWRC and the Operator (acting reasonably and having regard to the guiding principle that the Mid-Life Update should include as many elements from the Vehicle Quality Standards as are reasonably practical to include) provided that the Mid-Life Update shall include (as a minimum):

- 4.10.1 repair of exterior body and panels;
- 4.10.2 refurbishment of driver area;
- 4.10.3 new flooring;
- 4.10.4 new upholstery on seats;
- 4.10.5 new wall lining and ceiling panels as required;
- 4.10.6 new lighting;
- 4.10.7 installation of systems or upgrade of existing systems as agreed between the Parties;
- 4.10.8 any features which GWRC and the Operator agree should be included in the Mid-Life Update pursuant to paragraph 3.13 (*Future requirements*) of Schedule 4; and
- 4.10.9 any other items or activities that Schedule 4 (*Vehicle Quality Standards*) expressly provides are to be included in a Mid-Life Update (including those elements in Table 2 (*Mandatory requirements*) of Schedule 4),

in each case consistent with the requirements specified in Schedule 4 (*Vehicle Quality Standards*) and the Metlink Branding Manual.

4.11 If GWRC determines (acting reasonably) that the condition of a Vehicle does not require a Mid-Life Update during the period referred to in paragraph 4.9, then:

- 4.11.1 the Operator and GWRC shall re-assess the condition of the Vehicle annually (or at such other times as agreed between the Operator and GWRC, acting reasonably); and
- 4.11.2 at each such assessment, GWRC shall determine (acting reasonably) either that:
 - (a) a Mid-Life Update is required, in which case paragraph 4.12 shall apply; or

- (b) a Mid-Life Update is not required and, if so, when a further inspection should be carried out to assess whether a Mid-Life Update is required, in which case this paragraph 4.11 shall re-apply.
- 4.12 If GWRC determines that a Mid-Life Update is required pursuant to paragraph 4.11.2(a), the Operator must undertake a Mid-Life Update in accordance with paragraph 4.10.
- 4.13 None of:
 - 4.13.1 the requirement to undertake a Mid-Life Update;
 - 4.13.2 the agreement by GWRC in respect of the extent and elements of any Mid-Life Update; or
 - 4.13.3 GWRC agreeing that a Mid-Life Update is not required,
 shall:
 - 4.13.4 lessen or otherwise affect the Operator's other obligations or liabilities in this Partnering Contract;
 - 4.13.5 constitute a Contract Variation or Minor Contract Variation; or
 - 4.13.6 be deemed to be an act or omission by GWRC (including a breach of contract) under or in connection with this Partnering Contract or entitle the Operator to make any Claim against GWRC.

Noise Level

- 4.14 The Operator shall ensure that each Vehicle is operated and maintained in a manner that ensures that the Vehicle's noise output:
 - 4.14.1 complies with all applicable Laws and Consents; and
 - 4.14.2 is equal to or less than the Noise Output Maximum Levels.
- 4.15 The Operator shall:
 - 4.15.1 work with GWRC in good faith in order to:
 - (a) establish data on the Vehicles' performance with the Noise Output Maximum Levels; and
 - (b) test, develop and implement Vehicle noise reduction strategies to lower and progressively monitor the noise output of the Vehicles;
 - 4.15.2 if requested to do so by GWRC from time to time, promptly present those Vehicles nominated by GWRC to undergo a noise output test to check that the level of noise output does not exceed any of the Noise Target Levels

- 4.15.3 provide a copy of the test results referred to in paragraph 4.15.2 to GWRC within 1 Business Day of such test being completed;
 - 4.15.4 in the event that such noise output testing identifies that a Vehicle exceeds any of the Noise Target Levels, ensure that the Vehicle is retested within 5 Business Days of the initial test and provide a copy of the test results to GWRC within 1 Business Day of the retest; and
 - 4.15.5 if the test undertaken pursuant to paragraph 4.15.4 identifies that the Vehicle exceeds any of the Noise Target Levels, not use that Vehicle to provide Passenger Services until the Operator provides to GWRC evidence confirming that the noise levels have been reduced to a level which is satisfactory to GWRC.
- 4.16 The cost of:
- 4.16.1 any initial testing undertaken pursuant to paragraph 4.15.2 shall be borne by GWRC; and
 - 4.16.2 any re-testing undertaken pursuant to paragraph 4.15.4 or otherwise to provide the evidence required by paragraph 4.15.5 shall be borne by the Operator.
- 4.17 The Operator acknowledges and agrees that GWRC may regularly publish the Vehicle test performance data provided under paragraph 4.15.
- 4.18 The Operator acknowledges and agrees that GWRC may exercise its rights under clause 24 (*Audit and Inspection Rights*) for the purposes of verifying the extent to which the Vehicles comply with the noise output requirements under this Partnering Contract, including verifying the extent to which:
- 4.18.1 appropriate maintenance activities are being undertaken; and
 - 4.18.2 appropriate levels of parts and consumables are being replaced by the Operator on Vehicles in accordance with manufacturers' guidelines and Good Industry Practice.

Schedule 4

Vehicle quality standards

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Glossary of Terms

In this Schedule 4, the following definitions and the definitions in Schedule 1 (*Definitions and interpretation*) apply unless the context otherwise requires:

Term	Definition
ABS	Anti-lock braking system
APC	Automatic passenger counting system
CCTV	Closed circuit television
CCTV System	<p>A system for making and retrieving video and audio recordings of nominated surveillance zones. It shall include:</p> <ul style="list-style-type: none"> a) cameras (including enclosures and lenses); b) digital video recorder (including enclosures) that records video and audio signals onto digital storage media; c) interface to a duress 'panic' type button to allow a driver to 'tag' images with a timestamp where/when incidents occur; d) a CCTV System status indicator that is a lamp or device that is capable of indicating whether an aspect of the CCTV System is functioning correctly; e) cabling and power supplies; f) all associated equipment for controlling recording and monitoring the CCTV System status; g) all associated equipment for downloading recorded video and audio for replay, analysis and transfer to GWRC and New Zealand Police in the manner required by GWRC and the New Zealand Police
CoF or Certificate of Fitness	A regular check required by Law to ensure commercial transport vehicles, and any heavy vehicle over a weight of 3,500kgs, meet safety standards prescribed by Law
Duress Alarm	Has the meaning given in T2.62
DVR	Digital video recorder
EBS	Electronic braking system

Electric Vehicle	Vehicles that generate zero (tailpipe) emissions at all times. Electric Vehicles do not include hybrid or range-extended electric Vehicles
ESC	Electronic stability control
ESP	Electronic stability program
GNSS	Global navigation satellite system
GPS	Global positioning system
IPC	An internet protocol camera that can send and receive data via a computer network and the Internet.
ISA	Intelligent Speed Adaptation system
ITS	Intelligent transport systems
LB (RUB)	Has the meaning given to "LB" in the RUB.
LBDD (RUB)	Has the meaning given to "LBDD" in the RUB.
LED	Light emitting diode
LVVTA	Low Volume Vehicle Technical Association
Major Non-Compliance	Any non-compliance with this VQS, any defect or any condition failure that is identified by either GWRC or the Operator as a "Major Non-Compliance" using the key and Tables A or Tables B in Appendix 1 (<i>Vehicle Condition Assessment</i>).
Minor Non-Compliance	Any non-compliance with this VQS, any defect or any condition failure that is identified by either GWRC or the Operator as a "Minor Non-Compliance" using the key and Tables A or Tables B in Appendix 1 (<i>Vehicle Condition Assessment</i>).
OEM	Original equipment manufacturer
PSV Rule	Land Transport Rule; Passenger Service Vehicle 1999 (Rule 31001) or any replacement or amendment thereto. PSV Rule is available, as the date of this Partnering Contract, at

	http://nzta.thomsonreuters.co.nz/DLEG-NZL-LTSA-T.LTR-31001.pdf .
RF Connector	A radio frequency connector is an electrical connector designed to work at radio frequencies in the multi-megahertz range
RUB	The New Zealand Transport Agency's "Requirements for urban buses in New Zealand" or any replacement or amendment thereto.
SB (RUB)	Has the meaning given to "SB" in the RUB.
Severe Non-Compliance	Any non-compliance with this VQS, any defect or any condition failure that is identified by either GWRC or the Operator as a "Severe Non-Compliance" using the key and Tables A or Tables B in Appendix 1 (<i>Vehicle Condition Assessment</i>).
VDAM	Land Transport Rule: Vehicle Dimensions and Mass 2016 (Rule 41001), or any replacement or amendment thereto. VDAM is available, as the date of this Partnering Contract, at http://www.nzta.govt.nz/resources/rules/vehicle-dimensions-and-mass-2016/

1 Introduction

- 1.1 The purpose of this VQS is to enable GWRC and the Operator to meet a wide range of business requirements through a common understanding of expectations and requirements of Vehicle standards and specifications.
- 1.2 Urban Vehicles are primarily driven on public roads, which are shared with other vehicles and pedestrians. This environment exposes GWRC and the Operator to unpredictable, geographically dispersed and significant risk.
- 1.3 The VQS applies to all Vehicles used for the delivering of any Passenger Services.
- 1.4 The Operator must ensure that the Vehicles comply with the RUB and this VQS at the time of Vehicle procurement and at all times the Vehicle is providing Passenger Services or otherwise carrying passengers unless specific exemptions are noted in this VQS. This VQS should be read in conjunction with the RUB.
- 1.5 The RUB details common standards for Vehicles operating in urban services within New Zealand including non-regulatory recommendations e.g. kneeling bus capability, next stop displays. The RUB can be located (as at the date of this Partnering Contract) at the following link:
<http://www.nzta.govt.nz/assets/resources/requirements-for-urban-buses/docs/requirements-for-urban-buses.pdf>
- 1.6 In addition to the RUB, GWRC has included in this VQS some additional requirements arising from the specific topography of the bus routes in Wellington and its wider suburbs as well as a commitment to provide a safe and secure travel experience for its customers and a safe workplace for staff.
- 1.7 Where GWRC requires features or outcomes that differ to the RUB, they are noted in this VQS.
- 1.8 To the extent of any inconsistency or conflict between the provisions of the RUB and this VQS, this VQS shall prevail and take precedence over the RUB except to the extent expressly stated otherwise in this VQS.
- 1.9 This VQS does not limit or otherwise affect the Operator's obligations under this Partnering Contract, including its obligations in clause 10 (*Vehicles*).

2 Legal Compliance

- 2.1 The Operator shall ensure that Vehicles meet and comply with all Law at all times the Vehicle is providing Passenger Services or otherwise carrying passengers. The requirements of Law include:
- 2.1.1 Land Transport Act 1998 and all regulations (including Land Transport Rules) and amendments. Listed below, without limitation, are the particularly relevant Land Transport Rules which should be read in conjunction with this VQS:

- (a) Land Transport Rule: Passenger Service Vehicles 1999 [Rule 31001]
- (b) Land Transport Rule: Heavy Vehicles 2004 [Rule 31002]
- (c) Land Transport Rule: Vehicle Exhaust Emissions 2007 [Rule 33001/2]
- (d) Land Transport Rule: Heavy Vehicle Brakes 2006 [Rule 32015]
- (e) Land Transport Rule: Vehicle Equipment 2004 [Rule 32017]
- (f) Land Transport Rule: Vehicle Dimensions and Mass 2002 [Rule 41001]
- (g) Land Transport Rule: Vehicle Standards Compliance 2002 (the Compliance Rule) [Rule 35001/1]
- (h) Land Transport (Road User) Rule 2004 [S.R. 2004/427]
- (i) Land Transport Rule: Operator Safety Rating 2008 [Rule 81002]

2.1.2 Road User Charges Act 2012 and all regulations

2.1.3 Health and Safety at Work Act 2015 and all regulations.

2.2 The list of legal requirements stated in paragraph 2.1 is not exhaustive and the Operator is responsible for ensuring compliance with any other relevant Law and any best practice notes or guidelines relating to health and safety.

2.3 To the extent of any inconsistency or conflict between the provisions of Law (including any legal requirement listed in this paragraph 2) and this VQS, the provisions of Law (including any legal requirement listed in this paragraph 2) shall prevail and take precedence over this VQS. This paragraph 2.3 does not limit any part of this VQS which requires a higher or greater standard than that required by Law.

2.4 If any inconsistency or conflict referred to in paragraph 2.3 is identified by the Operator, the Operator must immediately notify GWRC.

3 GWRC Vehicle Requirements

General performance requirements

3.1 Without limiting the Operator's obligations under this Partnering Contract (including this VQS), the Operator shall consider how it will achieve the following when procuring and maintaining Vehicles:

- 3.1.1 enabling an optimal mix of Vehicle types and sizes to ensure the right type, size and number of Vehicle are provided to meet service demand over all Passenger Services within the Bus Unit;

- 3.1.2 maximising the numbers of passengers that can be carried on each Vehicle type while complying with the Land Transport Rule: Vehicle Dimensions and Mass [Rule 41001] (or any replacement or amendment thereto) and ensuring customer comfort;
- 3.1.3 maximising the customer experience and comfort through Vehicle design and maintenance including minimising noise (especially noise from the drums, shoes, disc brakes or pads during normal or emergence braking operation and the air brake exhaust valve system) and vibration, and ensuring smoothness in ride quality;
- 3.1.4 ensuring that Vehicle dimensions and performance are fit for purpose for the unique topography and urban form in which the Vehicle will operate;
- 3.1.5 acceleration and braking performance will enable Passenger Services to be delivered on time and reliably, particularly when fully laden in Wellington's hilly environment; and
- 3.1.6 meeting modern standards of accessibility for wheelchair users, those with physical and/or sight impairment, the elderly and people with children in prams.

Definition of Vehicle size and classification

- 3.2 Where there is a need to further delineate the Vehicle size in terms of passenger carrying capacity, this Partnering Contract (including this VQS) uses the Vehicle Size Classification set out in Table 1 below.
- 3.3 Operators shall provide the Passenger Services using Vehicles which comply with the applicable Vehicle Size Classification.
- 3.4 The Operator shall ensure that:
 - 3.4.1 Vehicles which are Small Vehicles or Medium Vehicles comply with the requirements in the RUB applicable to SB (RUB);
 - 3.4.2 Vehicles which are Large Vehicles comply with the requirements in the RUB applicable to LB (RUB);
 - 3.4.3 Vehicles which are Double Deckers comply with the requirements in the RUB applicable to LBDD (RUB),(other than in respect of passenger capacity).

Table 1 Vehicle sizes

Table 1 row #	Vehicle Size		Passenger capacity (seated and standing) ¹	Maximum Vehicle Length ²	
	GWRC Classification	RUB Classification		New Vehicle (metres)	Existing Vehicle (metres)
T1.1	Small Vehicle (SV)	SB (RUB)	30 - 53 passengers(excluding driver) includes minimum of 24 seats	10.13	11.8
T1.2	Medium Vehicle (MV)	SB (RUB)	54 - 74 passengers (excluding driver) includes minimum of 24 seats	11.8	12.2
T1.3	Large Vehicle (LV)	LB (RUB)	75 or more passengers (excluding driver) includes minimum of 36 seats	12.8	13.5
T1.4	Double Decker (DD)	LBDD (RUB)	95 or more passengers (excluding driver) includes minimum of 80 seats	12.8 Recommend length to be less than this	n/a

3.5 In order to assist in maximising the number of passengers that can be carried on a Vehicle, and in addition to fold-up seats being permitted in the wheelchair/multi-sue space, front facing 2 by 2 and 2 by 1 seating configurations are acceptable in the passenger saloon area. Only 2 by 2 seating configuration is permitted in a Double Decker upper deck passenger saloon area

3.6 The Operator must ensure that the maximum rear overhang for all Vehicles which have a rearmost steering axle must be the lesser of 4.5 metres or 72 percent of the wheelbase.

Vehicle Standards

¹ RUB provides information on the number of seated passengers required per Vehicle size classification

² Maximum Vehicle lengths shown in the table exclude the additional length required for a deployed bike rack

- 3.7 The Operator must ensure that all Vehicles when providing Passenger Services or otherwise carrying passengers:
- 3.7.1 have a current CoF, and for each Vehicle the CoF inspections frequency recorded in the Transport Agency's LATIS system is less frequent than every 3 months;
 - 3.7.2 in respect of Existing Vehicles, are of EURO 3 emissions standard or better for any fuel type used;
 - 3.7.3 in respect of New Vehicles, are of EURO 5 emissions standard or better for any fuel type used;
 - 3.7.4 have maximum wall to wall, in both left and right directions, excluding collapsible mirrors, turning circle diameters of 25 metres or less; and
 - 3.7.5 are designed and manufactured to withstand the dynamic and operational loads imposed on it during normal operations for a service life of 20 years commencing from the Manufacturing Date.
- 3.8 The Operator must use best endeavours to procure Vehicles used in providing Services that minimise tail swing and length while maximising passenger capacity and ensuring compliance with Land Transport Rules.
- 3.9 The Operator must provide evidence to GWRC of swept path performance analysis showing performance criteria and tail swing limitations for each Vehicle type before the Vehicle is used in providing Services.

Metlink Branding Manual

- 3.9A The Operator must ensure that:
- 3.9A.1 New Vehicles comply with the Metlink Branding Manual from the Commencement Date; and
 - 3.9A.2 Existing Vehicles comply with the Metlink Branding Manual from the Commencement Date, except for the requirements of the Metlink Branding Manual which relate to floor coverings, upholstery on seats, seat shells, wall lining, ceiling panels or any other requirements which GWRC and the Operator agree to in writing for the purposes of this paragraph 3.9A.2 (**Metlink Branding Manual Mid-Life Update Items**).
- 3.9B The Operator must ensure that the Mid-Life Update for each Existing Vehicle which has not undergone a mid-life update in accordance with Good Industry Practice prior to the Commencement Date includes the Metlink Branding Manual Mid-Life Update Items to ensure that each Existing Vehicle complies with all requirements of the Metlink Branding Manual from completion of the Mid-Life Update for that Vehicle.

Mandatory Requirements


- 3.10 Table 2 lists all GWRC's mandatory Vehicle requirements (unless stated otherwise) which the Operator shall ensure all Vehicles comply with when being used in providing Services or otherwise carrying passengers (to the extent indicated by the following symbol  or by any express requirement in Table 2).
- 3.11 Table 2 is structured as far as possible to cross reference and align with the appropriate RUB sections.
- 3.12 The columns of Table 2 which relate to Existing Vehicles are divided into:
- 3.12.1 Existing Vehicle (pre-Mid-Life Update): this relates to Vehicles which have not undergone a mid-life update in accordance with Good Industry Practice prior to the Commencement Date; and
 - 3.12.2 Existing Vehicle (post-Mid-Life Update): this relates to Vehicles which have undergone a mid-life update in accordance with Good Industry Practice prior to the Commencement Date.
- 3.13 In respect of the application of mandatory Vehicle requirements to Existing Vehicles, if a row in Table 2 states "to be fitted before or at Mid-Life Update", then the Existing Vehicle is not required to comply with that mandatory Vehicle requirement until completion of that Existing Vehicle's Mid-Life Update.

Table 2 Mandatory requirements



Table 2 row #	RUB Reference	Feature	Reason	New Vehicle	Existing Vehicle (pre-Mid-Life Update)	Existing Vehicle (post-Mid-Life Update)
T2.1	2.3 Engine (Safety)	<p>Vehicles which travel through any road tunnel in Wellington City must be fitted with an automatic propulsion system compartment fire suppression system, which is capable of extinguishing a propulsion system compartment fire before serious Vehicle damage is sustained or passenger safety is compromised.</p> <p>The fire suppression must be compliant with Australian Standard AS 5062 2006 (Fire Protection for Mobile and Transportable Equipment) or an equivalent internationally recognised standard. A certificate of compliance will be required prior to the Vehicle entering service.</p> <p>The system must include an audible warning on start-up to alert driver on the operational status of the system.</p> <p>On activation of the system an audible warning is to be provided to alert the driver, the engine needs to be shut down and fuel supply blocked.</p>	<p>Bus propulsion system fires pose both a safety and service risk with risks to passenger, pedestrian and other road users safety; scheduling and operator/service reputation.</p> <p>All these risks are exacerbated by Wellington's hilly terrain, congested bus routes and tunnels.</p>			
T2.2	2.3 Engine (Safety)	<p>Separate start/stop system(s) to be fitted in all Vehicle propulsion system compartments for safety of workers while servicing the propulsion system (s). Such system(s) to have an ignition interlock fitted to ensure the Vehicle's propulsion system(s) cannot be started from the driver's position while the Vehicle propulsion cover(s) is open.</p>	<p>This feature improves safety for maintenance staff while also improving servicing efficiency contributing to minimising</p>		If the stop/start button is not fitted a battery isolator switch or equivalent system must be	






Table 2 row #	RUB Reference	Feature	Reason	New Vehicle	Existing Vehicle (pre-Mid-Life Update)	Existing Vehicle (post-Mid-Life Update)
			downtime.		fitted in order to disconnect the power supply on the Vehicle	
T2.3	2.5 Suspension	MVs must have air suspension and be capable of kneeling at the front door				
T2.4	2.7 Braking	Vehicle must be capable of being held on the park brake, and restarting without rolling back on sealed grades of not less than 20%, both uphill and downhill when fully laden.	Ensures Vehicles have sufficient performance, at time of manufacture and at all times thereafter, to operate successfully in Wellington's hilly terrain.			
T2.5	2.7 Braking	MV/LV/DD Vehicles must be fitted with EBS and ABS on all wheels. Vehicle movement above 5km/h is inhibited while rear door is open or the kneeling system is activated. Interpretation: Some suppliers may offer a combined system incorporating ABS, ASR, EBS and ESC. This is acceptable providing the system complies with ECE R13 or an equivalent internationally recognised standard. Most kneeling systems allow the Vehicle to move off after the	Safety and stability			










Table 2 row #	RUB Reference	Feature	Reason	New Vehicle	Existing Vehicle (pre-Mid-Life Update)	Existing Vehicle (post-Mid-Life Update)
		doors have closed while the rise is being completed. This reduces the dwell time at Bus Stops				
T2.6	2.7 Braking	If a passenger door is opened and the Vehicle is stationary, the rear axle brake must be activated and the engine throttle must be returned to idle and the Vehicle must be incapable of moving. A system is required to ensure that the brakes will not release unless intended to do so by the driver seated in the driver’s position.	Passenger safety			 preferrable but not mandatory
T2.7	2.7 Braking	Vehicles must be installed with a reverse monitoring system with includes: reversing cameras, reversing sensors, and reversing buzzers and hazard light activation Active braking and an auto emergency braking system are preferrable but not mandatory features of the reverse monitoring system	Increases safety during reversing operations by helping the driver to safely reverse in limited visibility conditions and to help avoid accidents while reversing. Also assists in reducing maintenance costs			 preferrable but not mandatory
T2.8	2. Design and Performance	Vehicles must be fitted with fleet management systems which include as a minimum the following main parameters: <ul style="list-style-type: none">• driver performance• Vehicle performance• speed and location monitoring,• harsh braking and harsh acceleration	The fleet management system should help to reduce idling, improve driving behaviours, reduce fuel use and emissions, reduce maintenance costs,			










Table 2 row #	RUB Reference	Feature	Reason	New Vehicle	Existing Vehicle (pre-Mid-Life Update)	Existing Vehicle (post-Mid-Life Update)
		<ul style="list-style-type: none"> accident analysis capabilities download and upload through wireless, cellular or cable link, reporting and analytics capability <p>The Operator must promptly provide GWRC with access to all reporting and analytics when requested by GWRC.</p>	improve the safety and comfort of the ride for customers through the Operator's use of the system's monitoring and reporting capabilities			
T2.9	2. Design and Performance (Exhaust)	<p>The exhaust pipe exit must be positioned so it is pointing away from the kerb and towards the right hand of the Vehicle (driver side) near the rear of the Vehicle.</p> <p>It is preferable to have the exhaust pipe exit located on the right hand side (driver side) near the rear of the Vehicle.</p>	Improved air quality standards			
T2.10	2. Design and Performance (Noise)	<p>Particular attention must be taken to minimise noise, vibration and harshness transmitted to passengers. Factors such as noise, mechanical noise and air conditioning noise must be minimised.</p> <p>The Operator must comply with clause 10 (<i>Vehicles</i>) of this Partnering Contract and paragraph 4 (<i>Vehicle Service Requirements</i>) of Schedule 3 (<i>Passenger Services</i>) in respect of noise emissions.</p>	Customer comfort and minimise environmental noise impacts			
T2.11	2. Design and Performance (Emissions)	The Operator must ensure the Vehicle complies with paragraphs 4.1 to 4.6 (<i>Vehicle emissions</i>) (inclusive) of Schedule 3 (<i>Passenger Services</i>).	This demonstrates GWRC's commitment to air quality.			










Table 2 row #	RUB Reference	Feature	Reason	New Vehicle	Existing Vehicle (pre-Mid-Life Update)	Existing Vehicle (post-Mid-Life Update)
T2.12	2. Design and Performance. (Glazing)	Anti-graffiti film shall be fitted to the inside of compartment windows as long as it does not impair the operation of any window used as an emergency exit. In practice this means the push hammer used to break the window is fitted directly to the glass and there is a clear space of a minimum of 6mm between the edge of the film and the glass mounting or sealing rubber.	This is a clarification and further application of PSV Rule requirements that are not specified in the RUB			
T2.13	2. Design and Performance (Glazing)	Advertising film shall not be fitted to the inside or outside of compartment windows other than as permitted by GWRC.	Improves customer experience and safety by enabling greater vision out of and into the Vehicle			
T2.14	2. Design and Performance (Glazing)	All side windows including any emergency exits must be made from toughened grey coloured glass with no less than 48% light transmission, except the glass covering any external destination indicator or display which must be separate from the other windows and, subject to the paragraph below, must not be tinted. The side destination display is permitted to be fitted behind tinted glass as long as the tint level is no less than 48% light transmission and the destination display brightness is reprogrammed so that is proportionately brighter for any given light sensor light level.	Customer comfort - dark tinting is to be avoided as it prevents passengers seeing out of the windows at night and where more than one Vehicle pulls up at a stop passengers can't easily see which bus has space available.		 to be fitted when glass replaced due to breakage or general wear and tear	 to be fitted when glass replaced due to breakage or general wear and tear







Table 2 row #	RUB Reference	Feature	Reason	New Vehicle	Existing Vehicle (pre-Mid-Life Update)	Existing Vehicle (post-Mid-Life Update)
T2.15	2. Design and Performance (Glazing)	<p>There must be no black-out area under the windscreen (excluding the anti-glare band) and no black out areas on the side windows of the passenger saloon area.</p> <p>An exemption to this requirement applies to sections of glass not visible to passengers due to an internal wall covering that section of the glazing, and then only the covered glazed area can be blacked out. This exemption is only applicable for side windows in the raised areas from the back door to the rear of the vehicle.</p>	Enables the space at the front of the Vehicle to be maximised for livery and/or a safety colour and maximises light and visibility into and out of the passenger saloon area		 passenger saloon area to be fitted when glass replaced due to breakage and/or general wear and tear and as part of Mid-Life Update	 passenger saloon area to be fitted when glass replaced due to breakage or general wear and tear
T2.16	2. Design and Performance (cable ducting and/or mounting points for after-market wiring)	<p>Provision to allow for the after-market installation of:</p> <ul style="list-style-type: none"> • GNSS receiver antennae (mounted above the driver area) • Ticketing console and up to two tag readers per door. All Vehicles have 1 validator at the front door fitted on the right side as a passenger enters the bus. Rear doors will have either 1 or 2 validators depending on the width of the door as follows: <ul style="list-style-type: none"> • MV ≥700mm single leaf – 1 validator – fitted on the opposite side to an inward opening door. • LV/DD ≥1000mm double leaf – 1 validator fitted either side. • Passenger counting (DD upper floor and other applications) • RTP1 System GNSS receiver and destination signs/ 	<p>Installers of after-market products typically need to drill or punch through panels etc. and add cables to existing looms.</p> <p>This process is time consuming and may potentially affect structural integrity / safety.</p> <p>Future-proofing to enable the safe, timely and cost effective after-market</p>			





Table 2 row #	RUB Reference	Feature	Reason	New Vehicle	Existing Vehicle (pre-Mid-Life Update)	Existing Vehicle (post-Mid-Life Update)
		<p>shared infotainment screens</p> <ul style="list-style-type: none"> Operator GNSS / fleet management (various) / eRUC (such as ITL/Coretex/Telematics or EROAD) LCD passenger display screens which enable visual and audible automated progressive route and journey related information and announcements Video and audio systems (including media player) <p>The cable routes and methods to secure cables shall be provided for all systems referred to in this VQS (including current, future and after-market systems) to allow easy and cost effective installation and maintenance and meet the following requirements.</p> <p>Further information on this requirement is set out in Appendix 3 (<i>Electrical, antenna and cabling provisions</i>) to this Schedule.</p>	installation of electronic technology is required.			
T2.17		Without limiting clauses 12.5 to 12.11 (Installation of Ticketing System and RTPI System on board Vehicles) (inclusive) and clause 12.14 (<i>New RTPI Equipment or Ticketing Equipment</i>) of this Partnering Contract, Vehicles will be fitted with wiring looms which meet GWRC's requirement for the RTPI System and the Ticketing Equipment.				
T2.18	2. Design and Performance	The switchboard should be located in an area suitable for access from within the Vehicle. This would ideally be the	Electrical Safety: Installers of after-			




Table 2 row #	RUB Reference	Feature	Reason	New Vehicle	Existing Vehicle (pre-Mid-Life Update)	Existing Vehicle (post-Mid-Life Update)
	(Switchboard capacity)	<p>front left side (when looking down the saloon) of the Vehicle in an easily accessible location. The switch box should only cater for OEM Vehicle equipment.</p> <p>It is recommended that the electrical system be sized to provide adequate power supply to the specified technologies including additional power capacity to 10 additional spare electrical fuses (8 fuses at 10 amps each and 2 fuses at 15 amps each) in order to permit aftermarket accessories to be installed such as Wifi</p> <p>Further information on this requirement is set out in Appendix 3 (<i>Electrical, antenna and cabling provisions</i>) to this Schedule</p>	<p>market products typically need to find space in the switchbox area to add additional circuit breakers/fuses.</p> <p>This may impact on design safety in terms of heat and proximity.</p> <p>Ideally specifications will allow spare space for aftermarket installations.</p>			
T2.19	3.2 Doors	<p>Vehicle movement above 5km/h must be inhibited while rear door is open or the kneeling system is activated.</p> <p>A detector system must be fitted to the front and rear doors capable of sensing objects and people from at least 40mm above floor level to a minimum height of 1500mm, ideally to full door height.</p> <p>To further support Passenger Service Vehicle Rule 31001 section 2.2(2), the detector system must cause the door to automatically open should an object or person be trapped by a closing door (the open door will in turn prevent the Vehicle from moving).</p> <p>The system must be capable of detecting the 30mm test bar (ref to CoF technical bulletin 5 for dimensions of the</p>	<p>Safety requirement to prevent Vehicles moving away with customers trapped in doors.</p>			







Table 2 row #	RUB Reference	Feature	Reason	New Vehicle	Existing Vehicle (pre-Mid-Life Update)	Existing Vehicle (post-Mid-Life Update)
		<p>test bar) located between adjacent door panels or, in the case of doors closing on one side, between the edge of the door panel and the door frame.</p> <p>Any failure of this system will necessarily mean that the rear door must remain closed until the system is repaired and successfully tested.</p> <p>Without limiting clauses 10.3 to 10.3B (inclusive) of this Partnering Contract, the Vehicle must not re-enter passenger service while the door safety system is inoperable.</p> <p>If the front and/or rear doors are inward opening, folding awareness signage is to be placed on the top section of the doorframe warning passengers of the inwards folding door movement.</p>				
T2.20	3.2 Doors (Minimum Number)	<p>SV one door</p> <p>MV two doors. One door is allowed on Existing MVs in the Wairarapa unit and on route 290 Otaki only.</p> <p>LV/DD two doors</p>	Ease and speed of boarding and alighting from the Vehicles			
T2.21	3.2 Doors (Location and glazing)	<p>Front door shall be as close to the front of the Vehicle as possible preferably forward of the front axle and immediately opposite and in full view of the driver with full length non-tinted glazing</p> <p>Rear door for MV/LV Vehicles shall be located close to</p>	Ease and speed of boarding and alighting from the Vehicles and standardisation to align with on-street			








Table 2 row #	RUB Reference	Feature	Reason	New Vehicle	Existing Vehicle (pre-Mid-Life Update)	Existing Vehicle (post-Mid-Life Update)
		the forward side of the rear axle housing at low floor level Rear door for DD Vehicles shall be located as close to alignment with the foot of the staircase as possible to aid unloading of Vehicles	infrastructure			
T2.22	3.2 Doors (Width – clear space excluding handrails on the door)	Front door for new and existing SV Vehicles ≥850mm single leaf	Easy and speed of boarding and alighting from the Vehicles			
T2.23		Front door for MV/LV/DD Vehicles <ul style="list-style-type: none"> • MV ≥850mm single leaf • LV/DD ≥1000mm double leaf 				
T2.24		Front door for MV/LV/DD Vehicles ≥1000mm double leaf Preference for DD ≥1100mm double leaf (this is consistent with vehicles that have recently entered service in New Zealand)				
T2.25		Rear door for MV/LV/DD Vehicles ≥700mm single leaf				 Unless otherwise approved by GWRC







Table 2 row #	RUB Reference	Feature	Reason	New Vehicle	Existing Vehicle (pre-Mid-Life Update)	Existing Vehicle (post-Mid-Life Update)
T2.26		Rear door for MV/LV/DD Vehicles <ul style="list-style-type: none"> MV $\geq 700\text{mm}$ single leaf LV/DD $\geq 1000\text{mm}$ double leaf Preference for DD $\geq 1100\text{mm}$ double leaf (this is consistent with vehicles that have recently entered service in New Zealand)				
T2.27		The door width measurement is the total aperture opening when the door mechanism has been operated, but excludes the handrails from the measurement. It should be taken at the point midway between the top and bottom of the door opening.				
T2.28	3.2 Doors (draught screens)	Clear glazed draught screens shall be provided above modest panels at passenger door positions to provide weather protection for passengers seated next to the doors. The panels must be designed and installed so as not to create blind spots and as so as to enable sufficient space between the screen and handrail of 45mm. An example of a draught screens is provided below for illustrative purposes only.	Passenger comfort		 to be fitted before or at Mid-Life Update	







Table 2 row #	RUB Reference	Feature	Reason	New Vehicle	Existing Vehicle (pre-Mid-Life Update)	Existing Vehicle (post-Mid-Life Update)
						
T2.29	3.4 Floors	<p>For clear identification, the priority seat area and the wheelchair space area must be highlighted in contrasting colours as specified in the Metlink Branding Manual.</p>	<p>Clear identification of areas and their purpose within the passenger saloon</p>		 to be fitted before or at Mid-Life Update	
		<p>The priority seat area and wheelchair space area must be identified using appropriate signage with a usage symbol as approved by GWRC. Painted lettering is not permitted.</p> <p>“No Standing Area” yellow lettering must be inlaid (or using appropriate signage) in the front and rear door entry/exit floor areas. Painted lettering is not permitted</p>				



Table 2 row #	RUB Reference	Feature	Reason	New Vehicle	Existing Vehicle (pre-Mid-Life Update)	Existing Vehicle (post-Mid-Life Update)
T2.30	3.4 Floors	<p>The passenger saloon floor to wall interface shall have a nominal radius of 50mm or be covered (examples of permitted covings are provided below) and floor covering shall continue up the walls for at least 75mm.</p> <p>Examples of permitted covings:</p> <div style="display: flex; justify-content: space-around;"> <div style="text-align: center;">  45 degree coving </div> <div style="text-align: center;">  Pencil coving corner </div> </div> <p>There shall be no cables or services ducting which protrude into the saloon area.</p>	Ease of cleaning and safety	✔	✔ to be fitted before or at Mid-Life Update	
T2.31		The floor material must be covered in fire retardant material in accordance with BS476 Class 7 part 2 or equivalent		✔	✔ to be fitted before or at Mid-Life Update	
T2.32		All floor covering material and joins shall be impervious and chemically unaffected by water, paint, human waste, graffiti removers, wash-plant solutions, cleaning solutions, food and drink spills		✔	✔ to be fitted before or at Mid-Life Update	







Table 2 row #	RUB Reference	Feature	Reason	New Vehicle	Existing Vehicle (pre-Mid-Life Update)	Existing Vehicle (post-Mid-Life Update)
T2.33		The floor covering shall have as few seams as possible, seamless flooring is preferable. All seams shall be fully sealed and shall not create a trip hazard.				
T2.34	3.5 Aisle Width	Minimum aisle width clearances through the front wheel arches and up to the rear of the multi-use/wheelchair space area must be:				
T2.35		<ul style="list-style-type: none"> SV ≥780mm: Measured at the middle of the wheel arch at a height of 300mm. 				
T2.36		<ul style="list-style-type: none"> MV ≥800mm: Measured at the middle of the wheel arch at a height of 300mm. 				
T2.37	3.5 Aisle Width	Positioning of the driver Ticketing Equipment must not impede on minimum aisle width clearances.	When positioning the Ticketing Equipment for the driver consideration must also be given as to its position in relation to the head height for a wheelchair user			








Table 2 row #	RUB Reference	Feature	Reason	New Vehicle	Existing Vehicle (pre-Mid-Life Update)	Existing Vehicle (post-Mid-Life Update)
T2.38	3.6 Seating	Seat types to be comfortable and shall use individual seat backs and squabs. Seats shall have swallow or no curve profile, i.e. no “bucket style” seats, to allow larger passengers to sit in comfort.	Customer comfort			
T2.39	3.6 Seating	The height from the floor to the top of the front of the seat cushion must be ≥ 450 mm and ≤ 500 mm.			 to be fitted before or at Mid- Life Update	
T2.40	3.6 Seating	Seats must have a seat back height of ≥ 900 mm , but with no headrest. The materials used for the seating shall be easily cleaned or exchanged during maintenance. The seating structure shall be vandal/graffiti resistant. Seats must be fabric covered, and the fabric material, quality and design must comply with the requirements of the Metlink Branding Manual. All seating materials must comply with ISO 3795 (1998) or FMVSS 302 US standard or equivalent ECE standard.			 seat fabric material, quality and design to comply with Metlink Branding Manual before or at Mid- Life Update	
T2.41	3.6 Seating	Hinges for folding seats must not protrude into the aisle but be accommodated by recess into the seat squab and seat back.	The hinges obstruct turning movement of a wheelchair and are at exactly the right height for catching wheelchair			







Table 2 row #	RUB Reference	Feature	Reason	New Vehicle	Existing Vehicle (pre-Mid-Life Update)	Existing Vehicle (post-Mid-Life Update)
			user's legs.			
T2.42	3.6 Seating	The rear row of seats must be constructed in a manner which enables easy replacement of cushions and seat shells and for cleaning behind the seats	Ease of maintenance and cleaning		 to be fitted before or at Mid- Life Update	
T2.43	4.3 Stanchions and handrails	Stanchions to the rear of dedicated wheelchair bays to have a curved or angular profile providing clearance from the floor of at least 300mm by 300mm in order to allow for the turning of a wheelchair within the confines of the wheelchair bay	Customer is able to manoeuvre their wheelchair without catching themselves on fittings.			
T2.44	4.4 Grab handles on seat backs and elsewhere (Hanging straps)	Hanging straps must include use of high-visibility contrasting yellow colour in their design. GWRC to approve style and design of the hanging straps before installation.	Customer comfort and safety while standing		 to be fitted before or at Mid- Life Update	
T2.45	4.4 Grab handles on seat backs and elsewhere (Grab handle)	All forward or rearward-facing seats must have a grab handle accessible by a passenger standing in the aisle. Grab handles over the seat back are permitted. Additional grab handles on the top of wheel arches are also required. As with stanchions and handrails, all grab handles shall be the high visibility contrasting colour as specified in the Metlink Branding Manual.			 to be fitted before or at Mid- Life Update	










Table 2 row #	RUB Reference	Feature	Reason	New Vehicle	Existing Vehicle (pre-Mid-Life Update)	Existing Vehicle (post-Mid-Life Update)
T2.46	4.5 Lighting	Vehicles must be fitted with interior lighting using LED lamps			 to be fitted before or at Mid- Life Update	
T2.47		Vehicles must be fitted with smart sensors to ensure the interior lighting is automatically de-activated in daylight in the saloon areas.			 to be fitted before or at Mid- Life Update	
T2.48	4.6 Safety and security	All Vehicles to be fitted with a CCTV System which meets the minimum requirements as set out in Appendix 2 (<i>CCTV system minimum requirements</i>) to this Schedule	To ensure image quality and format is sufficient to be of use across a wide range of digital systems including Police systems in the event of incident			
T2.49	4.6 Security and Safety	DD Vehicles must be fitted with a shield or other form of sacrificial protection to the upper left and right corners of the Vehicle to allow protection from striking trees or other roadside furniture. Such protection must be within the dimensional requirements of Land Transport Rule: Vehicle Dimensions and Mass 2002 or any replacement or				










Table 2 row #	RUB Reference	Feature	Reason	New Vehicle	Existing Vehicle (pre-Mid-Life Update)	Existing Vehicle (post-Mid-Life Update)
		amendment thereto				
T2.50	4.6 Safety and security	<p>DD Vehicles must be fitted with an upper deck passenger counting system which includes screens (may include viewing on multi-purpose driver display unit) in the lower passenger saloon so the driver and passengers can see how many seats are available in the upper deck.</p> <p>It is recommended the system has a driver display showing upper deck passenger numbers.</p>	Safety: DD Vehicles must not have standee passengers in the upper compartment.			
T2.51	4.6 Security and safety	DD Vehicles must be fitted with a tamper proof smoke detector in the upper deck rear seated area and provide audible warning to the driver	Passenger safety		 to be fitted before or at Mid- Life Update	
T2.52	4.7 Heating, Ventilation and Air conditioning	Heating, ventilation and air conditioning systems must be independent of the driver adjusting systems			 to be fitted before or at Mid- Life Update	
T2.53	4.7 and 4.8 Heating Ventilation and Air conditioning	<p>Air conditioning and demisting: all roof mounted a/c equipment and/or pods must be sealed so that no water, from weather, vehicle washes or any other cause, penetrates the interior of the Vehicle or contacts any structural members, internal panel surfaces or voids.</p> <p>The temperature within the saloon areas is to be</p>	A comfortable ambient temperature for customers at all times of year			

Table 2 row #	RUB Reference	Feature	Reason	New Vehicle	Existing Vehicle (pre-Mid-Life Update)	Existing Vehicle (post-Mid-Life Update)
		<p>maintained at a temperature of 22°C +/- 4°C</p> <p>DD Vehicles must have at least 2 temperature sensing zones, one for the lower saloon area and one for the upper saloon area.</p> <p>Relative humidity must normally be around 50% but must not exceed 70% at any time in service. Optimum levels to be reached within 10 minutes of Vehicle start up.</p> <p>Distributed air from the a/c system must not blow directly onto passengers' heads.</p> <p>Additional, individual, vandal proof, adjustable vents must be fitted in the upper compartment of DD Vehicles.</p> <p>Note: the above requirement relates to Vehicles which have air conditioning and demisting systems installed. RUB only requires non-hybrid New Vehicles to be fitted with full air conditioning climate control systems. GWRC confirms that the exemption from the fitting of full air conditioning climate control systems extends to Electric Vehicles, as well as hybrid vehicles.</p> <p>Hybrid and Electric Vehicles are to be fitted with an automatic thermostatically controlled heating and ventilation system capable of maintaining a saloon temperature range of 18-26°C, which is independent of the driver adjusting settings, and provides adequate fresh air intakes. The method of achieving this requirement must be agreed with GWRC prior to installation.</p> <p>The demisting requirements for hybrid and Electric</p>				

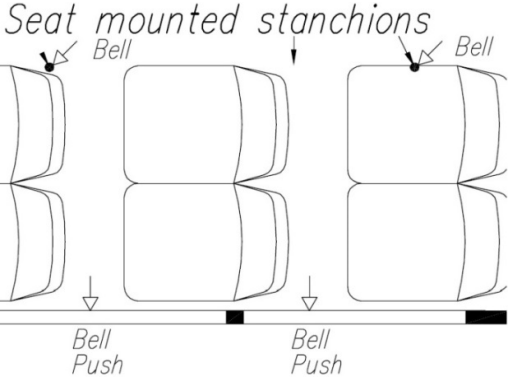




Table 2 row #	RUB Reference	Feature	Reason	New Vehicle	Existing Vehicle (pre-Mid-Life Update)	Existing Vehicle (post-Mid-Life Update)
		<p>Vehicles must comply, as a minimum, with the requirements set out in RUB for Vehicles which are not fitted with a full air conditioning climate control system.</p> <p>The requirement for full air conditioning climate control systems in hybrid and Electric Vehicles is to be considered as part of future requirements, refer Table 3.</p>				
T2.54	5.2 Vehicle stopping signals	<p>Vehicle stopping signals may not be activated by horizontal cordage.</p> <p>Signalling devices shall be, where practicable, mounted to the walls between every row of seats and adjacent to and not less than every second row of seats on both sides of the aisle (on stanchions) as depicted by the image below</p> <p><i>Seat mounted stanchions</i></p>  <p>The diagram shows two rows of seats facing each other. Between the seats, there are stanchions. Arrows point to the top of the stanchions labeled 'Bell'. Below the stanchions, there are floor-mounted buttons labeled 'Bell Push'.</p>			 to be fitted before or at Mid- Life Update	
T2.55	5.3 External destination	<p>Signs shall be fitted with LED amber or white displays, with emphasis on high visibility during all light levels that can be easily read by the majority of sighted current or</p>	<p>Clear information of the Route, Destination and Bus Stops help</p>			



Table 2 row #	RUB Reference	Feature	Reason	New Vehicle	Existing Vehicle (pre-Mid-Life Update)	Existing Vehicle (post-Mid-Life Update)
	display	<p>potential passengers as the Vehicle approaches or departs.</p> <p>The destination display controller must be capable of storing at least 2000 separate displays and be updated by means of a smartcard or USB connection.</p> <hr/> <p>Signs must have the capability to display multi-line information in a mix of upper and lower case characters and also frequently changing displays to facilitate additional route information e.g. via station.</p> <p>The signs for all bus sizes shall have the following minimum character size:</p> <ul style="list-style-type: none"> • Front and rear route number characters shall be ≥150mm. • Front destination characters shall be ≥125mm. • Side route number and destination characters shall be ≥60mm <p>Front display:</p> <p>Must show the Route number. The Route number needs to be displayed on the right hand side of the external destination display.</p> <p>Must show the ¹primary and ²secondary (or ³alternate secondary) destinations. Secondary destination information must be able to be alternated.</p>	<p>passengers to see where the Vehicle is going and form an essential part of generating passenger confidence.</p>	<p style="text-align: center;"></p>	<p style="text-align: center;"></p>	

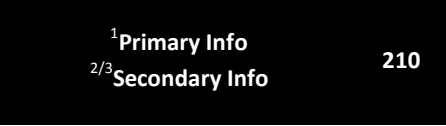
Table 2 row #	RUB Reference	Feature	Reason	New Vehicle	Existing Vehicle (pre-Mid-Life Update)	Existing Vehicle (post-Mid-Life Update)
		<p>Example of primary, secondary and alternate destination display information:</p>  <p>Near-side display:</p> <p>Must show the Route number. For passengers at Bus Stops to easily see it, the Route number needs to be displayed on the right hand side of the external destination display.</p> <p>Must show the ¹primary destination. Display of the ²secondary (or ³alternate secondary) destination is preferable but not mandatory. If secondary destination information is displayed it must be able to be alternated.</p> <p>Rear display:</p> <p>Must show the Route number. If destination information is displayed the Route number needs to be displayed on the right hand side of the destination information.</p> <p>Display of the ¹primary destination is preferable but not mandatory.</p> <p>For clarification:</p>				




Table 2 row #	RUB Reference	Feature	Reason	New Vehicle	Existing Vehicle (pre-Mid-Life Update)	Existing Vehicle (post-Mid-Life Update)
		<p>¹Primary destination</p> <ul style="list-style-type: none"> • Only one primary destination. • Always displayed. • Has the largest possible font size for the display. <p>²Secondary destination</p> <ul style="list-style-type: none"> • Gives extra (supplementary) destination information such as 'via' information. • Has a smaller font size than the primary destination. • The display must be able to switch between showing the secondary destination and the alternate secondary destination. <p>³Alternate secondary destination</p> <ul style="list-style-type: none"> • Gives extra (supplementary) information such as designated service connections. <p>The display must be able to switch between showing the alternate secondary destination and the secondary destination.</p>				
T2.56	<p>5.4 Internal information</p> <p>(On-Vehicle passenger information)</p>	<p>All Vehicles to be fitted with internal passenger information displays and audio speakers to enable visual and audible automated progressive route and journey-related information and announcements which meet the minimum requirements as set out in GWRC's "On-Vehicle Passenger Information System Specification" as provided</p>	Customer service			

Table 2 row #	RUB Reference	Feature	Reason	New Vehicle	Existing Vehicle (pre-Mid-Life Update)	Existing Vehicle (post-Mid-Life Update)
	system)	<p>to the Operator by GWRC from time to time.</p> <p>The progressive route and journey information must be consistent with the RTPi System. The RTPi System will be provided to the Operator by GWRC.</p> <p>This system will consist of up to 3 LCD display units, Console (GRP Box), front junction box, a step volume control, anti-theft console, power amplifier and all associated wiring.</p> <p>SV/MV: To be fitted with one rearward facing display located at the front positioned so that it is visible to all passengers and one forward facing display so that it is visible to the rearward facing wheel chair and does not block the view of the front display.</p> <p>LV: To be fitted with one display located at the front positioned so that it is visible to all passengers and one forward facing display so that it is visible to the rearward facing wheel chair and does not block the view of the front display.</p> <p>DD: The lower deck is to be fitted with one rearward facing display on the rear wall of the stairs so that it is visible to all passengers to the rear of the display and one forward facing display so that it is visible to the rearward facing wheel chair, standing passengers and does not block the view of the front display. The upper deck is to be fitted with one rearward facing display fitted to the rear of the stairs so that it is visible to all passengers to</p>				







Table 2 row #	RUB Reference	Feature	Reason	New Vehicle	Existing Vehicle (pre-Mid-Life Update)	Existing Vehicle (post-Mid-Life Update)
		<p>the rear of the display.</p> <p>LCD display size to be between 20" - 22" measured diagonally from bottom left to top right, or bottom right to top left.</p> <p>Up to 8 pairs of speakers shall be fitted to the Vehicle (surface mounted speakers shall be located in such a way that 5 pairs for the upper saloon of a DD and 3 pairs for the lower saloon of a DD and a single deck Vehicle allow convenient notification of the passenger with good coverage).</p> <p>The accommodation / installation of all individual components must be an integral part of the overall body design. All wiring and connections to the displays must be enclosed within tamper proof casings.</p> <p>Audible announcements detailing the next Bus Stop are to be automated, in English and clear enough for passengers to hear in all seated positions.</p>				
T2.57	5.4 Internal information (advertising and operational notices)	<p>Provision shall be made for placing advertising posters and operational notices in the saloon, as specified in the Metlink Branding Manual.</p> <p>Operators are to install and supply poster holders</p>				
T2.58	5.5 Driver operational	<p>A public address system capable of broadcasting driver announcements</p>	<p>Enables customer to be kept informed of</p>			





Table 2 row #	RUB Reference	Feature	Reason	New Vehicle	Existing Vehicle (pre-Mid-Life Update)	Existing Vehicle (post-Mid-Life Update)
	communication	<p>It is GWRC's preference that this system has the capability to being overridden by an Operator's control centre.</p> <p>The two-way radio communication system shall enable communication between the Vehicle and back to base depot and to any central information or control centre only. The radio communication system shall not enable communication between Vehicles. The system must be capable of broadcasting to all or to individual Vehicles from the base depot, central information or control centre. This type of radio communication system is often referred to as a closed radio communication system.</p>	delays and disruptions on the network			
T2.59	6.5 Ramp	<p>The ramp lifting rings or handles must be countersunk/flush with the floor to reduce the interference to passengers on foot or in wheelchairs.</p> <p>The driver's lifting handle must be the full-hand width style, preferably in the centre of the ramp.</p> <p>High contrast yellow, flat ramp edge markers are required.</p>				
T2.60	7 Driver Compartment	<p>The driver's compartment must:</p> <ul style="list-style-type: none"> • have individual, driver controlled, adjustable heating/cooling outlets, including to the foot area; • have a fully sprung driver's seat with adjustment in all three planes and designed to be comfortable for 				




Table 2 row #	RUB Reference	Feature	Reason	New Vehicle	Existing Vehicle (pre-Mid-Life Update)	Existing Vehicle (post-Mid-Life Update)
		<p>drivers of varying weights and heights;</p> <ul style="list-style-type: none"> • be fitted with an easily (tilt and height) adjustable steering wheel column and soft style easily cleaned & dried steering wheel; • have ergonomically located ticketing equipment to allow all drivers to access the equipment without physical stress; • have a barrier directly behind the driver to prevent assault from behind, either directly or from a thrown object; and • a revenue collection and holding system that places cash readily in a secure cashbox that can be easily secured to the Vehicle. 				
T2.61	7. Driver Compartment	<p>Driver feedback near real time Operators' GNSS (or other) system must provide near real time feedback to the driver in an appropriate format promoting safe and fuel efficient driving wherever this is not a manufacturer feature.</p> <p>This system must advise drivers immediately of any harsh acceleration, braking, swerving or cornering (G forces) and enable the Operator to upload records.</p>	<p>GWRC wishes to promote safety and the customer experience by ensuring drivers are provided with immediate feedback on their driving behaviour.</p> <p>Ideally this will also permit remote review to facilitate driver coaching by the</p>			









Table 2 row #	RUB Reference	Feature	Reason	New Vehicle	Existing Vehicle (pre-Mid-Life Update)	Existing Vehicle (post-Mid-Life Update)
			Operator and assist with establishing facts during any complaint resolution process.			
T2.62	7. Driver Compartment (covert panic button)	<p>A covert duress panic button is to be installed in the event the driver feels a threat situation is developing (Duress Alarm). The Duress Alarm must open the radio channel to enable confidential conversation between the driver and the operator control centre in addition to 'tagging' the security camera footage.</p> <p>The Duress Alarm shall be positioned in an area which is able to be reached from all driver seat positions and not located where accidental activation will occur. A single button must have 2 independent sets of contacts; one terminating at the radio and the other terminated to the CCTV System</p>				
T2.63	RTPI System (real time passenger information)	<p>GWRC will supply a GPS tracking system which must be fitted to each Vehicle to enable operation of the RTPI System. The GPS tracking system includes: loom, antenna, automatic vehicle locator, driver console, and brackets. The system will interface to various bus signals e.g. odometer signal, door position status, and the Ticketing Equipment.</p>	This is a GWRC requirement to enable the RTPI System			
T2.64	Accident	Vehicles shall be fitted with accident prevention	Safety particularly in high pedestrian and			







Table 2 row #	RUB Reference	Feature	Reason	New Vehicle	Existing Vehicle (pre-Mid-Life Update)	Existing Vehicle (post-Mid-Life Update)
	Prevention	<p>technology.</p> <p>As a minimum the following technologies must be fitted to Vehicles:</p> <ul style="list-style-type: none"> • reversing camera system, which can be incorporated into the system specified in Table 2 row reference T2.7 • rear and side blind spot camera system <p>It is GWRC's preference that the technologies listed in Table 3 row T3.5 (Accident Prevention) as being required to be installed on Vehicles are installed as soon as the technologies are recognised as being Good Industry Practice.</p>	<p>cyclist areas.</p> <p>The purpose of ISA is to assist the driver to maintain a safe and lawful speed at all times.</p>			
T2.65	Bike Racks	<p>All Vehicles must be fitted with brackets and approved GWRC front mounted bike racks capable of carrying a minimum of two bikes.</p> <p>The bike rack must be able to be securely stowed against the front of the Vehicle when not in use. The rack and bracket must not impede the visibility of the Vehicle number plate, any lights, or other safety features of the Vehicle or drivers' field of vision that would prevent the Vehicle from obtaining a CoF.</p> <p>The rack must not impede the operation and visibility of school bus signs at the front of the Vehicle.</p> <p>The installation of a deployment indicator kit consisting of</p>				

Table 2 row #	RUB Reference	Feature	Reason	New Vehicle	Existing Vehicle (pre-Mid-Life Update)	Existing Vehicle (post-Mid-Life Update)
		a dashboard mounted light that notifies the driver when the bike rack is deployed (safety enhancement features) is preferred but not mandatory.				
T2.66	Vehicle condition	Vehicles shall comply with the requirements of Appendix 1 (Vehicle Condition Assessment) to this Schedule 4				

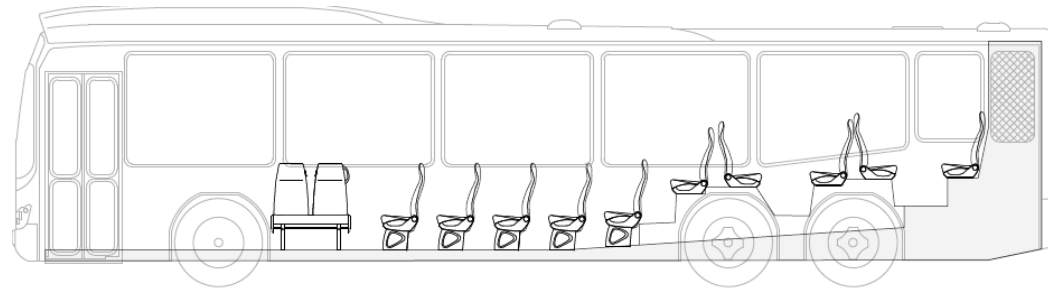
Future requirements

- 3.14 Table 3 lists non-mandatory features that GWRC would prefer are fitted to Vehicles. GWRC acknowledges that the technology for some of these features is still developing. During the Term, prior to the Operator acquiring (or acquiring the use of) a Vehicle and prior to the Mid- Life Updates to a Vehicle, the Parties shall:
- 3.14.1 meet and agree (acting reasonably and having regard to the guiding principle that Vehicles should include as many elements from this VQS as are reasonably practical to include) which of the following features in Table 3 and any other features not included in the VQS will be included in the Vehicle specifications; and
- 3.14.2 without limiting paragraph 3.13.1, in respect of Mid-Life Updates, comply with paragraphs 4.9 to 4.13 (*Mid-Life Updates*) (inclusive) of Schedule 3 (*Passenger Services*).

Table 3 Future Requirements

Table 3 row #	RUB Reference	Feature	Reason
T3.1	5.3 External destination display	Multi-colour LED displays	Customer recognition of Vehicle destination and Route
T3.2	2.6 Stability and	LV/DD Vehicles to be fitted with ESC/ESP	Safety

	Steering		
T3.3	2. Design and Performance (APCs - automatic passenger counting system)	<p>Vehicles to be fitted with a passenger counting system which has an accuracy of $\geq 95\%$ in any Relevant Month</p> <p>Such APCs systems could use infrared lights, stereographic ultrasonic sensors at doorways to a Vehicle.</p> <p>Alternatively, CCTV cameras can be used together with intelligent people counters to log numbers of people getting on and off at each stop or station.</p> <p>Preference is for the APC computer to be integrated with an on-board GPS system to link passenger data to Vehicle location</p>	<p>Safety, compliance and revenue protection (gathering accurate patronage data and comparing that data to fare revenues)</p> <p>Automatically counting people on and off the Vehicles enables cross checking of passenger numbers with Ticketing Equipment transactions. It provides evidence to assist in remedying missing Farebox Revenue.</p> <p>On-board passenger counting systems are readily available and accuracy of systems is constantly improving.</p>
T3.4	3.4 Floors	<p>LV/DD Vehicles to have flat floor from front entry to rear edge of the rear door then a sloping floor to the rear of the Vehicle, with a maximum gradient of 1:12.5. A maximum of 2 steps are allowed at the rear seats to enable easy access to these seats. The images below are provided to assist in explaining the requirement.</p>	<p>Maximising standing capacity, improving access through the Vehicle and improving the comfort of standing customers.</p>



T3.5	Accident Prevention	<p>Vehicles to be fitted with accident prevention technology.</p> <p>Such systems will alert drivers, and where possible control centres, of dangerous situations that provide an opportunity to avoid accidents. These systems must include:</p> <ul style="list-style-type: none"> • Forward collision warnings • Lane departure warnings • Headway monitoring and warning, adaptive cruise control • Pedestrian & cyclist collision warning • Intelligent high-beam control • Intelligent Speed Adaptation system (ISA), which alerts the driver of the Vehicle travelling at a speed in excess of the speed limit. GWRC's preference is for Vehicles to be fitted with ISA systems which automatically correct the Vehicle's speed to conform with the speed limit (Speed limiter system) 	<p>Safety particularly in high pedestrian and cyclist areas</p> <p>The purpose of ISA is to assist the driver to maintain a safe and lawful speed at all times.</p>
T3.6	4.7 heating, ventilation and air-conditioning	<p>All Vehicles to be fitted with full air conditioning systems which are capable of meeting, as a minimum, the performance requirements set out in Table 2 row T.53.</p>	<p>Consistent customer experience and comfort.</p>

Appendix 1 – Vehicle Condition Assessment

1. Vehicle condition assessments will be undertaken by GWRC as part of its audit and inspection rights set out in clause 24 (*Audit and inspection rights*) of this Partnering Contract on a monthly basis or any other frequency determined by GWRC.
2. The condition of Vehicles will be assessed by GWRC against the criteria in Tables A and Tables B:
 - 2.1 using the "Description of condition" grading system from "New condition" to "Vehicle unsafe"; and
 - 2.2 having regard to the "detailed condition descriptions", if any,
for each "Vehicle exterior element" and each "Vehicle interior element".
3. The Operator must comply with clauses 10.3, 10.3A and 10.3B in respect of any Minor Non-Compliance, Major Non-Compliance and Severe Non-Compliance.
4. The following key applies in this Appendix 1:

Key

Shading	Category of non-compliance
	Minor Non-Compliance
	Major Non-Compliance
	Severe Non-Compliance

Table A: Vehicle exterior

Vehicle exterior element & detailed condition descriptions						
	Major Scratching = deep scratching penetrating surface of paint more than 30cm long Minor scratching = shallow scratching on paint < 30cm long	Major Denting= more than 60cm long or depression of greater than 20 cm Minor denting = less than 30cm long and < 6cm depression	Major Damage = rip, tear or abrasion of longer than 10cm Minor Damage = rip, tear or abrasion of <10cm	Major Damage = rip, tear, crack or abrasion of longer than 10cm Minor Damage = rip, tear, crack or abrasion of <10cm Minor discolouration = slight loss of colour through fading	Major Discolouration = excessive fading, looks untidy, requires repaint Minor Discolouration = slight loss of colour through fading	Excessive Dirt= dirt > 20cm sq. area. Also includes dirt, hand or finger prints on windows. Minor Dirt = dirt < 20cm sq. area. Also includes dirt, hand or finger prints on windows.
Description of condition	Panel Scratches	Denting	Operator Branding	GWRC Branding	Vehicle Paintwork	Vehicle Cleanliness
New condition	New condition					
Excellent condition	No scratching on any panels	No denting on any panels	No damage or discolouration to decals	No damage or discolouration to branding	No faded or discoloured paint	No visible dirt on Vehicle
Very good condition	Minor scratching on one panel	Minor denting on one panel	One decal with minor damage	Some minor discolouration of branding	Minor paint discolouration on one panel	Minor dirt on one panel or window
Good condition	Minor scratching on 2 panels	Minor denting on 2 panels	2 decals with minor damage	Minor damage to any one piece of branding	Minor paint discolouration on 2 panels	Minor dirt on 2 or more panels or windows
Fair condition	Minor scratching on 3 or more panels or major scratching on one panel	Minor denting on 3 or more panels or major denting on one panel	3 or more decals with minor damage or 1 decal missing or with major damage	Minor damage to 2 or more pieces of branding or major damage to any one piece of branding	Major paint discolouration on one panel or minor discolouration on 3 or more panels	Excessive dirt on one panel or window
Below average condition	Major scratching on 2 panels	Major denting on 2 panels	Two decals missing or with major damage	Major damage to two or more pieces of branding	Paint or advertising on back of Vehicle untidy or major paint discolouration on two or more panels	Excessive dirt on 2 or more panels (but <50% of Vehicle) or exhaust stain on Vehicle back
Poor condition	Major scratching on 3 panels	Major denting on 3 panels	3 or more decals missing or with major damage	Missing branding	Primer on one panel	Vehicle has excessive dirt over more than 50% of its body.
Very poor condition	Major scratching on 4 or more panels	Major denting on 4 or more panels	-	-	Primer on 2 or more panels	Vehicle has excessive dirt over more than 75% of its body.
Extremely poor condition	-	-	-	-	-	-
Vehicle unsafe	-	-	-	-	-	-

Table A continued: Vehicle exterior

Description of condition	Vehicle exterior element & detailed condition descriptions					
	Loose panels = those that move freely Badly fitting panels = those with a gap of greater than 1cm at any part	Large amount of visible exhaust smoke = excessive or prolonged smoke emission either during acceleration or while stationary	Doors	Front	Side	Rear
New condition	New condition-					
Excellent condition	-	-	-	-	-	-
Very good condition	-	-	-	-	-	-
Good condition	-	-	-	-	-	-
Fair condition	-	-	-	-	-	-
Below average condition	One loose or badly fitting panel	-	Loose, sticking or rattling doors	Destination screens not clear to read.	Destination screens not clear to read.	Destination screens not clear to read.
Poor condition	-	-	Seals damaged causing air to enter interior	Destination screens not working	Destination screens not working	Destination screens not working
Very poor condition	2 loose or badly fitting panels	Large amount of visible smoke	Doors not closing properly	-	-	-
Extremely poor condition	3 or more loose or badly fitting panels	-	-	Destination screens not fitted	Destination screens not fitted	Destination screens not fitted
Vehicle unsafe	One or more panels representing a safety hazard to road or Vehicle users.	-	Doors not working	-	-	-

5. Windows (on both sides of the Vehicle) shall be fitted with an anti-graffiti laminate on the internal side.

Table B: Vehicle interior

Description of condition	Vehicle interior element & detailed condition descriptions						
	Seat Damage	Scratches on front windows (opposite and in front of rear door)	Scratches on Walls	Floor	Front Drivers Area	Walls Dirty	Ceiling Dirty
	Minor discolouration = slight loss of colour through fading	Major Scratching = more than 20cm sq. area Minor scratching = scratching < 20cm sq. area	Major Scratching = scratching of >20cm sq. area Minor scratching = scratching < 20cm sq. area	Excessive Dirt = dirt, sticker, stain or rubbish > 10cm sq. area. Also includes hand or finger prints. Minor Dirt = dirt, sticker, stain or rubbish < 10cm sq. area. Also includes hand or finger prints.	Excessive Dirt = dirt, sticker or stain > 10cm sq. area. Minor Dirt = dirt, sticker or stain < 10cm sq. area.	Excessive Dirt= dirt, sticker or stain > 20cm sq. area. Also includes hand or finger prints on window. Minor Dirt = dirt, sticker or stain < 20cm sq. area. Also includes hand or finger prints on window.	Excessive Dirt = dirt, sticker or stain > 20cm sq. area. Also includes hand or finger prints on window. Minor Dirt = dirt, sticker or stain < 20cm sq. area. Also includes hand or finger prints on window.
New condition	New condition						
Excellent condition	No damage to seats	No scratching on any front windows	No scratches on walls	No damage to floor coverings or dirt on floors	Drivers area clean & tidy	Walls clean	Ceiling clean
Very good condition	Minor discolouration of fabric on 1 seat cushion	Minor scratching on 1 front window	Minor scratching in one place on walls	Floor has minor dirt in 1 location	Drivers area has minor dirt in one location	Walls have minor dirt in one location	Ceiling has minor dirt in 1 location
Good condition	Minor discolouration of fabric on 2 or more seat cushions	Minor scratching on 2 or more front windows	Minor scratching in 2 places on walls	Floor has minor dirt in 2 locations	Drivers area has minor dirt in 2 locations	Walls have minor dirt in 2 locations	Ceiling has minor dirt in 2 locations
Fair condition	Stains, gum damage, dirt ingress on 1 or 2 seats, or ripped/ torn /unstitched upholstery on 1 seat	Major scratching on 1 front window	Minor scratching in 3 or more places on walls	Floor has minor dirt in 3 or more locations, or floor has excessive dirt in one location	Drivers area has minor dirt in 3 or more locations	Walls have minor dirt in 3 or more locations or have old graffiti which has been removed but is still visible	Ceiling has minor dirt in 3 or more locations
Below average condition	Stains, gum damage or dirt ingress on 3 or more seats, or ripped/ torn /unstitched upholstery on 2 seats	Major scratching on 2 front windows	Major scratching in one place on walls	Floor has excessive dirt in 2 or more locations, or floor ripped or abraded in one location	Drivers area has excessive dirt in one location	Walls have excessive dirt in one location	Ceiling has excessive dirt in one location
Poor condition	Ripped/ torn /unstitched upholstery on 3 or more seats	Major scratching on 3 or more front windows -	Major scratching in 2 places on walls	Floor surface ripped or abraded in 2 locations	Drivers area has excessive dirt in two or more locations	Walls have excessive dirt in 2 locations	Ceiling has excessive dirt in 2 locations
Very poor condition	Cushion missing on 1 seat	-	Major scratching in 3 places on walls	Floor surface ripped or abraded in 3 or more locations, and/or vomit on floor	-	Walls have excessive dirt in 3 or more locations	Ceiling has excessive dirt in 3 or more locations

Extremely poor condition	Cushion missing on 2 or more seats	Major scratching on multiple windows that result in very limited visibility	Major scratching in 4 places on walls	.	-	-	-
Vehicle unsafe	Housing loose on 1 or more seats	-	-	Loose, lifted, or slippery floor covering representing a safety hazard to Vehicle users.	-	-	-

Table B continued:
Vehicle interior

Description of condition	Vehicle interior element & detailed condition descriptions										
	Wheel Chair Straps	Internal Ceiling Panels	Bells	Vehicle Stopping Sign	Unpleasant Odour	Radio Telephone Fitted	Fire Extinguisher Fitted	Heater/Air conditioning/ Climate Control	Bike Rack	Wheelchair Ramp	CCTV System
New condition	New condition										
Excellent condition	-	-	-	-	-	-	-	-	-	-	-
Very good condition	-	-	-	-	-	-	-	-	-	-	-
Good condition	-	-	-	-	-	-	-	-	-	-	-
Fair condition	-	-	-	-	-	-	-	-	-	-	-
Below average condition	-	-	One or more bell buttons not working	-	Odour in Vehicle unpleasant but tolerable	-	-	Climate control doesn't heat or cool Vehicle sufficiently	Rack sticking when deployed	Ramp sticking when deployed	Camera lenses/ shrouds damaged
Poor condition	-	One loose or badly fitting panel	Bells not working on Vehicle	Sign not functioning	Strong unpleasant odour	-	-	Climate control doesn't work	-	-	1 Camera not working-
Very poor condition	-	2 loose or badly fitting panels	-	-	-	-	-	-	Rack not functional	Ramp not functional	2 or more Cameras not working
Extremely poor condition	-	3 or more loose or badly fitting panels	-	No sign	Strong unpleasant odour to the point of making passengers feel unwell	-	-	-	No rack fitted	No ramp fitted	CCTV System not fitted or not working
Vehicle unsafe	No straps fitted or straps damaged	One or more panels representing a safety hazard to Vehicle users.	-	-	-	Not fitted or not working	Not fitted or not working	-	-	-	-

**Table B continued:
Vehicle interior**

Description of condition	Internal Information LCD Screens	DD Vehicle Only – Passenger Counter	Public address system	Duress Alarm	Ticketing Equipment	Scratches on rear windows (behind rear door)	RTPI Equipment	Internal signage	Other GWRC Assets
New condition	New condition								
Excellent condition	-	-	-	-	-	No scratching on any rear windows	-	No damage or discolouration to signage	-
Very good condition	-	-	-	-	-	Minor scratching on 1 rear window	-	Some minor discolouration of signage	-
Good condition	-	-	-	-	-	Minor scratching on 2 or more rear windows	-	Minor damage to any one piece of signage	-
Fair condition	-	-	-	-	-	Major scratching on 1 rear window	-	Minor damage to 4 or more pieces of signage or major damage to 2 or more pieces of signage	-
Below average condition	Screen not working or defective	Counter not working	Sound quality of system poor	-	-	Major scratching on 2 rear windows	-	Major damage to three or more pieces of signage	-

Poor Condition	Screen cracked or damaged	Counter screen or casing damaged	-	-	-	Major scratching on 3 or more rear windows	-	Missing signage	-
Very poor condition	-	-	-	-	-	-	-	-	-
Extremely poor condition	Systems not fitted -	Systems not fitted	Systems not fitted or not working	-	-	-	-	-	-
Vehicle unsafe	-	-	-	Systems not fitted or not working	Systems not fitted	-	Systems not fitted	-	Systems not fitted

Appendix 2 – CCTV System minimum requirements

1. General

- 1.1 The Operator shall ensure that all Vehicles are fitted with a CCTV System that provides reliable, consistent and quality recording of video from on-board cameras and that complies with the requirements of this Appendix 2, and the Operator shall ensure that the operation of the CCTV System shall not be adversely affected by any reasonably expected operational or environmental condition.
- 1.2 The quality and usefulness of images to identify image subjects shall be maintained under the full range of lighting conditions expected to be encountered in the normal operation of the Vehicle; specifically from low light in the area of the driver's cabin when operating at night, activated passenger compartment lighting during night operation, through to bright sunlight.
- 1.3 All CCTV System components shall be constructed and enclosed, in such a manner or location that they are reasonably resistant to impact, vandalism and/or degradation of the recorded image through intentional or accidental damage.
- 1.4 All CCTV System components shall be resistant to shock, vibration, dust and moisture, so as to provide reliable operation within the range of operating, cleaning and stabling conditions likely to be encountered.
- 1.5 The CCTV System shall, without any requirement for manual intervention or downloading, store recorded images from all cameras at the required frame rates and resolutions for a period of not less than 14 days at 10 hours operation per day. Where a CCTV System is installed on a Vehicle operating a continuous/near to continuous service, the system requirement shall extend to 14 days of the extent of the service.
- 1.6 The CCTV System shall commence recording using all cameras within three (3) minutes whenever the Vehicle ignition is activated and is to continue recording for a period of at least fifteen (15) minutes after the ignition has been deactivated.
- 1.7 Subject to paragraph 1.5 of this Appendix 2, digital recordings made by the CCTV System may be overwritten when the storage medium reaches its recording capacity. Overwriting of recordings shall occur with the oldest recorded video overwritten first, ensuring that the most recent recording is preserved.
- 1.8 The CCTV System shall produce images and recordings of a quality that would be acceptable as evidence for prosecution of offenders in New Zealand courts of Law.
- 1.9 GWRC may request images and recordings (or to view images and recordings) where they relate to an incident or at any time where GWRC wishes to ensure Farebox Revenue is being appropriately collected.
- 1.10 The CCTV System shall incorporate a 7" monitor as minimum into the dashboard. This driver monitor may be used as a reversing camera monitor through automatic switching of the rear camera. Positioning of the monitor shall not cause reflections on the windscreen and shall be in a position viewable by a driver in any seat

position. The driver's monitor shall have a test button or similar facility to allow the image from all cameras to be checked at any time.

2. Digital video recorder (DVR)

2.1 The DVR shall be housed on each Vehicle within a rugged housing designed for the environment in which it is installed. This includes the ability to sustain accident damage and vibration.

2.2 Coloured LED indicators shall be installed within the normal field of view of the Vehicle driver in order that the status of the digital video recorder and CCTV is displayed. The LED shall indicate that the system is operating correctly or that there is a malfunction of any kind that may result in the CCTV System not operating in accordance with the specified requirements.

2.3 The DVR shall utilise hard-disk or solid-state recording media that does not require routine replacement or exchange in order to meet the requirements of paragraph 1.5 of this Appendix 2.

2.4 The DVR shall incorporate design features that readily allow authorised download of recorded images through the connection of a cable, or through a wireless network connection, or through the direct exchange of the recording media, or via USB.

2.5 The DVR shall incorporate design features that support verification of the integrity of recorded images and associated GPS data.

2.6 Each camera description on the DVR shall be programmed with a prefix that identifies the Vehicle and applicable camera locations. Alternatively, if the DVR has the capability of setting global data with respect to all cameras, the Vehicle identifying information may be programmed through that facility.

2.7 In replaying video from any camera, it shall be possible to clearly identify the following information from the image and/or embedded data:

- (a) Vehicle on which the recording was made;
- (b) camera location on the Vehicle;
- (c) the date and time of the recording;
- (d) the location of the Vehicle;
- (e) the status of the Duress Alarm; and
- (f) the speed and direction of travel of the Vehicle.

2.8 The DVR and cameras must be capable of the following minimums for day and night recording:

- (a) Analog cameras D1 (704x576) @ 25fps, and
- (b) IPCs 720p (1280x720) @ 25fps.

There shall be no distortion or discolouration in any image or recording.

3. Cameras

- 3.1 Cameras must be high quality, small, easy to replace and readily available.
- 3.2 The camera housing shall be overt but discrete and must be secured and protected against theft, attack, vandalism and graffiti.
- 3.3 Notwithstanding the paragraphs that follow, cameras shall be installed in such a manner that the CCTV System reliably records the areas defined in paragraphs 3.8 to 3.10 (inclusive) of this Appendix 2.
- 3.4 Each camera shall be installed and mounted inside a suitable camera housing at a location and height to meet the requirements set out in this Appendix.
- 3.5 Cameras and their housings shall be mounted in such a manner so as to ensure that they are:
- (a) visible and identifiable as a camera;
 - (b) unlikely to be accidentally knocked by passengers during normal boarding procedures;
 - (c) not adversely affected by the use or repositioning of sun visors, mirrors or other equipment; and
 - (d) not susceptible to misalignment of the field of view.
- 3.6 Where required to meet all operational conditions, the CCTV System shall incorporate day/night cameras with sufficient dynamic range to maintain high quality recorded images across the full range of light conditions likely to be encountered.
- 3.7 CCTV cameras shall provide colour video where the scene luminance is above five (5) lux, and may switch to monochromatic images to maintain the quality of recorded image where the available light falls below the day/night threshold of the camera.
- 3.8 In a SV type Vehicle a minimum of 4 cameras must be fitted. The cameras must be installed so the field of view and configuration enables monitoring of the following areas:
- (a) entrance platform and passenger/driver interface;
 - (b) camera at rear of interior seated area looking forwards covering rear seated area;
 - (c) forward facing to road ahead of Vehicle; and
 - (d) kerb side camera facing towards the rear monitoring door activity.

- 3.9 In a MV or LV type Vehicle a minimum of 6 cameras must be fitted. The cameras must be installed so the field of view and configuration enables monitoring of the following areas:
- (a) entrance platform and passenger/driver interface;
 - (b) exit area providing the driver with an unobstructed view of rear door to ensure passengers are well clear of the door before it is operated;
 - (c) two cameras at rear of interior seated area looking forwards, covering rear seated areas; alternatively use of a single camera with a wide-angle lens;
 - (d) between the rear door and the front door of the Vehicle. Mounted either at the front looking rearwards or at the rear door looking forwards (or ideally both) and covering the wheelchair space;
 - (e) forward facing to road ahead of Vehicle; and
 - (f) kerb side camera facing towards the rear monitoring door activity.
- 3.10 In a DD type Vehicle a minimum of 9 cameras must be fitted. The cameras must be installed so the field of view and configuration enables monitoring of the following areas:
- (a) entrance platform and passenger/driver interface;
 - (b) exit area providing the driver with an unobstructed view of rear door to ensure passengers are well clear of the door before it is operated;
 - (c) two cameras at rear of interior seated area looking forwards, covering rear seated areas; alternatively use of a single camera with a wide-angle lens;
 - (d) between the rear door and the front door of the Vehicle. Mounted either at the front looking rearwards or at the rear door looking forwards (or ideally both) and covering the wheelchair space;
 - (e) two cameras at the rear of the upper saloon area looking forwards covering rear seated areas; alternatively use of a single camera with a wide-angle lens;
 - (f) one camera at the top of the stairwell directed down the stairwell;
 - (g) front of upper saloon seated area looking rearwards;
 - (h) forward facing to road ahead of Vehicle; and
 - (i) kerb side camera facing towards the rear monitoring door activity.
- 3.11 To deliver the best performance, it is preferred that the following cameras are IPC as opposed to analogue:
- (a) entrance platform and passenger/driver interface;

- (b) between the rear door and the front door of the Vehicle. Mounted either at the front looking rearwards or at the rear door looking forwards (or ideally both); and
 - (c) forward facing to road ahead of Vehicle.
- 3.12 To deliver the best performance at low light, it is preferred that the following cameras have infrared capability:
- (a) entrance platform and passenger/driver interface;
 - (b) between the rear door and the front door of the Vehicle. Mounted either at the front looking rearwards or at the rear door looking forwards (or ideally both); and
 - (c) between the rear door and the front door of the Vehicle. Mounted either at the front looking rearwards or at the rear door looking forwards (or ideally both).
- 3.13 Where a reversing camera is fitted and is integrated into the CCTV System, the Operator shall ensure that the recording quality meets the specifications set out in this Appendix 2.

4. Audio recordings

- 4.1 A microphone shall be installed in the vicinity of the driver's cab and connected to the audio input of the DVR, such that audible sounds of conversations and other activity that occur within 2 metres of the driving seat are recorded upon activation of the Duress Alarm.
- 4.2 The CCTV System shall be configured to record audio, only upon activation of the Duress Alarm and at no other time.
- 4.3 Whenever audio is recorded on the CCTV System, it shall be synchronised with the digital video recording, and able to be played back with the video.

5. Installation

- 5.1 The Operator must ensure that all Vehicle CCTV System components are installed in accordance with the requirements of this Appendix 2 and in such a manner that the entire system is resistant to vandalism and/or degradation of the recorded image through intentional or accidental damage.
- 5.2 The installation of CCTV System components shall not obstruct access to any existing component or compartment of the Vehicle, nor restrict or obstruct any seating, standing and access spaces, including those of the Vehicle driver.
- 5.3 All cabling and equipment shall comply with Good Industry Practice and be installed in a professional manner by a suitably qualified person.
- 5.4 All cabling is to be concealed so as to be tamper and vandal resistant.

- 5.5 All connections to CCTV System elements are to be made in a manner that prevents accidental disconnection through vibration or stress likely to be encountered in normal operation or cleaning of the Vehicle.
- 5.6 Where connections involve disruption of insulation and/or shielding, the connection method shall fully restore the integrity of the insulation and/or shielding to at least the original properties of the cable.
- 5.7 The power supply wiring to all system components shall be protected against fault currents by means of fuses or other reliable circuit interruption devices.
- 5.8 All cabling, equipment and system components shall be installed in such a manner, or utilising such ancillary devices as may be required, to ensure that the functionality of the system components is protected against reverse voltage, short circuit, and high voltage transients likely to be encountered during the operation or maintenance of the Vehicle's electrical system.
- 5.9 All components of the CCTV System shall be installed in such a manner, or utilising such ancillary devices as may be necessary, to ensure that any other systems or equipment installed or likely to be operated on the Vehicles (e.g. radios, cellular telephones, laptop computers, personal entertainment systems):
- (a) do not cause any interference to, or inhibit the reliable operation of, any aspect of the CCTV System; and
 - (b) are not subject to any interference caused by any component of the CCTV System.
- 5.10 The location of the CCTV System DVR:
- (a) shall provide ease of access for footage retrieval;
 - (b) shall allow for airflow to be maintained around the DVR;
 - (c) shall allow sufficient space for termination of cabling associated with the system;
 - (d) may be within the equipment locker housing other equipment such as Wifi, communications gateways or RTPI Equipment. Spacing between equipment shall be maintained to eliminate electrical and heat interference between systems.

6. Maintenance and service

- 6.1 The CCTV camera lenses (or lens covers) shall be checked and cleaned by the Operator at regular intervals and as may otherwise be required to maintain the quality and usefulness of video recordings. Only cleaning methods recommended by the manufacturer shall be used.
- 6.2 The CCTV System shall be designed and installed in such a manner that all critical elements may be quickly and easily removed for repair and a service-exchange component installed to restore system functionality.

- 6.3 Notwithstanding paragraph 6.2 of this Appendix 2, all CCTV System components shall be installed in a manner that prevents tampering and disassembly by people using standard tools.
- 6.4 The entire CCTV System shall be configured such that it is able to be easily tested by a suitably trained person to ensure compliance with all specified requirements.
- 6.5 Notwithstanding all related provisions, the power supply to any system component shall be capable of being readily disconnected by technical staff during Vehicle maintenance and welding operations.
- 6.6 The CCTV System is a safety system for drivers and therefore needs to be maintained in a manner whereby footage retrieval is known to work. It is recommended that the Operator puts in place a maintenance regime where retrieval of footage is tested at a frequency of not less than 6 months.
- 6.7 The Operator must ensure that the CCTV System is maintained in accordance with the requirements of this paragraph 6 of Appendix 2.

7. Performance

- 7.1 The Operator will ensure that the performance of the CCTV System on each Vehicle shall be 98% availability. For the CCTV System to be available the following is required:
- (a) The DVR is fully operational;
 - (b) The DVR configuration is correct;
 - (c) The CCTV time is correct to +/- 10 seconds; and
 - (d) All but one of the cameras is working i.e. 1 camera failure is allowed without reducing the availability in the first week. For week 2 and onwards the CCTV System is considered unavailable.

Availability is defined as:

$$\frac{\text{Time Period} - \text{Total Hours unavailable during the Time Period}}{\text{Time Period}}$$

Where:

Time Period means the sum of all the operational hours of the Vehicle operating Passenger Services during a period of 14 days;

Total Hours unavailable during the Time Period is the sum of all unavailable hours of the CCTV System fitted to the Vehicle operating Passenger services during a Time Period;

Unavailable hours are calculated from the time the fault status is made available to the Operator to the time the CCTV System is fixed.

7.2 For the CCTV System to be considered unavailable one or more of the criteria in paragraph 7.1 (a) to (d) is not met.

Appendix 3 – Electrical, antenna and cabling provisions

1. Electrical panel provisioning

- 1.1 The electrical cabinet shall provide fuses and connections to designated systems to allow easy and cost effective installation of current, future and after-market systems.
- 1.2 All connectors shall be labelled as appropriate in accordance with the Vehicle manufacturer's standards.
- 1.3 The proposed pin allocations are provided to demonstrate consistency and may be adjusted to meet manufacturer's standards and configurations.
- 1.4 The following fuses and systems connectors (Tyco UMNL series or similar chosen by Vehicle manufacturer) shall be provided as a minimum to facilitate the installation of systems without the need for interference or modification of OEM cabling.
- 1.5 Fuse sizes noted are indicative with the Vehicle manufacturer providing final ratings.
- 1.6 The Operator must ensure the following provisions are included in each Vehicle (as a minimum) for each of the systems listed in this Appendix 3. The Operator will also ensure an additional 5 fuses is provided to enable future technology installations.
 - 1.6.1 For the Ticketing System a 9 way connector (allowing for any future RTPI System inputs) accommodating the following must be installed:
 - (a) Pin 1 – Full Time 24Vdc – Fused to 10A
 - (b) Pin 2 – Master Isolated 24Vdc – Fused to 10A
 - (c) Pin 3 - Ignition – Fused to 5A
 - (d) Pin 4 - 0Vdc
 - (e) Pin 5 - Odometer
 - (f) Pin 6 - Door signal – Front
 - (g) Pin 7 - Door signal – Rear
 - (h) Pin 8 - (Looped to pin 2) Master Isolated 24Vdc – Fused to 10A
 - (i) Pin 9 - (looped to pin 4) 0Vdc
 - 1.6.2 For the RTPI System (replicated in the CCTV System locker) a 6 way connector accommodating the following must be installed:
 - (a) Pin 1 – Full Time 24Vdc – Fused to 10A
 - (b) Pin 2 – Master Isolated 24Vdc – Fused to 10A

- (c) Pin 3 - Ignition – Fused to 1A
- (d) Pin 4 - 0Vdc
- (e) Pin 5 - Odometer
- (f) Pin 6 - Spare

1.6.3 For the CCTV System (replicated in CCTV System locker) a 15 way connector accommodating the following must be installed:

- (a) Pin 1 – Full Time 24Vdc – Fused to 10A
- (b) Pin 2 – Master Isolated 24Vdc – Fused to 10A
- (c) Pin 3 - Ignition – Fused to 1A
- (d) Pin 4 - 0Vdc
- (e) Pin 5 - Odometer
- (f) Pin 6 - Door open signal – Front
- (g) Pin 7 - Door open signal – Rear
- (h) Pin 8 - Brake Signal
- (i) Pin 9 - Left indicator
- (j) Pin 10 - Right indicator
- (k) Pin 11 - Reverse signal
- (l) Pin 12 - Duress
- (m) Pin 13 - Spare
- (n) Pin 14 - Spare
- (o) Pin 15 - Spare

1.6.4 For the fleet management system a 4 way connector accommodating the following:

- (a) Pin 1 – Full Time 24Vdc – Fused to 10A
- (b) Pin 2 – Master Isolated 24Vdc – Fused to 10A
- (c) Pin 3 - Ignition – Fused to 1A
- (d) Pin 4 - 0Vdc

and a canbus connector conforming to J1939 or similar accommodating the following must be installed:

- (e) Pin A – Ground
- (f) Pin B – +24vdc
- (g) Pin C – CANBUS High
- (h) Pin D – CANBUS Low
- (i) Pin E – CANBUS Ground
- (j) Pin F – J1708+
- (k) Pin G – J1708-
- (l) Pin H – N/C
- (m) Pin I – N/C

1.6.5 For the on-Vehicle passenger information system, (replicated in CCTV System locker), a 12 Way connector accommodating the following must be installed:

- (a) Pin 1 – Full Time 24Vdc – Fused to 10A
- (b) Pin 2 – Master Isolated 24Vdc – Fused to 10A
- (c) Pin 3 - Ignition – Fused to 1A
- (d) Pin 4 - 0Vdc
- (e) Pin 5 – Switch to disable monitors - Feed
- (f) Pin 6 – Switch to disable monitors - Return
- (g) Pin 7 - Switched 24vdc out to display 1 – Fused to 10A
- (h) Pin 8 - Switched 24vdc out to display 2 – Fused to 10A
- (i) Pin 9 - Switched 24vdc out to display 3 – Fused to 10A
- (j) Pin 10 - Switched 24vdc out to display 4 – Fused to 10A
- (k) Pin 11 - Spare
- (l) Pin 12 - Spare

A switch is to be mounted within the switchboard area to enable displays to be isolated by maintenance staff if an issue arises. Pins 5 and 6 shall be wired to switched outputs to the monitors; to enable the monitors to be turned off if the need arises.

- 1.6.6 For a driver radio communication system, (replicated in the electrical cabinet), a 6 way connector accommodating the following must be installed:
- (a) Pin 1 – Full Time 24Vdc – Fused to 10A
 - (b) Pin 2 – Master Isolated 24Vdc – Fused to 10A
 - (c) Pin 3 - Ignition – Fused to 1A
 - (d) Pin 4 - 0Vdc
 - (e) Pin 5 – Spare
 - (f) Pin 6 - Spare
- 1.6.7 For the passenger audio system, (replicated in CCTV System locker), a 6 way connector accommodating the following must be installed:
- (a) Pin 1 – Full Time 24Vdc – Fused to 10A
 - (b) Pin 2 – Master Isolated 24Vdc – Fused to 10A
 - (c) Pin 3 - Ignition – Fused to 1A
 - (d) Pin 4 - 0Vdc
 - (e) Pin 5 - Spare
 - (f) Pin 6 - Spare
- 1.6.8 For a spare system, potentially an information server, a 6 way connector accommodating the following, must be installed:
- (a) Pin 1 – Full Time 24Vdc – Fused to 10A
 - (b) Pin 2 – Master Isolated 24Vdc – Fused to 10A
 - (c) Pin 3 - Ignition – Fused to 1A
 - (d) Pin 4 - 0Vdc
 - (e) Pin 5 - Spare
 - (f) Pin 6 - Spare
- 1.6.9 For a spare system, potentially Wifi, (replicated in CCTV System locker), a 6 way connector accommodating the following must be installed:
- (a) Pin 1 – Full Time 24Vdc – Fused to 10A
 - (b) Pin 2 – Master Isolated 24Vdc – Fused to 10A

- (c) Pin 3 - Ignition – Fused to 1A
- (d) Pin 4 - 0Vdc
- (e) Pin 5 - Spare
- (f) Pin 6 - Spare

2. Antenna provisions

- 2.1 One or more areas of a Vehicle roof shall be provided for the mounting of antennae for required systems identified in the VQS and to also easily enable the fitting of antennae for future.
- 2.2 The Operator must ensure the following provisions are included in each Vehicle (as a minimum) for the designated areas of each Vehicle roof:
 - 2.2.1 the area(s) must provide sufficient space to allow a minimum of 6 antenna to be mounted with a separation of at least 500mm;
 - 2.2.2 the area(s) shall be located where the area(s) is not prone to damage from low hanging trees and street furniture and shall be clear of equipment that will significantly reduce the antenna's view of the sky (e.g. not obscured by roof mounted air conditioning equipment); and
 - 2.2.3 the roof surface shall be predominately flat and smooth in the antenna area(s) to allow mounting with standard adhesives/sealants and gaskets.
- 2.3 Convenient access shall be provided from inside the Vehicle to the antenna fastenings and connectors to allow after-market antenna installation and replacement. This access may be provided by removable ceiling panel, provision of storage lockers or removable air conditioning ducting covers.
- 2.4 Provision shall be made for antenna cable to be routed to the allocated locations for equipment covered by this VQS (e.g. Ticketing Equipment, communications gateway, CCTV System, fleet management systems). This cable route shall be of sufficient size to accommodate cables that are factory terminated with common RF Connectors and have ready access for installation and replacement of cables during the life of the Vehicle.

3. Cable Routes

- 3.1 The Operator must ensure cable routes and methods to secure cables shall be provided for all systems referred to in this VQS (including current, future and after-market systems) to allow easy and cost effective installation and maintenance and meet the following requirements:
 - 3.1.1 cable routes shall be safe, practical and provide convenient access;
 - 3.1.2 all penetrations in a designated cable route shall be of sufficient size for the maximum number of expected cables in the life of the Vehicle and shall be provided by the Vehicle manufacturer without sharp edges and while

providing acceptable cable bending radius of greater than 4 times the diameter of the expected cable;

- 3.1.3 covers to a designated cable routes shall be reliably secure while practical to remove and reinstate without risk of damage to the Vehicle for the life of the Vehicle; and
- 3.1.4 cable routes shall avoid or be protected against mechanical damage that is foreseeable; e.g. must not be lower than chassis and shall avoid hinge or slide transitions.

It is GWRC's preference that overhead cable routes are used rather than cable routes that require access underneath the Vehicle for cable installation and maintenance.

3.2 GWRC recommends the following cable routes and mounting points be used:

- (a) accessible ducting built in to the B pillar from roof mount area;
- (b) under the driver side window;
- (c) under dash area to the switchboard area;
- (d) under dash area (under floor) to Ticketing Equipment floor stand mount area;
- (e) front to rear of Vehicle underfloor above chassis;
- (f) front to rear of Vehicle in ceiling;
- (g) front to rear of DD Vehicle in ceiling of ground level/ floor of upper level;
- (h) top to bottom each side of doors; and
- (i) a removable interior ceiling panel to facilitate drilling and roof mounting of after-market antennae.

3.3 For all New Vehicles the Operator must ensure it holds and provides GWRC on request (GWRC acting reasonably) access to as-built Vehicle documents which include cable routes.

Schedule 5

Planning, Reporting and Meetings

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1 Introduction

- 1.1 This Schedule 5 sets out the Parties' obligations in regard to:
- 1.1.1 the process for preparation and agreement of the joint Annual Business Plan;
 - 1.1.2 an outline of the content and the required templates for the reports to be provided by the Operator;
 - 1.1.3 scheduled meetings and discussions relating to (amongst other things) the Services, the performance by the Operator of its obligations under this Partnering Contract and the provision of public transport on the Wellington Public Transport Network generally; and
 - 1.1.4 updating the Plans for each forthcoming Year.
- 1.2 In complying with the terms of this Schedule 5, the Parties shall seek to develop and continue a spirit of partnership between the Operator and GWRC in order to provide a safe, efficient, reliable and integrated public transport network in the Wellington region which also supports and facilitates the implementation of the GWRC Long Term Plan, the Wellington Regional Public Transport Plan and related strategies and policies of GWRC.
- 1.3 The participation by GWRC and its representatives in the development of the Annual Business Plan and the updates to the Plans pursuant to this Schedule 5 (including any opinions, comments, endorsements or approvals (or similar) given by GWRC or its representatives in connection therewith) shall not:
- 1.3.1 give rise to any liability on the part of GWRC and GWRC shall not owe any duty of care or other obligation to the Operator to identify any defects, errors, omissions or non-compliances with the Transaction Documents in respect of any Annual Business Plan or any Plan;
 - 1.3.2 relieve the Operator from any of its obligations under this Partnering Contract or any other Transaction Document or limit or affect the Operator's liabilities under or in connection with this Partnering Contract or any other Transaction Document;
 - 1.3.3 prejudice any rights or remedies of GWRC under or in connection with the Transaction Documents; or
 - 1.3.4 evidence or constitute confirmation or a representation by GWRC that:
 - (a) the terms of the Annual Business Plan or updated Plans are fit for purpose, consistent with the Operator's obligations under the Transaction Documents or otherwise compliant with the requirements of this Partnering Contract; or
 - (b) implementation of the Annual Business Plan or updated Plan will be sufficient to discharge the Operator's relevant obligations

under the Transaction Documents and will not cause the Operator to be in breach thereof; or

- (c) any part of the Services has or will be provided in accordance with the Transaction Documents.

- 1.4 The Parties acknowledge and agree that the development and approval of the Annual Business Plan and the updating of the Plans pursuant to this Schedule 5 shall not of itself constitute or otherwise give rise to a Contract Variation or any other NFI Event.

2 Annual Business Plan

Objectives of Annual Business Plan

- 2.1 The Parties acknowledge and agree that under PTOM, the goal of the annual business planning process is to provide a mechanism for GWRC and the Operator to:
- 2.1.1 identify opportunities to grow patronage and increase Farebox Revenue;
 - 2.1.2 identify opportunities for the continuous improvement of the Services and to improve the performance of the obligations of the Operator;
 - 2.1.3 identify opportunities to minimise the environmental impact of and to improve the environmental outcomes of the Services;
 - 2.1.4 identify opportunities to improve the performance of obligations and activities provided by GWRC; and
 - 2.1.5 identify any safety issues or other matters relevant to providing a safe, integrated and reliable Wellington Public Transport Network,
- although the Parties acknowledge that this should not prevent them from discussing such opportunities, issues and matters with one another on a more frequent basis outside of the business planning process should they consider this appropriate.
- 2.2 The objective of each Annual Business Plan is to:
- 2.2.1 record the agreed actions to be taken by each Party to implement opportunities and address issues relevant to the Bus Unit that are identified by GWRC and the Operator in strategic meetings and through the Wellington Regional Public Transport Forum;
 - 2.2.2 provide a basis against which GWRC and the Operator can annually review the performance of the Parties' respective obligations under this Partnering Contract; and
 - 2.2.3 provide a mechanism under which the Operator may propose (and GWRC may consider) initiatives with the objective of increasing Actual Patronage, including the FIM adjustment mechanism, as contemplated by

paragraphs 10.6 to 10.8 (*Operator initiatives*) of Schedule 6 (*Financial and Performance Regime*).

Development of Annual Business Plan

- 2.3 GWRC and the Operator shall work together acting reasonably and in good faith to collaboratively develop and finalise each Annual Business Plan.
- 2.4 Each Annual Business Plan shall:
- 2.4.1 consist of:
 - (a) an implementation and reporting plan for agreed initiatives, as described at paragraph 2.5 below;
 - (b) the annual meeting plan referred to in paragraph 2.6 below;
 - (c) the financial forecasts referred to in paragraph 2.7 below; and
 - (d) the Plans referred to in paragraph 2.8 below;
 - 2.4.2 except in the case of the Initial Annual Business Plan, include an appropriate level of detail to enable GWRC to consider and approve the Annual Business Plan for the forthcoming Year by 30 April in the current Year; and
 - 2.4.3 be developed in accordance with this Schedule 5 and Schedule 5 of all Associated Partnering Contracts so as to apply across this Bus Unit and all Associated Bus Units, unless otherwise notified by GWRC in writing.
- 2.5 Part one of the Annual Business Plan shall be prepared jointly by GWRC and the Operator and shall incorporate agreed initiatives to be implemented by the Parties to achieve each of the goals described at paragraph 2.1 and any agreed PT Network Project.
- 2.6 Part two of the Annual Business Plan shall be prepared jointly by GWRC and the Operator and shall include an annual meeting plan made up of:
- 2.6.1 a programme setting out the dates and times of all scheduled meetings for the forthcoming Year, including those referred to in paragraph 4 (*Meetings*) of this Schedule 5; and
 - 2.6.2 a template agenda for each of the programmed meetings which are to be held in the forthcoming Year.
- 2.7 Part three of the Annual Business Plan shall include a financial forecast as described at Appendix 2 (*Financial forecasts*) which shall be prepared by the Operator in the format attached at Appendix 3 (*Financial Forecast Template*) and shall be Indexed for the forthcoming Year. The financial forecast shall be consistent with and reflect the agreed initiatives and PT Network Projects set out in part one of the Annual Business Plan and the agreed Plans set out in part four of the Annual Business Plan. Once agreed by GWRC in accordance with this Schedule 5, this

financial forecast relating to the forthcoming Year will form the budget for the forthcoming Year for the purposes of:

- 2.7.1 the Special Event Services Fee;
 - 2.7.2 additional revenue generating services or facilities (if any) which the Operator proposes to provide in accordance with clause 39.21; and
 - 2.7.3 initiatives which the Operator wishes to propose with the objective of increasing Actual Patronage in accordance with paragraphs 10.6 to 10.8 (*Operator initiatives*) of Schedule 6 (*Financial and Performance Regime*).
- 2.8 Part four of the Annual Business Plan shall include each of the Plans specified in Appendix 1 (*Plans*) to this Schedule 5, which shall be prepared by the Operator in accordance with the requirements of Appendix 1 (*Plans*).

Initial Annual Business Plan

- 2.9 The Parties acknowledge and agree that the Initial Annual Business Plan shall apply and shall be the Annual Business Plan for the Bus Unit for the period specified in clause 19.1 of this Partnering Contract. Any references in the foregoing provisions of this paragraph 2 to the "forthcoming Year" shall be deemed to mean each Year or part Year falling within such period.
- 2.10 Notwithstanding anything to the contrary, the provisions of paragraphs 2.11 to 2.18 shall not apply to the Initial Annual Business Plan.

Process for preparation of subsequent Annual Business Plans

- 2.11 In developing each Annual Business Plan, GWRC and the Operator shall consider the extent of the performance to date by the Parties of their respective obligations under the then current Annual Business Plan (including in respect of progress in implementing the Operator's Proposals) and the extent to which the then current Annual Business Plan has met the goals and objectives set out in paragraphs 2.1 and 2.2. GWRC and the Operator shall have due regard to such matters when developing the next draft Annual Business Plan.
- 2.12 Part one and part two of each Annual Business Plan shall be prepared in accordance with the following process:
- 2.12.1 GWRC and the Operator shall meet before the end of March in each Year to discuss and agree (acting reasonably and in good faith) the matters to be included in part one and part two of the Annual Business Plan for the forthcoming Year and to allocate responsibilities for preparation of any supporting material;
 - 2.12.2 the Operator shall ensure that the meeting referred to in paragraph 2.12.1 is attended by such of the Operator Associates as may reasonably be required by GWRC; and

- 2.12.3 GWRC and the Operator shall complete any tasks assigned to them at the meeting referred to in paragraph 2.12.1 as soon as reasonably practicable thereafter and in any event within the timeframe agreed at such meeting.

Process for preparation of financial forecasts for subsequent Annual Business Plans

- 2.13 The financial forecasts to form part three of each Annual Business Plan shall be prepared in accordance with the following process:
- 2.13.1 GWRC and the Operator shall meet in August each Year to discuss the matters to be included in the financial forecasts to form part of the Annual Business Plan for the forthcoming Year;
- 2.13.2 the Operator shall prepare the first draft of the financial forecasts in accordance with:
- (a) the requirements set out at Appendix 2 (*Financial forecasts*); and
 - (b) the outcome of the discussions referred to in paragraph 2.13.1, in the format attached at Appendix 3 (*Financial Forecast Template*) and the Operator shall provide a copy thereof to GWRC for review by 30 September in each Year;
- 2.13.3 GWRC and the Operator shall meet by the end of March of each Year to consider and discuss the draft financial forecasts and any supporting material that has been prepared for the forthcoming Year;
- 2.13.4 the Operator shall ensure that the financial forecasts are consistent with and reflect any agreed initiatives and PT Network Projects which are to be set out in part one of the Annual Business Plan and the agreed Plans to be set out in part four of the Annual Business Plan; and
- 2.13.5 the Operator shall ensure that the meetings referred to in paragraph 2.13.1 and paragraph 2.13.3 are attended by such of the Operator Associates as may reasonably be required by GWRC.
- 2.14 If requested to do so by GWRC at any time, the Operator shall promptly provide any other information and supporting documentation that GWRC requires in connection with any matter referred to in the draft financial forecasts forming part of the draft Annual Business Plan.
- 2.15 The Operator shall prepare and provide the final draft Annual Business Plan (incorporating all parts) to GWRC by the end of April in each Year, reflecting the outcome of the discussions and comments referred to in paragraphs 2.11 to 2.13 and otherwise in accordance with the requirements of paragraphs 2.5 to 2.8.

GWRC to approve

- 2.16 GWRC shall consider such draft and shall:
- 2.16.1 approve the draft Annual Business Plan in its entirety in writing, in which case it shall become the Annual Business Plan with effect from and including, and shall apply from and including, the first day of the Year to which it relates (in place of any previous Annual Business Plan); or
 - 2.16.2 consult with the Operator on those parts of the draft Annual Business Plan that GWRC (acting reasonably) is not satisfied with and request the Operator to amend those parts as soon as reasonably practical, in which case the Operator shall (as soon as reasonably practical) provide GWRC with an amended draft of the Annual Business Plan (reflecting the consultation with GWRC) for approval by GWRC and this paragraph 2.16 shall reapply.
- 2.17 Subject to paragraph 2.18, in developing the draft Annual Business Plan, considering the draft Annual Business Plan and determining whether to approve it pursuant to paragraph 2.16, GWRC and the Operator shall:
- 2.17.1 act in a fair and reasonable manner; and
 - 2.17.2 have due regard to any budgetary constraints of GWRC.
- 2.18 GWRC shall not be required to provide its approval to the draft Annual Business Plan if GWRC considers (acting reasonably) that:
- 2.18.1 the implementation of any proposals relating to the provision by the Operator of additional revenue generating services or facilities which are reflected in the financial forecasts forming part of the draft Annual Business Plan (as referred to in paragraph 1.1.2 of Appendix 2 (*Financial forecasts*)) will adversely affect any of the matters referred to in paragraph 1.1.2(c) of Appendix 2 (*Financial forecasts*); or
 - 2.18.2 the implementation of any initiatives relating to increasing Actual Patronage contemplated in the financial forecasts forming part of the draft Annual Business Plan (as referred to in paragraph 1.1.3 of Appendix 2 (*Financial forecasts*)) will adversely affect any of the matters referred to in paragraph 1.1.3(f) of Appendix 2 (*Financial forecasts*).

3 Reports

Reports to be provided by Operator

- 3.1 The Operator shall provide to GWRC's Authorised Representative the reports set out in paragraphs 3.2 to 3.12 and Appendix 4 (*Weekly, monthly and annual reports*), each of which must:
- 3.1.1 include the relevant content described in this paragraph 3 or in Appendix 4 (*Weekly, monthly and annual reports*) (as applicable), and any further

- information reasonably requested by GWRC or expressly contemplated by the Partnering Contract to be provided or to be included in a particular report;
- 3.1.2 be provided by the Operator within the relevant timeframe specified in paragraph 3.13; and
- 3.1.3 be in the relevant form set out in Appendix 5 (*Form of reports*) to this Schedule 5 (*Planning, Reporting and Meetings*).
- 3.2 **Immediate Report:** The Operator shall report all:
- 3.2.1 Service Disruptions to Scheduled Services, Special Event Services or Alternative Services (as referred to in paragraph 3.10 of Schedule 3 (*Passenger Services*));
- 3.2.2 Notifiable Events;
- 3.2.3 Correction Notices; and
- 3.2.4 major Vehicle or asset failures.
- 3.3 The Operator shall provide the Immediate Report to GWRC at the earliest opportunity and in any event within 1 hour of the relevant event occurring (except in the case of those Correction Notices and Notifiable Events which do not cause any Service Disruption, in which case the Immediate Report shall be provided by the Operator at the earliest opportunity and in any event within 2 hours of the relevant event occurring).
- 3.4 Each Immediate Report will set out the following information:
- 3.4.1 details of the nature of and reason for the event;
- 3.4.2 in the event of Correction Notices, a copy of the Correction Notice;
- 3.4.3 the estimated duration of the event;
- 3.4.4 the Routes that will be affected;
- 3.4.5 in the case of Vehicle or asset failures, the relevant Vehicles and other assets affected;
- 3.4.6 the Scheduled Services, Special Event Services or planned Alternative Services that will be affected; and
- 3.4.7 any Alternative Services that will be provided by or on behalf of the Operator.
- 3.5 **Daily Situational Report:** By 6 a.m. (Monday to Friday), 7 a.m. (Saturday) or 7.30 a.m. (Sunday) every day (including all Public Holidays), the Operator will provide to GWRC a daily situational report and a follow up report with additional information within two hours after the first report is due that either confirms that there are no known defects, faults, cancellations or delays, or includes the details of:
- 3.5.1 defects or faults discovered in any:

- (a) RTPI Equipment;
 - (b) Ticketing Equipment; or
 - (c) other GWRC Assets;
- 3.5.2 cancellations or delays to any Scheduled Service, Special Event Service or Alternative Service; and
- 3.5.3 the reasons for such cancellations or delays.
- 3.6 Not used
- 3.7 **Weekly Operational Report** in respect of each week during the Term, containing the information required to be provided in the column of paragraph 1.3 of Appendix 4 (*Weekly, monthly and annual reports*) entitled "Weekly Operational Report";
- 3.8 **Monthly Farebox Report** in respect of each Relevant Month, containing a detailed summary of the GWRC Farebox Reports which have been issued in respect of the Relevant Month and details of all Farebox Revenue which has been transferred from the Farebox Account to the GWRC Account in the Relevant Month, which report shall form part of the Monthly Performance Report;
- 3.9 **Monthly Performance Report** in respect of each Relevant Month, containing the Monthly Operational Report and the Monthly Strategic Report required by Appendix 4 (*Weekly, monthly and annual reports*) to this Schedule 5 (*Planning, Reporting and Meetings*), the Monthly Farebox Report and details of all Farebox Revenue which has been collected by the Operator during the Relevant Month;
- 3.10 **Full Year Performance Report**, in respect of each Year, containing the information required to be provided in the column of paragraph 1.3 of Appendix 4 (*Weekly, monthly and annual reports*) entitled "Full Year Performance Report" and the following:
 - 3.10.1 Full Year Operational Report:
 - (a) aggregate data from each Monthly Operational Report in respect of the Relevant Months within that Year; and
 - (b) such other information as GWRC may reasonably request from time to time;
 - 3.10.2 Full Year Strategic Report:
 - (a) a description of the extent to which the Operator has undertaken the initiatives and other tasks ascribed to it in part one of the Annual Business Plan during that Year, annual performance during that Year against any other Annual Business Plan criteria and future plans for such initiatives and tasks;
- 3.11 **Audit or monitoring results:** Operator analysis of any audit or monitoring results provided by GWRC to the Operator in accordance with clause 24.11 or otherwise,

in accordance with GWRC's reasonable timeframe for such analysis specified in the relevant audit or monitoring report.

3.12 **Additional planning or financial reports:** to be provided by the Operator in accordance with:

- 3.12.1 any requirement to provide such reports set out in the Annual Business Plan; or
- 3.12.2 any reasonable request by GWRC from time to time.

Timeframes for reports

3.13 The Operator shall ensure that the reports described in this paragraph 3 and Appendix 4 (*Weekly, monthly and annual reports*) are provided by the Operator to GWRC's Authorised Representative within the following timeframes:

Report and reference	Time frame required
Immediate Report (paragraph 3.2)	At the earliest opportunity and in any event within 2 hours of the relevant event occurring.
Daily Situational Report (paragraph 3.5)	By 6 a.m. (Monday to Friday), 7 a.m. (Saturday) or 7.30 a.m. (Sunday) for the same day, with a follow up report within two hours after the first report is due.
Weekly Operational Report (Monday to Sunday) (paragraph 3.7)	By 4 p.m. on Tuesday the following week.
Monthly Performance Report for each Relevant Month (paragraph 3.9), divided into the following sections: <ul style="list-style-type: none"> • Monthly Strategic Report (including the Monthly Revenue Protection Report) • Monthly Operational Report • Monthly Farebox Report • Details of all Farebox Revenue which has been collected by the Operator during the Relevant Month 	On or before the 10 th Business Day of the month after the Relevant Month to which the report relates.

Report and reference	Time frame required
Full Year Performance Report (paragraph 3.10)	On or before the 15th of August after the end of the relevant Year.
Reports on Annual Business Plan initiatives and tasks (Appendix 4 (<i>Weekly, monthly and annual reports</i>)).	Either monthly or annually in the Monthly Strategic Report or Full Year Performance Report, as specified in the Annual Business Plan
Response to GWRC audit reports (paragraph 3.11)	Within the timeframes specified in GWRC's audit report
Additional planning or financial reports (paragraph 3.12)	Within the timeframes specified in the Annual Business Plan or as reasonably required by GWRC.

Reports provided by GWRC

3.14 The Parties acknowledge and agree that:

- 3.14.1 GWRC shall provide a GWRC Farebox Report to the Operator on or before 12:00 p.m. on the first Business Day after Sunday of each week (or such other period notified to the Operator in writing by GWRC) detailing:
- (a) number of tickets sold during all previous days for which the sales data is available from the Ticketing System and for which a GWRC Farebox Report has not been provided, including details of ticket description and type;
 - (b) aggregate value of tickets sold by the Operator as a cash transaction during all previous days for which the sales data is available from the Ticketing System and for which a GWRC Farebox Report has not been provided, and a breakdown of this amount by ticket description and type;
 - (c) aggregate amount of refunds provided (if any) as a cash transaction during all previous days for which the refunds data is available from the Ticketing System and for which a GWRC Farebox Report has not been provided, in accordance with Annexure 6 (*Fares, Ticketing and Enforcement Requirements*); and
 - (d) total value of ticket sales to be transferred to the GWRC Account, being:
 - (i) the aggregate value referred to in paragraph (b); less

- (ii) the aggregate amount of refunds referred to in paragraph (c);
- 3.14.2 GWRC may provide a report to the Operator on each Business Day detailing the number of occurrences of Vehicles operating Scheduled Services or Special Event Services during the Relevant Month on the applicable Route for which the highest number of passengers aboard that Vehicle (as calculated by GWRC using data from the Ticketing System and other relevant sources) exceeds the maximum permitted capacity for the relevant Vehicle at any point;
- 3.14.3 GWRC may provide a **GWRC Monthly Patronage Report** setting out:
 - (a) in respect of the Relevant Month and the Year to date, the total number of passengers, by passenger type, travelling on the Scheduled Services and the Special Event Services during the Relevant Month and the Year to date, shown on each of the following basis:
 - (i) total number of passengers across all Routes and all services;
 - (ii) total number of passengers by Route;
 - (iii) total number of Trips which began during Peak Times by Route; and
 - (iv) total number of Trips which began during Off Peak Times by Route;
 - (b) in respect of the Relevant Month and the Year to date, the total number of kilometres travelled by all passengers ('passenger kilometres'), by passenger type, during the Relevant Month and the Year to date, shown on each of the following basis:
 - (i) total passenger kilometres across all Routes and all services;
 - (ii) total passenger kilometres by Route;
 - (iii) total passenger kilometres in respect of all Trips which began during Peak Times by Route; and
 - (iv) total passenger kilometres in respect of all Trips which began during Off Peak Times by Route.
- 3.14.4 GWRC may provide a **GWRC Monthly Summary Performance Report** setting out:
 - (a) the Operator's actual performance levels in respect of the Services provided during the Relevant Month as against:
 - (i) the Reliability KPI and the Punctuality KPI;

- (ii) the Nominated Performance Indicators; and
 - (iii) any other requirements of this Partnering Contract relating to reliability or punctuality of the Scheduled Services or Special Event Services;
- (b) in the case of every Monthly Summary Performance Report other than the first Monthly Summary Performance Report, a comparison of each of the performance levels referred to in that Monthly Summary Performance Report as against the equivalent information contained in the previous Monthly Summary Performance Report;
- (c) in the case of the next Monthly Summary Performance Report that may be prepared by GWRC after the Surveying Organisation has provided a summary of the results of a Customer Satisfaction Survey, that summary as provided by the Surveying Organisation; and
- (d) any other relevant information GWRC may include.

4 Meetings

Scheduled meetings

- 4.1 GWRC shall be responsible for arranging the meetings agreed in the annual meeting plan in the current Year's Annual Business Plan as referred to in paragraph 2.6.
- 4.2 The Wellington Regional Public Transport Forum shall be convened and facilitated by GWRC in accordance with the provisions set out in the Regional Agreement. Each Party shall ensure that each Wellington Regional Public Transport Forum is attended by appropriate individuals nominated by that Party's Authorised Representative who have reasonable knowledge of the matters which are to be considered at that meeting.

Performance review meetings

- 4.3 GWRC may request performance review meetings with the Operator from time to time for the purpose of enabling GWRC to conduct periodic reviews of:
 - 4.3.1 the operational performance of the Scheduled Services;
 - 4.3.2 the operational performance of any aspect of the Passenger Services;
 - 4.3.3 any matter referred to in Schedule 6 (*Financial and Performance Regime*); or
 - 4.3.4 any other obligation of the Operator under this Partnering Contract or any other Transaction Document.

- 4.4 Provided that GWRC has given not less than 3 Business Days' notice of any meeting to be held pursuant to paragraph 4.3, the Operator shall ensure that it is represented at each such meeting in accordance with the requirements of paragraph 4.5.
- 4.5 Both the Operator and GWRC shall ensure that the persons attending any performance review meetings requested by GWRC under paragraph 4.3 are of appropriate seniority and responsibility and include those senior managers or such other individuals in governance roles that are reasonably requested by each of the Parties to be in attendance at such meetings.
- 4.6 If requested to do so by GWRC, the Operator shall prepare and present reports at the performance review meetings in respect of those aspects of its performance reasonably requested by GWRC.

Minutes of meetings

- 4.7 Minutes of the actions and other key points arising from the meetings (including teleconferences and video conferences) described at paragraphs 4.1 to 4.3 shall be:
- 4.7.1 prepared by the nominated chairperson of each meeting; and
 - 4.7.2 provided to each of the individuals attending the meetings and to each of the Authorised Representatives as soon as reasonably practicable following the conclusion of the meeting.

5 Plans

Compliance and implementation

- 5.1 The Operator shall perform its obligations under, and otherwise give effect to, each of the Plans during the Year to which that Plan relates.

Updating the Plans

- 5.2 The Parties acknowledge that the initial versions of the Plans are included in the Initial Annual Business Plan. Subsequent versions of the Plans shall be prepared in accordance with this paragraph 5 and shall form part four of the Annual Business Plan.
- 5.3 On or before 1 February in each Year, the Operator shall provide to GWRC updated drafts of the Plans that the Operator proposes shall apply during the forthcoming Year, highlighting any material changes to the Plans which applied during the previous Year.
- 5.4 The Operator shall ensure that each draft Plan provided by it pursuant to this paragraph 5 shall:
- 5.4.1 comply with and be prepared in accordance with the relevant paragraph of Appendix 1 (*Plans*);
 - 5.4.2 be consistent with and have due regard to the other parts of the draft Annual Business Plan which the GWRC and the Operator are in the

- process of developing and approving for the forthcoming Year (including any financial forecast prepared by the Operator and contained therein);
- 5.4.3 include a brief explanation as to why any material changes have been proposed to the Plans which applied during the previous Year; and
- 5.4.4 be developed in accordance with this Schedule 5 (*Planning, Reporting and Meetings*) and Schedule 5 of all Associated Partnering Contracts so as to apply across this Bus Unit and all Associated Bus Units, unless otherwise notified by GWRC in writing.
- 5.5 The Operator shall promptly provide such information as GWRC may reasonably require in connection with any draft Plan submitted by the Operator under paragraph 5.3.

Review and confirmation by GWRC

- 5.6 Within 30 Business Days of receipt by GWRC of the updated draft Plans, GWRC may either:
- 5.6.1 acting reasonably, provide written comments to the Operator in respect of the updated draft Plans; or
- 5.6.2 notify the Operator that it has no comments on the draft Plan.
- 5.7 If GWRC provides comments on any of the draft Plans pursuant to paragraph 5.6.1, the Operator shall promptly amend the relevant draft Plans to reflect such comments and resubmit the amended draft copy to GWRC, in which event paragraphs 5.6 to 5.8 shall reapply.
- 5.8 If GWRC has not provided any comments within 30 Business Days of receipt by GWRC of the updated draft Plans in accordance with paragraph 5.6 (including after the draft Plan has been resubmitted under paragraph 5.7), GWRC shall be deemed to have notified the Operator that it has no comments on the draft Plan.
- 5.9 If GWRC has notified the Operator in accordance with paragraph 5.6.2, or is deemed to have so notified the Operator pursuant to paragraph 5.8, the Plan shall be considered the final Plan for inclusion in the Annual Business Plan for the forthcoming Year.

Changes only effective if process followed

- 5.10 Any changes to a Plan shall only be effective if:
- 5.10.1 the Operator has followed and completed the process set out in paragraphs 5.6 to 5.9 above;
- 5.10.2 a Plan has been updated, amended or replaced in accordance with any other express provision of this Partnering Contract relating thereto; or
- 5.10.3 GWRC has agreed (in its absolute discretion) to any change to a Plan.
- 5.11 Except to the extent that changes to a Plan are effected in accordance with paragraph 5.10, the Operator shall not otherwise implement such changes (and the

changed or new document shall not constitute a "Plan" for the purposes of this Partnering Contract).

Appendix 1 – Plans

- 1.1 The Operator shall prepare each of the Plans in accordance with the applicable requirements of this Appendix 1.
- 1.2 The initial versions of the Plans are set out in part four of the Initial Annual Business Plan.
- 1.3 Each Plan will include the frequency and content of reports to be provided by the Operator to GWRC on the initiatives and tasks described in that Plan.
- 1.4 The Plans shall comprise:
 - 1.4.1 **(Special Events Plan)**: a plan setting out how the Operator will provide Special Event Services in accordance with the Operator's obligations under Schedule 3 (*Passenger Services*), including:
 - (a) the number of Special Event Services required to support each Special Event;
 - (b) the timetable for each Special Event Service, including:
 - (i) the Origin point for each Special Event Service, including the departure time; and
 - (ii) the Destination for each Special Event Service, including the arrival time;
 - (c) the estimated Special Event Services Fee payable in connection with the Special Event Services referred to in the Special Events Plan;
 - (d) any implications for Scheduled Services arising from the provision of the Special Event Services, including how those implications will be managed;
 - (e) any implications for the RTPI System or the Ticketing System arising from the provision of the Special Event Services, including how those implications will be managed;
 - (f) the identification of any safety issues or risks associated with the Special Event Services and an appropriate risk / incident management plan; and
 - (g) an evaluation plan to assess any customer feedback and any other matters that GWRC may from time to time consider relevant in relation to the Special Event Service;
 - 1.4.2 **(Fleet Maintenance Plan)**: a plan setting out how the Operator shall maintain the Transferring Vehicles which may specify Transferring Vehicles by type, year or manufacturer and shall include, as a minimum, the following:

- (a) for the forthcoming Year:
 - (i) details of all preventative and corrective maintenance to be undertaken;
 - (ii) details of any key reliability improvement initiatives to be undertaken by the Operator;
 - (iii) details of any key maintenance improvement initiatives to be undertaken by the Operator;
 - (iv) details of any fire safety improvement initiatives to be undertaken by the Operator;
 - (v) details of the planned Vehicle overhaul, refurbishment or Mid-Life Update activities to be undertaken; and
 - (b) for the remainder of the Term, a program that ensures systematic, planned maintenance of Vehicles so as to ensure that the Transferring Vehicles meet the requirements of this Partnering Contract and ensure compliance with clause 9.10 (*Standards of operation*);
- 1.4.3 **(Health and Safety Management Plan)**: a health and safety management plan specific to the Services in respect of the forthcoming Year, in a format agreed by the Operator and GWRC and which includes the matters set out at clause 33.6;
- 1.4.4 **(Risk Management Plan)**: a risk management plan comprising as a minimum:
- (a) a plan setting out the Operator's risk management processes for managing all types of risk, including:
 - (i) risk management governance structures, including escalation and notification to relevant third parties and authorities;
 - (ii) recording, classification and monitoring of risk; and
 - (iii) processes and timetables for reviewing, updating and disseminating risk registers; and
 - (b) a completed risk register which:
 - (i) is prepared in accordance with Good Industry Practice; and
 - (ii) covers the following types of risk as a minimum:
 - strategic risk
 - public safety risk;
 - operational risk;

- reputational risk;
- financial risk; and
- commercial risk;

1.4.5 **(Staff Training Plan)**: a plan setting out how the Operator shall ensure that all staff of the Operator or any Operator Associate involved in the provision of any part of the Services are appropriately trained and qualified during the forthcoming Year, including as a minimum:

- (a) outline of systems and process used to:
 - (i) train new staff, including:
 - outline key competencies / training requirements for each key staff discipline (i.e. drivers, on board staff, maintenance staff, etc.);
 - details of how staff will be trained;
 - detail how these competencies are to be obtained;
 - timeframes to achieve competencies;
 - assessment criteria; and
 - people responsible for the delivering and/or assessment of each competency;
 - (ii) train existing staff, including:
 - process to assess, monitor and develop staff key competencies for each key staff discipline;
 - process for carrying out a training needs analysis;
 - assessment criteria and method; and
 - people responsible for the delivering and/or assessment of each competency;
- (b) outline of process to maintain training records, and illustrate currency of certification and illustrate skills gaps; and
- (c) outline of significant training needs for forthcoming Year;

1.4.6 **(Emergency Management, Service Disruption and Incident Response Plan)**: a plan setting out how the Operator will manage and respond to emergencies, Service Disruptions, Major Service Disruptions and incidents affecting the Services in the forthcoming Year, and to include as a minimum:

- (a) identification of the types of Service Disruptions, Major Service Disruptions, emergencies and incidents that may arise, including in respect of each:
 - (i) an impact assessment;
 - (ii) details of warning systems that will be implemented and actions that will be taken by the Operator to mitigate the impact of that emergency, Service Disruption, Major Service Disruption or incident;
 - (iii) the approach taken and process followed for the supply of Alternative Services;
 - (iv) the respective response team(s);
 - (v) representation to the Regional Transport Response Team;
 - (vi) key response tasks;
 - (vii) responsibilities of each team member;
 - (viii) contact details for team members (for both during and out of office hours);
 - (ix) the communications plan that will be implemented by the Operator (internally and externally including in respect of customers); and
 - (x) the customer response plan that will be implemented by the Operator;
- (b) the Operator's emergency, Major Service Disruption or incident governance and management structures, including:
 - (i) responsibilities of team members;
 - (ii) descriptions of key functions and skills; and
 - (iii) coordination with others affected, including the respective roles and responsibilities of the Operator, GWRC, other members of the Regional Transport Response Team, the Transport Accident Investigation Commission (TAIC), the New Zealand Fire Service, the Wellington Region Emergency Management Group (WREMO), the New Zealand Police and any other relevant emergency services in the Wellington region;
- (c) details of emergency supplies and first aid equipment held by the Operator, including:
 - (i) nature of equipment and supplies;

- (ii) storage location; and
 - (iii) arrangements for keeping such equipment and supplies fully stocked and up to date;
 - (d) description of interface with the Business Continuity Plan;
 - (e) staff response plan; and
 - (f) post emergency/incident assessment; and
 - (g) process for reviewing and updating the plan (including timeframes);
- 1.4.7 **(Quality Assurance Plan)**: a quality assurance plan detailing the quality assurance procedures that shall be implemented by the Operator in respect of the Services in the forthcoming Year in accordance with Good Industry Practice and the Quality Management System (including details of the activities that the Operator shall undertake to ensure continuous improvement in relation to quality assurance and any internal or external audits that will be undertaken in relation to quality assurance matters);
- 1.4.8 **(Environmental Management Plan)**: a plan detailing the environmental management procedures that shall be implemented by the Operator in respect of the Services in the forthcoming Year in accordance with Good Industry Practice and the Environmental Management System (including details of the activities that the Operator shall undertake to ensure continuous improvement in relation to environmental management and any internal or external audits that will be undertaken in relation to environmental management matters);
- 1.4.9 **(Business Continuity Plan)**: a plan setting out the business continuity processes that shall be implemented by the Operator in the forthcoming Year in accordance with Good Industry Practice in the event of incidents affecting the Operator's business or the performance of the Services;
- 1.4.10 **(Service Cancellation Plan)**: a plan setting out how and in what circumstances Scheduled Services, Alternative Services and Special Event Services may be cancelled by the Operator. The Service Cancellation Plan shall be specific to the Bus Unit and each Associated Bus Unit will have an individual Service Cancellation Plan;
- 1.4.11 **(Revenue Protection Plan)**: a plan detailing the revenue protection procedures that shall be implemented by the Operator in respect of the Scheduled Services and Special Event Services in the forthcoming Year in order to reduce the number of Ticket Offences, such plan to:
- (a) ensure compliance by the Operator with the revenue protection obligations and requirements contained in Annexure 6 (*Fares, Ticketing and Enforcement Requirements*);

- (b) be consistent with the Conditions of Carriage and include procedures for the enforcement of the Conditions of Carriage by the Operator;
- (c) be in accordance with Good Industry Practice;
- (d) be consistent with any relevant policies issued by GWRC to the Operator from time to time, including the GWRC Revenue Protection Strategy; and
- (e) include as a minimum:
 - (i) proposed actions to be taken to address specific revenue protection issues;
 - (ii) the proposed manner of using the Operator Ticketing Equipment to undertake revenue protection activities;
 - (iii) driver training for identification of revenue protection issues; and
 - (iv) monitoring of the operation and use of the Ticketing Equipment by the Operator and the Operator Associates;

1.4.12 **(Vehicle Inspection and Cleaning Plan):** a plan detailing the inspection and cleaning procedures that shall be implemented by the Operator in respect of each of the Vehicles in the forthcoming Year (including frequency of inspections and cleaning activities) and which, as a minimum, will ensure compliance by the Operator with the obligations and requirements contained in paragraph 4 (*Vehicle service requirements*) of Schedule 3 (*Passenger Services*);

1.4.13 **(Vehicle Acquisition Plan):** a plan identifying the Vehicles that the Operator will acquire (or acquire the use of) and the Vehicles that will be replaced over the forthcoming three Years and which must identify the date each Vehicle (or the use of each Vehicle) will be acquired or disposed of, the date from which each Vehicle will first be available to the Operator for use in the provision of the Services and the Vehicle Size Classification.

Appendix 2 - Financial forecasts

Financial forecasts to be prepared by the Operator

- 1.1 The Operator shall prepare:
- 1.1.1 a financial forecast for the forthcoming Year (prepared on a monthly and an annual basis) and a financial forecast for each subsequent Year of the Term including the Extension Period (prepared on an annual basis) in the format attached at Appendix 3 (*Financial Forecast Template*) showing the forecast Special Event Services Fee (which shall be consistent with the applicable Special Events Plan);
 - 1.1.2 details of any additional revenue generating services or facilities (if any) which the Operator proposes to provide in connection with Passenger Services (such as the provision of WIFI on board Vehicles for use by passengers), setting out:
 - (a) a full description of the proposed services or facilities;
 - (b) details of any modifications or alterations to the Vehicles which will be necessary to implement the proposal;
 - (c) the effect (if any) that implementation of the proposal will have on:
 - (i) the Operator's ability to achieve or meet the requirements of the Reliability KPI or the Punctuality KPI or to achieve the PI Achieve Benchmarks;
 - (ii) the Operator's ability to perform its obligations in accordance with the Transaction Documents;
 - (iii) the safe and lawful operation of passenger services on the Bus Unit; or
 - (iv) any warranty or guarantee (including any claim thereunder) given by a supplier or manufacturer in relation to any Transferring Asset, GWRC Asset (to the extent that the terms of such warranty or guarantee have been provided to the Operator by any person) or on any other obligations or liabilities of such supplier or manufacturer (to the extent that the Operator has been made aware of the same);
 - (d) the Operator's proposals in respect of the charges that will be payable by users of the proposed services or facilities;
 - (e) the Operator's reasonable estimate of the income that will be received by the Operator or any Operator Associate

during the remainder of the Term from charges paid by users of the proposed services or facilities;

- (f) the Operator's reasonable estimate of the costs that will be incurred by it in providing the relevant services or facilities for the remainder of the Term; and
- (g) the Operator's proposals in respect of the times at which it shall calculate the Aggregate Approved Revenue Service Profit Amount and make payments to GWRC pursuant to clause 39.22, including its proposed definition of Relevant Period for these purposes;

1.1.3 details of any initiatives which the Operator wishes to propose with the objective of increasing Actual Patronage (including any associated temporary increase in the Shadow Fare or other associated changes to the FIM), to the extent that the Operator is entitled to propose such initiatives pursuant to paragraph 10.6 (*Operator initiatives*) of Schedule 6 (*Financial and Performance Regime*), including:

- (a) the estimated aggregate costs that will be incurred and funded by the Operator in connection with the implementation of such initiative;
- (b) the estimated aggregate costs that will be incurred and funded by GWRC in connection with the implementation of such initiative;
- (c) the estimated increase in Actual Patronage that will arise as a result of the implementation of the initiative;
- (d) the estimated net effect of the implementation of the initiative on Farebox Revenue and any other income streams accruing to the Operator or GWRC;
- (e) the estimated effect that the implementation of the initiative will have on the operation of the FIM (including the amount of the FIM Adjustment); and
- (f) the effect (if any) that implementation of the proposal will have on:
 - (i) the Operator's ability to achieve or meet the requirements of the Reliability KPI or the Punctuality KPI or to achieve the PI Achieve Benchmarks;
 - (ii) the Operator's ability to perform its obligations in accordance with the Transaction Documents;
 - (iii) the safe and lawful operation of passenger services on the Wellington Region Bus Network; or

- (iv) any warranty or guarantee (including any claim thereunder) given by a supplier or manufacturer in relation to any Transferring Asset GWRC Asset (to the extent that the terms of such warranty or guarantee have been provided to the Operator by any person) or on any other obligations or liabilities of such supplier or manufacturer (to the extent that the Operator has been made aware of the same).

Appendix 3 - Financial Forecast Template

As at [DD MMM YYYY]

Operator: []

Unit: [PTOM Unit]

	Next Financial Year												Financial Year																														
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Current year	Next year	+2	+3	+4	+5	+6	+7	+8	+9																					
Special Event Services																																											
Revenue Service Kilometres - Small Vehicle																																											
Rate _{km} - Small Vehicle																																											
Revenue Service Kilometres - Medium Vehicle																																											
Rate _{km} - Medium Vehicle																																											
Revenue Service Kilometres - Large Vehicle																																											
Rate _{km} - Large Vehicle																																											
Revenue Service Kilometres - Double Decker																																											
Rate _{km} - Double Decker																																											
Revenue Service Hours																																											
Rate _{hr}																																											
Special Event Services Fee (\$)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0																				

Assumptions

- []
- []
- []
- []

Notes:

Values presented for the next Financial Year should align with the Special Events Plan
 Assumptions used by the operator beyond those included in the Special Events Plan need to be stated
 Forecast to be provided through to the end of the contract term. No forecasting is required beyond the contract term
 All figures are to be in current Financial Year dollars at the time of providing this report. I.e not indexed for future Financial Year's
 All figures should be exclusive of GST

Appendix 4 – Weekly, monthly and annual reports

Weekly, monthly and annual reports

- 1.1 The Operator will provide to GWRC, weekly, monthly and annual reports on the Services in respect of both the Operator and the Operator Associates, as set out in the table set out in paragraph 1.3 of this Appendix 4.
- 1.2 The periods covered by the reports are:

Report	Period covered
Weekly Operational Report	Monday to Sunday
Monthly Operational Report and Monthly Strategic Report	Relevant Month
Full Year Performance Report	Year

1.3 Table of reporting requirements

Subject matter	Weekly Operational Report	Monthly Operational Report	Monthly Strategic Report	Full Year Performance Report
Service issues				
Service Disruptions	Details of forthcoming known or planned Service Disruptions for the period specified in paragraph 1.2 of this Appendix 4 (as referred to in paragraph 3.10 of Schedule 3 (<i>Passenger Services</i>))	<p>Details of forthcoming known or planned Service Disruptions for the period specified in paragraph 1.2 of this Appendix 4.</p> <p>Monthly summary of information provided to GWRC under paragraph 3.12.1 of Schedule 3 (<i>Passenger Services</i>) (as referred to in paragraph 3.12.2 of Schedule 3 (<i>Passenger Services</i>)).</p> <p>A summary of planned and unplanned Service Disruptions that occurred during the month, including:</p> <ul style="list-style-type: none"> • details of Passenger Services affected; and • Alternative Services provided, 		<p>Aggregate Service Disruption data from Monthly Operational Reports.</p> <p>Trend analysis.</p> <p>Issues informing future planning of Service Disruptions.</p>

Subject matter	Weekly Operational Report	Monthly Operational Report	Monthly Strategic Report	Full Year Performance Report
		as referred to in paragraph 3.10 of Schedule 3 (<i>Passenger Services</i>).		
<p>Health & safety incidents affecting any part of the Services or that occurred in performing the Services</p>		<p>Summary of health and safety incidents for:</p> <ul style="list-style-type: none"> • the Relevant Month, and • the Year to date. 		<p>Analysis of health and safety performance for the year, with reference to lead and lag indicators required in accordance with Good Industry Practice.</p> <p>The steps being taken to comply with health and safety obligations under this Partnering Contract.</p> <p>The outcomes of any health and safety audits or reviews undertaken (as required by clause 33.7.4).</p>
<p>Notifiable Events (as defined in Schedule 1 (<i>Definitions and Interpretation</i>))</p>	<p>Brief update on investigations and corrective actions taken in response to a Notifiable Event.</p>	<p>Summary of Notifiable Events advised during the Relevant Month.</p> <p>Status of investigations and corrective actions taken or being taken in</p>		<p>Report on progress implementing strategies set out in its Annual Business Plan in relation to Notifiable Events.</p>

Subject matter	Weekly Operational Report	Monthly Operational Report	Monthly Strategic Report	Full Year Performance Report
		response to a Notifiable Event (i.e. whether completed, on-going, etc.). Summary of Year to date data on Notifiable Events, including: <ul style="list-style-type: none"> • number; and • type of Notifiable Event. 		
Correction Notices		Details of Correction Notices issued during the Relevant Month, including: <ul style="list-style-type: none"> • number; • type; • analysis of issues arising; • mitigation (as applicable); and • Year to date data. 		Aggregate data from Monthly Operational Reports. Trend analysis. Issues informing future planning.
Matters relating to Vehicles and other assets				
Accidents		Summary of Accidents (while the Vehicle is providing Passenger Services or otherwise),		Aggregate data from Monthly Operational Reports.

Subject matter	Weekly Operational Report	Monthly Operational Report	Monthly Strategic Report	Full Year Performance Report
		including: <ul style="list-style-type: none"> • number; • location; • reason; • extent of damage or injury; • trend analysis and recommendations (e.g. location issues); and • Year to date data. 		Trend analysis. Issues informing future planning.
CVIU inspections	Number of CVIU inspections (if any) Inspection results for Vehicles which passed or failed the inspections carried out by CVIU.	Number of CVIU inspections <ul style="list-style-type: none"> • undertaken during the period • year to date Summary of CVIU inspection results and current status Analysis of issues identified in CVIU inspections (etc. pass / fail ratios.)		
Non complying Vehicles (Vehicle Quality)	Instances of Vehicles being used to carry out Passenger Operating			

Subject matter	Weekly Operational Report	Monthly Operational Report	Monthly Strategic Report	Full Year Performance Report
Standards)	Services which did not comply with this Partnering Contract, including the Vehicle Quality Standards and the Vehicle Size Classification.			
Assets – Vehicles and Depots		<p>Update to the Fleet List and Depot List (if required) in the template provided by GWRC to the Operator.</p> <p>Updated Fleet List (including Age of Vehicles and Average Age of Vehicles).</p> <p>Progress with acquiring (or acquiring the use of) and commissioning Vehicles and Depots in accordance with the Vehicle Acquisition Plan and the Depot Acquisition Programme.</p>		<p>Aggregate data from Monthly Operational Reports.</p> <p>Trend analysis.</p> <p>Issues informing future planning.</p>

Subject matter	Weekly Operational Report	Monthly Operational Report	Monthly Strategic Report	Full Year Performance Report
Service planning				
Special Event Services		<p>A comparison of the Special Event Services Fee payable by GWRC to the Operator in respect of each Special Event Service during the Relevant Month against the additional patronage and additional Farebox Revenue attributable to the Special Event Service. Include the following details:</p> <ul style="list-style-type: none"> • number of Special Event Service provided during Relevant Month; • Year to date Special Event Service data; • Special Events for which Special Event Services were provided; • issues arising in the provision of Special Event Services; and 		<p>Aggregate data from Monthly Operational Reports.</p> <p>Trend analysis.</p> <p>Issues informing future planning.</p>

Subject matter	Weekly Operational Report	Monthly Operational Report	Monthly Strategic Report	Full Year Performance Report
		<ul style="list-style-type: none"> issues for future joint planning of Special Event Services. 		
Intentions to propose a change to the Timetable or the Bus Unit Timetable		Notice of any intention to propose a change to the Timetable or the Bus Unit Timetable (in accordance with paragraph 3B (<i>Process</i>) or paragraph 6 (<i>Communication of proposed timetable changes</i>) (as applicable) of the Timetable Change Process set out in Annexure 1 (<i>Timetable Change Process</i>)).		Notice of any intention to propose a change to the Timetable or the Bus Unit Timetable (in accordance with paragraph 3B (<i>Process</i>) or paragraph 6 (<i>Communication of proposed timetable changes</i>) (as applicable) of the Timetable Change Process set out in Annexure 1 (<i>Timetable Change Process</i>)).
Annual Business Plan tasks and initiatives			Reports on tasks and initiatives identified in the Annual Business Plan to be reported on monthly.	The tasks and initiatives undertaken by the Operator which it is required to undertake by part one of the Annual Business Plan. A description of the extent to which the Operator has achieved or progressed towards the milestones identified in

Subject matter	Weekly Operational Report	Monthly Operational Report	Monthly Strategic Report	Full Year Performance Report
				<p>the Annual Business Plan.</p> <p>Performance during the Year to date against any other Annual Business Plan criteria.</p> <p>Future plans in respect of those initiatives and tasks.</p>
Service Performance				
Customer feedback and Complaints	Details of customer feedback and Complaints (whether provided verbally or in writing) received during the period specified in paragraph 1.2 of this Appendix 4.	Summary of feedback and Complaints by Route and service type (i.e. School Route, Hail and Ride Service, On Request Segment or Express Segment).		<p>Aggregate data from Monthly Operational Reports.</p> <p>Trend analysis.</p> <p>Issues informing future planning.</p>
Performance Indictors		<p>Performance during the Relevant Month against each Performance Indicator, the Reliability KPI and Punctuality KPI as follows:</p> <ul style="list-style-type: none"> • dashboard executive 		<p>Aggregate data from Monthly Operational Reports.</p> <p>Trend analysis.</p> <p>Issues informing future planning.</p>

Subject matter	Weekly Operational Report	Monthly Operational Report	Monthly Strategic Report	Full Year Performance Report
		summary; <ul style="list-style-type: none"> • detailed trend analysis; • quality improvement strategies; • reasons for cancellations and delays; and • percentage of total delays and minutes during the month and Year to date. 		
Revenue and risk				
Revenue protection activities (the Monthly Revenue Protection Report)			Issues or problems identified with revenue protection activities in the Relevant Month and options for how they were or will be dealt with by the Operator. Non-compliances with the Revenue Protection Plan in the Relevant Month. A description of the Operator's performance against any other criteria	

Subject matter	Weekly Operational Report	Monthly Operational Report	Monthly Strategic Report	Full Year Performance Report
			set out in the Revenue Protection Plan in respect of the Relevant Month and the Year to date.	
Key risks and opportunities encountered		Details of key risks and opportunities encountered in respect of the Services during the Relevant Month. Forecast going forward.	Details of key strategic risks and opportunities encountered in respect of the Services during the Relevant Month. Forecast going forward.	Summary of key strategic risks and opportunities encountered in respect of the Services during the Year. Forecast going forward.

Appendix 5 – Form of reports**Summary of reports**

Report	Period covered
Immediate Report	The period applicable to the reported event
Daily Situational Report	24 hours, commencing 6 a.m. (Monday to Friday), 7 a.m. (Saturday) or 7.30 a.m. (Sunday)
Weekly Operational Report	Monday to Sunday
Monthly Operational Report and Monthly Strategic Report	Relevant Month
Full Year Performance Report	Year

Immediate Report

(The Operator must provide the Immediate Report in accordance with paragraphs 3.2 to 3.5 of this Schedule 5).

Email to:

contract.servicequality@gw.govt.nz

contactcentre@gw.govt.nz

GWRC shall provide to the Operator from time to time the form of reports to be used for reporting in accordance with this Schedule 5.

Daily Situational Report

This report is to be provided every day (including all Public Holidays) by 6 a.m. (Monday to Friday), 7 a.m. (Saturday) or 7.30 a.m. (Sunday). A follow up report with additional information must be provided by the Operator every day (including all Public Holidays) within two hours after the first report is due.

Email to:

contract.servicequality@gw.govt.nz

contactcentre@gw.govt.nz

GWRC shall provide to the Operator from time to time the form of reports to be used for reporting in accordance with this Schedule 5.

Weekly Operational Report

This report is to be provided by 4PM on the Tuesday of the week following the relevant week.

Email to: contract.servicequality@gw.govt.nz

GWRC shall provide to the Operator from time to time the form of reports to be used for reporting in accordance with this Schedule 5.

Monthly Performance Report

This report is to be provided on or before the 10th Business Day of the month after the Relevant month to which the report relates.

Email to: contract.servicequality@gw.govt.nz

Part 1 - Monthly Operational Report

GWRC shall provide to the Operator from time to time the form of reports to be used for reporting in accordance with this Schedule 5.

Part 2 - Monthly Strategic Report

GWRC shall provide to the Operator from time to time the form of reports to be used for reporting in accordance with this Schedule 5.

Full Year Performance Report

This report is to be provided on or before the 15th August after the end of the relevant Year.

Email to: contract.servicequality@gw.govt.nz

GWRC shall provide to the Operator from time to time the form of reports to be used for reporting in accordance with this Schedule 5.

Appendix 6 – Performance Indicators

Performance Indicators (PIs)

- 1.1 The Operator shall, without prejudice to its other obligations under this Partnering Contract, at all times:
 - 1.1.1 aim to achieve the PI Achieve Benchmark in respect of each of the following PIs;
 - 1.1.2 for the purpose of reporting its performance in the delivery of the Services, record data and calculate its performance against each of the following PIs; and
 - 1.1.3 work with GWRC to identify how performance of the Services could be improved in order to assist in growing patronage on the Bus Unit and the Wellington Public Transport Network.
- 1.2 Paragraph 11 (*Major Service Disruptions, Force Majeure Events and Deemed Performance*) of Schedule 6 (*Financial and Performance Regime*) shall apply in respect of determining the Operator's performance against each Performance Indicator.
- 1.3 The Parties acknowledge and agree that GWRC may, by notice in writing to the Operator, specify further Performance Indicators which shall form part of this Schedule 5 (*Planning, Reporting and Meetings*) from the date of such notice, provided that the purpose of such Performance Indicators is limited to measuring or improving the Operator's compliance with this Partnering Contract.
- 1.4 For the purposes of the Performance Payment measurement and achievement of PI Achieve Benchmarks, GWRC may at its discretion, following consultation with the Operator as part of the Annual Business Planning process, consolidate the calculation of any of the Performance Indicators (including Nominated Performance Indicators) across this Partnering Contract and any Associated Partnering Contracts.
- 1.5 Each Performance Indicator is structured as follows:
 - 1.5.1 Purpose: this provides a general overview of the Performance Indicator and is for information purposes only;
 - 1.5.2 Measurement / calculation methodology: the Operator must apply the performance data collected in the relevant period to this calculation in order to produce a result which is compared against the PI Achieve Benchmark for that Performance Indicator. All figures should be expressed to one decimal point;
 - 1.5.3 Data Source: this is a non-exhaustive list of the sources of data for use in measuring the Operator's performance against the Performance Indicator;

- 1.5.4 Worked example: sample facts and figures have been provided in order to illustrate the calculation methodology and the application of the PI Achieve Benchmark;
- 1.5.5 Reporting frequency: this specifies how often the Operator must report its performance measured against the Performance Indicator and other information reporting requirements related to the Performance Indicator; and
- 1.5.6 PI Achieve Benchmark: for the Operator to achieve the PI Achieve Benchmark, the result of the calculation in the second row of the relevant table (Measurement / calculation methodology) must meet the threshold set out in this row of the table.

PI #1	Reliability
Purpose	To demonstrate the Operator's performance in respect of reliability on all Scheduled Services.
Measurement / calculation methodology	<p>For each Relevant Month, calculate X% where:</p> $X = \frac{A}{B} \times 100$ <p>and</p> <p>A = the total number of Scheduled Services in that Relevant Month which have complied with the Reliability KPI;</p> <p>B = the total number of Scheduled Services in that Relevant Month.</p>
Data source	<p>For A: RTPI System, and/or any other on or off-board system nominated from time to time by GWRC;</p> <p>For B: Bus Unit Timetable.</p>
Worked example	<p>In March 2018, to calculate X:</p> <p>A = 995 of the Scheduled Services in March complied with the Reliability KPI;</p> <p>B = 1000 Scheduled Services are scheduled for March.</p> $X = \frac{995}{1000} \times 100 = 99.5\%$ <p>The Operator's performance in March 2018 measured against Performance Indicator #1 would achieve the PI Achieve Benchmark as X is equal to 99.5%.</p>
Reporting frequency	The Monthly Operational Report shall include the Operator's performance against Performance Indicator #1 and such other information as GWRC reasonably requires.
PI Achieve Benchmark	In any Relevant Month, $X \geq 99.5\%$.

PI #2	Punctuality
Purpose	To demonstrate the Operator's performance in respect of punctuality on all Scheduled Services.
Measurement / calculation methodology	<p>For each Relevant Month, calculate Y% where:</p> $Y = \frac{A}{B} \times 100$ <p>and</p> <p>A = the total number of Scheduled Services in that Relevant Month which have complied with the Punctuality KPI;</p> <p>B = the total number of Scheduled Services that have been tracked in in the RTPI System (and/or any other on or off-board system nominated from time to time by GWRC) at the Origin in that Relevant Month.</p>
Data source	RTPI System, and/or any other on or off-board system nominated from time to time by GWRC.
Worked example	<p>In March 2019 (after the first 12 Relevant Months), to calculate Y:</p> <p>A = 660 of the Scheduled Services in March complied with the Punctuality KPI;</p> <p>B = 700 Scheduled Services are scheduled for March.</p> $Y = \frac{660}{700} \times 100 = 94.3\%$ <p>The Operator's performance in March 2019 measured against Performance Indicator #2 would not achieve the PI Achieve Benchmark as Y is lower than 95%.</p>
Reporting frequency	The Monthly Operational Report shall include the Operator's performance against Performance Indicator #2 and such other information as GWRC reasonably requires.
PI Achieve Benchmark	In any Relevant Month:

PI #2	Punctuality
	(a) from (and including) the first Relevant Month until (and including) the twelfth Relevant Month, $Y \geq 90\%$; (b) from (and including) the thirteenth Relevant Month, $Y \geq 95\%$.

PI #3	Not used
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PI #4	Revenue Protection
Purpose	To identify whether the Operator is complying with its revenue protection obligations in Annexure 6 (<i>Fares, Ticketing and Enforcement Requirements</i>).
Measurement / calculation methodology	<p>For each Relevant Month, calculate X% where:</p> $X = \frac{A}{B} \times 100$ <p>and</p> <p>A = the total number of passengers on Scheduled Services and Special Event Services surveyed as part of a Revenue Protection Survey or Electronic Revenue Protection Survey during the Revenue Protection Survey Period who have not committed a Ticket Offence;</p> <p>B = the total number of passengers on Scheduled Services and Special Event Services surveyed as part of a Revenue Protection Survey or Electronic Revenue Protection Survey during the Revenue Protection Survey Period.</p> <p>The calculation for X will apply during each Relevant Month following the Revenue Protection Survey Period until the next Revenue Protection Survey Period. The Operator shall not be required to report its performance measured against this Performance Indicator during the period prior to the first Revenue Protection Survey being carried out.</p>
Data source	<p>Any or all of the following:</p> <p>(i) Revenue Protection Survey undertaken in accordance with Appendix 7 (<i>Revenue Protection Survey</i>) to this Schedule 5</p>

PI #4	Revenue Protection
	<p>(Planning, Reporting and Meetings);</p> <p>(ii) Electronic Revenue Protection Survey;</p> <p>(iii) Ticketing System;</p> <p>(iv) any other information provided by GWRC which demonstrates the extent of the Operator's compliance with this PI #4.</p>
Worked example	<p>In June 2018 GWRC procured a Revenue Protection Survey which resulted in a Revenue Protection Report detailing that:</p> <p>A = of the 1000 passengers that were part of the Revenue Protection Survey, 18 passengers surveyed had committed a Ticket Offence;</p> <p>B = 1000 passengers were part of the Revenue Protection Survey.</p> $X = \frac{982}{1000} \times 100 = 98.2\%$ <p>The Operator's performance measured against this PI #4 would not fall within the PI Achieve Benchmark as X is less than 99.5%.</p>
Reporting frequency	<p>The Monthly Operational Report shall include:</p> <p>(i) the Operator's performance for the Relevant Month against this Performance Indicator; and</p> <p>(ii) such other information as GWRC reasonably requires.</p>
PI Achieve Benchmark	In any Relevant Month, $X \geq 99.5\%$.

PI #5	Number of Complaints
Purpose	To demonstrate that the Operator is complying with its obligations with respect to customer service.

PI #5	Number of Complaints
Measurement / calculation methodology	<p>For each Relevant Month, calculate X where:</p> $X = (A \div B) \times 100,000$ <p>and</p> <p style="padding-left: 40px;">A = total number of Complaints received by the Operator or Metlink contact centre during the Relevant Month ;</p> <p style="padding-left: 40px;">B = total number of Trips completed by passengers during the Relevant Month.</p>
Data source	<p>For A: CRM System and Metlink contact centre records;</p> <p>For B: Ticketing System.</p>
Worked example	<p>In March 2018, to calculate X:</p> <p style="padding-left: 40px;">A = 300 Complaints received during March 2018;</p> <p style="padding-left: 40px;">B = 3,000,000 Trips completed during March 2018.</p> $X = (300 \div 3,000,000) \times 100,000 = 10$ <p>The Operator's performance in March 2018 measured against PI #5 would achieve the PI Achieve Benchmark as X is less than 15.</p>
Reporting frequency	<p>The Monthly Operational Report shall include:</p> <ul style="list-style-type: none"> (i) the Operator's performance for the Relevant Month against this Performance Indicator; and (ii) such other information as GWRC reasonably requires.
PI Achieve Benchmark	<p>In any Relevant Month, $X \leq 15$</p>

PI #6	Serious questions, feedback and Complaints response - 1 Business Day
Purpose	To demonstrate that the Operator is complying with its obligations to provide a proposed response to GWRC within 1 Business Day of receiving a question, feedback or Complaint which relates to the Services and which is designated as serious (or similarly described) by GWRC in accordance with paragraphs 4.19.2 and 4.20.4 of Annexure 3 (<i>Customer Communication and Information Systems</i>) " Serious Complaints Obligations ".
Measurement / calculation methodology	<p>For each Relevant Month, calculate X% where:</p> $X = \frac{A}{B} \times 100$ <p>and</p> <p>A = the total number of questions, feedback and Complaints designated as serious by GWRC during the Relevant Month in respect of which the Operator has complied with the Serious Complaints Obligations;</p> <p>B = the total number of questions, feedback and Complaints designated as serious by GWRC during the Relevant Month in respect of which the Operator should have complied with the Serious Complaints Obligations.</p>
Data source	<p>Any or all of the following:</p> <ul style="list-style-type: none"> (i) Operator's electronic records of complaints; (ii) CRM System; (iii) Metlink contact centre records; (iv) Audits carried out by GWRC or its nominees.
Worked Example	<p>In March 2018, to calculate X:</p> <p>A = 20 serious questions, feedback and Complaints were received during the Relevant Month in respect of which the Operator complied with its Serious Complaints Obligations;</p> <p>B = 21 serious questions, feedback and Complaints were received during the Relevant Month in respect of which the</p>

PI #6	Serious questions, feedback and Complaints response - 1 Business Day
	<p>Operator should have complied with its Serious Complaints Obligations.</p> $X = \frac{20}{21} \times 100 = 95.2\%$ <p>The Operator's performance in March 2018 measured against Performance Indicator #6 would not achieve the PI Achieve Benchmark as X is lower than 100%.</p>
Reporting Frequency	The Monthly Operational Report shall include the Operator's performance against Performance Indicator #6 and such other information as GWRC reasonably requires.
PI Achieve Benchmark	In any Relevant Month, X = 100%.

PI #7	Questions, feedback and Complaints resolution - 5 Business Days
Purpose	To demonstrate that the Operator is complying with its obligations in paragraph 4.20.5(b) of Annexure 3 (<i>Customer Communication and Information Systems</i>) to take any necessary and reasonable action which GWRC requests to resolve a customer question, feedback or Complaint which relates to the Services within 5 Business Days of receipt of such request (" Complaints Obligations ").
Measurement / calculation methodology	<p>For each Relevant Month, calculate X% where:</p> $X = \frac{A}{B} \times 100$ <p>and</p> <p>A = the total number of questions, feedback and Complaints received during the Relevant Month in respect of which the Operator has complied with the Complaints Obligations;</p> <p>B = the total number of questions, feedback and Complaints received during the Relevant Month in respect of which the Operator should have complied with the Complaints Obligations.</p>

PI #7	Questions, feedback and Complaints resolution - 5 Business Days
Data source	<p>Any or all of the following:</p> <ul style="list-style-type: none"> (i) Operator's electronic records of complaints; (ii) CRM System; (iii) Metlink contact centre records; (iv) Audits carried out by GWRC or its nominees.
Worked example	<p>In March 2018, to calculate X:</p> <p>A = 185 questions, feedback and Complaints were received in respect of which the Operator complied with its Complaints Obligations;</p> <p>B = 186 questions, feedback and Complaints were received in respect of which the Operator should have complied with its Complaints Obligations.</p> $X = \frac{185}{186} \times 100 = 99.5\%$ <p>The Operator's performance in March 2018 measured against Performance Indicator #7 would achieve the PI Achieve Benchmark as X is equal to 99%.</p>
Reporting frequency	The Monthly Operational Report shall include the Operator's performance against Performance Indicator #7 and such other information as GWRC reasonably requires.
PI Achieve Benchmark	In any Relevant Month, $X \geq 99\%$.

PI #8	Notifiable Events
Purpose	To measure the Operator's compliance with its obligations with respect to safety.
Measurement / calculation methodology	For each Relevant Month, calculate X where: X = total number of Notifiable Events which occurred during the Relevant Month.
Data source	Any or all of the following: <ul style="list-style-type: none"> (i) Operator's records; (ii) CRM System; (iii) Metlink contact centre records.
Worked example	In March 2018, X = 3 Notifiable Events occurred during the Relevant Month. The Operator's performance in March 2018 measured against Performance Indicator #8 would not achieve the PI Achieve Benchmark as X is greater than 0.
Reporting frequency	The Monthly Operational Report shall include the Operator's performance against Performance Indicator #8 and such other information as GWRC reasonably requires.
PI Achieve Benchmark	X = 0

PI #9	Customer Satisfaction Survey
Purpose	To measure the Operator's compliance with its obligations in respect of providing Scheduled Services and Special Event Services.
Measurement / calculation	GWRC shall procure that Customer Satisfaction Surveys shall be carried out by a Surveying Organisation in accordance with Annexure 8 (<i>Customer Satisfaction Surveys</i>). The results of Customer Satisfaction Survey undertaken after the Base Customer

PI #9	Customer Satisfaction Survey
methodology	<p>Satisfaction Survey shall be used to measure the Operator's performance against this PI #9.</p> <p>The results of any Customer Satisfaction Survey undertaken after the Base Customer Satisfaction Survey as reported by the Surveying Organisation under paragraph 5.5 of Annexure 8 (<i>Customer Satisfaction Survey</i>) shall apply for every Relevant Month after such results are reported until the results are reported by the Surveying Organisation for the next Customer Satisfaction Survey.</p>
Data source	Customer Satisfaction Surveys.
Worked example	<p>The results of a Customer Satisfaction Survey undertaken after the Base Customer Satisfaction Survey are reported by the Surveying Organisation under paragraph 5.5 of Annexure 8 (<i>Customer Satisfaction Survey</i>) in March 2019. The result is 92.3%.</p> <p>The then current Customer Satisfaction Threshold is 90% and the average response to the questions contained in the preceding Customer Satisfaction Survey was 92.1%.</p> <p>The Operator's performance in March 2019 measured against Performance Indicator #9 would achieve the PI Achieve Benchmark as although 92.3% is less than 95%, it exceeds the then current Customer Satisfaction Threshold and the average response to the questions contained in the preceding Customer Satisfaction Survey.</p>
Reporting frequency	The Monthly Operational Report shall include the Operator's performance against Performance Indicator #9 and such other information as GWRC reasonably requires.
PI Achieve Benchmark	<p>The results of any Customer Satisfaction Survey undertaken after the Base Customer Satisfaction Survey as reported by the Surveying Organisation under paragraph 5.5 of Annexure 8 (<i>Customer Satisfaction Survey</i>) demonstrate that the average response (expressed as a percentage to one decimal point) to the questions contained in the Customer Satisfaction Survey either:</p> <ul style="list-style-type: none"> (a) is more than 95%; or (b) exceeds the then current Customer Satisfaction Threshold and the average response (expressed as a percentage to one decimal point) to the questions contained in the preceding Customer Satisfaction Survey.

Appendix 7 - Revenue Protection Survey

- a) GWRC will appoint a suitably qualified Surveyor to undertake the design and conduct of Revenue Protection Surveys to determine the level of Ticket Offences committed on Scheduled Services and Special Event Services.
- b) GWRC will provide the proposed detailed methodology for the Revenue Protection Survey to the Operator at least 60 days in advance of the first Revenue Protection Survey Period for the first Revenue Protection Survey. GWRC may update the proposed detailed methodology for subsequent Revenue Protection Surveys provided it provides such methodology to the Operator at least 60 days in advance of the relevant Revenue Protection Survey Period. The Operator may submit comments to GWRC on the proposed methodology. GWRC shall take into account any reasonable comments made by the Operator prior to the finalisation of the detailed methodology.
- c) GWRC shall ensure that:
 - (i) the Revenue Protection Surveys will be undertaken by the Surveyor at GWRC's cost;
 - (ii) the Surveyor will be instructed to design the Revenue Protection Survey methodology to be statistically robust and proportionate to the Actual Patronage;
 - (iii) the Surveyor will be instructed to undertake the Revenue Protection Survey during the Revenue Protection Survey Period;
 - (iv) the first Revenue Protection Survey shall be undertaken between 90 and 180 days after the Commencement Date;
 - (v) subsequent Revenue Protection Surveys are undertaken at intervals of no greater than 180 days, on a date selected at the absolute discretion of GWRC; and
 - (vi) the Surveyor produces a report detailing the number of Scheduled Services and Special Event Services travelled on by the Surveyor's nominees during the Revenue Protection Survey Period, the number of passengers surveyed and the number of passengers which committed a Ticket Offence (**Revenue Protection Report**), a copy of which shall be provided by GWRC to the Operator within 5 Business Days of its receipt by GWRC from the Surveyor.
- d) The Operator is not entitled to prior notice of the exact dates of the Revenue Protection Survey Periods.
- e) The Operator shall not materially change its revenue protection activities during the Revenue Protection Survey Period.

Schedule 6

Financial and Performance Regime

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1 Services Fee

1.1 The Services Fee comprises:

1.1.1 the following monthly amounts:

- (a) the Base Service Fee;
- (b) the Special Event Services Fee; and
- (c) the Punctuality Performance Payment;

less:

- (d) Performance Deductions in relation to the Reliability KPI and the Punctuality KPI;
- (e) Reporting Error Deductions; and
- (f) Fleet Deductions;

1.1.2 the following quarterly amount:

- (a) the Indexation Payment;

1.1.3 the following half yearly amount:

- (a) the Performance Payment; and

1.1.4 the annual FIM Adjustment.

1.2 The formula for calculating the Services Fee for each Relevant Month (rm) during the Term is as follows:

$$\text{Services Fee}_{rm} = BSF_{rm} + SESF_{rm} + PPP_{rm} - PD_{rm} - IED_{rm} - FD_{rm} + IP_{rm} + PP_{rm} + FIMA - FIMD$$

Where:

- 1.2.1 BSF_{rm} is the Base Service Fee in respect of the Relevant Month, calculated in accordance with paragraph 2 (*Calculation of the Base Service Fee*);
- 1.2.2 $SESF_{rm}$ is the Special Event Services Fee (if any) payable in respect of the Relevant Month calculated in accordance with paragraph 3 (*Calculation of the Special Event Services Fee*);
- 1.2.2A PPP_{rm} is the Punctuality Performance Payment (if any) payable in respect of the Relevant Month calculated in accordance with paragraph 4 (*Punctuality Performance Payment*);
- 1.2.3 PD_{rm} is the aggregate of all Performance Deductions incurred in respect of Scheduled Services during the Relevant Month, calculated in accordance with paragraph 5 (*Calculation of Performance Deductions*);

- 1.2.4 IED_{rm} is the aggregate of any Reporting Error Deductions to be deducted from the relevant payment in accordance with paragraphs 6.2, 6.4 and 6.5 (*Calculation of Reporting Error Deductions*);
- 1.2.5 FD_{rm} is the aggregate of any Fleet Deductions to be deducted from the relevant payment in accordance with paragraph 7 (*Calculation of Fleet Deductions*);
- 1.2.6 IP_{rm} is the Indexation Payment which:
- (a) in relation to the last Relevant Month falling in any Quarter, is calculated in accordance with paragraph 8 (*Calculation of the Indexation Payment*); and
 - (b) in relation to all other Relevant Months, is zero;
- 1.2.7 PP_{rm} is the Performance Payment which:
- (a) in relation to the last Relevant Month falling in any Half Year, is the aggregate amount (if any) to which the Operator is entitled under paragraph 9.6 (*Operator's entitlement to payment*);
 - (b) in relation to all other Relevant Months, is zero;
- 1.2.8 $FIMA$ is the FIM Adjustment in respect of any FIM Calculation Year in respect of which there is a Patronage Excess which:
- (a) in relation to the Relevant Month falling after the Relevant Month in which notice is served under paragraph 10.2 (*Notice of Actual Patronage*) where there has been a Patronage Excess in the relevant FIM Calculation Year, is the amount of any FIM Adjustment to which the Operator is entitled under paragraph 10.3 (*Payment*); and
 - (b) in relation to all other Relevant Months, is zero; and
- 1.2.9 $FIMD$ is the FIM Adjustment in respect of any FIM Calculation Year in respect of which there is a Patronage Shortfall which:
- (a) in relation to the Relevant Month falling after the Relevant Month in which notice is served under paragraph 10.2 (*Notice of Actual Patronage*) where there has been a Patronage Shortfall in the relevant FIM Calculation Year, is the amount of any FIM Adjustment to be set off from the Services Fee under paragraph 10.4.2 (*Payment*); and
 - (b) in relation to all other Relevant Months, is zero.

2 Calculation of the Base Service Fee

2.1 The Base Service Fee in respect of a Relevant Month (BSF_{rm}) shall be calculated as follows:

$$BSF_{rm} = BSF_p \times \frac{PR}{12}$$

Where:

- 2.1.1 BSF_p is (subject to paragraph 8.4 below and Schedule 14 (*Change Events and Net Financial Impact*)) the amount specified in respect of the Period in which the Relevant Month falls, as set out in Appendix 6 (*Base Service Fee Table*) to Schedule 2 (*Agreement Details*); and
- 2.1.2 $PR = 1$ unless the Relevant Month is less than a full calendar month in which case $PR = \frac{NDRM}{NDRP}$

Where:

- 2.1.3 $NDRM$ is the number of days in the Relevant Month; and
- 2.1.4 $NDRP$ is the number of days in that calendar month.

3 Calculation of the Special Event Services Fee

3.1 Where in a Relevant Month the Operator has provided Special Event Services in accordance with the requirements of paragraph 3.17 (*Special Event Services*) of Schedule 3 (*Passenger Services*), the Special Event Services Fee payable in respect of each such Special Event Service shall, subject to paragraph 3.25 (*Special Event Services Fee - supporting documentation*) of Schedule 3 (*Passenger Services*) be:

$$(RKM \times Rate_{km}) + (RHR \times Rate_{hr})$$

Where:

RKM is the aggregate number of additional Revenue Service Kilometres travelled by each Vehicle in order to provide the Special Event Service(s);

$Rate_{km}$ is the applicable service kilometres rate in the table set out in Appendix 7 (*Special Event Services Rates*) of Schedule 2 (*Agreement details*);

RHR is the aggregate number of additional Revenue Service Hours travelled by each Vehicle in order to provide the Special Event Service(s); and

$Rate_{hr}$ is the applicable service hours rate in the table set out in Appendix 7 (*Special Event Services Rates*) of Schedule 2 (*Agreement details*).

4 Punctuality Performance Payment

4.1 In respect of any Relevant Month where the Operator's performance measured against Performance Indicator #2 (*Punctuality*) (as calculated in accordance with Appendix 6 (*Performance Indicators*) to Schedule 5 (*Planning, Reporting and Meetings*)) exceeds 96%, the Operator will be entitled to a performance payment equal to ████████ of the Performance Base in respect of that Relevant Month for every whole 0.1% by which "Y" for Performance Indicator #2 is above 96%.



5 Calculation of Performance Deductions

Introduction and definitions

- 5.1 The Performance Deductions in respect of a Relevant Month (PD_{rm}) shall be calculated in accordance with this paragraph 5 but subject to paragraph 11 (*Major Service Disruptions, Force Majeure Events and Deemed Performance*).
- 5.2 In this Partnering Contract, the following definitions apply unless the context otherwise requires:

Destination	<p>means:</p> <ul style="list-style-type: none"> (a) in respect of a Scheduled Service, the Bus Stop at which that service is to terminate, as indicated in the Bus Unit Timetable; or (b) in respect of a Special Event Service, the location at which that service is to terminate, as indicated in the Special Events Plan or as otherwise approved by GWRC pursuant to paragraph 3.22 of Schedule 3 (<i>Passenger Services</i>).
Performance Base	<p>means:</p> <ul style="list-style-type: none"> (a) in respect of any Relevant Month which falls in the Financial Year in which Services commence, BSF_{rm} as calculated pursuant to paragraph 2 (<i>Calculation of the Base Service Fee</i>); or (b) in respect of all other Relevant Months, $BSF_{pi} \times \frac{1}{12} \times PR$ <p>where:</p> <p>BSF_{pi} means (subject to this paragraph (b)) the amount specified in respect of</p>

	<p>the Period in which the Relevant Month falls, as set out in Appendix 6 (<i>Base Service Fee Table</i>) to Schedule 2 (<i>Agreement Details</i>), which will for the purposes of this BSF_{pi}:</p> <ul style="list-style-type: none"> (i) be Indexed in accordance with clause 34 (<i>Indexation</i>); and (ii) will not be subject to indexation in accordance with paragraphs 10.5 to 10.9 (<i>Indexation of Net Financial Impact</i>) of Schedule 14 (<i>Change Events and Net Financial Impact</i>). <p>The calculation of this BSF_{pi} for each Period will be carried out on the 31 March preceding the Period in which the Relevant Month falls and will not be subject to change in respect of that Period.</p> <p><i>PR</i> has the meaning given in paragraph 2.1.2.</p>
<p>Origin</p>	<p>means:</p> <ul style="list-style-type: none"> (a) in respect of a Scheduled Service, the first Bus Stop from which that service is to depart, as indicated in the Bus Unit Timetable; or (b) in respect of a Special Event Service, the first location from which that service is to depart, as indicated in the Special Events Plan or as otherwise approved by GWRC pursuant to paragraph 3.22 of Schedule 3 (<i>Passenger Services</i>).

Reliability KPI

- 5.3 The Operator shall ensure that each Scheduled Service shall:
 - 5.3.1 depart from its Origin 59 seconds before to 29 minutes 59 seconds after the scheduled time for such departure in the Bus Unit Timetable;
 - 5.3.2 pass all Intermediate Timing Points required by the Bus Unit Timetable;

- 5.3.3 reach its Destination within 29 minutes and 59 seconds after the scheduled time for such arrival in the Bus Unit Timetable; and
 - 5.3.4 be provided using a Vehicle which complies with the applicable Vehicle Size Classification.
- 5.4 In respect of any Relevant Month where the Operator's performance measured against Performance Indicator #1 (*Reliability*) (as calculated in accordance with Appendix 6 (*Performance Indicators*) of Schedule 5 (*Planning, Reporting and Meetings*)) fails to meet the relevant PI Achieve Benchmark, a Performance Deduction of [REDACTED] of the Performance Base for the Relevant Month will be incurred for every 0.1% (or part thereof) by which "X" for Performance Indicator #1 is below the PI Achieve Benchmark.



[REDACTED]



Punctuality KPI

- 5.6 The Operator shall ensure that each Scheduled Service shall:
- 5.6.1 depart from its Origin between 59 seconds before to 4 minutes 59 seconds after the scheduled time for such departure in the Bus Unit Timetable; and
 - 5.6.2 depart from all Intermediate Timing Points no more than 59 seconds before the scheduled time for such departure in the Bus Unit Timetable.
- 5.7 In respect of any Relevant Month where the Operator's performance measured against Performance Indicator #2 (*Punctuality*) (as calculated in accordance with Appendix 6 (*Performance Indicators*) to Schedule 5 (*Planning, Reporting and Meetings*)) fails to meet the relevant PI Achieve Benchmark, a Performance Deduction of [REDACTED] of the Performance Base for the Relevant Month will be incurred for every 0.1% (or part thereof) by which "Y" for Performance Indicator #2 is below the PI Achieve Benchmark.



[REDACTED]



References to a failure to achieve the Reliability KPI or the Punctuality KPI

5.9 References in this Partnering Contract to a failure to achieve the Reliability KPI or the Punctuality KPI (or similar terminology) shall mean a failure by the Scheduled Service to comply with the applicable requirements set out in paragraph 5.3 or paragraph 5.6 (as applicable). For the avoidance of doubt, a failure to comply with a single requirement in either paragraph 5.3 or paragraph 5.6 (as applicable) will be treated as a failure to achieve the Reliability KPI or the Punctuality KPI respectively.

6 Calculation of Reporting Error Deductions

- 6.1 Where a Reporting Error is identified by a Party, that Party shall notify the other Party as soon as reasonably practicable.
- 6.2 If the Reporting Error relates to a failure by the Operator to report:
- 6.2.1 a Notifiable Event, in accordance with paragraph 3.2 (*Immediate Report*) of Schedule 5 (*Planning, Reporting and Meetings*);
 - 6.2.2 details of any Correction Notices, in accordance with paragraph 3.2 (*Immediate Report*) of Schedule 5 (*Planning, Reporting and Meetings*);
 - 6.2.3 any instances of Vehicles being used to carry out Passenger Operating Services which did not comply with the Vehicle Quality Standards or the applicable Vehicle Size Classification in the Weekly Operational Report in accordance with Appendix 4 (*Weekly, monthly and annual reports*) of Schedule 5 (*Planning, Reporting and Meetings*);
 - 6.2.4 an Accident, in the Monthly Operational Report in accordance with Appendix 4 (*Weekly, monthly and annual reports*) of Schedule 5 (*Planning, Reporting and Meetings*),
- GWRC shall be entitled to deduct a Reporting Error Deduction of \$500 for each event, instance, notice, Accident etc. which the Operator failed to report in that Relevant Month.
- 6.3 Where a Reporting Error affects the value of the Services Fee, such Reporting Error shall be deemed to be a "**Financial Reporting Error**".
- 6.4 Where there has been a Financial Reporting Error, then the Operator and GWRC shall promptly seek to resolve the Financial Reporting Error and determine the correct value for the affected Services Fee payment. Within 10 Business Days following the determination of the correct value for the affected Services Fee payment:
- 6.4.1 if the Financial Reporting Error has resulted in the Operator receiving an overpayment, the Operator shall pay to GWRC an amount equal to the amount by which the Operator has been overpaid; or
 - 6.4.2 if the Financial Reporting Error has resulted in the Operator suffering an underpayment, GWRC shall pay an amount to the Operator equal to the amount by which the Operator has been underpaid.
- 6.5 For each Financial Reporting Error that occurs, to the extent such error:
- 6.5.1 is caused by GWRC, GWRC shall pay \$500 to the Operator when the next instalment of the Services Fee is payable by GWRC; or
 - 6.5.2 otherwise, in addition to any deduction under paragraph 6.2, GWRC shall be entitled to deduct a Reporting Error Deduction of \$500.

7 Calculation of Fleet Deductions

7.1 The Fleet Deductions in respect of a Relevant Month (FD_{rm}) shall be calculated in accordance with this paragraph 7.

Maximum Age

7.2 The Operator shall ensure that the Age of each Vehicle on the Fleet List shall not exceed the Maximum Age Threshold.

7.3 If, in a Relevant Month, a Vehicle on the Fleet List:

7.3.1 has an Age that exceeds the Maximum Age Threshold; and

7.3.2 the Age of that Vehicle exceeded the Maximum Age Threshold in the Quarter immediately prior to the Quarter in which the Relevant Month falls,

GWRC shall be entitled to deduct a Fleet Deduction equal to:

$$\blacksquare \times \text{applicable PVR Variation Rate} \times \frac{PR}{12}$$



where PR has the same meaning given in paragraph 2.1.

7.4 The Fleet Deduction referred to in paragraph 7.3 shall apply:

7.4.1 separately for each Vehicle in a Relevant Month to which paragraphs 7.3.1 and 7.3.2 apply; and

7.4.2 each Relevant Month until the relevant Vehicle is replaced on the Fleet List with a Vehicle which has an Age not exceeding the Maximum Age Threshold in accordance with the Vehicle Acquisition Plan and clause 10.15 (*Acquisition of Vehicles and Fleet List*).

7.5 For the purposes of this paragraph 7 only, the PVR Variation Rate:

7.5.1 will be Indexed in accordance with clause 34 (*Indexation*); and

7.5.2 will not be subject to indexation in accordance with paragraphs 10.5 to 10.9 (*Indexation of Net Financial Impact*) of Schedule 14 (*Change Events and Net Financial Impact*).

8 Calculation of the Indexation Payment

8.1 Subject to paragraph 8.2, the Indexation Payment in respect of the last Relevant Month (IP_{rm}) in a Quarter (**Last Relevant Month**):

8.1.1 on or prior to the first Quarter of the seventh Year, shall be a sum equal to:

- (a) the percentage change in the Transport Agency Index between:
 - (i) the Transport Agency Index published in the Quarter in which the Last Relevant Month falls; and

- (ii) the Transport Agency Index published in respect of the Quarter in which the Indexation Base Date occurs;

multiplied by:

- (b) the aggregate of BSF_{rm} as calculated pursuant to paragraph 2 (*Calculation of the Base Service Fee*) for each of the Relevant Months in the Quarter immediately prior to the Quarter in which the Last Relevant Month falls;

8.1.2 after the first Quarter of the seventh Year, shall be a sum equal to:

- (a) the percentage change in the Transport Agency Index between:
 - (i) the Transport Agency Index published in the Quarter in which the Last Relevant Month falls; and
 - (ii) the Transport Agency Index published in the fourth Quarter of the sixth Year;

multiplied by:

- (b) the aggregate of BSF_{rm} as calculated pursuant to paragraph 2 (*Calculation of the Base Service Fee*) for each of the Relevant Months in the Quarter immediately prior to the Quarter in which the Last Relevant Month falls.

8.2 The Parties acknowledge and agree that Indexation Payment(s) may be required after the Termination Date, provided that the last Indexation Payment will be paid by GWRC in the Quarter after the Quarter in which the Termination Date occurs.

8.3 **BSF Indexed** means, in relation to the Base Service Fee, that amount multiplied with effect from the first Relevant Month of the seventh Year until the end of the Term by:

Index A

Index B

where Index B is the value of the Transport Agency Index published in respect of the Quarter in which the Indexation Base Date occurs and Index A is the value of the Transport Agency Index published in the fourth Quarter of the sixth Year.

8.4 The Base Service Fee for each Year of the Term beginning on the seventh Year will be BSF Indexed in the first Quarter of the seventh Year.

Errors in the Transport Agency Index

8.5 Subject to paragraph 8.7, if an error in any Transport Agency Index has had an impact on the calculation of the Indexation Payment or BSF Indexed under this Partnering Contract:

- 8.5.1 where the error has resulted in an overpayment to the Operator, the Operator shall be required to pay the amount of such overpayment to GWRC and where the error has resulted in an underpayment to the Operator, GWRC shall be required to pay the amount of such underpayment to the Operator; and
 - 8.5.2 if the error has had an impact on the calculation of BSF Indexed, the Base Service Fee shall be BSF Indexed with effect from the date on which the Transport Agency publishes the corrected Transport Agency Index in accordance with paragraph 8.3 and, for the purposes of paragraph 8.3, Index A is the value of the corrected Transport Agency Index.
- 8.6 Any amounts payable under paragraph 8.5 shall be paid by the relevant Party to the other Party within 15 Business Days following the date on which the Transport Agency publishes the corrected Transport Agency Index.
- 8.7 Paragraph 8.5 shall only apply where the error is identified and the Transport Agency publishes the corrected Transport Agency Index on or before the date falling 12 months after the Relevant Month in which the relevant calculation of the Indexation Payment or BSF Indexed was undertaken pursuant to this Partnering Contract. If the error is identified or corrected after the date falling 12 months after such Relevant Month, paragraph 8.5 will not apply.
- 8.8 Notwithstanding anything to the contrary in this Partnering Contract, the Parties acknowledge and agree that their only rights and entitlement in relation to any error in the Transport Agency Index are as set out in paragraphs 8.5 to 8.7.

9 Calculation of Performance Payments

Definitions

9.1 In this Partnering Contract, the following definitions apply unless the context otherwise requires:

Half Year	<p>means, in respect of each Performance Payment Period, each of the following periods:</p> <ul style="list-style-type: none"> (a) the period commencing on the first day of the first Relevant Month in that Performance Payment Period and expiring on the last day of the sixth Relevant Month in that Performance Payment Period; or (b) each subsequent period of six Relevant Months in that Performance Payment Period, <p>provided that:</p> <ul style="list-style-type: none"> (c) in respect of the first Performance Payment Period, the first Half Year shall start on the
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	(d) Commencement Date; and in respect of the last Performance Payment Period, the last Half Year shall end on the Termination Date.
Maximum Half Year Performance Payment Amount	means in respect of each Half Year, [REDACTED] of the aggregate Performance Base for the Relevant Months falling within that Half Year.
Nominated Performance Indicator	means the Performance Indicators notified by GWRC to the Operator pursuant to paragraph 9.2.
Nominated Performance Payment Amount	means in respect of each Nominated Performance Indicator, the relevant amount notified by GWRC to the Operator pursuant to paragraph 9.2.2 as being the maximum Performance Payment payable in connection with that Nominated Performance Indicator.
Performance Payment Period	means each of the following: (a) the period commencing on and including the Commencement Date until and including 30 June 2018; and (b) each subsequent period of 12 months, provided that the last Performance Payment Period shall end on (and including) the Termination Date.



Nominated Performance Indicators and Nominated Performance Payment Amount

9.2 Prior to the start of each Performance Payment Period and as part of the development of the Annual Business Plan for that Year in accordance with Schedule 5 (*Planning, Reporting and Meetings*), GWRC shall notify the Operator in writing of:

9.2.1 up to three Performance Indicators (chosen at the sole discretion of GWRC) which will be the Nominated Performance Indicators for that Performance Payment Period; and

9.2.2 subject to paragraph 9.5, the amount that will be payable by GWRC in accordance with paragraph 9.6 in respect of a Nominated Performance Indicator for each Half Year falling within the relevant Performance Payment Period provided that the conditions in paragraph 9.6 are met.

9.3 Not used.

9.4 For the purposes of the Performance Payment measurement and achievement of PI Achieve Benchmarks, GWRC may at its discretion consolidate the calculation of any of the Performance Indicators (including Nominated Performance Indicators)

across this Partnering Contract and any Associated Partnering Contracts. If GWRC elects to consolidate the calculation of any Nominated Performance Indicators, the Nominated Performance Payment Amount and the Maximum Half Year Performance Payment Amount shall be calculated and applied in accordance with paragraph 9.6.

- 9.5 The aggregate amount of the Performance Payments available to the Operator in respect of any Half Year shall be the Maximum Half Year Performance Payment Amount. For the avoidance of doubt, the aggregate amount of the Performance Payments payable by GWRC to the Operator in respect of any Half Year shall not exceed the Maximum Half Year Performance Payment Amount.

Operator's entitlement to payment

- 9.6 Subject to paragraph 9.5, if the Operator has achieved the PI Achieve Benchmark against the relevant Nominated Performance Indicator for every Relevant Month within a Half Year in which the Operator's performance is measured in accordance with Appendix 6 of Schedule 5 (*Planning, Reporting and Meetings*), the Operator shall be entitled to payment of the Nominated Performance Payment Amount for that Half Year applicable to that Nominated Performance Indicator.

10 Calculation of the FIM Adjustment

Definitions

- 10.1 In this paragraph 10, the following definitions apply unless the context otherwise requires:

Actual Patronage	means the total number of Valid Trips taken during that period.
FIM Adjustment	means: <ul style="list-style-type: none"> (a) in respect of any FIM Calculation Year where there is a Patronage Excess, the product of the following calculation: <i>FIM Adjustment = Patronage Excess x Shadow Fare</i>; and (b) in respect of any FIM Calculation Year where there is a Patronage Shortfall, the product of the following calculation: <i>FIM Adjustment = Patronage Shortfall x Shadow Fare</i>.
FIM Calculation Year	means each one year period commencing on (and including) 1 July and ending (and including) on 30 June.

FIM Cap	<p>means:</p> <p>(a) in respect of each FIM Calculation Year ending on or prior to 30 June 2020, ■■■;</p> <p>(b) in respect of each other FIM Calculation Year, ■■■ of the aggregate Performance Base for the Relevant Months falling within that FIM Calculation Year.</p>
FIM Collar	<p>means:</p> <p>(a) in respect of each FIM Calculation Year ending on or prior to 30 June 2020, ■■■;</p> <p>(b) in respect of each other FIM Calculation Year, ■■■ of the aggregate Performance Base for the Relevant Months falling within that FIM Calculation Year.</p>
FIM Objectives	<p>means the provision of an appropriate mechanism to reflect relative responsibility and ability to control patronage growth and which:</p> <p>(a) incentivises GWRC and the Operator to collaborate to grow patronage on and fare revenue from the Wellington Region Bus Network;</p> <p>(b) takes account of the characteristics particular to the Services and the Wellington Region Bus Network;</p> <p>(c) is simple to apply and administer; and</p> <p>(d) contributes to value for money.</p>
Patronage Excess	<p>means, in respect of any FIM Calculation Year, the amount (if any) by which the Actual Patronage for the PTOM Unit the subject of this Partnering Contract exceeds the Patronage Projection for that PTOM Unit.</p>
Patronage Projection	<p>means:</p> <p>(a) for the FIM Calculation Year in which 1 July 2020 falls:</p> $PP(n) = AP_{Unit}(n-1) \times [AP_{Subregion}(n-1)/AP_{Subregion}(n-4)]^{1/3}$ <p>(b) for the FIM Calculation Years in which 1 July 2021 and 1 July 2022 fall:</p> $PP(n) = PP(n-1) \times [AP_{Subregion}(n-1)/AP_{Subregion}(n-4)]^{1/3}$



	<p>(c) for the FIM Calculation Year in which 1 July 2023 falls:</p> $PP(n) = AP_{Unit}(n-1) \times [AP_{Unit}(n-1)/AP_{Unit}(n-4)]^{1/3}$ <p>(d) for each subsequent FIM Calculation Year, the number calculated in accordance with the formula below:</p> $PP(n) = PP(n-1) \times [AP_{Unit}(n-1)/AP_{Unit}(n-4)]^{1/3}$ <p>where:</p> <p>PP = the Patronage Projection for the PTOM Unit the subject of this Partnering Contract;</p> <p>n = a FIM Calculation Year;</p> <p>AP_{Unit} = the Actual Patronage in respect of a FIM Calculation Year for the PTOM Unit the subject of this Partnering Contract; and</p> <p>$AP_{Subregion}$ = the Actual Patronage in respect of a FIM Calculation Year for the relevant Sub-Region in which the Bus Unit is located.</p>
Patronage Shortfall	means, in respect of any FIM Calculation Year, the amount (if any) by which the Actual Patronage for the PTOM Unit the subject of this Partnering Contract falls below the Patronage Projection for that PTOM Unit.
Shadow Fare	means, subject to paragraph 10.8 (<i>Operator Initiatives</i>), █████ of the average fare for a unit in the FIM Calculation Year.
Sub-Region	means each of the following sub-regions of the Wellington Region Bus Network: <ul style="list-style-type: none"> (a) Wellington City; (b) Hutt Valley; (c) Porirua; (d) Kapiti; and (e) Wairarapa.
Valid Trip	means, each trip made by a fare paying passenger on the Wellington Region Bus Network. For the avoidance of doubt, SuperGold passengers will not contribute to the Valid Trip count.



Notice of Actual Patronage

10.2 Within 60 days following the last day of each FIM Calculation Year where part of that FIM Calculation Year falls after 1 July 2020 and within the Term, GWRC shall serve on the Operator a notice (certified by GWRC's Authorised Representative as being true, accurate and complete to the best of his or her knowledge) containing details for that FIM Calculation Year of the Actual Patronage and a calculation of the Patronage Shortfall or Patronage Excess.

Payment

10.3 If in any FIM Calculation Year where part of that FIM Calculation Year falls after 1 July 2020 and within the Term, there is a Patronage Excess, then the Operator shall be entitled to an amount equal to the FIM Adjustment provided that the amount payable by GWRC under this paragraph 10.3 in respect of any single FIM Calculation Year shall not exceed the FIM Cap.

10.4 If in any FIM Calculation Year where part of that FIM Calculation Year falls after 1 July 2020 and within the Term, there is a Patronage Shortfall, then, at GWRC's option, either:

10.4.1 the Operator shall pay to GWRC within 90 days of the end of such FIM Calculation Year; or

10.4.2 GWRC shall set off from the next payment of the Service Fee falling due following the date of service of the notice pursuant to paragraph 10.2, an amount equal to the FIM Adjustment provided that the amount to be paid by the Operator or set off by GWRC under this paragraph 10.4 in respect of any single FIM Calculation Year shall not exceed the FIM Collar.

10.5 For the avoidance of doubt no FIM Adjustment will be applied for any FIM Calculation Year which starts before 1 July 2020.

Operator initiatives

10.6 GWRC and the Operator agree to work together collaboratively with a view to achieving the FIM Objectives. The Operator may at any time during the Term propose to GWRC by notice in writing:

10.6.1 an initiative to be implemented by it with the objective of increasing Actual Patronage; and

10.6.2 a temporary increase in the Shadow Fare to encourage the Operator in and reward it for the successful implementation of such initiative.

10.7 If GWRC (in its sole discretion despite anything to the contrary in this Partnering Contract) indicates that it is open to considering such initiative, the Operator shall document the proposal in detail in the next draft of the plans and financial forecasts to be submitted by it under the relevant provisions of paragraph 2 (*Annual Business Plan*) of Schedule 5 (*Planning, Reporting and Meetings*).

- 10.8 If GWRC (in its sole discretion despite anything to the contrary in this Partnering Contract) expressly approves such initiative and temporary increase in the Shadow Fare in its notice of approval under paragraph 2.16 (*GWRC to approve*) of Schedule 5 (*Planning, Reporting and Meetings*), the Operator shall diligently implement such initiative and the Shadow Fare shall be increased by the amount and for the period specified in GWRC's notice.

Review meeting

- 10.9 If at any time, either GWRC or the Operator considers that the operation of the mechanism in this paragraph 10 is not achieving the FIM Objectives, it may serve notice on the other requiring a meeting to review the operation of this paragraph 10 against the FIM Objectives.
- 10.10 As soon as reasonably practicable following service of a notice under paragraph 10.9, GWRC and the Operator shall meet and seek to agree such changes to this paragraph 10 as are reasonably necessary to align it more closely with the FIM Objectives. If GWRC and the Operator reach such agreement, the parties shall as soon as reasonably practicable document such changes by way of a deed of variation and such changes shall come into effect in accordance with that deed of variation if and when that deed of variation comes fully and unconditionally into effect. If GWRC and the Operator do not reach such agreement, then the matter may not be referred to the Dispute Resolution Procedure and this paragraph 10 will continue in effect without amendment.

11 Major Service Disruptions, Force Majeure Events and Deemed Performance

Major Service Disruptions and Force Majeure Events

- 11.1 If a Scheduled Service fails to meet the Punctuality KPI or the Reliability KPI, that Scheduled Service will not be included in the calculation of "A" and "B" in Performance Indicator #1 (*Reliability*) or Performance Indicator #2 (*Punctuality*) (as applicable) provided that:
- 11.1.1 such failure is directly attributable to a Major Service Disruption or Force Majeure Event (as applicable);
 - 11.1.2 the Operator has used all reasonable endeavours to mitigate the effect of the Major Service Disruption or Force Majeure Event (as applicable) on the provision of the Services; and
 - 11.1.3 the Operator has otherwise complied with any express obligation imposed on the Operator under this Partnering Contract in respect of such Major Service Disruption or Force Majeure Event (as applicable).
- 11.2 A failure by the Operator to achieve a PI Achieve Benchmark shall be disregarded for the purposes of calculating the relevant Performance Payment in respect of a Nominated Performance Indicator, or for Performance Indicators which are not

Nominated Performance Indicators, for the purposes of determining the Operator's performance against that Performance Indicator, provided that:

- 11.2.1 such failure is directly attributable to a Major Service Disruption or Force Majeure Event (as applicable);
- 11.2.2 the Operator has used all reasonable endeavours to mitigate the effect of the Major Service Disruption or Force Majeure Event (as applicable) on the provision of the Services; and
- 11.2.3 the Operator has otherwise complied with any express obligation imposed on the Operator under this Partnering Contract in respect of such Major Service Disruption or Force Majeure Event (as applicable).

Operator's responsibility

- 11.3 It shall be the responsibility of the Operator to demonstrate that a Major Service Disruption or Force Majeure Event (as applicable) has occurred and that it is entitled to relief under paragraph 11.1 or 11.2 (as applicable).
- 11.4 The Operator shall promptly provide any information reasonably required by GWRC in connection with a Major Service Disruption or Force Majeure Event (as applicable) and its effects (including any information reasonably required to demonstrate that the conditions in paragraph 11.1.1 to paragraph 11.1.3 or paragraph 11.2.1 to paragraph 11.2.3 (as applicable) have been met).

Deemed performance - RTPI System

- 11.5 The extent to which a Scheduled Service complies with the requirements of the Punctuality KPI and the Reliability KPI will be measured by the RTPI System and/or any other on or off-board system nominated from time to time by GWRC, provided that, subject to paragraph 11.6, if the relevant data system does not record the required data in respect of a Scheduled Service then such Scheduled Service shall be deemed not to have complied with the Punctuality KPI and Reliability KPI.
- 11.6 To the extent only that:
 - 11.6.1 any GWRC Asset or any data held or generated by a GWRC Asset is required in order to measure the extent to which a Scheduled Service has complied with the requirements of the Reliability KPI or the Punctuality KPI for the purposes of calculating a Performance Deduction;
 - 11.6.2 such GWRC Asset or data is, at the relevant time, unavailable or materially inaccurate and this was not caused or contributed to by any act or omission of the Operator or any Operator Associate other than in accordance with this Partnering Contract or any breach by the Operator of this Partnering Contract; and
 - 11.6.3 as a result of the circumstances referred to in paragraph 11.6.2, it is not possible to accurately measure the extent to which a Scheduled Service

has complied with the requirements of the Reliability KPI or the Punctuality KPI,

then, subject to paragraph 11.7, for the purposes of calculating the relevant Performance Deduction and the extent to which that Scheduled Service has complied with the Reliability KPI or the Punctuality KPI (as applicable), the Scheduled Service shall be deemed to have complied with the requirements of Reliability KPI or the Punctuality KPI (as applicable).

- 11.7 It shall be the responsibility of the Operator to demonstrate that the unavailability or inaccuracy (as applicable) of such GWRC Asset was not caused or contributed to by any act or omission of the Operator or any Operator Associate other than in accordance with this Partnering Contract or by any breach by the Operator of this Partnering Contract.
- 11.8 If requested by the Operator, GWRC shall provide the Operator with access to data and information reasonably required by the Operator in demonstrating the cause of unavailability or inaccuracy (as applicable) of any GWRC Asset pursuant to paragraph 11.7.

Deemed performance - Scheduled Services excluded from Punctuality KPI and/or Reliability KPI

- 11.9 To the extent only that a Scheduled Service is indicated in Appendix 12 (*Scheduled Services excluded from Punctuality KPI and/or Reliability KPI*) of Schedule 2 (*Agreement Details*) as being excluded from either or both of the Punctuality KPI and the Reliability KPI, that Scheduled Service will not be included in the calculation of "A" and "B" in Performance Indicator #1 (*Reliability*) or Performance Indicator #2 (*Punctuality*) (as applicable) provided that the Operator has complied with its obligations in this Partnering Contract in respect of that Scheduled Service (other than the obligations to comply with the Reliability KPI or the Punctuality KPI (as applicable)).

Schedule 7 – not used

Schedule 8

Warranties and Representations

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1 Operator Representations and Warranties

Prohibited Act

- 1.1 None of the Operator, the Guarantor or any Operator Associate or anyone employed by any of them or acting on behalf of any of them have committed any Prohibited Act.

Information provided

- 1.2 All information which has been given by the Operator, the Guarantor or the Operator Associates or anyone employed by any of them or acting on behalf of any of them to GWRC was (when given, whether in the Tender, correspondence, negotiations, pursuant to this Partnering Contract or otherwise, and on the date of this Partnering Contract if given prior to such date) true, complete and accurate in all material respects.

Corporate

- 1.3 The Operator is a corporation duly incorporated in New Zealand and is validly existing under the Companies Act.
- 1.4 The Operator and the Guarantor each has the power to enter into and perform its obligations under the Transaction Documents to which it is a party, to carry out the transactions contemplated by those documents and to carry on its business as now conducted or contemplated.
- 1.5 In entering into the Transaction Documents to which it is party, neither the Guarantor nor the Operator is acting as responsible entity or trustee of any trust or settlement or as an agent on behalf of another entity.

Transaction Documents

- 1.6 The Operator and the Guarantor has each taken all necessary corporate action to authorise the entry into and performance of the Transaction Documents to which it is a party and to carry out the transactions contemplated by those documents.
- 1.7 Each Transaction Document to which the Operator or the Guarantor is a party creates valid and binding obligations and is enforceable in accordance with its terms, subject to any necessary stamping and registration, laws generally affecting creditors' rights and general principles of equity.
- 1.8 The execution and performance by the Operator or the Guarantor of the Transaction Documents to which it is a party and each transaction contemplated under those documents did not and will not violate in any respect a provision of:
- 1.8.1 any Law;
 - 1.8.2 its constitution or other constituent documents; or
 - 1.8.3 any other document or agreement that is binding on it or its assets.

Legal proceedings and insolvency

- 1.9 No litigation, arbitration or other proceedings are current, pending or to the Operator's knowledge, threatened, which, if adversely determined, would or could have a material adverse effect upon the Operator, the Guarantor or their ability to perform their respective obligations under the Transaction Documents.
- 1.10 There has been no material change in the financial condition of the Operator or the Guarantor (since the date of their last audited accounts provided by the Operator to GWRC) which would prejudice the ability of the Operator or the Guarantor to perform its respective obligations under the Transaction Documents.
- 1.11 No Insolvency Event has occurred in relation to the Operator or the Guarantor.
- 1.12 There is no unsatisfied judgment against the Operator or the Guarantor.

Authorisations

- 1.13 Each authorisation that is required in relation to:
- 1.13.1 the execution, delivery and performance by the Operator or the Guarantor of the Transaction Documents to which it is a party and the transactions contemplated by those documents;
 - 1.13.2 the validity and enforceability of the Transaction Documents to which the Operator or the Guarantor is a party; and
 - 1.13.3 the Operator's and Guarantor's business as now conducted or contemplated,
- has been obtained or effected and remains in full force and effect, the Operator and the Guarantor is in compliance with them and has paid all applicable fees in respect of them.

Title and security

- 1.14 None of the Transferring Assets or any Transferring Asset Agreements are subject to any Security Interest of the type referred to in clause 55.3 (*Security Interests and disposals*).
- 1.15 The Operator does not hold any assets as the trustee or responsible entity of any trust, except where this has been disclosed to GWRC and GWRC has provided its written consent (not to be unreasonably withheld).

Other

- 1.16 The Operator is not aware of any facts or circumstances that have not been disclosed to GWRC in writing that would, if disclosed, be likely to materially adversely affect the decision of a prudent and reasonable public sector entity considering whether or not to enter into this Partnering Contract with the Operator.

Schedule 9

Facilities Protocol

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1 Purpose of this Schedule

- 1.1 This Schedule 9 (*Facilities Protocol*) sets out the Parties' obligations in respect of:
- 1.1.1 accessing and operating within the Facilities, both while providing the Services and otherwise; and
 - 1.1.2 reporting by the Operator of safety and other circumstances affecting access to, or operation within, the Facilities.
- 1.2 The Operator shall (and shall procure that the Operator Associates, including drivers) comply with the Operator's obligations in this Schedule 9 (*Facilities Protocol*).

2 Safe use of Facilities

- 2.1 The Operator shall ensure that all drivers are fully trained in accordance with clause 14 (*Training and driver requirements*) in respect of their access to, and use of, the Facilities.
- 2.2 The Operator shall immediately report to GWRC any hazards identified by the Operator or by drivers which actually affect (or are reasonably likely to affect) access to, or operation within, any of the Facilities.

3 Lawful use

- 3.1 The Operator shall comply with all applicable Laws and by-laws governing use of Facilities.
- 3.2 If the Operator considers that safety is or will be compromised through compliance with any applicable Law, by-law or direction then it must immediately notify GWRC.

4 Cooperation and other obligations with other users of Facilities and GWRC

- 4.1 Without limiting the Operator's other obligations and liabilities in this Partnering Contract, the Operator shall:
- 4.1.1 coordinate and cooperate with GWRC and any other user of the Facilities (including other providers of bus services, providers of specialty mobility services and maintenance and cleaning services providers) in respect of operational management and deployment;
 - 4.1.2 not unduly interfere with, obstruct, impede or delay the performance of any other user of Facilities, including GWRC; and
 - 4.1.3 not cause or contribute to damage or destruction of the Facilities.

5 Physical access

- 5.1 The Operator shall comply with all local authority signage and GWRC signage governing use of Facilities.

- 5.2 The Operator shall comply with directions in signage located on private property within the Facilities.
- 5.3 The Operator shall access to and from the Facilities only through the access points as notified by GWRC or the Facilities' respective owners (as applicable) and shall comply with GWRC's or the Facilities owners' (as applicable) directions in respect of access to the Facilities.

6 Parking in designated areas

- 6.1 Where the Operator has been designated an area to park by GWRC or a Facility owner, the Operator shall only park Vehicles in the areas designated to the Operator and only during the time for which the area is designated to the Operator (if applicable).
- 6.2 The Operator must only use the layover spaces identified in Appendix 5 (*Bus Unit termini, Facilities and layover spaces*) of Schedule 2 (*Agreement Details*) in accordance with any restrictions set out in Appendix 5 (*Bus Unit termini, Facilities and layover spaces*) of Schedule 2 (*Agreement Details*) or otherwise notified by GWRC to the Operator in writing.

7 Toilet facilities

- 7.1 If GWRC (acting reasonably) considers that the toilets made available for use by the Operator as part of the Facilities require additional cleaning and/or maintenance in excess of standard levels of cleaning and/or maintenance:
- 7.1.1 GWRC shall divide the costs reasonably incurred by it in procuring such additional cleaning and/or maintenance equally between the Operator and the other PTOM Operators who are permitted to use such toilet facilities; and
- 7.1.2 the Operator shall pay to GWRC its share of such costs within 10 Business Days following a demand therefor.

8 Special Events

- 8.1 In the case of Special Events, the Operator shall use the Facilities in accordance with any agreed Special Events Plan and GWRC's directions.

9 Bus Stops

- 9.1 The Operator shall use best endeavours to ensure that drivers:
- 9.1.1 use Bus Stops in a manner that does not obstruct traffic;
- 9.1.2 position Vehicles as close as possible to the kerb in circumstances where the Vehicle cannot access the Bus Stop; and
- 9.1.3 position Vehicles as close as possible to the front end or head of the Bus Stop.

10 Bus idling locations

- 10.1 The Operator shall eliminate all unnecessary idling by Vehicles and minimise idling time in all aspects of Vehicle operations in accordance with Good Industry Practice.
- 10.2 The Operator must only use those layover locations for the purposes of layover of Vehicles specified in Appendix 5 (*Bus Unit termini, Facilities and layover spaces*) of Schedule 2 (*Agreement details*) or as otherwise specified by GWRC, and not for any other purpose.
- 10.3 Notwithstanding paragraph 10.2, the Operator may also elect to use other locations for the purposes of layover of Vehicles, provided that:
- 10.3.1 the Operator shall only do so to the extent this does not contravene any applicable Law; and
 - 10.3.2 the Operator shall be responsible for obtaining and complying with all necessary consents to it so doing.
- 10.4 Within 10 Business Days after the date of this Partnering Contract, the Operator shall produce a bus idling policy which is specific to both urban and school operating environments, such policy to be approved by GWRC (acting reasonably). The bus idling policy produced by the Operator must contain the following elements:
- 10.4.1 details of how the Operator will eliminate all unnecessary Vehicle idling; and
 - 10.4.2 instructions to drivers on where, when and for how long Vehicles are permitted idle.
- 10.5 The Operator shall (and must ensure that all Operator Associates shall) implement and comply with the bus idling policy approved by GWRC and the Operator shall continuously monitor compliance with the bus idling policy.
- 10.6 Promptly following a request to do so, the Operator shall provide such evidence as GWRC may reasonably require to verify the extent to which the Operator and all Operator Associates have complied, and are complying, with the bus idling policy approved by GWRC.

11 Wellington Station (Lambton)

- 11.1 When accessing Wellington Station (Lambton), the Operator shall comply with the instructions of any marshals in order to ensure smooth running of bus services.

- 11.2 Without limiting the Operator's obligations in this Schedule 9 (*Facilities Protocol*), the Operator shall ensure that a specific focus is placed on ensuring safe and correct driving behaviours at Wellington Station (Lambton), including but not limited to:
- 11.2.1 watching for pedestrians;
 - 11.2.2 obeying traffic signalling;
 - 11.2.3 being ready to give way to any traffic operating inside or accessing the interchange;
 - 11.2.4 obeying the posted speed limit or the speed limit otherwise notified by GWRC; and
 - 11.2.5 taking extra care at the approach and exit points.

12 Policies and Procedures

- 12.1 When accessing and using the Facilities, the Operator shall comply with all relevant policies and procedures as may be provided to the Operator by GWRC from time to time in respect of such access and use.

Schedule 10

Regional Agreement

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Date [insert date on which GWRC executes this document]

Parties

- 1 Wellington Regional Council, a public statutory body constituted under the Local Government Act 2002 (**GWRC**); and
- 2 Each PTOM Operator that from time to time becomes a Party in accordance with paragraph 3.1.

1 Introduction

- 1.1 This Regional Agreement records the common rights and obligations of GWRC and PTOM Operators in regard to the delivery of Scheduled Services on the Wellington Public Transport Network.

2 Definitions and interpretation

- 2.1 In this Regional Agreement the following definitions apply unless the context requires otherwise:

Access Provider	means KiwiRail Holdings Limited (together with its successors and permitted assigns).
Annual Business Plan	means the annual business plan for a PTOM Unit which is to be prepared and approved in accordance with the applicable provisions of the relevant Partnering Contract.
Authorised Representative	means in relation to a Party, the individual that is nominated by that Party from time to time to perform this role under and in accordance with the relevant Partnering Contract.
Bus Partnering Contract	means a Partnering Contract between GWRC and a PTOM Operator in respect of a bus PTOM Unit.
Business Day	means a day (other than a Saturday, Sunday or Public Holiday) on which banks are generally open for business in Wellington.
Commencement Date	has the meaning given to it in the relevant Partnering Contract.
Conditions of Carriage	has the meaning given to it in the relevant Partnering Contract.
Confidential Information	means all information, documents and materials provided from time to time by one Party to another

	Party under or in connection with this Regional Agreement where the Party providing such information has (acting reasonably) notified the recipient Party in writing that such information, document or material is confidential.
Contract Variation	has the meaning given to it in the relevant Partnering Contract.
Customer Service Standards	means the GWRC document entitled “Customer Service Standards” as updated from time to time in accordance with the change process for PT Network Documents set out in this Regional Agreement.
Customer Communication and Information Systems	means the GWRC document entitled “Customer Communication and Information Systems” as updated from time to time in accordance with the change process for PT Network Documents set out in this Regional Agreement.
CVIU	means the Commercial Vehicle Inspection Unit of the New Zealand Police (including its successors).
Deed of Accession to the Regional Agreement	means the deed of accession to this Regional Agreement in the form set out in Annexure 1 (<i>Form of Deed of Accession</i>).
Fares, Ticketing and Enforcement Requirements	means the GWRC document entitled “Fares, Ticketing and Enforcement Requirements” as updated from time to time in accordance with the change process for PT Network Documents set out in this Regional Agreement.
Ferry Partnering Contract	means a Partnering Contract between GWRC and a PTOM Operator in respect of a ferry PTOM Unit.
Governmental Entity	means the Sovereign in right of New Zealand and any government, or any governmental or semi-governmental entity, person or authority, body politic (but excluding any political party), government department, local government authority or statutory authority and includes (unless the context otherwise requires), GWRC, the New Zealand Police, the CVIU and the Transport Agency.
Handover Package	has the meaning given to it in the relevant Partnering Contract.
Key Subcontract	has the meaning given to it in the relevant Partnering Contract.

LGOIMA	means the Local Government Official Information and Meetings Act 1987.
LTMA	means the Land Transport Management Act 2003.
Minor Contract Variation	has the meaning given to it in the relevant Partnering Contract.
Notice to Proceed	has the meaning given to it in the relevant Partnering Contract.
Parties	means the persons who from time to time are parties to this Regional Agreement in accordance with paragraph 3.1, and "Party" shall be construed accordingly.
Partnering Contract	means the contract entered into by GWRC and a PTOM Operator in connection with the provision of services in respect of a PTOM Unit.
Partnering Principles	means the principles and methods of working together described at paragraph 3.9 (<i>Partnering Principles</i>).
PT Network Document Change Proposal	means the summary of a proposed change to a PT Network Document prepared by GWRC pursuant to paragraph 3.22.1.
PT Network Documents	means those documents referred to in paragraph 3.19.
PTOM Operator	means a public transport operator that has entered into a contract with GWRC to provide "public transport services" (as defined in the LTMA) in relation to a "unit" (as defined in the LTMA).
PTOM Unit	means a unit (as defined in section 5(1) of the LTMA) specified in the Wellington Regional Public Transport Plan.
Public Holiday	means a day which is a public holiday in Wellington in accordance with the Holidays Act 2003.
Rail Partnering Contract	means the contract entered into between GWRC and Transdev Wellington Limited (company number 5164521) on or around 10 March 2016 as amended, supplemented, novated or replaced from time to time.
Related Company	means a "related company" as defined in the Companies Act 1993 provided that each reference to "company" in that definition shall be deemed to also include any other body corporate.

Scheduled Services	in regard to each PTOM Operator, has the meaning set out in the relevant Partnering Contract.
Services	in regard to each PTOM Operator, has the meaning given in the relevant Partnering Contract.
Timetable Change Process	means the GWRC document entitled “Timetable Change Process” as updated from time to time in accordance with the change process for PT Network Documents set out in this Regional Agreement.
TPTD	has the meaning given to it in the relevant Partnering Contract.
Transaction Document	has the meaning given to it in the relevant Partnering Contract.
Transport Agency	means the New Zealand Transport Agency established under section 93 of the LTMA.
Unit	has the meaning given in section 5(1) of the LTMA.
Unit Timetable	means a Bus Unit Timetable, Ferry Unit Timetable or Rail Unit Timetable (each as defined in a Partnering Contract).
Variation Order	has the meaning given to it in the relevant Partnering Contract.
Wellington Public Transport Network	means the PTOM Units that make up the public transport network managed by GWRC.
Wellington Regional Public Transport Forum	means the forum described at paragraph 3.14 (<i>Wellington Regional Public Transport Forum</i>).
Wellington Regional Public Transport Plan	means the regional public transport plan for Wellington adopted under the LTMA (as amended, updated, supplemented or replaced from time to time).
Year	means each period of 12 months from 1 July to 30 June.

2.2 The following rules apply to this Regional Agreement unless the context requires otherwise:

- 2.2.1 headings are for convenience only and do not affect interpretation;
- 2.2.2 the singular includes the plural and conversely;
- 2.2.3 a gender includes all genders;

- 2.2.4 if a word or phrase is defined, its other grammatical forms have a corresponding meaning;
- 2.2.5 a reference to a person, corporation, trust, partnership, unincorporated body, organisation or other entity includes any of them;
- 2.2.6 a reference to a paragraph or Annexure is a reference to a paragraph of, or Annexure to, this Regional Agreement;
- 2.2.7 a reference to an agreement or document (including a reference to this Regional Agreement) is to the agreement or document as amended, varied or supplemented, novated or replaced, except to the extent prohibited by this Regional Agreement or that other agreement or document;
- 2.2.8 a reference to a person includes that person's successors, permitted substitutes and permitted assigns (and, where applicable, that person's legal personal representatives);
- 2.2.9 a reference to legislation or a rule or to a provision of legislation or rule includes a modification or re-enactment of it, a legislative provision or rule substituted for it and a regulation or statutory instrument issued under it;
- 2.2.10 a reference to conduct includes an act, omission, statement and undertaking, whether or not in writing;
- 2.2.11 a reference to an agreement includes any undertaking, deed, agreement and legally enforceable arrangement, whether or not in writing, and a reference to a document includes an agreement (as so defined) in writing and any certificate, notice, instrument and document of any kind;
- 2.2.12 a reference to dollars and \$ is to New Zealand currency;
- 2.2.13 a reference to month or to a year is to a calendar month or a calendar year;
- 2.2.14 a reference to a right or an obligation of any two or more persons confers that right, or imposes that obligation as the case may be, on each of them severally and all of them jointly;
- 2.2.15 a reference to a Party is a reference to each of those persons separately;
- 2.2.16 a reference to writing includes an email and any other means of reproducing words in a tangible and permanently visible form;
- 2.2.17 a reference to an asset includes any real or personal, present or future, tangible or intangible, property or asset (including intellectual property rights) and any right, interest, revenue or benefit in, under or derived from, the property or asset;

- 2.2.18 a reference to any governmental department, professional body, committee, council, local authority, council controlled organisation or other body includes the successors to that body or any relevant activity or function of that body;
- 2.2.19 a reference to a liability includes any obligation whether present or future or actual or contingent or as a principal, surety or otherwise;
- 2.2.20 a reference to includes or including or other similar words should be construed without limitation;
- 2.2.21 where the time for performing an obligation or exercising a right is expressed by reference to a period of one or more months before or after a specified date (the **reference date**) that time period will be determined by calculating the number of months specified from the reference date, with the period expiring on the date which is the equivalent date to the reference date, or if there is no such date in the final month, the last day of that final month;
- 2.2.22 where the time for performing an obligation or exercising a right is expressed as being "immediately" following or after an event or circumstance occurring, it means as soon as reasonably practicable but no later than 24 hours following or after that event or circumstance occurring; and
- 2.2.23 a reference to obligations includes indemnities, warranties, representations and undertakings and a reference to breach or breach of obligations includes breach of any indemnities, warranties, representations and undertakings.

3 Regional Agreement

Parties

- 3.1 The Parties to this Regional Agreement are GWRC and each PTOM Operator that has executed a Partnering Contract and a Deed of Accession to the Regional Agreement.
- 3.2 GWRC shall keep all PTOM Operators informed as to the Parties to the Regional Agreement from time to time:
 - 3.2.1 by providing written notice to each PTOM Operator as soon as practicable after a new PTOM Operator becomes a Party;
 - 3.2.2 by providing written notice to each PTOM Operator as soon as practicable after a PTOM Operator ceases to be a Party; and
 - 3.2.3 by keeping all PTOM Operators informed about the name and contact details of each PTOM Operator including the name and contact details of each PTOM Operator's Authorised Representative (as provided by

that PTOM Operator under the terms of the relevant Partnering Contract).

Term

- 3.3 The rights, obligations and liabilities of a PTOM Operator under this Regional Agreement shall commence on the later of:
- 3.3.1 the date of the Deed of Accession to the Regional Agreement signed by GWRC and the PTOM Operator; and
 - 3.3.2 the Commencement Date.
- 3.4 Without prejudice to any accrued rights, obligations or liabilities and subject to paragraphs 3.5 and 3.7, the rights, obligations and liabilities of a PTOM Operator under this Regional Agreement shall end on the date on which all Partnering Contracts to which that PTOM Operator is a party have expired or terminated.
- 3.5 Each PTOM Operator shall continue to be bound by, and shall continue to comply with, paragraph 4 (*Confidentiality*) notwithstanding paragraph 3.4 or the expiry or termination of any or all Partnering Contracts to which that PTOM Operator is a party.
- 3.6 GWRC may at any time terminate this Regional Agreement where doing so is consistent with, or necessary to give effect to, a policy change. In order to so terminate this Regional Agreement, GWRC shall serve a written notice on each PTOM Operator who at that time is party to a Partnering Contract which is in force and effect. Such termination shall be:
- 3.6.1 effective from the date specified in the notice served by GWRC;
 - 3.6.2 subject to paragraph 3.7; and
 - 3.6.3 without prejudice to any accrued rights, obligations or liabilities of the Parties as at the date of termination.
- 3.7 Expiry or termination of this Agreement (or any rights, obligations and liabilities of a PTOM Operator as provided for in paragraph 3.4) shall not affect the continuation in full force and effect of:
- 3.7.1 paragraph 2 (*Definitions and interpretation*);
 - 3.7.2 paragraph 3.6;
 - 3.7.3 this paragraph 3.7;
 - 3.7.4 paragraphs 4 (*Confidentiality*) to 16 (*Counterparts*) inclusive;
 - 3.7.5 any other provision of this Regional Agreement which by implication from its nature is intended to survive expiry or termination; or
 - 3.7.6 any Partnering Contract,
- or the respective rights, obligations and liabilities of the Parties thereunder.

Purpose

- 3.8 This Regional Agreement records the Parties' agreement in regard to:
- 3.8.1 the Partnering Principles;
 - 3.8.2 the common objectives for the Wellington Public Transport Network;
 - 3.8.3 the process for planning, convening, conducting and recording the outcomes of the Wellington Regional Public Transport Forum; and
 - 3.8.4 the process by which changes to the PT Network Documents shall occur.

Partnering Principles

- 3.9 Each Party agrees to be guided by and give effect to the following principles in connection with the exercise and performance of their respective rights and obligations under the relevant Partnering Contract(s) and this Regional Agreement:
- 3.9.1 to the extent relevant, the principles set out at section 115(1) of the LTMA and copied below:
 - (a) regional councils and public transport operators should work in partnership and collaborate with territorial authorities to deliver the regional public transport services and infrastructure necessary to meet the needs of passengers;
 - (b) the provision of public transport services should be coordinated with the aim of achieving the levels of integration, reliability, frequency and coverage necessary to encourage passenger growth;
 - (c) competitors should have access to regional public transport markets to increase confidence that public transport services are priced efficiently;
 - (d) incentives should exist to reduce reliance on public subsidies to cover the cost of providing public transport services; and
 - (e) the planning and procurement of public transport services should be transparent; and
 - 3.9.2 the following methods of working together collectively:
 - (a) interdependence: meaning that the Parties are mutually dependant and no one Party will be wholly successful if individual success is to the detriment of others;
 - (b) individual imperatives: meaning that the Parties will share common goals and work together to achieve them, while recognising that each has their own business objectives. The extent to which each Party acknowledges and accommodates

each other Party's individual imperatives will be a clear demonstration of the maturity of the partnering relationship;

- (c) integrity: meaning that the Parties will act with integrity and in a manner that promotes trust and confidence in each other;
- (d) mutual accountability: meaning that the Parties shall be accountable for their respective roles in delivering safe, reliable, punctual and efficient Scheduled Services for customers;
- (e) openness and transparency: meaning that the Parties will, to the extent reasonably required, share information on a full and open basis and in a timely way so that surprises do not occur;
- (f) collaboration: meaning that mutual success will be best achieved by working collaboratively and cooperatively rather than in an adversarial manner;
- (g) domain expertise, trust and definition of roles: meaning that the Parties will bring unique knowledge and domain expertise to their respective obligations and mutual objectives and trust each other to apply their knowledge and domain expertise for the achievement of their mutual objectives;
- (h) responsiveness: meaning that the Parties will be available and accessible to each other to the extent reasonably required and will, to the extent reasonably required, provide information, make decisions and complete actions in a prompt and efficient manner so that transaction costs of doing business are minimised to the extent reasonably practicable. Responsiveness will depend on a high degree of communication and cooperation across and within the various parts of GWRC and each PTOM Operator's organisation;
- (i) alignment of incentives: meaning that the Parties will acknowledge that it is in the interests of all Parties to share in rewards gained by improvements in efficiency, effectiveness and customer service, and it is intended that the performance management regime set out in each Partnering Contract will encourage such improvements; and
- (j) unified public image: meaning that the Parties will, to the extent reasonably practicable, present a unified and cooperative image to the public so that collectively the Parties achieve and maintain public confidence and trust.

3.10 Subject to paragraph 3.11 for the purpose of implementing and giving effect to the Partnering Principles:

- 3.10.1 GWRC shall use best endeavours to deal fairly and co-operatively with all PTOM Operators;
 - 3.10.2 each PTOM Operator shall use best endeavours to deal fairly and co-operatively with GWRC; and
 - 3.10.3 subject to its own commercial interests, each PTOM Operator shall co-operate fairly with each other PTOM Operator for the purpose of assisting GWRC and the other PTOM Operators to achieve their common objectives in regard to the Wellington Public Transport Network.
- 3.11 The obligations set out at paragraph 3.10 do not restrict either GWRC or a PTOM Operator from exercising their respective rights and remedies under or in connection with a Partnering Contract and are without prejudice to the respective obligations of GWRC or a PTOM Operator under a Partnering Contract.

Common objectives for Wellington Public Transport Network

- 3.12 The Parties acknowledge and agree that their common objectives for the Wellington Public Transport Network are:
- 3.12.1 to ensure the safe operation of the Wellington Public Transport Network;
 - 3.12.2 to grow patronage and revenue including through reliability, punctuality, integration, quality of Services and any other initiatives included in an Annual Business Plan; and
 - 3.12.3 to maximise efficiency and improve value for money of the Wellington Public Transport Network.
- 3.13 GWRC and the PTOM Operators acknowledge that together the common objectives set out at paragraph 3.12 are intended to reduce GWRC's reliance on public subsidies to cover the cost of providing Scheduled Services on the Wellington Public Transport Network.

Wellington Regional Public Transport Forum

- 3.14 GWRC shall be responsible for convening and facilitating forums every six months for the purpose of GWRC, the PTOM Operators, the Transport Agency, the Access Provider and territorial authorities in the region working together with the aim of:
- 3.14.1 achieving the levels of integration, reliability, frequency and coverage necessary to grow patronage on the Wellington Public Transport Network; and
 - 3.14.2 enabling the Parties to achieve the common objectives for the Wellington Public Transport Network described at paragraph 3.12.

- 3.15 GWRC shall ensure that a minimum of two Wellington Regional Public Transport Forums are convened each Year.
- 3.16 GWRC shall provide reasonable notice of the date, time, venue and proposed agenda for each Wellington Regional Public Transport Forum to all other Parties.
- 3.17 GWRC shall ensure that any additional organisations relevant to matters included on the proposed agenda are invited to attend each Wellington Regional Public Transport Forum by providing reasonable notice of the date, time, venue and a copy of the proposed agenda to those organisations.
- 3.18 GWRC shall be responsible for:
- 3.18.1 appointing an appropriate person to chair each Wellington Regional Public Transport Forum; and
 - 3.18.2 ensuring that minutes summarising the actions and decisions (including, if applicable, the outcome of any PT Network Document Change Proposal) are provided to each of the Parties and any other organisations invited to the relevant Wellington Regional Public Transport Forum.

Change process for PT Network Documents

- 3.19 The following documents set out obligations and responsibilities of GWRC and all PTOM Operators in regard to the Wellington Public Transport Network:
- 3.19.1 the Timetable Change Process;
 - 3.19.2 the Customer Service Standards;
 - 3.19.3 the Customer Communication and Information Systems;
 - 3.19.4 the Fares, Ticketing and Enforcement Requirements;
 - 3.19.5 the Annexure in the Partnering Contracts which relates to the Conditions of Carriage; and
 - 3.19.6 this Regional Agreement.
- 3.20 The Parties acknowledge and agree that:
- 3.20.1 subject to paragraph 3.20.2, notwithstanding anything to the contrary in the relevant Partnering Contract, changes to any of the PT Network Documents may only be made in accordance with the process set out in paragraphs 3.21 to 3.24; and
 - 3.20.2 no PTOM Operator shall be entitled to make any claim in respect of such amendment or replacement of any of the PT Network Documents referred to under paragraph 3.20.2.
- 3.21 Subject to paragraph 3.20.2, a change to a PT Network Document may be:
- 3.21.1 proposed at any time by GWRC or by GWRC on behalf of a PTOM Operator; or

- 3.21.2 proposed by a PTOM Operator to GWRC to the extent that such change is required to introduce a new initiative agreed by GWRC and that PTOM Operator as part of the development of an Annual Business Plan, in which event the PTOM Operator shall provide such information as is reasonably requested by GWRC to enable GWRC to prepare a PT Network Document Change Proposal.
- 3.22 If GWRC wishes to propose a change to a PT Network Document pursuant to paragraph 3.21.1 or agrees (acting reasonably) that a change proposed by a PTOM Operator pursuant to paragraph 3.21.2 is required in order to introduce a new initiative agreed as part of the development of an Annual Business Plan, the following process shall apply:
- 3.22.1 GWRC shall prepare a summary of the proposed change to the relevant PT Network Document which shall include:
- (a) the name and version reference of the PT Network Document that requires change;
 - (b) the reasons for the proposed change;
 - (c) the marked up version of the current PT Network Document showing the proposed change;
 - (d) details of the PTOM Operators affected by the proposed change;
 - (e) any estimated financial implications (if known) arising from the proposed change for either GWRC or any of the affected PTOM Operators;
 - (f) the proposed timetable for implementation of the proposed change;
 - (g) a summary of any change or variation to the Services arising from the proposed change which may constitute a Contract Variation or Minor Contract Variation, including the proposed timetable to complete any required Contract Variations or Minor Contract Variations;
 - (h) details of any other approvals or consents required to implement the proposed change and the proposed timetable to obtain such approvals or consents; and
 - (i) any other matter that GWRC considers to be relevant to the consideration of the proposed change.
- 3.22.2 GWRC shall provide the PT Network Document Change Proposal to each PTOM Operator and shall provide each PTOM Operator with a reasonable period within which to provide feedback on the PT Network Document Change Proposal;

- 3.22.3 each of the PTOM Operators shall (acting reasonably and in good faith):
- (a) consider the PT Network Document Change Proposal;
 - (b) provide written notice to GWRC setting out any feedback on the PT Network Document Change Proposal as soon as reasonably practicable and in any event within 15 Business Days following receipt of that PT Network Document Change Proposal; and
 - (c) promptly provide such other information as GWRC may reasonably request in connection with the PT Network Document Change Proposal;
- 3.22.4 GWRC shall (at its sole discretion) decide whether a PT Network Document Change Proposal should be included on the agenda for discussion at a Wellington Regional Public Transport Forum; and
- 3.22.5 GWRC shall consider all feedback received from the PTOM Operators (including where relevant any feedback received at a Wellington Regional Public Transport Forum) in regard to each PT Network Document Change Proposal and (in its sole discretion) make a final decision about the outcome of the each PT Network Document Change Proposal.
- 3.23 To the extent that any proposed change to a PT Network Document constitutes or will give rise to a Contract Variation or Minor Contract Variation under a Partnering Contract:
- 3.23.1 the process set out above shall be in addition to (and not in place of) the relevant variation process contained in the relevant Partnering Contract and GWRC and the relevant PTOM Operator shall comply with their respective obligations under such process; and
 - 3.23.2 the PTOM Operator that is party to such Partnering Contract shall only be required to adopt, implement and comply with the updated PT Network Document if GWRC has issued a Variation Order or Notice to Proceed to that PTOM Operator in connection therewith.
- 3.24 GWRC shall ensure that the outcome of each PT Network Document Change Proposal is communicated in writing to the Authorised Representative of each PTOM Operator by:
- 3.24.1 written notification that the proposed change will not be implemented; or
 - 3.24.2 written notification that the proposed change will be implemented, in which case:

- (a) GWRC shall provide a copy of the amended PT Network Document to the Authorised Representative of each PTOM Operator;
- (b) GWRC shall confirm the effective date upon which the amended PT Network Document will apply; and
- (c) subject to paragraph 3.23, GWRC and each PTOM Operator shall adopt, implement and comply with the updated PT Network Document from the applicable effective date referred to in paragraph 3.24.2(b).

4 Confidentiality

General Obligations

4.1 Subject to paragraph 4.2, each Party shall keep confidential and not make or cause any disclosure of any Confidential Information of another Party without the prior written consent of that other Party (which consent may be given or withheld, in that other Party's sole discretion).

Exceptions

4.2 The Parties' obligations in paragraph 4.1 do not apply to disclosure to the extent that the disclosure is:

- 4.2.1 made by one Party to another Party;
- 4.2.2 by a Party to its financiers, subcontractors, legal or other professional advisers, auditors or other consultants or employees of that Party or a shareholder or Related Company of that Party, in each case for the purpose of enabling that Party to perform its obligations or exercise its rights in relation to this Regional Agreement, a Partnering Contract, a TPTD or any Transaction Document (or the transactions contemplated thereunder) or for the purpose of advising that Party in relation thereto, provided that the Party disclosing the Confidential Information shall ensure that the recipient:
 - (a) is made aware of this paragraph 4; and
 - (b) shall keep such information confidential on the same terms as this paragraph 4;
- 4.2.3 of information which is at the time lawfully in the possession of the disclosing Party through sources other than another Party, provided that the disclosing Party has no reason to believe that such source is itself bound by an obligation of confidence to the person that disclosed that information or is otherwise prohibited by law from disclosing such information;

- 4.2.4 required by applicable law or by a lawful requirement of any judicial authority, Governmental Entity or recognised stock exchange having jurisdiction over a Party or its Related Company provided that, where the disclosing Party is a PTOM Operator, that PTOM Operator provides written notice to GWRC of the required disclosure promptly on receipt of notice of the required disclosure (if it is permitted to do so by applicable law);
- 4.2.5 required in connection with legal proceedings, arbitration, mediation or expert determination relating to this Regional Agreement, any Transaction Document or any Key Subcontract or for the purpose of advising a Party in relation thereto;
- 4.2.6 of the Handover Package by GWRC in accordance with its rights to disclose such Handover Package under the relevant Partnering Contract;
- 4.2.7 by GWRC of, or in connection with, the "commerciality ratio" of a bus unit in accordance with its rights to disclose such information under the relevant Partnering Contract; or
- 4.2.8 made by GWRC in circumstances where such disclosure is permitted under the terms of the Partnering Contract to which the relevant PTOM Operator is party.

LGOIMA

- 4.3 As between GWRC and each PTOM Operator, the provisions of the relevant Partnering Contract relating to LGOIMA shall apply as if set out herein.

5 Assignment

Assignment by PTOM Operator

- 5.1 A PTOM Operator shall only be entitled to assign its rights under this Regional Agreement to a person to whom that PTOM Operator assigns its rights under and in accordance with the relevant Partnering Contract.
- 5.2 In the event that a PTOM Operator novates or otherwise transfers any of its obligations under a Partnering Contract to another person in accordance with that Partnering Contract or as agreed in writing by GWRC, the PTOM Operator shall novate or otherwise transfer its relevant obligations under this Regional Agreement to that person (such novation or transfer to become effective at the same time as the transfer or novation of the obligations under the Partnering Contract becomes effective).
- 5.3 A PTOM Operator shall not be entitled to novate or otherwise transfer any of its obligations under this Regional Agreement other than as provided for in paragraphs 5.1 and 5.2.

Assignment by GWRC

5.4 GWRC may assign, novate, transfer or otherwise dispose of any right or obligation under this Regional Agreement to any local authority or council controlled organisation of a local authority (each as defined in the Local Government Act 2002) or to any other Governmental Entity and each PTOM Operator hereby consents to the same. Each PTOM Operator shall promptly execute any such documents as GWRC may reasonably require to give effect to such transaction.

6 Notices

6.1 Any notice required to be given in relation to this Regional Agreement will, except where otherwise expressly provided, be in writing and in English and delivered to the relevant Party's Authorised Representative.

6.2 This paragraph 6.2 is subject to paragraph 6.4. A notice may be:

6.2.1 personally delivered, in which case it will be deemed to be given upon delivery at the relevant address; or

6.2.2 if sent from and to places within New Zealand, sent by fast pre- paid post, in which case it will be deemed to have been given 2 Business Days after the date of posting; or

6.2.3 if sent from or to any place outside New Zealand, sent by pre-paid priority airmail, in which case it will be deemed to have been given 10 Business Days after the date of posting; or

6.2.4 sent by email, in which case it will be deemed to have been given at the time at which it arrives in the recipient's information system, provided that if there is any dispute as to when an email has been received, the email shall be deemed to have been received at the time at which the email was sent as evidenced by a printed copy of the email provided by the sender which evidences that the email was sent to the correct email address of the recipient; or

6.2.5 delivered by courier requiring signature as proof of receipt to the relevant address, in which case it will be deemed to have been given when signed for.

6.3 The postal or email address for the purposes of serving notices pursuant to this Regional Agreement shall be:

6.3.1 in the case of a notice served by GWRC on a PTOM Operator, such address given by that PTOM Operator to GWRC from time to time under the relevant Partnering Contract for the purposes of service of notices under that Partnering Contract;

- 6.3.2 in the case of a notice served by a PTOM Operator on GWRC, such address given by GWRC to that PTOM Operator from time to time under the relevant Partnering Contract for the purposes of service of notices under that Partnering Contract; and
 - 6.3.3 in the case of a notice served by a PTOM Operator on another PTOM Operator, such address as may be notified from time to time by GWRC to the PTOM Operator serving the notice, in accordance with paragraph 3.2.3.
- 6.4 Where any notice is deemed given pursuant to paragraph 6.2:
- 6.4.1 before 9.00 am or after 5.30 pm (local time) at the place of receipt; or
 - 6.4.2 on a day which is a Saturday, Sunday or a public holiday in the place of receipt,
- then such notice will be deemed given at 9.00 am (local time) on the next day at the place of receipt which is not a Saturday, Sunday or public holiday. For the purposes of this paragraph 6.4, the place of receipt of a notice is the applicable postal address for the receiving Party in accordance with paragraph 6.3, irrespective of whether the notice is communicated by email or otherwise.

7 Relationship between Parties

- 7.1 Notwithstanding the use of the word "partnering" or "partnership", nothing in this Regional Agreement or any Annual Business Plan is to be construed or interpreted as constituting the relationship between any of the Parties as a partnership, quasi-partnership, association or any other relationship in which a Party may (except as expressly provided for in this Regional Agreement) be liable for the acts or omissions of any other Party.
- 7.2 Except as expressly provided in this Regional Agreement, nothing in this Regional Agreement shall be construed to authorise any Party to act as an agent for any other Party for any purpose.

8 Entire agreement and amendments

- 8.1 Without prejudice to any Partnering Contract or any other Transaction Document to which the relevant Parties are party, this Regional Agreement contains the entire agreement between the Parties with respect to its subject matter and supersedes any earlier agreements or understandings between the Parties in connection with its subject matter.
- 8.2 Except as contemplated by paragraphs 3.20 to 3.24 (*Change process for PT Network Documents*), this Regional Agreement may only be amended by way of a written agreement duly executed by each of the Parties.

9 No waiver

- 9.1 No waiver of any breach of, or failure to enforce any provision of, this Regional Agreement nor any delay in exercising any right, power or remedy by a Party in any way affects, limits or waives the right of such Party thereafter to enforce and compel strict compliance with the provision of this Regional Agreement. A single or partial exercise of any right, power or remedy does not preclude any other or further exercise of that or any other right, power or remedy.
- 9.2 No waiver by a Party of any part of this Regional Agreement is binding unless it is made in writing by the Party granting that waiver.

10 Rights cumulative

- 10.1 Subject to any express provision in this Regional Agreement to the contrary, the rights, powers and remedies of a Party under this Regional Agreement are cumulative and are in addition to (and do not exclude or limit) any right, power or remedy provided by applicable law or equity or by any agreement.

11 Further assurances

- 11.1 Each Party agrees to execute all deeds, instruments, transfers or other documents as may be necessary or desirable to give full effect to the provisions of this Regional Agreement.

12 No merger

- 12.1 The rights and obligations of the Parties shall not merge on the completion of any transaction contemplated by this Regional Agreement. The rights and obligations of the Parties will survive the execution and delivery of any assignment or other document entered into for the purposes of implementing any such transaction.

13 Severability of provisions

- 13.1 The illegality, invalidity or unenforceability at any time of any provision of this Regional Agreement under any law will not affect the legality, validity or enforceability of the remaining provisions of this Regional Agreement nor the legality, validity or enforceability of those provisions under any other law.

14 Governing law

- 14.1 This Regional Agreement and the transactions contemplated by this Regional Agreement are governed by and are to be construed in accordance with New Zealand law and the Parties irrevocably submit to the non-exclusive jurisdiction of the courts of New Zealand.

15 GWRC action

15.1 Each PTOM Operator acknowledges that GWRC is the local authority in the region in which the Services are to be provided and that, notwithstanding anything to the contrary in this Regional Agreement, nothing in this Regional Agreement:

15.1.1 requires GWRC or any other Governmental Entity to exercise, or use, any regulatory or legislative powers in order to influence or affect an outcome; or

15.1.2 shall restrict or affect in any way the manner in which GWRC or any other Governmental Entity may act in the exercise of its regulatory or legislative rights, powers and duties as a local authority.

16 Counterparts

16.1 This Regional Agreement may be executed in one or more counterparts, all of which when taken together shall constitute one and the same instrument.

Execution

Executed and Delivered as a Deed

Executed by **Wellington Regional Council** by its Attorney Gregory Campbell

in the presence of:

Signature of Gregory Campbell
(Chief Executive)

Signature of witness

Name of witness

Occupation of witness

Address of witness

Annexure 1 - Form of Deed of Accession

This Deed of Accession to the Regional Agreement is made on [insert date]

by:

- (1) Wellington Regional Council, a public statutory body constituted under the Local Government Act 2002 (**GWRC**); and
- (2) [PTOM Operator name] (company number [insert]) (**Acceding PTOM Operator**).

1 Introduction, definitions and interpretation

- 1.1 This Deed of Accession relates to the "Regional Agreement" dated [insert date of Regional Agreement] to which GWRC is a party, as such document is amended, modified, supplemented, novated or substituted from time to time in accordance with its terms (**Regional Agreement**).
- 1.2 In this Deed of Accession, capitalised terms which are not defined herein shall have the meaning given to them in the Regional Agreement, unless the context otherwise requires.
- 1.3 Paragraph 2.2 (*Definitions and interpretation*) of the Regional Agreement shall apply to this Deed of Accession as if expressly set out herein, with such changes as are necessary to give effect thereto.

2 Accession

- 2.1 With effect from and including the date of this Deed of Accession, for the benefit of GWRC and each other Party to the Regional Agreement, the Acceding PTOM Operator hereby:
 - 2.1.1 confirms and agrees that it is a PTOM Operator and a Party for the purposes of the Regional Agreement; and
 - 2.1.2 agrees to assume and perform the rights and obligations of a PTOM Operator under, and to be bound by, the terms of the Regional Agreement.
- 2.2 For the purposes of the Contract and Commercial Law Act 2017, the Acceding PTOM Operator acknowledges and agrees that its obligations under this Deed of Accession constitute promises intended to confer benefits enforceable by GWRC and each other PTOM Operator that is a Party to the Regional Agreement and that such obligations may be enforced by any of them under the Contract and Commercial Law Act 2017.

3 General Provisions

Further assurances

3.1 The Acceding PTOM Operator agrees to promptly execute all deeds, instruments, transfers or other documents as may be necessary or desirable to give full effect to the provisions of this Deed of Accession.

Severability of provisions

3.2 The illegality, invalidity or unenforceability at any time of any provision of this Deed of Accession under any law will not affect the legality, validity or enforceability of the remaining provisions of this Deed of Accession nor the legality, validity or enforceability of those provisions under any other law.

Governing Law

3.3 This Deed of Accession is governed by and is to be construed in accordance with New Zealand law and the parties irrevocably submit to the non-exclusive jurisdiction of the courts of New Zealand.

Counterparts

3.4 This Deed of Accession may be executed in one or more counterparts.

Execution

Executed and Delivered as a Deed

Executed by **Wellington
Regional Council** by its
Attorney Gregory Campbell

in the presence of:

Signature of Gregory Campbell
(Chief Executive)

Signature of witness

Name of witness

Occupation of witness

Address of witness

[Acceding PTOM Operator]
Company Number [insert] by

Signature of authorised person

Signature of authorised person

Name of authorised person

Name of authorised person

Title of authorised person

Title of authorised person

[Note - Acceding PTOM Operator to confirm the above execution block]

CERTIFICATE OF NON REVOCATION OF POWER OF ATTORNEY

I, **Gregory Campbell** of Wellington, Chief Executive Officer of Wellington Regional Council hereby certify:

1. That by a Deed dated the 30th day of September 2014, Wellington Regional Council appointed me its Attorney on the terms and subject to the conditions set out in the said Deed.
2. That at the date hereof I have not received any notice or information of the revocation of that appointment.

SIGNED at Wellington this day of 2017

Gregory Campbell
Chief Executive Officer
Wellington Regional Council

Schedule 11

Handover Package for Transferring Assets

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1 Purpose of this Schedule

- 1.1 This Schedule 11 sets out the minimum information to be included in the Operator's Handover Package.

2 Handover Package contents

Contracts, documents and suppliers

- 2.1 Copies of all permits, licences, consents and approvals to the extent relevant to or used in connection with the Transferring Assets.
- 2.2 Copies of all subcontracts or other agreements which are material to the provision of the Services or which have a value in excess of \$25,000, in each case to the extent relevant to or used in connection with the Transferring Assets, showing (as appropriate) for each such subcontract or agreement the name and contact details of the counterparties, the subject matter of the subcontract or agreement, the contract price and the term.
- 2.3 To the extent not included in the list referred to in paragraph 2.2, a list of all current suppliers of plant, equipment and materials to the extent relevant to or used in connection with the Transferring Assets.

Systems

- 2.4 A list of systems (computer and otherwise) used in connection with the operation of the Transferring Assets, together with a description of the system, instructions for the systems and master passwords and codes where applicable.

Assets

- 2.5 One hard copy and one electronic copy of all manuals, maintenance records, instructions, logs, drawings, datasheets, specifications, calculations, warranties and other documents pertaining to the Transferring Assets or the maintenance of any of the Transferring Assets.
- 2.6 A copy of an up to date and accurate written inventory of all Transferring Assets in a form reasonably acceptable to GWRC and containing the following information:
- 2.6.1 the nature of each Transferring Asset and its purpose or use in relation to the Services;
 - 2.6.2 an accurate assessment as to the current condition of the Transferring Asset;
 - 2.6.3 the owner of the Transferring Asset and details of any Transferring Asset Related Party;
 - 2.6.4 the current location of the Transferring Asset (if applicable);
 - 2.6.5 a copy of each Transferring Asset Agreement; and

- 2.6.6 a copy of, and the benefit of, any unexpired warranties and guarantees held by the Operator or any other person in connection with the Transferring Asset.

Insurances

- 2.7 The names and addresses of all insurers providing the insurances which are required to be effected and maintained by the Operator under this Partnering Contract in respect of the Transferring Assets, along with the applicable policy numbers.

Safety

- 2.8 To the extent relevant or used in connection with the Transferring Assets:
 - 2.8.1 names and locations of all safety manuals and procedures used for the provision of the Services;
 - 2.8.2 where available, electronic copies of safety manuals and procedures; and
 - 2.8.3 a copy of the most recent safety audit.

Intellectual Property Rights

- 2.9 A copy of the IP Register.

Schedule 12 – not used

Schedule 13

Transition Plan

Contents

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1 Purpose of this Schedule

- 1.1 This Schedule sets out:
- 1.1.1 the minimum information to be included in the Operator's Transition Plan;
 - 1.1.2 in Appendix 1 (*Operator's Transition Plan*), the agreed form of Transition Plan; and
 - 1.1.3 in Appendix 2 (*Milestone Dates*):
 - (a) the Milestones and applicable Milestone Dates; and
 - (b) each Condition Precedent.
- 1.2 The Operator shall provide all information that it considers necessary in order to enable the Operator to:
- 1.2.1 achieve the Milestones by the applicable Milestone Dates;
 - 1.2.2 achieve the Operator Conditions Precedent by the Conditions Precedent Date for Satisfaction; and
 - 1.2.3 provide the Passenger Services and perform its other obligations in accordance with this Partnering Contract on and from the Commencement Date.
- 1.3 Once finalised, the Transition Plan will be set out as Appendix 1 (*Operator's Transition Plan*) to this Schedule 13 (*Transition Plan*).

2 Transition Plan contents

Managing transition

- 2.1 The Operator shall set out how it will manage the transition process, including:
- 2.1.1 how the Operator will work with GWRC, other PTOM Operators and the incumbent operators, including the process for meeting and communicating with these stakeholders; and
 - 2.1.2 a timeline and process to demonstrate that:
 - (a) the Operator will achieve the Milestones by the applicable Milestone Dates;

- (b) the Operator Conditions Precedent will be satisfied by the Conditions Precedent Date for Satisfaction; and
- (c) all required plans, processes and policies will be in place prior to the Conditions Precedent Date for Satisfaction.

Licences and Law

- 2.2 The Operator shall include how it will:
 - 2.2.1 obtain the Licence required to commence provision of the Services (if the Operator does not currently hold a Licence); and
 - 2.2.2 perform the Services in accordance with all applicable Law.

Facilities

- 2.3 The Operator shall demonstrate that it has, or will have:
 - 2.3.1 adequate Depot facilities; and
 - 2.3.2 adequate layover and parking facilities for Vehicles, available for use to provide the Services from the Commencement Date.

Assets

- 2.4 The Operator shall demonstrate that it has, or will have, sufficient Vehicles which comply with the requirements of this Partnering Contract to provide Services from the Commencement Date.
- 2.5 The Operator shall propose a process and timing for:
 - 2.5.1 the GWRC Assets to be installed on Vehicles and at Depots, including the Ticketing Equipment and RTPI Equipment;
 - 2.5.2 the testing and commissioning of GWRC Assets;
 - 2.5.3 training of drivers and Operator personnel in respect of the use of GWRC Assets in the provision of the Services; and
 - 2.5.4 livery and branding to be in place in accordance with the requirements of this Partnering Contract.
- 2.6 The Operator shall outline:
 - 2.6.1 how and where planned maintenance will be carried out;
 - 2.6.2 what fuelling arrangements it will have in place;

- 2.6.3 what processes it will have in place to ensure good supply of Vehicle parts and consumables; and
- 2.6.4 what arrangements it will have in place for cleaning (inclusive of graffiti) of the Vehicles.

Employees

- 2.7 The Operator shall demonstrate that it has, or will have, sufficient, appropriately trained Services Employees to provide Services from the Commencement Date.
- 2.8 The Operator shall provide the planned Services Employee numbers and the roles that these Services Employees would undertake.
- 2.9 The Operator shall include a staff recruitment plan including timing and methods of recruitment.
- 2.10 The Operator shall include details of the planned training (including timing) that would be implemented for the benefit of Services Employees.
- 2.11 The Operator shall include its approach and plan to implement systems and processes to ensure compliance with Safety Law.
- 2.12 The Operator shall include proposals for providing appropriate communications systems to Services Employees.

Systems

- 2.13 The Operator shall include details of the process for establishing appropriate business systems for provision of the Services, including systems for managing and operating the Working Timetable and the Bus Unit Timetable, financial systems, payroll, incident reporting and customer feedback (including using the CRM System).

Appendix 1 - Operator's Transition Plan

[insert]

Appendix 2 - Milestone Dates

The Parties acknowledge and agree that this Appendix 2 does not limit clauses 2 (*Conditions Precedent*), 46 (*Events of Default and Cure Plan*) or 47 (*Termination for Termination Events*) or any other provision of this Partnering Contract.

Ref.	Conditions Precedent	Responsibility to satisfy CPs	Milestone #1 & Milestone Date #1	Milestone #2 & Milestone Date #2	Milestone #3 & Milestone Date #3	Milestone #4 & Milestone Date #4
CP#1	<p>Except where paragraph 24 (<i>Guarantor</i>) of Schedule 2 (<i>Agreement Details</i>) provides that the Operator is not required to provide a Parent Company Guarantee, GWRC having received from the Operator an original of the Parent Company Guarantee duly executed by each party thereto (other than GWRC) and GWRC being satisfied that the Parent Company Guarantee has been executed in a form approved by GWRC and is either:</p> <p style="margin-left: 40px;">(a) in full force and effect; or</p> <p style="margin-left: 40px;">(b) conditional only on the occurrence of the Commencement Date or execution by GWRC.</p>	Operator	<p>Milestone: Operator shall provide an executed Parent Company Guarantee.</p> <p>Milestone Date: 5 Business Days following the date of this Partnering Contract.</p>	N/A	N/A	N/A
CP#2	<p>GWRC having received from the Operator an original of the Deed of Accession to the Regional Agreement duly executed by each party thereto (other than GWRC) and GWRC being satisfied that the Deed of Accession to the Regional Agreement has been executed in a form approved by GWRC and is either:</p> <p style="margin-left: 40px;">(a) in full force and effect; or</p> <p style="margin-left: 40px;">(b) conditional only on the occurrence of the Commencement Date or execution by GWRC.</p>	Operator	<p>Milestone: Operator shall provide a Deed of Accession to the Regional Agreement executed by the Operator.</p> <p>Milestone Date: 5 Business Days following the date of this Partnering Contract.</p>	N/A	N/A	N/A

Ref.	Conditions Precedent	Responsibility to satisfy CPs	Milestone #1 & Milestone Date #1	Milestone #2 & Milestone Date #2	Milestone #3 & Milestone Date #3	Milestone #4 & Milestone Date #4
CP#3	<p>GWRC having received from the Operator originals of the following Transaction Documents:</p> <p>(a) Transferring Asset Related Party Direct Deeds in respect of those Transferring Asset Related Parties who provide Transferring Assets on or prior to the Commencement Date; and</p> <p>(b) Lessor Direct Deeds in respect of each Transferring Asset Agreement entered into by the Operator or a Transferring Asset Related Party on or prior to the Commencement Date,</p> <p>duly executed by each party thereto (other than GWRC if applicable) and GWRC being satisfied that such Transaction Documents have been executed in a form approved by GWRC and are in full force and effect or are conditional only on the occurrence of the Commencement Date or execution by GWRC.</p>	Operator	<p>Milestone: Operator shall provide Transferring Asset Related Party Direct Deeds and Lessor Direct Deeds executed by all parties other than GWRC (if applicable).</p> <p>Milestone Date: in accordance with the timescales referred to in clause 55.1 in respect of Transferring Asset Related Party Direct Deeds and clause 55.2 in respect of Lessor Direct Deeds.</p>	<p>Milestone: Transaction Documents executed by GWRC (if applicable).</p> <p>Milestone Date: 10 Business Days before CPDS.</p>		
CP#4	GWRC having executed the Regional Agreement and the other Transaction Documents referred to in CP#1, CP#2, CP#3 and CP#18 to the extent that GWRC is party to such document.	GWRC	<p>Milestone: Transaction Documents executed by GWRC (if applicable).</p> <p>Milestone Date: 10 Business Days before CPDS.</p>	N/A	N/A	N/A
CP#5	GWRC holding a Performance Bond issued to it by the Operator which complies with the requirements of clause 44.	Operator	Milestone: Operator shall provide GWRC with a Performance Bond which complies with the	N/A	N/A	N/A

Ref.	Conditions Precedent	Responsibility to satisfy CPs	Milestone #1 & Milestone Date #1	Milestone #2 & Milestone Date #2	Milestone #3 & Milestone Date #3	Milestone #4 & Milestone Date #4
			requirements of clause 44. Milestone Date: within 10 Business Days following the date of this Partnering Contract.			
CP#6	The Operator having demonstrated to GWRC's satisfaction (acting reasonably) (including by the Operator providing to GWRC copies of leases and/or sale and purchase agreements, New Vehicle registration in the name of the Operator or other relevant information requested by GWRC) that the Operator has acquired (or acquired the use of) sufficient New Vehicles which comply with the requirements of this Partnering Contract (including the Emissions Profile) readily available to it for its use in the provision of the Services so as to enable the Operator to provide the Services and perform its obligations on and from the Commencement Date in accordance with this Partnering Contract. If a New Vehicle is not a Brand New Vehicle, CP#7 below shall apply.	Operator	Milestone: Operator shall provide evidence that New Vehicles have been ordered: letter from manufacturer confirming order and expected date of delivery. Milestone Date: within 10 Business Days following the date of this Partnering Contract.	Milestone: New Vehicles shall be made available for inspection by GWRC during manufacture (inspection of each type). Vehicles may be made available in tranches. Milestone Date: 6 months before CPDS.	Milestone: all New Vehicles shall be made available for inspection by GWRC in New Zealand post fit out (inspection of each Vehicle). Vehicles have been installed with suitable ducting and the Installation Kits on board and are otherwise ready for the installation of RTPI Equipment and Ticketing Equipment (including the requirements of clause 12.8) and to commence providing Scheduled Services following such installation.	Milestone: GWRC has approved the use by the Operator of all New Vehicles in the provision of Passenger Services in accordance with clause 10.4.4(a). Milestone Date: 5 Business Days before CPDS.

Ref.	Conditions Precedent	Responsibility to satisfy CPs	Milestone #1 & Milestone Date #1	Milestone #2 & Milestone Date #2	Milestone #3 & Milestone Date #3	Milestone #4 & Milestone Date #4
					<p>The Operator shall ensure that New Vehicles are made available from this Milestone Date #3 (or any earlier date set out in the Transition Plan) for the installation by GWRC or its nominee of RTPI Equipment and Ticketing Equipment.</p> <p>New Vehicles may be made available in tranches prior to the Milestone Date for GWRC's inspection, provided that all have been made available for GWRC's inspection in New Zealand at least 10 Business Days before CPDS.</p> <p>Milestone Date: 10 Business Days before CPDS.</p>	

Ref.	Conditions Precedent	Responsibility to satisfy CPs	Milestone #1 & Milestone Date #1	Milestone #2 & Milestone Date #2	Milestone #3 & Milestone Date #3	Milestone #4 & Milestone Date #4
CP#7	<p>The Operator having demonstrated to GWRC's satisfaction (acting reasonably) (including by the Operator providing to GWRC copies of leases and/or sale and purchase agreements, Existing Vehicle registration in the name of the Operator or other relevant information requested by GWRC) that the Operator has acquired (or acquired the use of) sufficient Existing Vehicles which comply with the requirements of this Partnering Contract (including the Emissions Profile) readily available to it for its use in the provision of the Services so as to enable the Operator to provide the Services and perform its obligations on and from the Commencement Date in accordance with this Partnering Contract.</p>	Operator	<p>Milestone: Ownership or use of Existing Vehicles secured by Operator. Operator shall provide either:</p> <p>(a) letter from seller stating that the Vehicles were sold to Operator and confirming when Vehicles will be available for use by the Operator; or</p> <p>(b) proof of ownership, lease or some other financial arrangement whereby Operator will have use of Vehicles.</p> <p>Milestone Date: within 10 Business Days following the date of this Partnering Contract.</p>	<p>Milestone: Existing Vehicles shall be made available for inspection by GWRC.</p> <p>Milestone Date: 3 months before CPDS.</p>	<p>Milestone: all Vehicles shall be made available for inspection by GWRC in New Zealand post fit out (inspection of each Vehicle).</p> <p>Vehicles have been installed with suitable ducting on board and are otherwise ready for Installation Kits, RTPI Equipment and Ticketing Equipment installation (including the requirements of clause 12.7) and to commence providing Scheduled Services following such installation.</p> <p>The Operator shall ensure that Vehicles are made available from this Milestone Date #3 (or any</p>	<p>Milestone: GWRC has approved the use by the Operator of all Existing Vehicles in the provision of Passenger Services in accordance with clause 10.4.4(a).</p> <p>Milestone Date: 5 Business Days before CPDS.</p>

Ref.	Conditions Precedent	Responsibility to satisfy CPs	Milestone #1 & Milestone Date #1	Milestone #2 & Milestone Date #2	Milestone #3 & Milestone Date #3	Milestone #4 & Milestone Date #4
					<p>earlier date set out in the Transition Plan) for the installation by GWRC or its nominee of Installation Kits, RTPI Equipment and Ticketing Equipment.</p> <p>Vehicles may be made available in tranches prior to the Milestone Date for GWRC's inspection, provided that all have been made available for GWRC's inspection in New Zealand at least 10 Business Days before CPDS.</p> <p>Milestone Date: 10 Business Days before CPDS.</p>	
CP#8	The Operator having demonstrated to GWRC's satisfaction (acting reasonably) (including by the Operator providing to GWRC copies of leases and/or sale and purchase agreements or other relevant information requested by GWRC) that the Operator has acquired (or acquired the use of) sufficient and	Operator	Milestone: ownership or use of Depot secured by Operator. Operator shall provide either:	Milestone: Depot shall be operational. Depot shall be made available for inspection by GWRC.	N/A	N/A

Ref.	Conditions Precedent	Responsibility to satisfy CPs	Milestone #1 & Milestone Date #1	Milestone #2 & Milestone Date #2	Milestone #3 & Milestone Date #3	Milestone #4 & Milestone Date #4
	adequate Depot facilities (which may include any Depot to be used by the Operator on a temporary basis) readily available to it for its use in the provision of the Services so as to enable the Operator to provide the Services and perform its obligations on and from the Commencement Date in accordance with this Partnering Contract.		<p>(a) a letter from vendor or lessor stating that the Depot was sold or leased to Operator and confirming when Depot will be available; or</p> <p>(b) proof of ownership, lease or some other financial arrangement whereby Operator will have use of Depot.</p> <p>Milestone Date: within 10 Business Days following the date of this Partnering Contract.</p>	<p>The Operator has provided space within the Depot in accordance with the Bus Services Equipment Operations Manual and suitable live electricity connections and high speed data connections in accordance with clauses 12.2.2(b) and (c).</p> <p>The Operator shall ensure that Depots are made available from this Milestone Date #2 (or any earlier date set out in the Transition Plan) for the installation by GWRC or its nominee of RTP1 Equipment and Ticketing Equipment (if required by GWRC).</p> <p>Milestone Date: 25 Business Days before CPDS.</p>		
CP#9	The Operator having demonstrated to GWRC's satisfaction (acting reasonably) that the Operator has engaged sufficient staff with appropriate training, qualifications, expertise and applicable licences, permits and consents to enable the Operator to perform its obligations in accordance with this	Operator	<p>Milestone: Operator shall provide either:</p> <p>(a) a recruitment plan and evidence showing that recruitment has been</p>	<p>Milestone: employment contracts in place with all employees required to provide the Services.</p> <p>Milestone Date: 25</p>	<p>Milestone: Operator shall provide GWRC with training records showing that train the trainer was</p>	<p>Milestone: Operator shall provide GWRC with:</p> <p>(a) training records showing that</p>

Ref.	Conditions Precedent	Responsibility to satisfy CPs	Milestone #1 & Milestone Date #1	Milestone #2 & Milestone Date #2	Milestone #3 & Milestone Date #3	Milestone #4 & Milestone Date #4
	Partnering Contract.		commenced by Operator; or (b) a list of staff available to provide the Services (if Operator will use existing staff). Milestone Date: 6 months before CPDS.	Business Days before CPDS (the Operator's trainers will need to be employed in advance of other staff in order to receive training from GWRC).	completed for drivers in accordance with clause 14.6.1(a) (RTPI Equipment and Ticketing System). Milestone Date: 25 Business Days before CPDS.	training has been completed for all drivers that will provide the Services (RTPI Equipment and Ticketing System); (b) evidence of 'P Licences' for all drivers that will provide the Services; and (c) safety check carried out by Operator under the Vulnerable Children Act 2014 and provided to GWRC for all drivers that will provide the Services. Milestone Date: 10 Business Days before CPDS.
CP#10	GWRC having received a draft Preliminary Commencement Certificate completed by the Operator in the form attached at Annexure 11 (<i>Preliminary Commencement Certificate</i>) confirming that the Operator holds a current and valid Licence and any other Consent which the Operator is	Operator	Milestone: assurance from Operator reasonably acceptable to GWRC that the Operator will be able to commence Services on	Milestone: assurance from Operator reasonably acceptable to GWRC that the Operator will be able to commence Services on	Milestone: assurance from Operator reasonably acceptable to GWRC that the	N/A

Ref.	Conditions Precedent	Responsibility to satisfy CPs	Milestone #1 & Milestone Date #1	Milestone #2 & Milestone Date #2	Milestone #3 & Milestone Date #3	Milestone #4 & Milestone Date #4
	required to hold by Law in respect of the operation of, or in connection with, the Services.		Commencement Date. Milestone Date: 6 months before CPDS.	Commencement Date. Milestone Date: 3 months before CPDS.	Operator will be able to commence Services on Commencement Date. Milestone Date: 10 Business Days before CPDS.	
CP#11	Operator holds a current and valid Licence and any other Consent which the Operator is required to hold by Law in respect of the operation of, or in connection with, the Services. GWRC having received from the Operator a certified copy of the Licence granted to the Operator and such other evidence as GWRC reasonably requests as to the matters stated in the draft Preliminary Commencement Certificate provided under CP#10.	Operator	Milestone: Operator shall provide copies of Licence and Consents if already in place, otherwise evidence that the application process has been initiated, including a plan for the attendance of a training course to gain a certificate of knowledge of Law. Milestone Date: 6 months before CPDS.	Milestone: Operator shall provide evidence that it has applied for a Licence and other Consents, including receipt or other acknowledgement from granting agency. Milestone Date: 3 months before CPDS.	Milestone: Operator shall provide GWRC with a copy of the Licence and other Consents required to carry out the Services. Milestone Date: 10 Business Days before CPDS.	N/A
CP#12	GWRC having received from the Operator: (a) a certified copy of each Insurance Policy and any other insurance policies that the Operator is required to effect under the other Transaction Documents or a written confirmation from the Operator's insurers confirming that the terms of each Insurance Policy and any such other insurance policies that the Operator is required to	Operator	Milestone: Operator shall provide evidence (such as a letter from insurers) that the Insurance Policies are in place or an application for Insurance Policies has been approved to commence from when the Vehicles or Depot are at the Operator's risk.	Milestone: the Operator shall provide certified copies of Insurance Policies, Certificates of Currency and other details reasonably required by GWRC. Milestone Date: 25	N/A	N/A

Ref.	Conditions Precedent	Responsibility to satisfy CPs	Milestone #1 & Milestone Date #1	Milestone #2 & Milestone Date #2	Milestone #3 & Milestone Date #3	Milestone #4 & Milestone Date #4
	<p>effect comply with the insurance requirements under this Partnering Contract or the relevant Transaction Document (as applicable);</p> <p>(b) a Certificate of Currency for each Insurance Policy and any other insurance policies which the Operator is required to effect under the other Transaction Documents; and</p> <p>(c) any other evidence reasonably required by GWRC to satisfy it that the Operator has effected insurance in accordance with this Partnering Contract and the other Transaction Documents and that such insurance is in full force and effect.</p>		Milestone Date: 6 months before CPDS.	Business Days before CPDS.		
CP#13	GWRC having received an initial annual business plan (including each of the plans referred to in Appendix 1 (<i>Plans</i>) of Schedule 5 (<i>Planning, Reporting and Meetings</i>)) from the Operator which GWRC has (acting reasonably) confirmed in writing is acceptable to it.	Operator	<p>Milestone: Operator shall provide a draft initial annual business plan to GWRC.</p> <p>Milestone Date: 6 months before CPDS.</p>	<p>Milestone: GWRC has approved the initial annual business plan (acting reasonably).</p> <p>Milestone Date: 25 Business Days before CPDS.</p>	N/A	N/A
CP#14	GWRC having approved a revised Depot Acquisition Programme in accordance with clause 11.2.6.	Operator	<p>Milestone: Operator shall provide a revised Depot Acquisition Programme to GWRC for approval.</p> <p>Milestone Date: 9 months before CPDS.</p>	<p>Milestone: GWRC has approved the revised Depot Acquisition Programme pursuant to clause 11.2.6.</p> <p>Milestone Date: 8 months before CPDS.</p>	N/A	N/A

Ref.	Conditions Precedent	Responsibility to satisfy CPs	Milestone #1 & Milestone Date #1	Milestone #2 & Milestone Date #2	Milestone #3 & Milestone Date #3	Milestone #4 & Milestone Date #4
CP#15	GWRC having received a copy of the Quality Management System and the Environmental Management System pursuant to clause 9.12.	Operator	Milestone: Operator shall provide copies of Quality Management System and Environmental Management System. Milestone Date: 5 Business Days before CPDS.	N/A	N/A	N/A
CP#16	GWRC having received an initial Fleet List from the Operator which GWRC has (acting reasonably) confirmed in writing is acceptable to it, provided that GWRC shall be deemed to be acting reasonably in rejecting any Fleet List which: (a) specifies more Vehicles than the Peak Vehicle Requirement plus 10% (rounded up to the nearest whole number); or (b) does not comply with the requirements of this Partnering Contract in respect of the Fleet List, including the requirements in clause 10.15 and paragraph 4.1 (<i>Vehicle Emissions</i>) of Schedule 3 (<i>Passenger Services</i>).	Operator	Milestone: Operator shall provide a draft Fleet List. Milestone Date: within 10 Business Days following the date of this Partnering Contract.	Milestone: Operator shall provide a further draft Fleet List updated to include GWRC's reasonable comments. Milestone Date: 25 Business Days before CPDS.	N/A	N/A
CP#17	GWRC having received the Working Timetable in accordance with paragraph 3.34 (<i>Working Timetable</i>) of Schedule 3 (<i>Passenger Services</i>).	Operator	Milestone: Operator shall provide a draft Working Timetable to GWRC. Milestone Date: 60 Business Dates before CPDS.	Milestone: Operator shall provide a final Working Timetable to GWRC. Milestone Date: 20 Business Days prior to CPDS.	N/A	N/A

Ref.	Conditions Precedent	Responsibility to satisfy CPs	Milestone #1 & Milestone Date #1	Milestone #2 & Milestone Date #2	Milestone #3 & Milestone Date #3	Milestone #4 & Milestone Date #4
CP#18	<p>GWRC having received from the Operator:</p> <p>(a) a copy of each Key Subcontract which the Operator requires to have in effect in order to perform the Services in accordance with this Partnering Contract from the Commencement Date; and</p> <p>(b) copies of the associated direct deeds required to be entered into pursuant to clause 17.1.2 (<i>Key Subcontracts</i>) duly executed by each party thereto (other than GWRC if applicable) and GWRC being satisfied that such Transaction Documents have been executed in a form approved by GWRC and are in full force and effect or are conditional only on the occurrence of the Commencement Date or execution by GWRC .</p>	Operator	<p>Milestone: Operator shall provide to GWRC a copy of each Key Subcontract (if any) and draft direct deed for GWRC approval.</p> <p>Milestone Date: 6 months before CPDS.</p>	<p>Milestone: Operator shall provide to GWRC a copy of each executed Key Subcontract (if any) and executed direct deed in forms approved by GWRC.</p> <p>Milestone Date: 3 months before CPDS.</p>	N/A	N/A
CP#19	<p>GWRC having installed the Ticketing Equipment, RTPI Equipment and (in respect of Existing Vehicles and New Vehicles which are not Brand New Vehicles) Installation Kits on Vehicles and in Depots in accordance with clause 12.5 and having provided the associated training in accordance with clause 14.6.1(a).</p>	GWRC	<p>Milestone: train the trainer (including training material and training equipment) has been provided in accordance with clause 14.6.1(a).</p> <p>Milestone Date: 25 Business Days prior to the CPDS.</p>	<p>Milestone: Ticketing Equipment and RTPI Equipment installed on Vehicles and in Depots.</p> <p>Milestone Date: 1 day before CPDS.</p>	N/A	N/A

Schedule 14

Change Events and Net Financial Impact

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Part A - Introduction, definitions and Bus Unit Timetable changes

1 Introduction

- 1.1 Part A of this Schedule sets out:
 - 1.1.1 the definitions used in this Schedule; and
 - 1.1.2 the methodology for calculating the Net Financial Impact of certain changes to the Bus Unit Timetable (see paragraph 3 of this Part A).
- 1.2 Part B of this Schedule sets out the Parties' respective rights and obligations in respect of:
 - 1.2.1 Compensation Events (see paragraph 4 of Part B);
 - 1.2.2 Minor Contract Variations (see paragraph 5 of Part B);
 - 1.2.3 GWRC initiated Contract Variations (see paragraph 6 of Part B); and
 - 1.2.4 Operator initiated Contract Variations (see paragraph 8 of Part B).
- 1.3 Part C of this Schedule contains provisions specifying how the Net Financial Impact of any NFI Event referred to in Part B shall be determined.
- 1.4 The foregoing provisions of this paragraph 1 are intended to provide a high level road-map of some of the key contents of this Schedule only and by their nature do not list all provisions contained herein.

2 Definitions

- 2.1 In this Schedule, the following definitions apply unless the context otherwise requires:

Net Financial Impact	<p>means the net financial impact of an NFI Event which shall be calculated:</p> <ul style="list-style-type: none"> (a) in the case of an NFI Event which is a change to the Bus Unit Timetable made in accordance with the Timetable Change Process, in accordance with paragraph 3 (<i>Bus Unit Timetable changes</i>) of this Schedule; or (b) in the case of any other NFI Event, in accordance with Part C of this Schedule.
NFI Event	<p>means any:</p> <ul style="list-style-type: none"> (a) Compensation Event; (b) Contract Variation; (c) Minor Contract Variation;

	(d) change to the Bus Unit Timetable made in accordance with the Timetable Change Process; and (e) other event or circumstance in respect of which this Partnering Contract expressly refers to the payment or calculation of the Net Financial Impact.
NFI Indexed	has the meaning given in paragraph 10.7.
P_n	means the monthly payment amount for a Transferring Vehicle as calculated in accordance with Schedule 2 (<i>Transfer Price</i>) of Annexure 5 (<i>Transfer Agreement</i>).
Payment Schedule	means a payment schedule reflecting the timing and amount of payments to be made by GWRC to the Operator in connection with the relevant NFI Event, as agreed by the Operator and GWRC (or, in the event that they are unable to reach agreement, as determined by way of Expert determination in accordance with clauses 45.9 to 45.15 (<i>Expert determination</i>)).
Variation Order	means a notice issued by GWRC which is substantially in the form set out in Part C (<i>Form of Variation Order</i>) of Annexure 15 (<i>Variation Forms</i>) or such other form as the Parties may agree in writing from time to time to replace the forms in that Part C.

3 Bus Unit Timetable changes

- 3.1 This paragraph 3 shall not apply to any change to the Bus Unit Timetable to the extent that such change is a consequence of, or arises in connection with, the provision by or on behalf of the Operator of any Special Event Service.
- 3.2 The Operator acknowledges and agrees that it shall not be entitled to the payment of any Net Financial Impact in connection with a change to the Bus Unit Timetable which is a consequence of, or arises in connection with, an event referred to in paragraph 3.1. The Operator acknowledges and agrees that its entitlement to payment in respect of such matters is the payment of the Special Event Services Fee.
- 3.3 Subject to paragraph 3.2, the Net Financial Impact of a change to the Bus Unit Timetable made pursuant to the Timetable Change Process and the consequential adjustment to the Base Service Fee (or, if applicable, the consequential payments to be made by GWRC in accordance with the Payment Schedule) shall be calculated and made in accordance with this paragraph 3 (*Bus Unit Timetable*

changes) and paragraphs 10.5 to 10.8 (*Indexation of Net Financial Impact*), and paragraph 11 (*Calculation of Net Financial Impact*) shall not apply.

- 3.4 Subject to paragraph 3.2, if the NFI Event is a change to the Bus Unit Timetable made in accordance with the Timetable Change Process and such change involves the addition to or removal from the Bus Unit Timetable of one or more Scheduled Services or any change to a Scheduled Service (each being a **Changed Scheduled Service(s)**), the Net Financial Impact shall be calculated as follows:

$$\text{Net Financial Impact} = (\text{RSKM} \times \text{Rate}_{\text{km}}) + (\text{RSHR} \times \text{Rate}_{\text{hr}}) + (\text{PVRA})$$

Where:

RSKM is the difference between the yearly number of Revenue Service Kilometres that would have been travelled by each Vehicle in order to provide the Scheduled Service(s) and the yearly number of Revenue Service Kilometres that will be travelled in order to provide the Changed Scheduled Service(s);

Rate_{km} is the Service Kilometres Rate in the table set out in Appendix 8 (*Net Financial Impact*) of Schedule 2 (*Agreement details*);

RSHR is the difference between the yearly number of Revenue Service Hours that would have been provided by the Operator in order to provide the Scheduled Service(s) and the yearly number of Revenue Service Hours that will be provided by the Operator in order to provide the Changed Scheduled Service(s);

Rate_{hr} is the applicable Service Hours Rate in the table set out in Appendix 8 (*Net Financial Impact*) of Schedule 2 (*Agreement details*); and

PVRA where the change to the Bus Unit Timetable results in an increase or decrease to the Peak Vehicle Requirement:

- (a) to the extent that the Operator will (subject to clause 10.9A of this Partnering Contract) acquire, or acquire the use of, one or more Transferring Vehicles as a result of the change to the PVR, *PVRA* is the aggregate value of P_n in respect of such additional Transferring Vehicles multiplied by 12, which amount shall apply on a yearly basis for the duration of the Changed Scheduled Service being effective (and this shall result in an increase to the Base Service Fee);
- (b) to the extent that the Operator will no longer be required to use a Transferring Vehicle in the provision of the Services as a result of the change to the PVR, *PVRA* is zero in respect of each such Transferring Vehicle; and

- (c) to the extent that the change to the PVR increases the number of Vehicles (excluding Transferring Vehicles and Spare Vehicles) to be used in the provision of the Services, *PVRA* is the aggregate number of Vehicles (excluding Transferring Vehicles and Spare Vehicles) by which the PVR will be increased as a result of the change multiplied by the applicable PVR Variation Rate, which amount shall apply on a yearly basis for the duration of the Changed Scheduled Service change being effective (and this shall result in an increase to the Base Service Fee); and
 - (d) to the extent that the change to the PVR reduces the number of Vehicles (excluding Transferring Vehicles and Spare Vehicles) to be used in the provision of the Services, *PVRA* is the aggregate number of Vehicles (excluding Transferring Vehicles and Spare Vehicles) by which the PVR will be decreased as a result of the change multiplied by the applicable PVR Variation Rate, which amount shall apply on a yearly basis for the duration of the Changed Scheduled Service being effective (and this shall result in a decrease to the Base Service Fee).
- 3.5 Where paragraph 3.4 applies, subject to paragraph 3.6 the Base Service Fee shall be increased or decreased (as applicable) by the amount of the Net Financial Impact calculated in accordance with paragraph 3.4:
 - 3.5.1 pro-rated for the remaining part of the Year following the date on which the Operator is required to commence operation of Scheduled Services in accordance with the revised Bus Unit Timetable; and
 - 3.5.2 for each Year thereafter,for the duration of the Changed Scheduled Service being effective.
- 3.6 Where, but for this paragraph 3.6, the Base Service Fee would otherwise be increased pursuant to paragraph 3.5, GWRC may instead elect to pay the amount of the Net Financial Impact by way of lump sum payment(s), in which event GWRC shall pay the Operator the amount of the Net Financial Impact in accordance with the Payment Schedule.
- 3.7 Either GWRC or the Operator may refer any dispute relating to the calculation of the Net Financial Impact arising from a change to the Bus Unit Timetable to the Expert for determination in accordance with clauses 45.9 to 45.15 (Expert determination).
- 3.8 If there are any Bus Unit Timetable changes in respect of School Routes, for the purposes of annualising Revenue Service Kilometres and Revenue Service Hours for School Routes, the calculation under paragraph 3.4 will be based on the

number of days in the school year (as published by the Ministry of Education)
that the Bus Unit Timetable change commences in.

Part B - NFI Events other than Bus Unit Timetable changes

4 Compensation Events

Compensation Events

4.1 If and to the extent that a Compensation Event:

4.1.1 materially adversely affects the ability of the Operator to comply with any of its obligations or exercise any of its rights under this Partnering Contract; or

4.1.2 causes the Operator in the performance of the Services to incur additional or increased costs or lose revenue,

then, other than to the extent that the Compensation Event (or its effect):

4.1.3 occurs or arises (directly or indirectly) in whole or in part as a result of or in connection with any act or omission (other than any act or omission expressly permitted by this Partnering Contract) by the Operator or any Operator Associate; or

4.1.4 is or ought reasonably to have been within the control of the Operator or the Operator Associates,

the Operator is entitled to apply for (subject to paragraph 4.15) relief from its obligations under this Partnering Contract or claim compensation under this Partnering Contract (or both) in accordance with the provisions of this paragraph 4 (*Compensation Events*).

Mitigation

4.2 The Operator shall:

4.2.1 take all reasonable steps to reduce, mitigate, prevent or eliminate the effects of any Compensation Event (including by putting in place temporary measures reasonably acceptable to GWRC); and

4.2.2 use all reasonable endeavours to continue to perform its obligations despite the occurrence of a Compensation Event.

Claim for relief or compensation

4.3 In order to obtain relief or claim compensation in respect of a Compensation Event, the Operator shall:

4.3.1 as soon as practicable, and in any event within 10 Business Days after it first becomes aware that the Compensation Event has or is likely to cause any of the consequences referred to in paragraph 4.1.1 or 4.1.2, give to GWRC a Compensation Event Notice setting out:

(a) full details of the Compensation Event;

(b) the date of the Compensation Event's occurrence;

- (c) the estimated duration of the Compensation Event and its effects;
 - (d) the extent to which the Compensation Event or its effects are covered by insurance; and
 - (e) whether the Operator intends to claim relief from its obligations under this Partnering Contract and/or compensation, in each case in accordance with this paragraph 4 (*Compensation Events*); and
- 4.3.2 within 5 Business Days of giving the Compensation Event Notice, give GWRC full details (including supporting documentation) of:
- (a) any relief from obligations under this Partnering Contract and any Net Financial Impact claimed; and
 - (b) the steps which the Operator has taken to reduce, mitigate, prevent or eliminate the effects of the relevant Compensation Event; and
- 4.3.3 comply with its obligations under paragraphs 4.2 (*Mitigation*) to 4.7 (*Compensable Change in Law - Tender Process*).

Continuing Compensation Events

- 4.4 If the Compensation Event (or its effects) are continuing, the Operator shall:
- 4.4.1 continue to give GWRC the information required by paragraph 4.3.1 and 4.3.2 every six months after the Compensation Event Notice was first provided to GWRC until after the Compensation Event (and its effects) have ceased; and
 - 4.4.2 provide a final notice containing the information referred to in paragraph 4.3.2 within 5 Business Days after the Compensation Event (and its effects) have ceased.

Request for information

- 4.5 At any time after receipt of a notice from the Operator under paragraph 4.3 or 4.4, GWRC may request from the Operator further information which GWRC requires to assess any claim for relief or compensation under this paragraph 4 (*Compensation Events*). The Operator shall promptly comply with each such request.

Compensable Change in Law - Tender Process

- 4.6 If the Compensation Event is a Compensable Change in Law, GWRC may require the Operator to conduct a tender process in respect of works, supplies or services, if:

- 4.6.1 compliance with such Compensable Change in Law is reasonably likely to involve Capital Expenditure of \$100,000 or more being incurred by the Operator in relation to any works, supplies or services; and
 - 4.6.2 GWRC considers (acting reasonably) that the Operator's proposed approach to procurement of such works, supplies or services does not demonstrate value for money.
- 4.7 If GWRC elects to require the Operator to carry out a tender process as contemplated by paragraph 4.6, the Operator shall carry out such tender process promptly, in accordance with GWRC's reasonable requirements and in accordance with the process set out in paragraph 13 (*Tender process*) of this Schedule. The Operator shall be entitled to any direct costs reasonably, properly and demonstrably incurred by it in carrying out any such tender process.
- 4.8 If the Operator is required to carry out such tender process, any time periods specified in this paragraph 4 shall be extended by such period as is reasonably required in order to conduct the tender process.
- 4.9 Following completion of the tender process, the Net Financial Impact in respect of the Compensable Change in Law shall be adjusted to reflect the outcome of the tender process (including the relevant tender price if a contractor is selected as a result of the tender process).

Net Financial Impact and other relief

- 4.10 Subject to paragraph 4.11 (*Delay in notification or failure to comply*), GWRC shall as soon as reasonably practicable and in any event within 20 Business Days after receipt of the Operator's notice under paragraph 4.3.2, notify the Operator as to whether it is satisfied (acting reasonably) that a Compensation Event has occurred and, as soon as reasonably practicable and in any event within 20 Business Days after receipt of the Operator's notice under paragraph 4.3 or 4.4, whether it is satisfied (acting reasonably) of the matters claimed in the Operator's notices under paragraph 4.3 or 4.4, and provided that the Operator has complied with paragraphs 4.2 to 4.7:
- 4.10.1 subject to paragraph 4.15, GWRC shall grant the Operator such relief from its obligations under the Partnering Contract (and from the consequences under clauses 46 (*Events of Default and Cure Plan*) and 47 (*Termination for Termination Events*) of not performing those obligations) as is reasonable for such Compensation Event, taking into account any notices given under paragraph 4.3 or 4.4; and
 - 4.10.2 if the Net Financial Impact is positive, then at GWRC's election, either:
 - (a) the Base Service Fee shall be increased by the amount (expressed as a positive figure) by which the Net Financial Impact is greater than zero; or

(b) GWRC shall pay the Operator the amount (expressed as a positive figure) by which the Net Financial Impact is greater than zero in accordance with the Payment Schedule;

4.10.3 if the Net Financial Impact is negative, then the Base Service Fee shall be decreased by the amount (expressed as a positive figure) by which the Net Financial Impact is less than zero.

Delay in notification or failure to comply

4.11 If, in respect of a Compensation Event the Operator fails to comply with any of its obligations under paragraphs 4.2 to 4.7, the Operator shall not be entitled to any relief from its obligations under this Partnering Contract or any compensation in respect of that Compensation Event (including its effects).

Disputes

4.12 If the Operator applies for any relief or compensation under this paragraph 4 and:

4.12.1 there is a dispute as to the amount of the Net Financial Impact or the relief from the Operator's obligations under this Partnering Contract arising from a Compensation Event; or

4.12.2 GWRC disagrees that a Compensation Event has occurred, the matter will be determined by the Expert in accordance with clauses 45.9 to 45.15 (*Expert determination*).

Sole remedy

4.13 The Operator's sole rights, remedies and entitlement in connection with a Compensation Event (and its effects) shall be relief from its obligations under this Partnering Contract and compensation, in each case in accordance with this paragraph 4.

4.14 The Operator hereby irrevocably waives any other rights, remedies and entitlement it may otherwise have in connection with a Compensation Event (and its effects) howsoever arising (including in negligence).

4.15 Without limiting the Operator's rights under clauses 2.14 to 2.16 (*Circumstances reasonably beyond the Operator's and the Operator Associates' control*), the Operator is not entitled to claim, and GWRC is not required to grant, relief from its obligations in clause 2.4 (*Time for satisfaction*) under this Schedule 14 (*Change Events and Net Financial Impact*).

5 Minor Contract Variations

Purpose and overriding principle

5.1 This paragraph 5 sets out the process whereby GWRC may require the Operator to implement a Minor Contract Variation. The Operator shall not:

- 5.1.1 be required to implement any Minor Contract Variation proposed by GWRC which would put the Operator in breach of any Transaction Document (other than this Partnering Contract); and
- 5.1.2 implement any Minor Contract Variation unless and until GWRC issues a Variation Order in respect of that Minor Contract Variation pursuant to paragraph 5.6 below.

GWRC may issue Minor Contract Variation Notice

- 5.2 GWRC may at any time notify the Operator of a proposed Minor Contract Variation by serving a notice on the Operator setting out:
 - 5.2.1 details of the Minor Contract Variation;
 - 5.2.2 the date by which the Minor Contract Variation must be implemented by the Operator;
 - 5.2.3 the extent to which GWRC (acting reasonably) considers that the Operator will require relief from its obligations under this Partnering Contract as a result of the implementation of the Minor Contract Variation; and
 - 5.2.4 such further information regarding the Minor Contract Variation as GWRC wishes to provide.

Operator to provide Quote

- 5.3 Within 3 Business Days of receipt of a Minor Contract Variation Notice, the Operator shall provide a quote to GWRC setting out:
 - 5.3.1 the Operator's estimate of the Net Financial Impact of implementing the proposed Minor Contract Variation in accordance with the Minor Contract Variation Notice, calculated in accordance with Part C of this Schedule 14 (*Change Events and Net Financial Impact*) and with such estimate provided on an Open Book Basis and accompanied by all working papers and other documentation required to support that estimate; and
 - 5.3.2 any other particulars required by GWRC in the Minor Contract Variation Notice.
- 5.4 If requested to do so by GWRC, the Operator and GWRC shall meet at such times as are reasonably required by GWRC to discuss and seek to agree the Minor Contract Variation Quote and each Party shall act reasonably and in good faith in so doing. The Operator shall promptly revise the Minor Contract Variation Quote to reflect any matter that is agreed by the Parties pursuant to this paragraph 5.4 and shall provide a copy of the revised Minor Contract Variation Quote to GWRC as soon as reasonably practicable and in any event within 5 Business Days following the date on which such matters have been agreed.

- 5.5 If GWRC disputes any part of the Minor Contract Variation Quote, GWRC may refer the matter directly for resolution by way of Expert determination in accordance with the provisions of clauses 45.9 to 45.15 (*Expert determination*).

GWRC may direct Minor Contract Variation

- 5.6 At any time within 30 Business Days following the later of:
- 5.6.1 receipt by GWRC of a Minor Contract Variation Quote;
 - 5.6.2 receipt by GWRC of a revised Minor Contract Variation Quote pursuant to paragraph 5.4; or
 - 5.6.3 where GWRC has disputed any part of the Minor Contract Variation Quote in accordance with paragraph 5.5, the date of determination of such dispute by the Expert,

GWRC may direct the Operator to implement the Minor Contract Variation by issuing a Variation Order which shall confirm the Net Financial Impact as set out in the Minor Contract Variation Quote, as revised pursuant to paragraph 5.4 or otherwise as determined by the Expert pursuant to paragraph 5.5 (if applicable).

- 5.7 If GWRC issues a Variation Order pursuant to paragraph 5.6:
- 5.7.1 the Operator shall carry out the Minor Contract Variation in accordance with the Minor Contract Variation Notice;
 - 5.7.2 the Operator shall be relieved of its obligations under this Partnering Contract to the extent specified in the Minor Contract Variation Notice; and
 - 5.7.3 to the extent that the Net Financial Impact arising from the Minor Contract Variation (as set out in the Variation Order) is positive, then at GWRC's election either:
 - (a) the Base Service Fee shall be increased by the amount (expressed as a positive figure) by which the Net Financial Impact is greater than zero; or
 - (b) GWRC shall pay the Operator the amount (expressed as a positive figure) by which the Net Financial Impact is greater than zero in accordance with the Payment Schedule; or
 - 5.7.4 to the extent that the Net Financial Impact arising from the Minor Contract Variation (as set out in the Variation Order) is negative, then the Base Service Fee shall be decreased by the amount (expressed as a positive figure) by which that Net Financial Impact is less than zero.

If GWRC does not direct Minor Contract Variation

- 5.8 Unless and until GWRC issues a Variation Order pursuant to paragraph 5.6 in respect of a Minor Contract Variation:
- 5.8.1 the Operator shall not carry out the proposed Minor Contract Variation;

- 5.8.2 the Operator shall have no rights or entitlement in connection with the proposed Minor Contract Variation, the Minor Contract Variation Notice or the Minor Contract Variation Quote (including rights to additional payment, compensation or relief from its obligations); and
- 5.8.3 GWRC may (in its sole discretion) subsequently issue a further Minor Contract Variation Notice or a Variation Proposal, in each case containing any or all of the matters previously contemplated by the original Minor Contract Variation Notice.

6 GWRC initiated Contract Variations

Purpose and overriding principle

- 6.1 This paragraph 6 sets out the process whereby GWRC may require the Operator to implement a GWRC initiated Contract Variation (excluding Minor Contract Variations, which are dealt with separately under paragraph 5 above). The Operator shall not:
 - 6.1.1 be required to implement any Contract Variation proposed by GWRC which would put the Operator in breach of any Transaction Document (other than this Partnering Contract); and
 - 6.1.2 implement any GWRC initiated Contract Variation unless and until GWRC issues a Variation Order in respect of that Contract Variation pursuant to paragraph 6.17, 6.19, 6.21 or 6.24 (as applicable).

Issue of Variation Proposal

- 6.2 GWRC may at any time issue to the Operator a notice setting out the details of a proposed Contract Variation which GWRC is considering.

Contents of the Variation Proposal

- 6.3 GWRC shall ensure that each Variation Proposal is substantially in the form set out in Part A (*Form of Variation Proposal*) of Annexure 15 (*Variation Forms*) (or such other form as the Parties may agree in writing from time to time to replace the forms in that Part A) and shall contain all of the information referred to therein.

Variation Response

- 6.4 Within 10 Business Days of receipt of a Variation Proposal from GWRC (or such longer time as GWRC may reasonably permit having regard to the size and complexity of the proposed Contract Variation), the Operator must submit a written response to that Variation Proposal to GWRC.
- 6.5 The Operator shall ensure that each Variation Response shall be substantially in the form set out in Part B (*Form of Variation Response*) of Annexure 15 (*Variation Forms*) (or such other form as the Parties may agree in writing from

time to time to replace the forms in that Part B) and shall contain all of the information referred to therein.

- 6.6 The Operator shall ensure that its estimate of the Net Financial Impact contained within the Variation Response is calculated in accordance with Part C of this Schedule 14 (*Change Events and Net Financial Impact*). The Operator shall provide each such estimate on an Open Book Basis and shall ensure that the Variation Response is accompanied by all working papers and other documentation required to support that estimate.
- 6.7 The Operator shall ensure that any timeframe set out in the Variation Response for the implementation of the proposed Contract Variation shall be, to the extent reasonably practicable, consistent with any timeframe proposed by GWRC in the relevant Variation Proposal.
- 6.8 The Operator shall prepare each Variation Response:
- 6.8.1 acting reasonably and in good faith;
 - 6.8.2 on the basis that it is a willing, efficient and competent provider of the matters contained within, or contemplated by, the proposed Contract Variation in an efficient and competitive market;
 - 6.8.3 so as to ensure that implementation of the proposed Contract Variation in accordance with the Variation Response will minimise any disruption to the provision of the Services arising from the implementation of the proposed Contract Variation to the extent reasonably practicable;
 - 6.8.4 so as to avoid any adverse safety impacts arising from the implementation of the proposed Contract Variation; and
 - 6.8.5 so as to ensure that the implementation of the proposed Contract Variation will be in accordance with all applicable Law.

Consultation and further information

- 6.9 To the extent reasonably required by GWRC, the Operator shall promptly:
- 6.9.1 procure that appropriate personnel meet with GWRC to discuss and explain the contents of the Variation Response and the Variation Proposal; and
 - 6.9.2 provide GWRC with further details and information in connection with the proposed Contract Variation and the Variation Response.

GWRC not obliged to proceed

- 6.10 GWRC will not be obliged to proceed with any Contract Variation proposed in a Variation Proposal or which is the subject of a Variation Response.

Contract Variation Tender process

- 6.11 GWRC may require the Operator to conduct a tender process in respect of works, supplies or services, if:

- 6.11.1 the implementation of a proposed Contract Variation is reasonably likely to involve Capital Expenditure of \$100,000 or more being incurred by the Operator in relation to any works, supplies or services; and
- 6.11.2 GWRC considers (acting reasonably) that the Operator's proposed approach to procurement of such works, supplies or services does not demonstrate value for money.
- 6.12 If GWRC elects to require the Operator to carry out a tender process as contemplated by paragraph 6.11, the Operator shall carry out such tender process promptly, in accordance with GWRC's reasonable requirements and in accordance with the process set out in paragraph 13 (*Tender process*) of this Schedule. The Operator shall be entitled to any direct costs reasonably, properly and demonstrably incurred by it in carrying out any such tender process.
- 6.13 Following completion of the tender process, the Operator shall either:
- 6.13.1 if it has not previously submitted a Variation Response in respect of the proposed Contract Variation, prepare and submit the Variation Response in accordance with paragraphs 6.4 to 6.8, reflecting the outcome of the tender process (including the relevant tender price if a tenderer is selected in accordance with the tender process); or
- 6.13.2 if it has previously submitted a Variation Response in respect of the proposed Contract Variation, promptly update the Variation Response to reflect the outcome of the tender process (including the relevant tender price if a tenderer is selected in accordance with the tender process).
- 6.14 Following completion of the tender process, the Net Financial Impact in respect of the Contract Variation shall be adjusted to reflect the outcome of the tender process (including the relevant tender price if a contractor is selected as a result of the tender process).
- 6.15 If the Operator is required to conduct a tender process pursuant to paragraph 6.11, the date by which the Operator is required to provide a Variation Response under paragraph 6.4 shall be extended by such period as is reasonably required in order to conduct the tender process.

GWRC to accept or reject Variation Response

- 6.16 Within 15 Business Days (or such longer period as GWRC reasonably requires, having regard to the size and complexity of the proposed Contract Variation) after receipt by GWRC of a Variation Response or an updated Variation Response provided under paragraph 6.13.2 (as applicable), GWRC shall by written notice to the Operator:
- 6.16.1 accept the Variation Response;
- 6.16.2 reject the Variation Response (in whole or in part); or

6.16.3 withdraw the Variation Proposal.

If GWRC accepts Variation Response

6.17 If GWRC accepts the Variation Response in accordance with paragraph 6.16.1:

6.17.1 GWRC shall issue a Variation Order confirming the Net Financial Impact of the Contract Variation as being that set out in the Variation Response (as updated in accordance with paragraph 6.13 if applicable);

6.17.2 the Operator shall carry out the Contract Variation on the basis of the Variation Response (as accepted by GWRC); and

6.17.3 the Operator shall be relieved of its obligations under this Partnering Contract, to the extent specified in the Variation Response (as accepted by GWRC).

If GWRC rejects Variation Response

6.18 If GWRC rejects the Variation Response (in whole or in part) in accordance with paragraph 6.16.2, then if requested to do so by GWRC, the Operator and GWRC shall promptly consult in good faith and use their reasonable endeavours to agree on a mutually acceptable resolution to the matters set out in the Variation Response which are in dispute.

6.19 If GWRC and the Operator reach agreement on the disputed matters, GWRC may (but is not obliged to) direct the Operator to implement the Contract Variation by issuing a Variation Order confirming the Net Financial Impact of the Contract Variation as being that set out in the Variation Response (as updated in accordance with paragraph 6.13 if applicable) or as otherwise agreed by GWRC and the Operator pursuant to paragraph 6.18, in which case:

6.19.1 the Operator shall carry out the Contract Variation on the basis of the Variation Response, as varied by the Operator's and GWRC's agreement on the disputed matters (such agreement to be recorded in the Variation Order); and

6.19.2 the Operator shall be relieved of its obligations under this Partnering Contract to the extent specified in the Variation Response, as varied by the Operator's and GWRC's agreement on the disputed matters (such agreement to be recorded in the Variation Order).

6.20 If GWRC and the Operator fail to reach agreement on the disputed matters in the Variation Response within 15 Business Days after GWRC has rejected the Variation Response pursuant to paragraph 6.16.2, GWRC may (in its sole discretion) refer the matter directly for resolution by way of Expert determination in accordance with the provisions of clauses 45.9 to 45.15 (*Expert determination*).

6.21 Following determination of any dispute referred to Expert determination in accordance with paragraph 6.20, GWRC may, if it has not already exercised its rights under paragraph 6.24 (*GWRC may issue Notice to Proceed*), elect to either:

- 6.21.1 require the Operator to implement the Contract Variation in accordance with the Variation Response (as varied by the Expert determination) by issuing a Variation Order confirming the Net Financial Impact of the Contract Variation as being that set out in the Variation Response (as updated in accordance with paragraph 6.13 if applicable) or as otherwise determined by the Expert, in which case paragraph 6.22 shall apply; or
 - 6.21.2 withdraw the Variation Proposal, in which case paragraph 6.23 shall apply.
- 6.22 If GWRC issues a Variation Order pursuant to paragraph 6.21.1:
- 6.22.1 the Operator shall carry out the Contract Variation on the basis of the Variation Response (as varied by the Expert determination, once made); and
 - 6.22.2 the Operator shall be relieved of its obligations under this Partnering Contract, to the extent specified in the Variation Response (as varied by the Expert determination, once made).

If GWRC withdraws Variation Proposal

- 6.23 If GWRC withdraws a Variation Proposal in accordance with paragraph 6.16.3 or paragraph 6.21.2:
- 6.23.1 the Operator shall not carry out the proposed Contract Variation;
 - 6.23.2 except as expressly provided for in paragraph 7 (*Costs relating to preparation of Variation Responses*), the Operator shall have no rights or entitlement in connection with the proposed Contract Variation, the Variation Proposal or the Variation Response (including rights to additional payment, compensation or relief from its obligations); and
 - 6.23.3 GWRC may (in its sole discretion) subsequently issue a further Variation Proposal or (if applicable) a Minor Contract Variation Notice, in each case containing any or all of the matters previously contemplated by the Variation Proposal which it has withdrawn.

GWRC may issue Notice to Proceed

- 6.24 If:
- 6.24.1 the Operator fails to prepare and provide a Variation Response in accordance with paragraphs 6.4 to 6.8 or otherwise fails to comply with its obligations under this paragraph 6; or
 - 6.24.2 GWRC refers any matter for Expert determination in accordance with paragraph 6.20,

GWRC may also direct the Operator to implement the Contract Variation by issuing a Notice to Proceed, together with a Variation Order (whether or not any matters in dispute have at that time been determined by the Expert).

- 6.25 If GWRC issues a Notice to Proceed and a Variation Order pursuant to paragraph 6.24:
- 6.25.1 any disputed matters (including in respect of the Net Financial Impact) shall, until GWRC and the Operator otherwise agree or an Expert determination is made in respect of those matters in accordance with clauses 45.9 to 45.15 (*Expert Determination*), be determined by GWRC (acting reasonably);
 - 6.25.2 the Operator shall proceed to implement the Contract Variation on the basis determined by GWRC (notwithstanding that any matters in dispute have not at that time been agreed or determined by the Expert);
 - 6.25.3 the Operator shall be relieved of its obligations under this Partnering Contract to the extent reasonably specified by GWRC in the Notice to Proceed; and
 - 6.25.4 any necessary adjustment will be made following the determination of a dispute (if applicable).

Net Financial Impact

- 6.26 If GWRC issues a Variation Order directing the Operator to carry out a Contract Variation under this paragraph 6, then to the extent that the Net Financial Impact arising from the Contract Variation (as set out in the Variation Order in accordance with the foregoing provisions):
- 6.26.1 is positive, then at GWRC's election, either:
 - (a) the Base Service Fee shall be increased by the amount (expressed as a positive figure) by which the Net Financial Impact set out in the Variation Order is greater than zero; or
 - (b) GWRC shall pay the Operator the amount (expressed as a positive figure) by which the Net Financial Impact is greater than zero in accordance with the Payment Schedule; or
 - 6.26.2 is negative, then the Base Service Fee shall be decreased by the amount (expressed as a positive figure) by which the Net Financial Impact set out in the Variation Order is less than zero.

7 Costs relating to preparation of Variation Responses

Purpose and overriding principle

- 7.1 This paragraph 7 applies only to costs relating to Variation Proposals and Variation Responses under paragraph 6 (*GWRC initiated Contract Variations*). It does not apply to any costs relating to Minor Contract Variation Notices or Minor Contract Variation Quotes under paragraph 5 or to costs relating to Contract Variations initiated by the Operator under paragraph 8.

Operator to provide notification and quote

- 7.2 If:
- 7.2.1 GWRC issues a Variation Proposal under paragraph 6 (*GWRC initiated Contract Variations*); and
 - 7.2.2 the Operator will reasonably and properly incur external costs in preparing the Variation Response in accordance with this Schedule 14 (*Change Events and Net Financial Impact*),
- the Operator shall within 10 Business Days of receipt of the relevant Variation Proposal:
- 7.2.3 notify GWRC in writing that this is the case; and
 - 7.2.4 provide a quote to GWRC setting out the reasonable external costs which the Operator (acting reasonably) estimates will be properly incurred by it in preparing the relevant Variation Response in accordance with this Schedule 14 (*Change Events and Net Financial Impact*) (such quote to be accompanied by documentation supporting the Operator's estimate).
- 7.3 The Operator shall promptly provide such information as GWRC may reasonably request in connection with the notification or the quote provided by the Operator pursuant to paragraph 7.2.

If the notification or quote is provided

- 7.4 If the Operator has provided the notification or quote in accordance with paragraph 7.2, it shall not incur any costs in connection with the preparation of the relevant Variation Response unless and until GWRC has provided a written notice under paragraph 7.6.3. The Operator shall have no entitlement to any payment in respect of any costs incurred by it in breach of this paragraph 7.4.

If the notification or quote is not provided

- 7.5 If the Operator fails to provide the notification or quote in accordance with paragraph 7.2 and GWRC subsequently does not issue a Variation Order or Notice to Proceed in connection with the relevant Variation Proposal the Operator shall have no entitlement to payment of (and GWRC shall not have any liability for) any costs incurred by the Operator in connection with the relevant Variation Proposal.

GWRC to respond

- 7.6 Within 3 Business Days following the later of receipt by GWRC of:
- 7.6.1 a quote under paragraph 7.2.4; and
 - 7.6.2 all information requested by GWRC pursuant to paragraph 7.3,
- GWRC shall either:

- 7.6.3 issue a written notice requiring the Operator to prepare the relevant Variation Response, in which case paragraph 7.7 shall apply; or
- 7.6.4 issue a written notice stating that GWRC does not require the Operator to prepare the relevant Variation Response, in which case paragraph 7.9 shall apply.

If GWRC requires the Operator to prepare the relevant Variation Response

- 7.7 If GWRC issues a notice under paragraph 7.6.3 stating that GWRC requires the Operator to prepare the relevant Variation Response:
 - 7.7.1 the Operator shall, subject to paragraph 7.7.3, prepare such Variation Response in accordance with the requirements of this Schedule 14 (*Change Events and Net Financial Impact*) and the provisions of paragraph 6 (*GWRC initiated Contract Variations*) shall apply;
 - 7.7.2 subject to paragraph 7.8, if GWRC subsequently withdraws the relevant Variation Proposal prior to issuing a Variation Order or Notice to Proceed in connection therewith, GWRC shall pay to the Operator the reasonable external costs properly and demonstrably incurred by the Operator in preparing the relevant Variation Response in accordance with this Schedule 14 (*Change Events and Net Financial Impact*), provided that:
 - (a) the Operator has complied with its obligations under paragraph 6 in relation to the relevant Variation Proposal; and
 - (b) GWRC shall not be liable for (and the Operator shall have no entitlement in respect of) any external costs in excess of the estimated costs set out in the quote given by the Operator pursuant to paragraph 7.2.4; and
 - 7.7.3 the time periods in which the Operator must submit the Variation Response pursuant to paragraph 6.4 shall commence from the date of receipt by the Operator of the notice given by GWRC under paragraph 7.6.3, rather than from the date of receipt by the Operator of the relevant Variation Proposal.
- 7.8 GWRC shall not be obliged to make any payment under paragraph 7.7.2 to the extent that GWRC does not issue a Variation Order or Notice to Proceed in relation to the relevant Variation Proposal as a result of a failure by the Operator to comply with its applicable obligations under paragraph 6 or this paragraph 7.

If GWRC does not require the Operator to prepare the relevant Variation Response

- 7.9 If GWRC issues a notice under paragraph 7.6.4 stating that GWRC does not require the Operator to prepare the relevant Variation Response:
 - 7.9.1 the relevant Variation Proposal shall be deemed to have been withdrawn;

- 7.9.2 the Operator shall not be required to prepare a Variation Response in connection with such Variation Proposal; and
- 7.9.3 the Operator shall bear all costs incurred by it in connection with the relevant Variation Proposal.

8 Operator initiated Contract Variations

Purpose and overriding principle

- 8.1 This paragraph 8 sets out the process whereby the Operator may propose a Contract Variation to GWRC. The Operator shall not implement any Operator initiated Contract Variation unless and until GWRC issues a Variation Order in respect of that Contract Variation pursuant to paragraph 8.4.1.

Operator may propose Contract Variation

- 8.2 The Operator may propose a Contract Variation by giving written notice to GWRC setting out full details of:
- 8.2.1 the proposed Contract Variation;
 - 8.2.2 the reason for the proposed Contract Variation;
 - 8.2.3 the Operator's estimate of the Net Financial Impact arising from the proposed Contract Variation, calculated in accordance with Part C of this Schedule 14 and on an Open Book Basis and supported by working papers and other documentation supporting that estimate;
 - 8.2.4 the timeframe within which the proposed Contract Variation will be implemented;
 - 8.2.5 the methodology and process by which the Operator proposes to implement the proposed Contract Variation;
 - 8.2.6 the effect (if any) that the proposed Contract Variation will have on the Operator's ability to meet the requirements of, or achieve, (as applicable) the Reliability KPI, the Punctuality KPI or the PI Achieve Benchmarks, and the Passenger Services Objectives and Outcomes;
 - 8.2.7 the effects which the proposed Contract Variation will have on:
 - (a) the Operator's ability to perform its obligations in accordance with the Transaction Documents;
 - (b) the safe and lawful operation of passenger services on the Wellington Region Bus Network;
 - (c) the condition, value, or whole of life cost of any Transferring Asset, GWRC Asset or on the safe and lawful use of any of the foregoing; and
 - (d) any warranty or guarantee (including any claim thereunder) given by a supplier or manufacturer in relation to any

Transferring Asset, GWRC Asset or any of the other assets or systems described at clause 12 (*Other assets and systems used in the provision of the Services*) (to the extent that the terms of such warranty or guarantee have been provided to the Operator by any person) or on any other obligations or liabilities of such supplier or manufacturer (to the extent that the Operator has been made aware of the same); and

- 8.2.8 the value for money for GWRC arising from the proposed Contract Variation.

Operator to provide additional information

- 8.3 If requested to do so by GWRC, the Operator shall promptly provide:
- 8.3.1 an enforceable warranty to the effect that the implementation of the proposed Contract Variation will not adversely affect any of the matters referred to in paragraph 8.2.7; and
- 8.3.2 any other information and supporting documentation that GWRC requires in connection with the proposed Contract Variation.

GWRC may approve or reject proposed Contract Variation

- 8.4 Subject to paragraph 8.6, GWRC may in its sole discretion:
- 8.4.1 approve the proposed Contract Variation by issuing a Variation Order to the Operator; or
- 8.4.2 reject the proposed Contract Variation by written notice to the Operator.
- 8.5 Subject to paragraph 8.6, GWRC will be under no obligation to consider or approve the proposed Contract Variation.
- 8.6 Without prejudice to paragraph 8.3 or to GWRC's rights to refer a matter for Expert determination in accordance with paragraph 8.7, GWRC shall not reject a Contract Variation proposed by the Operator to the extent such Contract Variation is necessary in order for the Operator to implement and comply with any applicable Change in Law.

Right to refer to dispute resolution

- 8.7 If GWRC and the Operator are unable to reach agreement on any matter set out in a notice issued by the Operator pursuant to paragraph 8.2 or otherwise in connection with a Contract Variation proposed by the Operator, GWRC shall be entitled (but not obliged) to refer that matter for Expert determination in accordance with clauses 45.9 to 45.15 (*Expert determination*).
- 8.8 Not used

If GWRC approves the proposed Contract Variation

- 8.9 If GWRC approves the proposed Contract Variation in accordance with paragraph 8.4.1:

- 8.9.1 the Operator shall implement the Contract Variation on the basis set out in the Variation Order;
- 8.9.2 the Operator shall be relieved of its obligations under this Partnering Contract to the extent agreed by the Parties in the Variation Order (acting reasonably);
- 8.9.3 the Operator shall bear all costs and risks associated with the Contract Variation and, except as provided for in paragraph 8.9.2, shall not be entitled to make any claim against GWRC arising out of, or in any way in connection with, the Contract Variation; and
- 8.9.4 if the Net Financial Impact arising in connection with the Contract Variation is negative, the Base Service Fee shall be reduced by an amount equal to 50% of the amount (expressed as a positive figure) by which the Net Financial Impact is less than zero.

If GWRC rejects the proposed Contract Variation

- 8.10 GWRC shall have no liability to the Operator in connection with its rejection pursuant to paragraph 8.4.2 of any Contract Variation proposed by the Operator.

9 General provisions relating to Contract Variations

Operator's notice of potential Contract Variation

- 9.1 If in the Operator's opinion, any direction given by GWRC to the Operator (other than in a Variation Order or a Notice to Proceed) constitutes or involves a Contract Variation, the Operator shall provide notice to this effect to GWRC within 3 Business Days of receipt of the direction.
- 9.2 Within 3 Business Days after receipt of a notice from the Operator pursuant to paragraph 9.1, GWRC shall notify the Operator in writing that:
 - 9.2.1 it agrees that the direction constitutes or involves a Contract Variation, in which case GWRC shall issue a Variation Proposal or Minor Contract Variation Notice (as applicable) in respect of that Contract Variation (and the Operator will not be required to comply with the direction until a Variation Order or Notice to Proceed is issued by GWRC in relation thereto); or
 - 9.2.2 it disagrees that the direction constitutes or involves a Contract Variation, in which case either GWRC or the Operator may refer the matter for resolution in accordance with the Dispute Resolution Procedure; or
 - 9.2.3 it withdraws the direction.
- 9.3 If the Operator does not provide a notice in accordance with paragraph 9.1, the Operator shall:

- 9.3.1 not be entitled to claim that the direction constitutes or involves a Contract Variation;
- 9.3.2 comply with the direction in accordance with its terms; and
- 9.3.3 have no entitlement to any relief, additional payment or other compensation in connection therewith.

No liability unless Variation Order or Notice to Proceed is issued

- 9.4 The Operator shall not carry out a Contract Variation and shall not be entitled to make any claim against GWRC arising out of, or in any way in connection with, a Contract Variation unless and until a Variation Order or Notice to Proceed has been issued by GWRC in relation to that Contract Variation.

Operator acknowledgement

- 9.5 The Operator acknowledges and agrees that the implementation of any Contract Variation shall not relieve it from any of its obligations under this Partnering Contract and the other Transaction Documents except to the extent expressly provided for in this Partnering Contract.

Part C - Calculation of the Net Financial Impact

10 Purpose, provision of information and indexation of Net Financial Impact

Purpose

- 10.1 The purpose of this Part C is to provide a methodology for ensuring that the Net Financial Impact is fair, reasonable, provides value for money to GWRC and is calculated openly and transparently.

Provision of information

- 10.2 The Operator shall provide any calculation of the Net Financial Impact (and any supporting information) on an Open Book Basis and in accordance with paragraph 10.5.
- 10.3 Without prejudice to paragraph 10.2, promptly following a request from GWRC, the Operator shall (and shall procure its relevant actual or proposed subcontractors (of all tiers) shall):
- 10.3.1 provide GWRC (and its representatives) with full access to internal cost estimation, programming, contingency information, risk information and other information and documentation, in each case to the extent reasonably required to enable GWRC to assess and calculate the Net Financial Impact;
 - 10.3.2 meet with GWRC and its representatives to discuss any component of the calculation of the Net Financial Impact; and
 - 10.3.3 permit and enable GWRC (and its representatives) to undertake such audits as GWRC reasonably considers necessary to calculate the Net Financial Impact, verify any information provided by the Operator or the Operator Associates in connection with the Net Financial Impact or otherwise to verify compliance by the Operator with its obligations under this Schedule and the Operator shall promptly provide all information and documentation reasonably requested by GWRC in connection therewith.
- 10.4 Notwithstanding anything to the contrary in this Partnering Contract, GWRC shall not be obliged to make any payment to the Operator in connection with an NFI Event if the Operator has not complied with paragraphs 10.2 and 10.3.

Indexation of Net Financial Impact

- 10.5 If the Net Financial Impact of an NFI Event is agreed or determined:
- 10.5.1 prior to the first Quarter of the seventh Year, it shall be calculated in real dollars as at the date of the Indexation Base Date (and, if applicable, using the rates and Margin in Appendix 8 (*Net Financial Impact*) of Schedule 2 (*Agreement details*)); or

- 10.5.2 on or after the first Quarter of the seventh Year, it shall be calculated in real dollars as at the third Quarter of the sixth Year (and, if applicable, using the rates and Margin in Appendix 8 (*Net Financial Impact*) of Schedule 2 (*Agreement details*) which (other than the Margin) are NFI Indexed in accordance with paragraphs 10.7 and 10.8).
- 10.6 The Parties acknowledge and agree that clause 34.2 (*Amounts to be indexed*) shall not apply to the amount of the Net Financial Impact arising in connection with any NFI Event.
- 10.7 **NFI Indexed** means, in relation to each of the rates referred to in paragraph 10.8, each amount multiplied with effect from the first Relevant Month of the seventh Year until the end of the Term (or, in the case of lump sum payments under a Payment Schedule, until the date on which the relevant payment is made):
- Index A
- Index B
- where Index B is the value of the Transport Agency Index published in respect of the Quarter in which the Indexation Base Date occurs and Index A is the value of the Transport Agency Index published in the fourth Quarter of the sixth Year.
- 10.8 Subject to paragraph 7.5 of Schedule 6 (*Financial and performance regime*), the PVR Variation Rate, the Service Kilometres Rate and the Service Hours Rate (but not the Margin) each as set out in Appendix 8 (*Net Financial Impact*) of Schedule 2 (*Agreement details*) beginning on the seventh Year will be NFI Indexed in the first Quarter of the seventh Year.
- 10.9 To the extent that this Schedule 14 (*Change Events and Net Financial Impact*):
- 10.9.1 obliges GWRC to pay the amount of the Net Financial Impact to the Operator then, except to the extent that GWRC elects to make the payments in accordance with the Payment Schedule, this will be effected by an increase to the Base Service Fee; or
- 10.9.2 obliges the Operator to pay the amount of the Net Financial Impact to GWRC, this will be effected by a decrease to the Base Service Fee,
- for the duration of the NFI Event being effective and that increased or decreased Base Service Fee:
- 10.9.3 will be subject to the Indexation Payment and BSF Indexation provided for in paragraph 8 (*Calculation of the Indexation Payment*) of Schedule 6 (*Financial and Performance Regime*); and
- 10.9.4 will be increased or decreased in respect of the amounts which are calculated on a yearly basis (referred to in paragraphs 11.1.1(b) and 11.3.2(a)):
- (a) by pro-rating those amounts for the remaining part of the Year following the date on which the NFI Event commences; and

- (b) by applying those amounts for each Year thereafter for the duration of the NFI Event being effective.

11 Calculation of Net Financial Impact

Calculation of costs

11.1 Subject to paragraphs 12 and 3, the costs associated with the relevant NFI Event shall be calculated as follows (without double counting):

11.1.1 if the NFI Event results in an increase to the Peak Vehicle Requirement, then:

- (a) to the extent that the Operator will (subject to clause 10.9A of this Partnering Contract) acquire, or acquire the use of, one or more Transferring Vehicles as a result of the change to the PVR, the costs associated with the acquisition of such Transferring Vehicles will be the aggregate value of P_n in respect of such additional Transferring Vehicles multiplied by 12, which amount shall apply on a yearly basis for the duration of the NFI Event being effective;
- (b) to the extent that the change to the PVR increases the number of Vehicles (excluding Transferring Vehicles and Spare Vehicles) to be used in the provision of the Services, the costs associated with the acquisition of such Vehicles (excluding Transferring Vehicles and Spare Vehicles) shall be calculated by multiplying the aggregate number of Vehicles (excluding Transferring Vehicles and Spare Vehicles) by which the PVR will be increased as a result of the change by the applicable PVR Variation Rate, which amount shall apply on a yearly basis for the duration of the NFI Event being effective;

plus

11.1.2 the reasonable direct incremental costs (including the costs of operation and maintenance of new Vehicles required as a result of a change to the Peak Vehicle Requirement and including Tax but excluding Income Tax as defined in the Income Tax Act 2007) which will properly be incurred by the Operator in the performance of its obligations under this Partnering Contract and which are the direct result of the relevant NFI Event or its effects;

plus

11.1.3 in the case of the costs referred to in paragraph 11.1.2 only, a Margin on such costs at the applicable rate specified in Appendix 8 (*Net Financial Impact*) of Schedule 2 (*Agreement details*);

plus

11.1.4 in the case of a Contract Variation which omits or reduces a substantial part of the Services, any redundancy costs reasonably and properly incurred by the Operator as a result of such Contract Variation;

plus

11.1.5 in the case of a Contract Variation which omits or reduces Services, if:

(a) the omitted or reduced Services comprise all or substantially all of the scope of a subcontract entered into on reasonable commercial Arm's Length Terms by the Operator and a subcontractor; and

(b) it is necessary to terminate or amend such subcontract to remove those omitted or reduced Services as a result of the Contract Variation,

any costs reasonably and properly incurred by the Operator under that subcontract as a direct result of such termination or amendment.

11.2 The Operator shall take all reasonable steps to mitigate the costs referred to in paragraph 11.1.

Calculation of savings and income

11.3 Subject to paragraphs 12 and 3, the savings and income associated with the relevant NFI Event shall be calculated as follows (without double counting):

11.3.1 any insurance proceeds, damages or other compensation or amount that the Operator is reasonably able to recover as a result of the occurrence of the relevant NFI Event (or would have reasonably been able to recover had it complied with its obligations under this Partnering Contract);

plus

11.3.2 any cost avoided (including any: Tax other than Income Tax as defined in the Income Tax Act 2007; or financing costs; or other benefits associated with deferred expenditure), made by or accruing to the Operator as a result of the occurrence of the relevant NFI Event or its effects, provided that:

(a) if the NFI Event results in a decrease to the Peak Vehicle Requirement, the costs avoided shall include an amount calculated by multiplying the aggregate number of Vehicles (excluding Transferring Vehicles) by which the Peak Vehicle Requirement will be decreased as a result of the NFI Event by the applicable PVR Variation Rate, which amount shall apply on a yearly basis for the duration of the NFI Event being effective; and

- (b) costs other than those related to a decrease of the Peak Vehicle Requirement shall be calculated on the basis of the actual cost avoided plus a Margin thereon at the applicable rate set out in Appendix 8 (*Net Financial Impact*) of Schedule 2 (*Agreement details*);

plus

- 11.3.3 any other amounts received or receivable by the Operator or any Operator Associate pursuant to this Partnering Contract or otherwise arising from or in connection with the occurrence of the event(s) which gave rise to, caused or constituted the NFI Event or its effects.
- 11.4 The Operator shall take all reasonable steps to maximise the cost savings and income referred to in paragraph 11.3.
- 11.5 For the avoidance of doubt, where this Partnering Contract obliges:
- 11.5.1 GWRC to pay an amount equal to the Net Financial Impact to the Operator as a result of a NFI Event or otherwise provides for the Base Service Fee to be increased by reference to the Net Financial Impact; or
- 11.5.2 the Operator to pay an amount equal to the Net Financial Impact to GWRC as a result of an NFI Event or otherwise provides for the Base Service Fee to be decreased by reference to the Net Financial Impact,
- such amounts shall be disregarded for the purposes of paragraph 11.1 and 11.3.

Determination of Net Financial Impact

- 11.6 Subject to paragraphs 11.2, 11.4, 11.5, 12 and 3, the Net Financial Impact will be the sum of the amounts referred to in paragraph 11.1 (*Calculation of costs*) less the sum of the amounts referred to in paragraph 11.3 (*Calculation of savings and income*) calculated in accordance with paragraph 10.5, provided that there shall be no double counting.

12 Compensable Change in Law

- 12.1 If the NFI Event is a Compensable Change in Law that is a General Change in Law, the costs incurred or to be incurred by the Operator in connection with such General Change in Law shall only be taken into account in the calculation of the costs referred to in paragraph 11.1 (*Calculation of Costs*) to the extent that such costs constitute (or will when incurred constitute) Capital Expenditure.

13 Tender process

- 13.1 If GWRC requires the Operator to carry out a tender process in accordance with paragraph 4.6 (*Compensable Change in Law - Tender Process*) or paragraph 6.11 (*Contract Variation Tender process*), the Operator shall:

- 13.1.1 undertake a tender process which complies with Good Industry Practice and which is otherwise competitive, reasonable, fair and transparent;
- 13.1.2 ensure that such tender process is concluded as soon as reasonably practicable;
- 13.1.3 as part of such tender process, obtain separate quotes from at least three experienced and capable contractors (each of whom are reasonably acceptable to GWRC) to carry out any work or provide supplies in connection with the relevant NFI Event;
- 13.1.4 promptly provide to GWRC:
 - (a) all materials provided to tenderers in connection with the tender process;
 - (b) all materials submitted by tenderers in connection with the tender process; and
 - (c) any other information that GWRC reasonably requires in connection with such tender process;
- 13.1.5 properly evaluate all tenders received and promptly following the conclusion of such evaluation, inform GWRC of the identity of the contractor which the Operator proposes to select and engage; and
- 13.1.6 demonstrate to the reasonable satisfaction of GWRC that the contractor that the Operator intends to select and engage is the best choice having regard to:
 - (a) the price quoted in the prevailing market conditions;
 - (b) the experience and capability of that contractor in the context of the relevant NFI Event; and
 - (c) the ability of the contractor to carry out the works or provide the supplies or services in respect of the relevant NFI Event in the manner required by this Partnering Contract if the works, services or supplies are subcontracted to that contractor.

Schedule 15

Operator's Proposals

Not used.