

## SCHEDULE 20

## PAYMENT MECHANISM

## PART A: DEFINITIONS

## Section 1. Definitions

- 1.1 “**Accelerated Service Level**” means a circumstance in any Contract Year where Project Co is required, by virtue of:
- (a) a Major Service Change occurring in that Contract Year or any previous Contract Year; or
  - (b) the occurrence of the Stage 2 East Revenue Service Commencement Date or the Stage 2 West Revenue Service Commencement Date earlier than the relevant Original Planned Revenue Service Commencement Date for either such Stage,

to provide a Service Level in excess of the Service Level contemplated for that Contract Year by the Operations Service Plan in effect at the date of the Maintenance Services Variation.

- 1.2 “**Aggregate Station Availability Ratio**” for Contract Month  $n$  means the total Scheduled Station Hours for all Stations in Contract Month  $n$  less the total Station Availability Failure Hours for all Stations in Contract Month  $n$ , divided by the total Scheduled Station Hours for all Stations in Contract Month  $n$ . For clarity, the formula is provided below:

Where:

- $ASAR_n$  Means the Aggregate Station Availability Ratio for the relevant Contract Month  $n$ ;
- $SSH_n$  Means the sum total of Scheduled Station Hours for all Stations during Contract Month  $n$ , and includes both Peak and Off-Peak hours; and
- $SAF_n$  Means the sum total of Station Availability Failure Hours for all Stations during Contract Month  $n$ , and includes both Peak and Off-Peak hours.

- 1.3 “**Aggregate Vehicle Kilometres Availability Ratio**” for any period  $n$  means the total Revenue Service Vehicle Kilometres in period  $n$  plus the number of Scheduled Revenue Service Vehicle Kilometres which were “missed” or not achieved during period  $n$  and which are attributed in the relevant Performance Monitoring Report as being due to a Non-Project Co Cause, divided by the total Scheduled Revenue Service Vehicle Kilometres for period  $n$ . For clarity, the formula is provided below:

Where:

- $AVKR_n$  Means the Aggregate Vehicle Kilometres Ratio for the relevant period  $n$ ;
- $Rkm_n$  Means the total amount of Revenue Service Vehicle Kilometres for period  $n$ , and includes both Peak and Off-Peak service;
- $NPCCkm_n$  Means the number of Scheduled Revenue Service Vehicle Kilometres which were “missed” or not achieved during period  $n$  and which are attributed in the relevant Performance Monitoring Report as being due to a Non-Project Co Cause; and
- $Skm_n$  Means the total Scheduled Revenue Service Vehicle Kilometres for period  $n$ , and includes both Peak and Off-Peak service.
- 1.4 “**Annual Service Payment**” means the sum in Canadian dollars calculated in accordance with the provisions set out in Section 2 of Part B of this Schedule 20.
- 1.5 “**Availability Failure**” means either a Vehicle Kilometres Availability Failure or a Station Availability Failure.
- 1.6 “**Average Monthly Lifecycle Payment**” means:
- (a) prior to the earlier of the Stage 2 East Revenue Service Commencement Date and the Stage 2 West Revenue Service Commencement Date, the total amount of the Lifecycle Payments set out in Column C of Table 3 of Appendix A of this Schedule 20, divided by the number of Contract Months in the Maintenance Term, being \$; and
  - (b) from the earlier of the Stage 2 East Revenue Service Commencement Date and the Stage 2 West Revenue Service Commencement Date, the total amount of the sum of Lifecycle Payments set out in Column C and Column D of Table 3 of Appendix A payable after such date, divided by the number of Contract Months remaining in the Maintenance Term from such date, on the assumption that the Stage 2 East Revenue Service Commencement Date occurs on December 17, 2024, being \$.
- For clarity:
- (c) the Lifecycle Payment amounts set out in Table 3 of Appendix A are expressed in Inflation Base Date prices and hence, the calculation of the Average Monthly Lifecycle Payment in respect of a relevant Contract Month shall be index-linked in accordance with the escalation factor in Section 4.2 of Part B of this Schedule 20;
  - (d) the calculation in subsection (b) shall be made on the achievement of the earlier of the Stage 2 East Revenue Service Commencement Date and the Stage 2 West Revenue Service Commencement Date and the dollar figure included in that subsection shall be updated accordingly; and
  - (e) the dollar figure included in subsection (b) may be further updated following any Variation initiated pursuant to Section 5.3 of this Part B.
- 1.7 “**City Representative**” has the meaning given in Schedule 1 – Definitions and Interpretation.

- 1.8 “**City Trial Running**” has the meaning given to the term “Trial Running” in the DB Co Works Agreement.
- 1.9 “**Contract Month**” means a calendar month, except with respect to:
- (a) the first Contract Month of the Maintenance Term, which runs from the Revenue Service Commencement Date until the end of the calendar month in which such day falls (and for the avoidance of doubt this shall be Contract Month 1, and all other Contract Months shall be numbered sequentially from this); and
  - (b) the last Contract Month of the Maintenance Term, which runs from the first day of the calendar month in which the Expiry Date falls until the Expiry Date.
- 1.10 “**Contract Year**” means the period of 12 calendar months that commences on January 1st of each calendar year and ends on December 31<sup>st</sup> of such calendar year, provided that:
- (a) the first Contract Year shall be such period that commences on the first day of the first Contract Month and ends on the next ensuing December 31st; and
  - (b) the final Contract Year shall be such period that commences on January 1st that precedes the date on which the Project Agreement expires or is terminated, for whatever reason, and ends on the expiry or termination of the Project Agreement.
- 1.11 “**CPI-XFET**” means the Consumer Price Index excluding food, energy, and the effect of indirect taxes for Canada, as reported by Statistics Canada.
- 1.12 “**Daily Operating Report**” means the daily report prepared by Project Co regarding prior day(s) service delivery, vehicle, systems, station performance and Helpdesk activity, as described in Appendix A to Attachment 14 of Schedule 15-3 – Maintenance and Rehabilitation Requirements of the Project Agreement.
- 1.13 “**Deduction**” means a deduction made from a Monthly Service Payment in accordance with this Schedule 20.
- 1.14 “**East Trial Running Period**” means the period between the Stage 2 East Substantial Completion Date and the Stage 2 East Revenue Service Availability Date.
- 1.15 “**Eligible Lifecycle Costs**” is defined in Section 3 of Part F of this Schedule 20.
- 1.16 “**Escalation Factor**” means the escalation factor calculated in accordance with Section 4.1 of Part B of this Schedule 20.
- 1.17 “**Event**” means:
- (a) A Vehicle Kilometres Availability Failure;
  - (b) A Station Availability Failure; or

- (c) an incident or state of affairs which does not meet or comply with the Performance Criteria set out in Schedule 15-3 – Maintenance and Rehabilitation Requirements, which is capable of becoming:
- (i) a Service Failure, if the Event is not Responded to within the Response Time or Rectified within the Rectification Time; or
  - (ii) if, in accordance with Schedule 15-3 – Maintenance and Rehabilitation Requirements, no Rectification Time or Response Time applies, the Event shall be either a Service Failure or Quality Failure as determined by the designation of the applicable Performance Criteria in Schedule 15-3 – Maintenance and Rehabilitation Requirements as Failure Type “SF” or “QF” respectively,
- 1.18 **“Event of Vandalism”** has the meaning given in Appendix A, Attachment 16 to Schedule 15-3 - Maintenance and Rehabilitation Requirements.
- 1.19 **“Failure Points”** means points allocated to Project Co in respect of the occurrence of Availability Failures, System Events, Service Failures and Quality Failures which are determined by the provisions set out in Part G of this Schedule 20.
- 1.20 **“Group 1 Stations”, “Group 2 Stations”, and “Group 3 Stations”** are defined in Appendix D.
- 1.21 **“Helpdesk”** means the contact point to be established by Project Co pursuant to Appendix A, Attachment 11 of Schedule 15-3 – Maintenance and Rehabilitation Requirements in respect of the helpdesk service for the notification of Events and other day to day matters arising in relation to the provision of Maintenance Services.
- 1.22 **“Inflation Base Date”** means October 1, 2016.
- 1.23 **“Insurance Payment”** means the amount calculated in accordance with Schedule 25 - Insurance and Performance Security Requirements.
- 1.24 **“Insurance Review Date”** has the meaning given in Schedule 25 - Insurance and Performance Security Requirements.
- 1.25 **“Joint Insurance Cost Report”** has the meaning given in Schedule 25 - Insurance and Performance Security Requirements.
- 1.26 **“Labour Industrial Aggregate Index”** means the Industrial aggregate excluding unclassified businesses index for Canada, CANSIM 281-0063, as reported by Statistics Canada.
- 1.27 **“Lifecycle Payment”** means the relevant amounts for each Contract Month as represented in Columns C and D of Table 3 in Appendix A to this Schedule 20 and does not include additional costs other than anticipated costs (and directly related contingencies and reserves) in respect of the replacement, refreshment and/or refurbishment of the Fixed Facilities, Fixed Equipment, Vehicles, and Vehicle Equipment during the Maintenance Term.
- 1.28 **“Materials Index – Machinery”** means the Machinery Manufacturing index for Canada, CANSIM 329-0077, as reported by Statistics Canada.

- 1.29 “**Materials Index - Electrical**” means the Electrical Equipment Manufacturing index for Canada, CANSIM 329-0077, as reported by Statistics Canada.
- 1.30 “**Materials Index – Machinery and Equipment**” means the Machinery and Equipment index for Canada, CANSIM 329-0075, as reported by Statistics Canada.
- 1.31 “**Materials Index – Durable Manufacturing**” means the Durable Manufacturing index for Canada, CANSIM 281-0063, as reported by Statistics Canada.
- 1.32 “**Monthly Service Payment**” means the sum in Canadian Dollars payable by the City to Project Co in accordance with the Project Agreement, as calculated in Section 1.1 of Part B of this Schedule 20.
- 1.33 “**Non-Project Co Cause**” means any one of the following issues or events, to the extent that such issue or event directly causes an interruption, slowdown, partial or complete shutdown of service on the System that leads to a reduction in Revenue Service Vehicle Kilometres:
- (a) An order issued by the Operations Control Centre or another entity or agency of the City of Ottawa which affects service, including an order to slow down or stop train service on the System, provided that such order has not been caused by circumstances attributed to Project Co;
  - (b) A derailment, grade crossing accident, collision, or any other accident involving vehicles which have been entered into revenue service, which occurs for reasons unrelated to Project Co’s performance of the Maintenance Services and beyond Project Co’s control;
  - (c) An Event of Vandalism which is specifically described in the Vandalism Matrix in Attachment 16 to Schedule 15-3 in the column titled “Relief from deductions under the Payment Mechanism”;
  - (d) The actions of Protesters and/or Trespassers;
  - (e) Passenger activity during Revenue Service Hours including requests for emergency stops, or sick or injured passengers requiring medical attention;
  - (f) Failure by any Driver or other City personnel to act in accordance with Standard Operating Procedures and/or the LRT Rules;
  - (g) Any event which is a Relief Event, but only to the extent that the Project Agreement does not already provide Project Co with relief from Deductions in respect of reduced Revenue Service Vehicle Kilometres due to such event;
  - (h) The actions of any Additional Contractors or Third Party Contractors, provided that if the City has assigned certain responsibilities to Project Co in respect of the Additional Works or Third Party Works, as the case may be, in accordance with Section 9.7(a) of the Project Agreement, then a Non-Project Co Cause shall only apply in a case where:
    - (i) the City fails to carry out its obligations under Sections 9.7(b) or 9.7(c), as applicable; or

- (ii) the Additional Contractor(s) and/or Third Party Contractor(s) engage in unlawful or negligent acts;
  - (i) The actions of governmental authorities or emergency response personnel who require access to the System and/or disruptions in service, provided that any such actions are not the result of Project Co failing to comply with any legal or regulatory obligation;
  - (j) Any loss or reduction in service during a Major Maintenance Shutdown Period (as defined in Schedule 15-3), or during any other period of time during which the City explicitly agrees that Project Co is authorized to cause a reduction or shutdown of service on the System without penalty;
  - (k) Residual delays caused by any of the items listed in this section; and
  - (l) Any other interruption, slowdown, partial or complete shutdown of service on the System which occurs due to the City's operation of the System and which is not attributed to Project Co's performance of the Maintenance Services.
- 1.34 **"Off-Peak Period"** means all hours during which Revenue Service is required to be provided on the System, and which are not Peak Period hours.
- 1.35 **"Peak Period"** means:
- (a) Between the hours of 06:30 and 9:00 on each Weekday which is not a statutory holiday in the Province of Ontario; and
  - (b) Between the hours of 14:45 and 18:00 on each Weekday which is not a statutory holiday in the Province of Ontario.
- 1.36 **"Performance Criteria"** means a description in Schedule 11 – Quality Management, Schedule 15-3 – Maintenance and Rehabilitation Requirements, or Schedule 17 – Environmental Obligations of the level of performance that Project Co must achieve to attain compliance with the relevant output specification.
- 1.37 **"Performance Monitoring Report"** has the meaning given in Schedule 11 – Quality Management.
- 1.38 **"Permanent Repair"** means Rectification where a Temporary Repair has been permitted and carried out pursuant to Section 3 of Part E of this Schedule 20.
- 1.39 **"Quality Failure"** means any failure by Project Co to provide the Maintenance Services in accordance with any Performance Criteria designated as Failure Type "QF" in Schedule 11 – Quality Management, Schedule 15-3 – Maintenance and Rehabilitation Requirements, or Schedule 17 – Environmental Obligations.
- 1.40 **"Quality Failure Deduction"** means a Deduction which may be made in respect of a Quality Failure.
- 1.41 **"Rectification"** means, following the occurrence of an Event and where rectification is applicable in accordance with Schedule 15-3 – Maintenance and Rehabilitation Requirements, making good

- the Event so that the subject matter of the Event complies with the levels of service required pursuant to the Project Agreement. Without prejudice to the generality of the foregoing this shall include (a) restoring any functional capability which has been disabled or is otherwise not in compliance with the Maintenance and Rehabilitation Requirements; (b) repairing any defect, hazard, or other condition which was not in compliance with the Maintenance and Rehabilitation Requirements; and (c) formally notifying the Helpdesk that Rectification has been completed; and “Rectify” or “Rectified” shall be construed accordingly.
- 1.42 **“Rectification Time”** means the period specified in Schedule 15-3 – Maintenance and Rehabilitation Requirements within which Rectification of the relevant Event must be completed, calculated from the time that such Event is reported to the Helpdesk. For the avoidance of doubt, if no period for rectification is specified in Schedule 15-3 – Maintenance and Rehabilitation Requirements in respect of the relevant Event, no Rectification Time applies.
- 1.43 **“Remedial Period”** means the period allowed for remedying a Quality Failure in accordance with Section 1.3 of Part E of this Schedule 20.
- 1.44 **“Response”** means, following the notification of the occurrence of an Event and where response is applicable in accordance with Schedule 15 – Output Specifications, the following actions by Project Co:
- (a) establishing the location, investigating the nature and cause of the Event and attending the site if necessary;
  - (b) appointing a suitably qualified, experienced and accountable person to assess the situation who, within reasonable limits, is empowered to take or to authorize any required action;
  - (c) taking any necessary actions to make the non-compliant system or item safe and secure, thereby as a minimum fulfilling all health and safety requirements;
  - (d) taking any and all necessary actions to establish temporary measures that mitigate the effect of the Event and maintain the normal functioning of the System to the extent possible;
  - (e) when necessary, giving the City Representative an assessment of the problem, the action taken, details of any work required with timescales and any limitations that this may impose on the System and the Maintenance Services; and
  - (f) formally advising the Helpdesk that the Response has been completed.
- 1.45 **“Response Time”** means the time required by Schedule 15 – Maintenance and Rehabilitation Requirements for Project Co to complete its Response measured from when an Event is reported to the Helpdesk.
- 1.46 **“Revenue Service Vehicle Kilometres”** means the total distance travelled by vehicles in Revenue Service during a Contract Month, measured in Kilometres and reported by the Performance Monitoring Report for that Contract Month.

- 1.47 “**Scheduled Revenue Service Vehicle Kilometres**” means the total revenue service vehicle kilometres required in a Contract Month by the City through the booking process set out in Article 3.3 of Appendix A to Schedule 15-3, measured in kilometres and reported by the Performance Monitoring Report for that Contract Month.
- 1.48 “**Scheduled Station Hours**” means the total number of hours during a Contract Month that a Station is required to be open and available for use during Revenue Service Hours in accordance with the Station Access Standard, based on the Operations Service Plan then in effect.
- 1.49 “**Service Failure**” means any failure by Project Co to provide the Maintenance Services in accordance with Performance Criteria designated Failure Type “SF” in Schedule 11 – Quality Management, Schedule 15-3 – Maintenance and Rehabilitation Requirements, or Schedule 17 – Environmental Obligations and which, where a Response Time or Rectification Time applies, has not been responded to or rectified (as the case may be) within the relevant time. For the avoidance of doubt, where no Response Time and/or Rectification Time applies (for example, in respect of scheduled activities) there shall be a Service Failure at the point at which the non-compliance occurred (for example, non-performance of the scheduled activity by the scheduled time).
- 1.50 “**Service Failure Deduction**” means a Deduction which may be made in respect of a Service Failure.
- 1.51 “**Service Level**” has the meaning given in Schedule 15-1 – Maintenance and Rehabilitation Requirements.
- 1.52 “**Stage 2 East Initial Payment**” has the meaning given to it in Schedule 25 – Insurance and Performance Security Requirements.
- 1.53 “**Stage 2 West Initial Payment**” has the meaning given to it in Schedule 25 – Insurance and Performance Security Requirements.
- 1.54 “**Station Access Standard**” means the standard set out in Article 3.0(b)(ii) of Attachment 7 to Appendix A of Schedule 15-3 to the Project Agreement.
- 1.55 “**Station Availability Failure**” occurs where any Station does not comply with the Station Access Standard otherwise than by reason of any Station-Related Non-Project Co Cause.
- 1.56 “**Station Availability Failure Deduction**” means a Deduction calculated in accordance with Section 2.1 of Part D of this Schedule 20, regarding any failure of Project Co during a Contract Month to maintain Stations in compliance with the Station Access Standard.
- 1.57 “**Station Availability Failure Hours**” means, for any Station, the total number of hours during a Contract Month during which there is a condition of Station Availability Failure. For each Contract Month, Station Availability Failure Hours shall be rounded to the nearest 15-minute increment, and may be expressed as a decimal.<sup>1</sup>

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<sup>1</sup> Example: Three (3) hours and fifteen (15) minutes of Station Availability Failure shall be represented as 3.25 Station Availability Failure Hours.



- 1.58 “**Station-Related Non-Project Co Cause**” means any one of the following issues or events, to the extent that such issue or event causes a Station to be non-compliant with the Station Access Standard:
- (a) An Event of Vandalism which:
    - (i) Disables one or more Elevators; or
    - (ii) Results in the Station being unsafe for entry by passengers,provided that the Station-Related Non-Project Co Cause condition shall be limited to Project Co’s Rectification or Remedial Period, as set out in Schedule 15-3, related to the Elevator disablement or the Event of Vandalism, as applicable;
  - (b) The actions of Protesters and/or Trespassers;
  - (c) Any event which is a Relief Event, but only to the extent that the Project Agreement does not already provide Project Co with relief from Deductions in respect of Station Availability Failure due to such event;
  - (d) The actions of any Additional Contractors or Third Party Contractors, provided that if the City has assigned certain responsibilities to Project Co in respect of the Additional Works or Third Party Works, as the case may be, in accordance with Section 9.7(a) of the Project Agreement, then a Non-Project Co Cause shall only apply in a case where:
    - (i) the City fails to carry out its obligations under Sections 9.7(b) or 9.7(c), as applicable; or
    - (ii) the Additional Contractor(s) and/or Third Party Contractor(s) engage in unlawful or negligent acts;
  - (e) The actions of governmental authorities or emergency response personnel who require closure of Stations or other actions which are inconsistent with the Station Access Standard, provided that any such actions are not the result of Project Co failing to comply with any legal or regulatory obligation; and
  - (f) Any closure of Stations during a Major Maintenance Shutdown Period (as defined in Schedule 15-3), or during any other period of time during which the City explicitly agrees that Project Co is authorized to cause a reduction or shutdown of service on the System without penalty.
- 1.59 “**System Event**” means an event identified as such in Table 1 in Article 1.7 of Part D to this Schedule 20.
- 1.60 “**Temporary Repair**” means, in respect of the occurrence of an Event which results in a Service Failure, Quality Failure, or Station Availability Failure, works of a temporary nature that do not constitute Rectification but temporarily allow for safe use of the affected elements of the System and substantially make good the relevant Event for the period until a Permanent Repair can be undertaken.

- 1.61 “**Total Vehicle Kilometres**” is defined in Schedule 15-1, and for clarity includes Revenue Service Vehicle Kilometres, as well as additional distance travelled by vehicles for purposes of entering into or exiting from service, or training of operators, and is measured in kilometres and reported by the Performance Monitoring Report for that Contract Month.
- 1.62 “**Trial Running Payments**” means the amounts payable pursuant to Sections 1.5 and 1.6 of Part B to this Schedule 20.
- 1.63 “**Trial Running Periods**” means, collectively, the East Trial Running Period and the West Trial Running Period.
- 1.64 “**Un-Adjusted Service Payment**” means the amount that would be calculated for the relevant Contract Month in accordance with the formula set out in Section 1.1 of Part B of this Schedule 20, with the following exceptions:
- (a) without applying the sums represented by the symbols  $\Sigma D$ , GS, PS, or ADHA or TR; and
  - (b) replacing the term  $LCP_n$  with the Average Monthly Lifecycle Payment
- 1.65 “**Vehicle Kilometres Availability Failure**” means any failure of the System to attain the Scheduled Revenue Service Vehicle Kilometres for a Contract Month, otherwise than by reason of any Non-Project Co Causes.
- 1.66 “**Vehicle Kilometres Availability Failure Deduction**” means a Deduction calculated in accordance with Section 1.1 of Part D of this Schedule 20, regarding Vehicle Kilometres Availability Failure.
- 1.67 “**Volume Payment**” means the sum in Canadian dollars calculated monthly, in accordance with the provisions set out in Section 3.1 of Part B of this Schedule 20.
- 1.68 “**Weekday**” means Monday, Tuesday, Wednesday, Thursday, or Friday.
- 1.69 “**West Trial Running Period**” means the period between the Stage 2 West Substantial Completion Date and the Stage 2 West Revenue Service Availability Date.

**PART B: CALCULATION OF SERVICE PAYMENTS****Section 1. Monthly Service Payment**

1.1 The Monthly Service Payment shall be payable in respect of each Contract Month during the Maintenance Term. Subject to Sections 2.4 and 2.5 of this Part B, the Monthly Service Payment shall be calculated in accordance with the following formula:

Where:

$MSP_n$  Means the Monthly Service Payment for the Contract Month for which the formula is to be applied.

$ASP_n$  Means the applicable Annual Service Payment for the Service Level in effect for the relevant Contract Year, calculated in accordance with the provisions set out in Section 2.1 of Part B of this Schedule 20.

$VP$  Means the Volume Payment for the relevant Contract Month, calculated in accordance with the provisions set out in Section 3.1 of Part B of this Schedule 20.

$LCP_n$  Means the Lifecycle Payment for the relevant Contract Month, calculated in accordance with the provisions set out in Section 3.2 of Part B of this Schedule 20.

$\Sigma D$  Means the sum of Vehicle Kilometres Availability Failure Deductions, Station Availability Failure Deductions, Quality Failure Deductions, and Service Failure Deductions in respect of the relevant Contract Month.

$GS$  Means any Gainshare Adjustment arising pursuant to the terms of Section 5 of Part 1 to Schedule 8 – Energy Matters and Section 5 of Part 2 to Schedule 8 – Energy Matters.

$PS$  Means any Painshare Adjustment arising pursuant to the terms of Section 5 of Part 1 to Schedule 8 – Energy Matters and Section 5 of Part 2 to Schedule 8 – Energy Matters.

$ADHA$  Means any Annual Driver Hours Adjustment arising pursuant to the terms of Section 7.2 of Schedule 39 – Operations Matters.

$TR$  Means the Trial Running Payments arising pursuant to Section 1.5 and Section 1.6 below.

1.2 Project Co shall apply any Gainshare Adjustment and/or Painshare Adjustment calculated for a Contract Year as a single lump sum amount, applied to the Monthly Service Payment in respect

of the Contract Month in which the relevant Gainshare Adjustment and/or Painshare Adjustment was determined in accordance with Schedule 8 – Energy Matters.

- 1.3 Project Co shall apply any Annual Driver Hours Adjustment calculated for a Contract Year as a single lump sum amount, applied to the Monthly Service Payment in respect of the Contract Month in which the relevant Annual Driver Hours Adjustment was determined in accordance with Schedule 39 - Operations Matters.
- 1.4 If the calculation prescribed by Section 1.1 of Part B to this Schedule 20 yields an amount for a Contract Month which is a negative number, then the Monthly Service Payment for the relevant Contract Month shall be deemed to be zero (0).
- 1.5 In consideration for the due and proper performance of the Maintenance Services during the East Trial Running Period, the Trial Running Payments for the relevant Contract Month(s) shall be:
  - (a) the sum of \$ per day together with the corresponding Trial Running Volume Payment per day calculated in accordance with the provisions set out in Section 3.1 of Part B of this Schedule 20;
- 1.6 In consideration for the due and proper performance of the Maintenance Services during the West Trial Running Period, the Trial Running Payments for the relevant Contract Month(s) shall be:
  - (a) the sum of \$ per day together with the corresponding Trial Running Volume Payment per day calculated in accordance with the provisions set out in Section 3.1 of Part B of this Schedule 20

**Section 2. Annual Service Payment**

- 2.1 The Annual Service Payment for any Contract Year shall be calculated in accordance with the following formula:

Where:

- $ASP_n$  Means the total, escalated Annual Service Payment for the relevant Contract Year.
- $CP_n$  Means the Capital Payment during the relevant Contract Year, as referenced in Column B of Table 1 in Appendix A.
- $MP_n$  Means the un-escalated Maintenance Payment for the Service Level in effect during the relevant Contract Year, as referenced in Column B of Table 2 in Appendix A.
- $SPV_n$  Means the un-escalated SPV Payment during the relevant Contract Year, as referenced in Column D of Table 1 in Appendix A.

$ESC_n$  Means the Escalation Factor for the relevant Contract Year as calculated in accordance with Section 4.1 of this Part B.

### Section 3. Volume Payment and Lifecycle Payment

3.1 The Volume Payment for any Contract Month  $n$  shall be calculated in accordance with the following formula:

Where:

$VP_n$  Means the Volume Payment for the Service Level in effect during the relevant Contract Month  $n$ ;

$Tkm_n$  Means the Total Vehicle Kilometres for the relevant Contract Month  $n$ ;

$PPkm$  Means the Price per Vehicle Kilometre for the Service Level in effect during the relevant Contract Month, as set out in Column C of Table 2 in Appendix A to this Schedule 20; and

$ESC_n$  Means the Escalation Factor for the relevant Contract Year as calculated in accordance with Section 4.1 of this Part B.

For the purposes of calculating the Trial Running Payments pursuant to Sections 1.5 and 1.6 of this Part B, the Trial Running Volume Payment shall be calculated on the basis of the Volume Payment formula above, save that:

- (i) the Total Vehicle Kilometres for the relevant Contract Month  $n$  shall refer only to those incurred during the relevant Trial Running Period and in respect of the relevant part of the Stage 2 System (and such Total Vehicle Kilometres shall not otherwise be counted as part of the Volume Payment above); and
- (ii) the Price Per Vehicle Kilometer for the East Trial Running Period shall be that of Service Level 3a and the Price Per Vehicle Kilometre for the West Trial Running Period shall be that of Service Level 4;
- (iii) The Parties acknowledge that, during the East Trial Running Period and the West Trial Running Period, but only after the completion of the City Trial Running for each such Trial Running Period, the Stage 2 East System and the Stage 2 West System, respectively, shall be operated for three hours daily on the basis of an off-peak, PM service, and there shall be no material deviation from this by either Party without the consent of the other Party, not to be unreasonably withheld or delayed. The City shall provide Drivers and other operational support (including Guideway access) as may be reasonably required from the City to support these operations, subject to arrangements agreed in advance by the Parties, each acting reasonably.

3.2 The Lifecycle Payment applicable for any Contract Month  $n$  shall be calculated in accordance with the following formula:

Where:

$LCP_n$  Means the total, escalated Lifecycle Payment applicable for the relevant Contract Month  $n$ ;

$LCP_{S1_{Month n}}$  Means the Lifecycle Payment in respect of the Stage 1 System for the relevant Contract Month  $n$  as set out in Column C of Table 3 in Appendix A to this Schedule 20;

$LCP_{S2_{Month m}}$  Means, subject to Sections 5.3(a) and (b) of this Part B, the Lifecycle Payment in respect of the Stage 2 System for the relevant Contract Month  $m$  as set out in Column D of Table 3 in Appendix A to this Schedule 20. For the avoidance of doubt, subject to any Variation made pursuant Section 5.3 of this Part B, the Lifecycle Payment in respect of the Stage 2 System will be paid on the dates set out for Contract Month  $m$  regardless of any change to Contract Month  $n$ ;

$LCESC_n$  Means the Lifecycle Escalation Factor for the relevant Contract Year as calculated in accordance with Section 4.2 of this Part B.

#### **Section 4. Escalation Factors**

4.1



**Section 5. Changes in Service Level and Partial Years**

- 5.1 If the Service Level is changed during a Contract Year resulting in a change in the Annual Service Payment during such Contract Year, the formula in Section 2.1 above shall be applied by using one of the two methods below, as agreed by the City and Project Co:
- (a) Pro-rating the Annual Service Payment for such Contract Year based on the number of days in the Contract Year each Service Level is in effect; or
  - (b) Re-applying the above formula on the date on which the new Service Level comes into effect, and using the resulting Annual Service Payment as the basis for calculating the Monthly Service Payment from that date forward.
- 5.2 If the Service Level is changed during a Contract Month resulting in a change in the applicable Price per Vehicle Kilometre, then the total Volume Payment for that Contract Month shall be calculated as an aggregate based on:
- (a) With regard to Total Vehicle Kilometres run prior to the change in Service Level, the Price per Vehicle Kilometre in effect prior to the change in Service Level; and
  - (b) With regard to Total Vehicle Kilometres run following the change in Service Level, the Price per Vehicle Kilometre associated with the new Service Level.

5.3

***Lifecycle Payments***

- (a) If the Stage 2 East Revenue Service Commencement Date and the Stage 2 West Revenue Service Commencement Date both occur within six (6) months of the Original Planned Revenue Service Commencement Date for the relevant Stage, the Lifecycle Payments in respect of Stage 2 shall remain unchanged relative to the profile provided in Column D of Table 3 in Appendix A;



- (b) If the Stage 2 East Revenue Service Commencement Date and/or the Stage 2 West Revenue Service Commencement Date occurs more than six (6) months after the Original Planned Revenue Service Commencement Date for the relevant Stage, then the City shall issue a Variation Enquiry under Schedule 22 – Variation Procedure with a view to adjusting the Lifecycle Payments in respect of the Stage 2 System, as per the profile provided in Column D of Table 3 in Appendix A, for the remaining term between the Revenue Service Commencement Date for that Stage and the Expiry Date, so as to ensure that Project Co is put in a no better and no worse position compared with the position had the Revenue Service Commencement Date for such Stage commenced on the Original Planned Revenue Service Commencement Date. The City shall not be entitled to withdraw any such Variation Enquiry unless the Parties otherwise agree.

**Other costs**

- (c) If the Stage 2 East Substantial Completion Date and/or Stage 2 West Substantial Completion Date occurs after the Planned Substantial Completion Date for the relevant Stage without the required level of advance notice of postponement of such date having been given of any postponement of such date pursuant to Section 5.3 (d) below, then the City shall (save to the extent the delay in question has been caused by Project Co or a Project Co Party, other than as a result of any act or omission of Project Co or a Project Co Party that forms part of the Stage 2 Integration Activities instructed pursuant to a Variation Enquiry issued under Section 27.4(b)), make daily payments at the appropriate rate in the table below as compensation for Project Co’s additional costs and losses arising as a result of such lack of advance notice of postponement (without prejudice to the operation of Section 5.3(b) above, where applicable), based on the level of advance notice (if any) that has been given of such postponement. Such amounts shall accrue from the relevant Planned Substantial Completion Date (subject to Section 5.3(d)(ii) below) to the Stage 2 East Substantial Completion Date or, as the case may be, the Stage 2 West Substantial Completion Date and any amounts accrued shall be added to the next available instalment(s) of the Monthly Service Payment.

<b>Required level of notice of postponement of the Planned Substantial Completion Date</b>	<b>Payments for Stage 2 East</b>	<b>Payments for Stage 2 West</b>
Less than or equal to 30 days	\$	\$
More than 30 days and less than 89 days	\$	\$
More than 89 days and less than 179 days	\$	\$
More than or equal to 180 days	Zero	Zero

- (d) The City may at any time issue a notice to Project Co to postpone the Planned Substantial Completion Date for either the Stage 2 East System or the Stage 2 West System, provided that:
- (i) if the notice of postponement is issued more than 180 days before the then current Planned Substantial Completion Date for that Stage, there shall be no cost to the City as result of issuing such notice; and
  - (ii) if the notice of postponement is issued after any of the notice requirements referred to in Section 5.3(c) have already been missed, this shall not affect Project Co's ongoing entitlement to payments under Section 5.3(c) in respect of any such missed notice requirements.
- (e) Project Co shall be entitled to assume that the Stage 2 East Substantial Completion Date or Stage 2 West Substantial Completion Date (as the case may be) shall not occur prior to the Planned Substantial Completion Date (including any postponement to such date notified pursuant to this Section 5.3), unless the City issues a Variation Enquiry under Schedule 22 – Variation Procedure to require Project Co to commence the Maintenance Services earlier than the Planned Substantial Completion Date (to the extent possible) and so as to ensure that Project Co is put in a no better and no worse position as a result of such requirement to accelerate the commencement of Maintenance Services. In this regard, the City acknowledges that Project Co does not anticipate being able to provide the Maintenance Services in respect of Trial Running (as defined in the DB Co Works Agreement) more than three months in advance of the Planned Substantial Completion Commencement Date.

For the purposes of this Section 5.3 the following definitions shall apply:

**“Original Planned Revenue Service Commencement Date”** means:

- (a) in respect of Stage 2 East, 17 December 2024; and
- (b) in respect of Stage 2 West, 15 June 2025.

**“Planned Substantial Completion Date”** means:

- (a) in respect of Stage 2 East, 26 November 2024; and
- (b) in respect of Stage 2 West, 25 May 2025.

or such other date as may apply pursuant to Section 5.3(d) above.

5.4 With respect to the Contract Months in which:

- (a) the Revenue Service Commencement Date, and
- (b) the Expiry Date,

occur, unless such date falls on the first or last day of the Contract Month (respectively), a pro rata adjustment to the Monthly Service Payment shall be made to reflect the actual number of days in the relevant Contract Month.

**Section 6. Insurance Payments**

- 6.1 No later than 60 days prior to each Insurance Review Date, Project Co will require its insurance broker to prepare and submit to the City the Joint Insurance Cost Report. The City and Project Co, both acting reasonably, will agree on the Insurance Payment.
- 6.2 Project Co will provide the City with an invoice for the Insurance Payment when it receives an invoice for the premiums for the Relevant Insurance. This invoice will be separate from any invoice delivered in respect of the Monthly Service Payment.
- 6.3 In respect of Stage 2 East and Stage 2 West, Project Co will provide the City with an invoice for the Stage 2 East Initial Payment and the Stage 2 West Initial Payment when it receives an invoice for the Stage 2 East Incremental Premium Amount or the Stage 2 West Incremental Premium Amount, as the case may be.
- 6.4 The City shall pay each Insurance Payment, the Stage 2 East Initial Payment and the Stage 2 West Initial Payment within 30 days of receipt of the relevant invoice delivered in accordance with this Section 6.
- 6.5 Capitalised terms used in this Section 6 which are not otherwise defined in this Schedule 20 or in Schedule 1 – Definitions shall have the meaning given to them in Schedule 25 – Insurance and Performance Security Requirements.

**PART C: DEDUCTIONS FROM MONTHLY SERVICE PAYMENTS - GENERAL****Section 1. Entitlement to Make Deductions**

1.1 If at any time during the Maintenance Term a Quality Failure, Service Failure or Availability Failure shall occur, the City shall be entitled to make a Deduction from the relevant Monthly Service Payment in respect of that Quality Failure, Service Failure or Availability Failure. Notwithstanding the foregoing, Deductions shall not apply:

- (a) in respect of the Maintenance Services provided in respect of the Stage 2 East System during the East Trial Running Period; and
- (b) in respect of the Maintenance Services provided in respect of the Stage 2 West System during the West Trial Running Period:

provided that this shall not affect the City's ability to abate the payments otherwise payable to Project Co in respect of such Maintenance Services during such periods to the extent such Maintenance Services are not provided in accordance with the terms of this Agreement and provided further that:

- (i) this shall not affect the parties' respective rights and obligations under Section 32 (City's Remedial Rights);
- (ii) the amount of any such abatement shall be in proportion to the value of the Maintenance Services that are not provided in accordance with the terms of this Agreement;
- (iii) the maximum aggregate of all such abatements that the City can make from the applicable Trial Running Payment in respect of any Contract Month shall be the amount of the Trial Running Payment that would have been calculated for the relevant Contract Month in accordance with Section 1.5 or 1.6, as applicable, of Part B to this Schedule 20 prior to the application of any abatements; and
- (iv) the City shall only seek to abate any such payments where:
  - (A) the failure to provide such Maintenance Services is of a material nature in the context of the provision of the totality of the Maintenance Services being provided in respect of the Stage 2 East System during the East Trial Running Period or in respect of the Stage 2 West System during the West Trial Running Period; and
  - (B) Project Co has failed to implement an appropriate remedial plan within 24 hours of the earlier of (i) the time when Project Co became aware of the failure or (ii) the time when Project Co reasonably ought to have been aware of the failure.

1.2 The maximum aggregate of all Deductions that the City can make from a Monthly Service Payment in respect of any Contract Month shall be the Un-Adjusted Service Payment relating to that Contract Month.

**Section 2. Classification of Deductions**

- 2.1 Subject to Section 2.2 of Part C of this Schedule 20, the classification of an Event as a potential Quality Failure, Service Failure, or Availability Failure shall be made at the time at which the occurrence of the Event is reported to the Helpdesk. An Event which is incorrectly classified may be re-classified with the approval of the City Representative and the Project Co Representative, acting reasonably, in which case the applicable Performance Monitoring Report and Daily Operating Report will be revised accordingly.
  
- 2.2 A Vehicle Kilometres Availability Failure is not required to be reported to the Helpdesk. Vehicle Kilometres Availability Failures will be determined through the Daily Operating Report process and summarized for Payment Mechanism calculation purposes in the Performance Monitoring Report.

**PART D: DEDUCTIONS FOR VEHICLE AND STATION UNAVAILABILITY****Section 1. Vehicle Kilometres Availability Failure Deductions**

- 1.1 The Vehicle Kilometres Availability Failure Deduction in respect of a Contract Month  $n$ , shall be calculated in accordance with the following formula:

Where:

$VAFD_n$  Means the Vehicle Kilometres Availability Failure Deduction applicable to Contract Month  $n$

$VAFD_{Peak}$  Means the Vehicle Kilometres Availability Failure Deduction for Vehicle Kilometres Availability Failure during Peak Period applicable to Contract Month  $n$ , calculated in accordance with Section 1.2 of this Part D to Schedule 20.

$VAFD_{Off-Peak}$  Means the Vehicle Kilometres Availability Failure Deduction for Vehicle Kilometres Availability Failure during Off-Peak Period applicable to Contract Month  $n$ , calculated in accordance with Section 1.3 of this Part D to Schedule 20.

$EvD$  Means the sum of System Event Deductions applicable to Contract Month  $n$ , calculated in accordance with Section 1.7 of this Part D to Schedule 20.

- 1.2 The amount to be deducted in respect of Vehicle Kilometres Availability Failure for Peak Periods during Contract Month  $n$ , shall be calculated in accordance with the following formula:

Where:

$VAFD_{Peak}$  Means the amount to be deducted in respect of Vehicle Kilometres Availability Failure for Peak Periods applicable to Contract Month  $n$

$DF_{Peak, n}$  Means the Deduction Factor for Peak Period service during Contract Month  $n$ , determined in accordance with Section 1.4 of this Part D to Schedule 20.

$UASP_n$  Means the Un-Adjusted Service Payment for Contract Month  $n$ .

- 1.3 The amount to be deducted in respect of Vehicle Kilometres Availability Failure for Off-Peak Periods during Contract Month  $n$ , shall be calculated in accordance with the following formula:

Where:

$VAFD_{Off-Peak}$  Means the amount to be deducted in respect of Vehicle Kilometres Availability Failure for Off-Peak Periods applicable to Contract Month  $n$

$DF_{Off-Peak, n}$  Means the Deduction Factor for Off-Peak Period service during Contract Month  $n$ , determined in accordance with Section 1.5 of this Part D to Schedule 20.

$UASP_n$  Means the Un-Adjusted Service Payment for Contract Month  $n$ .

- 1.4 The Deduction Factor in respect of Peak Periods during Contract Month  $n$ , shall be determined by calculating the Availability Ratio for Contract Month  $n$ , in accordance with the formula set out below, and applying the corresponding Deduction Factor from Table 1 and Table 2 in Appendix B to this Schedule 20 (see Section 1.7 for additional detail).

Where:

$AR_{Peak, n}$  Means the Availability Ratio for Peak Period service during Contract Month  $n$ .

$Rkm_{Peak, n}$  Means the total amount of Revenue Service Vehicle Kilometres during Peak Periods for Contract Month  $n$ .

$NPCCkm_{Peak, n}$  Means the number of Scheduled Revenue Service Vehicle Kilometres which were “missed” or not achieved at Peak Periods during Contract Month  $n$  and which are attributed in the relevant Performance Monitoring Report as being due to a Non-Project Co Cause.

$Skm_{Peak, n}$  Means the total Scheduled Revenue Service Vehicle Kilometres during Peak Periods for Contract Month  $n$ .

- 1.5 The Deduction Factor in respect of Off-Peak Periods during Contract Month  $n$ , shall be determined by calculating the Availability Ratio for Contract Month  $n$ , in accordance with the formula set out below, and applying the corresponding Deduction Factor from Table 1 and Table 2 in Appendix B to this Schedule 20 (see Section 1.7 for additional detail).

Where:

$AR_{Off-Peak, n}$  Means the Vehicle Availability Ratio for Off-Peak Period service during Contract Month  $n$ .

$Rkm_{Off-Peak, n}$  Means the total amount of Revenue Service Vehicle Kilometres during Off-Peak Periods for Contract Month  $n$ .

*NPCCkm<sub>Off-Peak, n</sub>* Means the number of Scheduled Revenue Service Vehicle Kilometres which were “missed” or not achieved at Off-Peak Periods during Contract Month *n* and which are attributed in the relevant Performance Monitoring Report as being due to a Non-Project Co Cause.

*Sk<sub>Off-Peak, n</sub>* Means the total Scheduled Revenue Service Vehicle Kilometres during Off-Peak Periods for Contract Month *n*.

- 1.6 For the purposes of Sections 1.4 and 1.5 of this Part D to Schedule 20, when selecting a Deduction Factor from the tables in Appendix B to this Schedule 20, the Availability Ratio shall be rounded to the nearest 0.1%.
- 1.7 For the purposes of Sections 1.4 and 1.5 of this Part D to Schedule 20, the Deduction Factors in Table 1 in Appendix B shall be applied during Service Levels 1-3a and Deduction Factors in Table 2 in Appendix B shall be applied during Service Levels 4-9, with the exception of a period of the first three months of Service Level 4, wherein the Deduction Factors in Table 1 shall be applicable.
- 1.8 The following deductions (“System Event Deductions”) shall also apply in respect of Vehicle Kilometres Availability Failure. The maximum aggregate amount of System Event Deductions to be applied in one day shall be \$ .

SYSTEM EVENT DEDUCTIONS - TABLE 1

System Event	System Event Deduction Applied
On any single Weekday during a Contract Month, the Aggregate Vehicle Kilometres Availability Ratio for either (a) morning Peak Period service (06:30 to 09:00) or (b) afternoon Peak Period service (14:45 to 18:00) is less than %.	\$ per occurrence.  For clarity, each Peak Period which fails to meet the % service standard shall result in the \$ System Event Deduction, such that Project Co could receive two such deductions in a single day, one in respect of morning Peak Period service and the second in respect of afternoon Peak Period service.
On any single day during a Contract Month, the Aggregate Vehicle Kilometres Availability Ratio for that day is less than %	\$ per occurrence.

- 1.9 A portion of the System Event Deductions and the maximum daily aggregate amount listed above shall be index-linked using the Escalation Factor as referred to in Section 4.1 of Part B to this Schedule 20. The relevant portion to be indexed shall be, in each Contract Year, the fraction represented by  $MP_n / (CP_n + MP_n)$  for that Contract Year, as defined in Section 2.1 of Part B to this Schedule 20.



**Section 2. Station Availability Failure Deductions**

2.1 The Station Availability Failure Deduction in respect of a Contract Month  $n$ , shall be calculated in accordance with the following formula:

Where:

$SAFD_n$  Means the Station Availability Failure Deduction applicable to Contract Month  $n$

$SAFD_{Peak}$  Means the amount deducted in respect of Station Availability Failure during Peak Period applicable to Contract Month  $n$ , calculated in accordance with Section 2.2 of this Part D to Schedule 20.

$SAFD_{Off-Peak}$  Means the amount deducted in respect of Station Availability Failure during Off- Peak Period applicable to Contract Month  $n$ , calculated in accordance with Section 2.3 of this Part D to Schedule 20.

2.2 The amount to be deducted in respect of Station Availability Failure during Peak Periods during Contract Month  $n$ , shall be calculated in accordance with the following formula:

Where:

$SAFD_{Peak}$  Means the amount to be deducted in respect of Station Availability Failure during Peak Period applicable to Contract Month  $n$

$St.DF_{Peak, n}$  Means the Station Deduction Factor for Peak Period service during Contract Month  $n$ , determined in accordance with Section 2.4 of this Part D to Schedule 20.

$UASP_n$  Means the Un-Adjusted Service Payment for Contract Month  $n$ .

2.3 The amount to be deducted in respect of Station Availability Failure during Off-Peak Periods during Contract Month  $n$ , shall be calculated in accordance with the following formula:

Where:

$SAFD_{Off-Peak}$  Means the amount to be deducted in respect of Station Availability Failure during Off-Peak Period applicable to Contract Month  $n$

$St. DF_{Off-Peak, n}$  Means the Station Deduction Factor for Off-Peak Period service during Contract Month  $n$ , determined in accordance with Section 2.5 of this Part D to Schedule 20.

$UASP_n$  Means the Un-Adjusted Service Payment for Contract Month  $n$ .

- 2.4 The Station Deduction Factor in respect of Peak Periods during Contract Month  $n$ , shall be determined by calculating the Station Availability Ratio for Contract Month  $n$ , in accordance with the formula set out below, and applying the corresponding Station Deduction Factor from Table 3 and Table 4 in Appendix B to this Schedule 20 (see Section 2.6 for additional detail).

Where:

$SAR_{P,n}$  Means the Station Availability Ratio for Peak Period service during Contract Month  $n$

$SSH_{Gp.1P,n}$  Means the sum total of Scheduled Station Hours for all Group 1 stations during Peak Periods for Contract Month  $n$

$SAF_{Gp.1P,n}$  Means the sum total of Station Availability Failure Hours for all Group 1 stations during Peak Periods for Contract Month  $n$

$SSH_{Gp.2P,n}$  Means the sum total of Scheduled Station Hours for all Group 2 stations during Peak Periods for Contract Month  $n$

$SAF_{Gp.2P,n}$  Means the sum total of Station Availability Failure Hours for all Group 2 stations during Peak Periods for Contract Month  $n$

$SSH_{Gp.3P,n}$  Means the sum total of Scheduled Station Hours for all Group 3 stations during Peak Periods for Contract Month  $n$

$SAF_{Gp.3P,n}$  Means the sum total of Station Availability Failure Hours for all Group 3 stations during Peak Periods for Contract Month  $n$

- 2.5 The Station Availability Factor in respect of Off-Peak Periods during Contract Month  $n$ , shall be determined by calculating the Station Availability Ratio for Contract Month  $n$ , in accordance with the formula set out below, and applying the corresponding Station Availability Factor from Table 3 and Table 4 in Appendix B to this Schedule 20 (see Section 2.6 for additional detail).

Where:

$SAR_{OP,n}$  Means the Station Availability Ratio for Off-Peak Period service during Contract Month

$SSH_{Gp.1OP,n}$  Means the sum total of Scheduled Station Hours for all Group 1 stations during Off-Peak Periods for Contract Month  $n$

$SAF_{Gp.1OP,n}$  Means the sum total of Station Availability Failure Hours for all Group 1 stations during Off-Peak Periods for Contract Month  $n$

$SSH_{Gp.2OP, n}$	Means the sum total of Scheduled Station Hours for all Group 2 stations during Off-Peak Periods for Contract Month $n$
$SAF_{Gp.2OP, n}$	Means the sum total of Station Availability Failure Hours for all Group 2 stations during Off-Peak Periods for Contract Month $n$
$SSH_{Gp.3OP, n}$	Means the sum total of Scheduled Station Hours for all Group 3 stations during Off-Peak Periods for Contract Month $n$
$SAF_{Gp.3OP, n}$	Means the sum total of Station Availability Failure Hours for all Group 3 stations during Off-Peak Periods for Contract Month $n$

- 2.6 For the purposes of Sections 2.4 and 2.5 of this Part D to Schedule 20, the Deduction Factors in Table 3 in Appendix B shall be applied during Service Levels 1-3a and Deduction Factors in Table 4 in Appendix B shall be applied during Service Levels 4-9, with the exception of a period of the first three months of Service Level 4, wherein the Deduction Factors in Table 3 shall be applicable.

### Section 3. Partial Availability

- 3.1 Where a Station does not meet the Station Access Standard, but the following conditions hold:
- (a) At least one platform is accessible by elevator, and all access to such platform is otherwise in compliance with the Station Access Standard; and
  - (b) At least one entrance to the Station is open and access through this entrance to the accessible platform is in compliance with the Station Access Standard,
- then Project Co shall be given credit for partial availability and the Station Availability Failure Hours that would otherwise be assessed for the duration of the Station's failure to meet the Station Access shall be reduced by 50%.
- 3.2 Where the City exercises its discretion under Article 3.0(c)(i)(B) of Schedule 15-3 to permit a Vehicle which does not meet the Vehicle Cleaning Standard or Vehicle Maintenance Standard (i)(xiv) to be entered into Revenue Service as part of a Train, the Revenue Service Vehicle Kilometres traveled by that Vehicle while it fails to meet such standard shall be deemed to be reduced by 50%.

**PART E: DEDUCTIONS FOR QUALITY AND SERVICE FAILURES**

**Section 1. Amount Of Deductions For Quality Failures**

- 1.1 The amount of the Deduction in respect of a Quality Failure shall be as follows:
- (a) in the case of a Minor Quality Failure, the sum of \$ , index-linked using the Escalation Factor as referred to in Section 4.1 of Part B in this Schedule 20;
  - (b) in the case of a Medium Quality Failure, the sum of \$ , index-linked using the Escalation Factor as referred to in Section 4.1 of Part B in this Schedule 20; and
  - (c) in the case of a Major Quality Failure, the sum of \$ , index-linked using the Escalation Factor as referred to in Section 4.1 of Part B in this Schedule 20.
- 1.2 There are no Response Times or Rectification Times in respect of Quality Failures. The occurrence of a Quality Failure will result in a Quality Failure Deduction in respect of the Contract Month in which the Quality Failure occurred.
- 1.3 Following the occurrence of a Quality Failure, Project Co shall be allowed a Remedial Period. The length of the relevant Remedial Period shall be specified by the relevant Performance Criteria. If, before the expiry of the Remedial Period, Project Co demonstrates, to the reasonable satisfaction of the City Representative, that it has remedied the Quality Failure, no further Deduction shall be made in respect of the Quality Failure. Otherwise, a further Deduction shall be made of the appropriate amount (as described in Section 1.1 of Part E of this Schedule 20) and a further Remedial Period or Remedial Periods of equal duration shall apply (and, if appropriate, Deductions shall continue to be made) until such time as Project Co shall demonstrate, to the reasonable satisfaction of the City Representative, that it has remedied the Quality Failure.

**Section 2. Amount Of Deductions For Service Failures**

- 2.1 The amount of the Deduction in respect of a Service Failure shall be as follows:
- (a) in the case of a Minor Service Failure, the sum of \$ , index-linked using the Escalation Factor as referred to in Section 4.1 of Part B in this Schedule 20;
  - (b) in the case of a Medium Service Failure, the sum of \$ , index-linked using the Escalation Factor as referred to in Section 4.1 of Part B in this Schedule 20; and
  - (c) in the case of a Major Service Failure, the sum of \$ , index-linked using the Escalation Factor as referred to in Section 4.1 of Part B in this Schedule 20.
- 2.2 Where a Service Failure Performance Criteria has a Response Time or a Rectification Time, a Service Failure shall only occur if the Event in question has not been responded to within the applicable Response Time or rectified within the applicable Rectification Time.
- 2.3 Following the occurrence of a Service Failure, Project Co shall be allowed an additional Response Time or Rectification Time (as the case may be) equivalent to the original Response Time or Rectification Time. If, before the expiry of this additional period, Project Co demonstrates, to the reasonable satisfaction of the City Representative, that it has remedied the

Service Failure, no further Deduction shall be made in respect of the Service Failure. Otherwise, a further Deduction shall be made of the appropriate amount (as described in Section 2.1 of Part E of this Schedule 20) and a further Response Time or Rectification Time of equal duration shall apply (and, if appropriate, Deductions shall continue to be made) until such time as Project Co shall demonstrate, to the reasonable satisfaction of the City Representative, that it has remedied the Service Failure.

- 2.4 The provisions of Section 2.3 of this Part E shall not apply to Service Failures where, if the response or rectification is not carried out within the Response Time or the Rectification Time, as applicable, the City Representative notifies the Project Co Representative that the City no longer requires Project Co to address such Service Failure.
- 2.5 Where a Service Failure Performance Criteria has no Response Time or Rectification Time, a Service Failure shall occur upon the occurrence of the Event in question and a Service Failure Deduction shall apply in accordance with Sections 2.1 and 2.3 of this Part E.

### Section 3. Temporary Repairs

- 3.1 If Project Co informs the City that it is unable to Rectify an Event within the specified Rectification Time due to the need for specialized materials or personnel that are not, and cannot reasonably be expected to be, immediately available but that a Temporary Repair can be effected:
- (a) The City may, in its discretion and acting reasonably, permit Project Co to carry out the Temporary Repair proposed by Project Co; and
  - (b) where a Temporary Repair is permitted, a deadline by which a Permanent Repair must be made shall be agreed to by the Parties, each acting reasonably, giving Project Co a reasonable period within which to carry out the Permanent Repair (the “Permanent Repair Deadline”).
- 3.2 If the Temporary Repair is effected within the specified Rectification Time and the Permanent Repair is effected by no later than the Permanent Repair Deadline, no Quality or Service Failure (as applicable) will occur, and no Deduction may be made, in respect of the Event.
- 3.3 If the Temporary Repair is not effected within the specified Rectification Time, a Quality or Service Failure (as applicable) shall be deemed to occur and the following provisions shall apply:
- (a) there shall be a further period beginning at the expiry of the Rectification Time and of a duration equal to that of the Rectification Time;
  - (b) Project Co shall ensure that the Temporary Repair is successfully carried out prior to the expiry of the additional period referred to in Section 3.3(a);
  - (c) if the Temporary Repair is not successfully carried out prior to the expiry of the additional period referred to in Section 3.3(a) a further Quality or Service Failure (as applicable) shall occur and a further additional period shall commence;
  - (d) unless the Temporary Repair has been successfully carried out prior to the expiry of the additional period then a further Quality or Service Failure (as applicable) shall occur until such time as the Temporary Repair shall have been successfully completed; and

- (e) if the Temporary Repair is not successfully carried out prior to the Permanent Repair Deadline, and no Permanent Repair has been successfully carried out, the right for Project Co to carry out a Temporary Repair pursuant to this Section 3 shall cease and Section 3.4 of this Part E shall apply.
- 3.4 If the Permanent Repair is not effected by the Permanent Repair Deadline, a Quality or Service Failure (as applicable) shall be deemed to occur.

**PART F: REVIEW AND AMENDMENT OF PAYMENT MECHANISM**

**Section 1. Five Year Review**

- 1.1 The amount of Deductions for Vehicle Kilometres Availability Failures, Station Availability Failures, Quality Failures and Service Failures, as well as the overall functioning of the Payment Mechanism shall be reviewed by the City and Project Co at any time if requested by either Party, up to a maximum of one review per Contract Year. In any event, a review shall be carried out at least once in every five Contract Years.
- 1.2 The City and Project Co shall act reasonably and diligently in carrying out the reviews.
- 1.3 For the avoidance of doubt, the Parties intend that any changes made as a result of such a review shall not alter the overall risk profile of the relevant Maintenance Services or the likely magnitude of Vehicle Kilometres Availability Failures, Station Availability Failures, Quality Failures and Service Failures. Where proposed changes would result in any such alteration, the matter shall be deemed to be a Variation and Schedule 22 - Variation Procedure shall apply.
- 1.4 The City and Project Co may in respect of each matter the subject of the review either:
  - (a) agree that the status of the relevant matter shall continue to apply unchanged in the Contract Year immediately following the review; or
  - (b) agree adjustments to the relevant matter to take effect in the Contract Year immediately following the review.
- 1.5 Any agreed adjustment pursuant to a review shall be effective from the commencement of the Contract Year immediately following the relevant review carried out in accordance with Section 1.1 of this Part F.

**Section 2. Peak Periods and Station Grouping**

- 2.1 The City may change the definition of “Peak Period” and “Off-Peak Period”, for the purposes of the Payment Mechanism, at its sole discretion at any time during the Maintenance Term by providing Project Co with sixty (60) days written notice, provided that the total number of Peak Period hours in a week does not exceed twenty-nine (29) hours.
- 2.2 The City may change the grouping of Stations (Group 1, Group 2, and Group 3 definitions), for the purposes of the Payment Mechanism, at its sole discretion at any time during the Maintenance Term by providing Project Co with sixty (60) days written notice, provided that:
  - (a) Group 1 shall not include more than twelve (12) Stations; and
  - (b) Group 2 shall not include more than seven (7) Stations

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- 2.3 The City may increase the total number of Peak Period hours per week and/or increase the number of Group 1 or Group 2 stations, beyond the limits set out in 2.1 and 2.2, above, subject to agreement between the Parties on appropriate amendments to the Payment Mechanism in order to ensure there is no change in overall risk profile of the relevant Maintenance Services or the likely magnitude of Vehicle Kilometres Availability Failures, Station Availability Failures, Quality Failures and Service Failures.

**Section 3. Lifecycle Payment Adjustment**

- 3.1 In the event of an Accelerated Service Level, Project Co may request adjustments to the schedule of Lifecycle Payments set out in Table 3 of Appendix A to this Schedule 20, in accordance with the provisions of Section 3 to this Part F, provided that, notwithstanding the remaining provisions of this Section 3, in respect of any Accelerated Service Level described in paragraph (b) of the definition for that term, the Parties shall make such adjustments to the procedure set out in this Section 3 as are necessary to ensure that Project Co is put in no better and no worse position compared with the position had such Accelerated Service Level not been required.
- 3.2 Any adjustments to the schedule of Lifecycle Payments under this Section 3 of Part F shall be limited by the following constraints:
- (a) Adjustments shall be limited to costs in respect of the replacement, refreshment and/or refurbishment during the Maintenance Term of the following components of the System (“Eligible Lifecycle Costs”):
    - (i) Trackwork, as described in Part 2 of Schedule 15-2 to the Project Agreement; and
    - (ii) Overhead Catenary System, as described in Part 4 of Schedule 15-2 to the Project Agreement;
  - (b) Adjustments shall be limited to the following forms of adjustment:
    - (i) Acceleration of already scheduled Lifecycle Payments in respect of Eligible Lifecycle Costs, such that Project Co would be entitled to receive a specific Lifecycle Payment or portion thereof in a Contract Month which is earlier than under the then-prevailing schedule of Lifecycle Payments; or
    - (ii) Introduction of new Lifecycle Payments in respect of Eligible Lifecycle Costs which, by virtue of the Accelerated Service Level, will either:
      - (A) require an additional cycle of replacement, refreshment and/or refurbishment during the Maintenance Term which is over and above such cycles already scheduled in the Maintenance and Rehabilitation Plan; or
      - (B) reach the end of their lifecycle and require replacement, refreshment and/or refurbishment during the Maintenance Term where no such

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replacement, refreshment and/or refurbishment is scheduled in the then-prevailing Maintenance and Rehabilitation Plan; and

- (c) Adjustments must:
- (i) be attributable by the quantity of service provided by Project Co, measured by vehicle kilometres, and
  - (ii) not be attributable to any Project Co failure to adhere to its Maintenance and Rehabilitation Plan,

each supported by items 3.3(c) and 3.3(d) in the application process described below.

3.3 Project Co shall apply for an adjustment to the schedule of Lifecycle Payments as a Project Co Variation Notice in accordance with the provisions of Schedule 22 – Variation Procedure. In addition to the requirements of Schedule 22, Project Co’s application shall contain the following elements:

- (a) Identify the components of the System and Eligible Lifecycle Costs which form the basis of the application;
- (b) Identify the originally scheduled dates (if any) for replacement, refreshment and/or refurbishment of the relevant components of the System in the Maintenance and Rehabilitation Plan, and the proposed amended dates for such lifecycle works;
- (c) Describe the rationale for the proposed amended dates for lifecycle works, with specific reference to the following:
  - (i) The number of vehicle kilometres scheduled by the Preliminary Service Plan to have been provided at the originally scheduled date of lifecycle works;
  - (ii) The number of vehicle kilometres that will have been provided by Project Co at the proposed amended date of lifecycle works; and
  - (iii) Reference to manufacturer specifications or industry standards and the impact of the Accelerated Service Level in triggering a need for replacement, refreshment and/or refurbishment in accordance with these specifications or standards; and
- (d) Carry out an Internal Quality Audit (as described in Schedule 10 of the Project Agreement) on Project Co’s adherence to its Maintenance and Rehabilitation Plan for the relevant components of the System

3.4 For greater certainty, where Project Co’s application includes a request for introduction of new Lifecycle Payments in accordance with Section 3.2 of this Part F, then the amount of such new Lifecycle Payments shall be determined in accordance with the terms of Schedule 22 – Variation Procedure.

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- 3.5 Project Co's application shall provide the City with at least eighteen (18) months of notice in advance of any proposed amended or additional Lifecycle Payment.
- 3.6 Project Co and the City shall work collaboratively to minimize the number of adjustments to the Lifecycle Payment schedule, including:
- (a) wherever possible, agreeing upon adjustments to the Lifecycle Payment schedule that take account of a number of years of Accelerated Service Level where it is apparent that the condition of Accelerated Service Level will continue to persist and future Service Levels can reasonably be predicted; and
  - (b) deferring adjustment to the Lifecycle Payment schedule where the City, acting reasonably, believes that a condition of Accelerated Service Level is temporary and Service Levels will soon revert to or track the Operations Service Plan in effect at Financial Close, and there is no long term lifecycle impact to Project Co.

**PART G: FAILURE POINTS**

**Section 1. Failure Points**

- 1.1 Failure Points shall be awarded for every Quality Failure, Service Failure, System Event and Availability Failure which occurs during the Maintenance Term, unless such Failure Points are cancelled pursuant to any other provision of the Project Agreement. Notwithstanding the foregoing, Failure Points shall not apply:
- (a) in respect of the Maintenance Services provided in respect of the Stage 2 East System between the Stage 2 East Substantial Completion Date and the Stage 2 East Revenue Services Commencement Date; and
  - (b) in respect of the Maintenance Services provided in respect of the Stage 2 West System between the Stage 2 West Substantial Completion Date and the Stage 2 West Revenue Services Commencement Date,
- provided that this shall not affect the parties' respective rights and obligations under Section 32 (City's Remedial Rights)
- 1.2 The number of Failure Points attributable to Quality Failures, Service Failures, System Events and Availability Failures is set out in Appendix C to this Schedule 20.
- (a) Failure Points in respect of System Events shall be awarded following the identification of each such System Event through the Daily Operating Report;
  - (b) Failure Points in respect of Vehicle Kilometres Availability Failure shall be awarded for each Contract Month based on the relevant Aggregate Vehicle Kilometres Availability Ratio calculated for that Contract Month, in accordance with Section 1.1 of Appendix C to this Schedule 20;
  - (c) Failure Points in respect of Station Availability Failure shall be awarded for each Contract Month based on the relevant Aggregate Station Availability Ratio calculated for that Contract Month, in accordance with Section 3.1 of Appendix C to this Schedule 20;
  - (d) Failure Points in respect of Quality Failures and Service Failures shall be awarded in respect of each Quality Failure and Service Failure, in accordance with Section 4 and 5 of Appendix D to this Schedule 20.
- 1.3 For the purposes of Section 1.2(d) of this Part G to Schedule 20, the Failure Points in respect of Section 4.0 in Appendix C shall be applied during Service Levels 1-3 and the Failure Points in respect of Section 5.0 in Appendix C shall be applied during Service Levels 3a-9.
- 1.4 For the avoidance of doubt when awarding Failure Points, where a further Quality Failure or Service Failure is deemed to have occurred in accordance with Sections 2.2 and 2.3 of Part E of this Schedule 20, the appropriate number of Failure Points shall be awarded in respect of each such Quality Failure and Service Failure, even though they arise from the same circumstances.

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**PART H: MONITORING AND REPORTING**

**Section 1. Sources of Information**

1.1 The table below sets out the sources of the factual information regarding the performance of the Maintenance Services for the relevant Contract Month for the purposes of calculating the relevant Monthly Service Payment, the Deductions assessed and the number of Failure Points awarded.

Item	Source
Revenue Service Vehicle Kilometres for Contract Month <i>n</i>	Performance Monitoring Report for Contract Month <i>n</i>
Scheduled Revenue Service Vehicle Kilometres for Contract Month <i>n</i>	Performance Monitoring Report for Contract Month <i>n</i>
Number of Scheduled Revenue Service Vehicle Kilometres which were “missed” or not traveled by Project Co due to a Non-Project Co Cause, for Contract Month <i>n</i>	Performance Monitoring Report for Contract Month <i>n</i>
Total Vehicle Kilometres for Contract Month <i>n</i>	Performance Monitoring Report for Contract Month <i>n</i>
Scheduled Station Hours	Operations Service Plan in effect as of the relevant date
Station Availability Failure Hours	Performance Monitoring Report for Contract Month <i>n</i>
Quality Failures	Performance Monitoring Report for Contract Month <i>n</i>
Service Failures	Performance Monitoring Report for Contract Month <i>n</i>

**Section 2. Failure by Project Co to Monitor or Report**

2.1 If there shall be any error or omission in the Performance Monitoring Report for any Contract Month, Project Co and the City shall agree the amendment to the Performance Monitoring Report or, failing agreement within 10 days of notification of the error or omission which shall not be made more than 2 calendar months following the relevant Performance Monitoring Report, except in the circumstances referred to in Section 2.4 of this Part H either party may refer the matter to the Dispute Resolution Procedure.

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- 2.2 If Project Co fails to monitor or accurately report any Availability Failure, Service Failure or Quality Failure then, without prejudice to the Deduction to be made in respect of the relevant Availability Failure or Quality Failure, the failure to monitor or report shall be deemed to be a new Quality Failure, and Project Co shall be awarded 2 Quality Failure points for each occurrence of such Quality Failure, unless the circumstances set out in Section 2.4 of this Part H apply, in which case Project Co shall be awarded 5 Quality Failure Points for each such occurrence.
- 2.3 In the event that any inspection or investigation by the City of records made available pursuant to the Project Agreement reveals any further matters of the type referred to in Sections 2.1 and 2.2 above, those matters shall be dealt with in accordance with Section 2.1 and 2.2 of this Part H, as appropriate, and the City shall, in addition, be entitled to make Deductions in respect of any Availability Failure, Service Failure or Quality Failure in the manner prescribed in Part C of this Schedule 20. Any such Deductions shall be made from the Monthly Service Payment, payable in respect of the Contract Month in which the relevant matters were revealed by City investigations or, to the extent that the City is unable to make any further deductions from the Monthly Service Payment in respect of that Contract Month by virtue of Section 1.2 of Part C of this Schedule 20, may be carried forward and deducted from Monthly Service Payments due in respect of subsequent Contract Months.
- 2.4 For the purposes of Sections 1.1 and 1.2 of this Part H the relevant circumstances are:
- (a) fraudulent action or inaction;
  - (b) deliberate misrepresentation; or
  - (c) gross misconduct or incompetence in each case on the part of Project Co or a Project Co Party.
- 2.5 The provisions of this Part H shall be without prejudice to any rights of the City pursuant to Sections 32, 45 and 60 of the Project Agreement.

**APPENDIX A: ANNUAL SERVICE PAYMENT AND MONTHLY SERVICE PAYMENT INPUTS**

**Table 1**

<b>COLUMN A</b>	<b>COLUMN B</b>	<b>Column C</b>	<b>Column D</b>	<b>COLUMN E</b>
<b>Contract Year</b>	<b>Capital Payment (not subject to escalation)</b>	<b>Maintenance Payment (in Inflation Base Date Prices)</b>	<b>SPV Payments (in Inflation Base Date Prices)</b>	<b>Price per Vehicle Kilometre (in Inflation Base Date prices)</b>
1*	\$	As per Table 2 and relevant Service Level in effect.	\$	As per Table 2 and relevant Service Level in effect.
2	\$	As per Table 2 and relevant Service Level in effect.	\$	As per Table 2 and relevant Service Level in effect.
3	\$	As per Table 2 and relevant Service Level in effect.	\$	As per Table 2 and relevant Service Level in effect.
4	\$	As per Table 2 and relevant Service Level in effect.	\$	As per Table 2 and relevant Service Level in effect.
5	\$	As per Table 2 and relevant Service Level in effect.	\$	As per Table 2 and relevant Service Level in effect.
6	\$	As per Table 2 and relevant Service Level in effect.	\$	As per Table 2 and relevant Service Level in effect.
7	\$	As per Table 2 and relevant Service Level in effect.	\$	As per Table 2 and relevant Service Level in effect.
8	\$	As per Table 2 and relevant Service Level in effect.	\$	As per Table 2 and relevant Service Level in effect.
9	\$	As per Table 2 and relevant Service Level in effect.	\$	As per Table 2 and relevant Service Level in effect.

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10	\$	As per Table 2 and relevant Service Level in effect.	\$	As per Table 2 and relevant Service Level in effect.
11	\$	As per Table 2 and relevant Service Level in effect.	\$	As per Table 2 and relevant Service Level in effect.
12	\$	As per Table 2 and relevant Service Level in effect.	\$	As per Table 2 and relevant Service Level in effect.
13	\$	As per Table 2 and relevant Service Level in effect.	\$	As per Table 2 and relevant Service Level in effect.
14	\$	As per Table 2 and relevant Service Level in effect.	\$	As per Table 2 and relevant Service Level in effect.
15	\$	As per Table 2 and relevant Service Level in effect.	\$	As per Table 2 and relevant Service Level in effect.
16	\$	As per Table 2 and relevant Service Level in effect.	\$	As per Table 2 and relevant Service Level in effect.
17	\$	As per Table 2 and relevant Service Level in effect.	\$	As per Table 2 and relevant Service Level in effect.
18	\$	As per Table 2 and relevant Service Level in effect.	\$	As per Table 2 and relevant Service Level in effect.
19	\$	As per Table 2 and relevant Service Level in effect.	\$	As per Table 2 and relevant Service Level in effect.
20	\$	As per Table 2 and relevant Service Level in effect.	\$	As per Table 2 and relevant Service Level in effect.
21	\$	As per Table 2 and relevant	\$	As per Table 2 and relevant

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		Service Level in effect.		Service Level in effect.
22	\$	As per Table 2 and relevant Service Level in effect.	\$	As per Table 2 and relevant Service Level in effect.
23	\$	As per Table 2 and relevant Service Level in effect.	\$	As per Table 2 and relevant Service Level in effect.
24	\$	As per Table 2 and relevant Service Level in effect.	\$	As per Table 2 and relevant Service Level in effect.
25	\$	As per Table 2 and relevant Service Level in effect.	\$	As per Table 2 and relevant Service Level in effect.
26	\$	As per Table 2 and relevant Service Level in effect.	\$	As per Table 2 and relevant Service Level in effect.
27	\$	As per Table 2 and relevant Service Level in effect.	\$	As per Table 2 and relevant Service Level in effect.
28	\$	As per Table 2 and relevant Service Level in effect.	\$	As per Table 2 and relevant Service Level in effect.
29	\$	As per Table 2 and relevant Service Level in effect.	\$	As per Table 2 and relevant Service Level in effect.
30	\$	As per Table 2 and relevant Service Level in effect.	\$	As per Table 2 and relevant Service Level in effect.
31*	\$	As per Table 2 and relevant Service Level in effect.	\$	As per Table 2 and relevant Service Level in effect.

\* Contract Year 1 and 31 are partial years; total number of Contract Months equals 360 months.

**Table 2 – Maintenance Payment and Price per Vehicle Kilometre**

COLUMN A	COLUMN B	
Service Level	Maintenance Payment (in Inflation Base Date prices)	
Service Level 1	\$	\$
Service Level 2	\$	\$
Service Level 3	\$	\$
Service Level 3a	\$	\$
Service Level 4	\$	\$
Service Level 5	\$	\$
Service Level 6	\$	\$
Service Level 7	\$	\$
Service Level 8	\$	\$
Service Level 9	\$	\$

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**Table 3 – Lifecycle Payments**

COLUMN A	COLUMN B		
Contract Month <i>n</i>	Contract Month <i>m</i>		
1	25-May-18 / 31-May-18		
2	01-Jun-18 / 30-Jun-18		
3	01-Jul-18 / 31-Jul-18		
4	01-Aug-18 / 31-Aug-18		
5	01-Sep-18 / 30-Sep-18		
6	01-Oct-18 / 31-Oct-18		
7	01-Nov-18 / 30-Nov-18		
8	01-Dec-18 / 31-Dec-18		
9	01-Jan-19 / 31-Jan-19		
10	01-Feb-19 / 28-Feb-19		
11	01-Mar-19 / 31-Mar-19		
12	01-Apr-19 / 30-Apr-19		
13	01-May-19 / 31-May-19		
14	01-Jun-19 / 30-Jun-19		
15	01-Jul-19 / 31-Jul-19		
16	01-Aug-19 / 31-Aug-19		
17	01-Sep-19 / 30-Sep-19		
18	01-Oct-19 / 31-Oct-19		
19	01-Nov-19 / 30-Nov-19		
20	01-Dec-19 / 31-Dec-19		
21	01-Jan-20 / 31-Jan-20		
22	01-Feb-20 / 29-Feb-20		
23	01-Mar-20 / 31-Mar-20		
24	01-Apr-20 / 30-Apr-20		
25	01-May-20 / 31-May-20		
26	01-Jun-20 / 30-Jun-20		
27	01-Jul-20 / 31-Jul-20		
28	01-Aug-20 / 31-Aug-20		
29	01-Sep-20 / 30-Sep-20		
30	01-Oct-20 / 31-Oct-20		
31	01-Nov-20 / 30-Nov-20		

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<b>COLUMN A</b>	<b>COLUMN B</b>		
<b>Contract Month <i>n</i></b>	<b>Contract Month <i>m</i></b>		
32	01-Dec-20 / 31-Dec-20		
33	01-Jan-21 / 31-Jan-21		
34	01-Feb-21 / 28-Feb-21		
35	01-Mar-21 / 31-Mar-21		
36	01-Apr-21 / 30-Apr-21		
37	01-May-21 / 31-May-21		
38	01-Jun-21 / 30-Jun-21		
39	01-Jul-21 / 31-Jul-21		
40	01-Aug-21 / 31-Aug-21		
41	01-Sep-21 / 30-Sep-21		
42	01-Oct-21 / 31-Oct-21		
43	01-Nov-21 / 30-Nov-21		
44	01-Dec-21 / 31-Dec-21		
45	01-Jan-22 / 31-Jan-22		
46	01-Feb-22 / 28-Feb-22		
47	01-Mar-22 / 31-Mar-22		
48	01-Apr-22 / 30-Apr-22		
49	01-May-22 / 31-May-22		
50	01-Jun-22 / 30-Jun-22		
51	01-Jul-22 / 31-Jul-22		
52	01-Aug-22 / 31-Aug-22		
53	01-Sep-22 / 30-Sep-22		
54	01-Oct-22 / 31-Oct-22		
55	01-Nov-22 / 30-Nov-22		
56	01-Dec-22 / 31-Dec-22		
57	01-Jan-23 / 31-Jan-23		
58	01-Feb-23 / 28-Feb-23		
59	01-Mar-23 / 31-Mar-23		
60	01-Apr-23 / 30-Apr-23		
61	01-May-23 / 31-May-23		
62	01-Jun-23 / 30-Jun-23		
63	01-Jul-23 / 31-Jul-23		
64	01-Aug-23 / 31-Aug-23		

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COLUMN A	COLUMN B		
Contract Month <i>n</i>	Contract Month <i>m</i>		
65	01-Sep-23 / 30-Sep-23		
66	01-Oct-23 / 31-Oct-23		
67	01-Nov-23 / 30-Nov-23		
68	01-Dec-23 / 31-Dec-23		
69	01-Jan-24 / 31-Jan-24		
70	01-Feb-24 / 29-Feb-24		
71	01-Mar-24 / 31-Mar-24		
72	01-Apr-24 / 30-Apr-24		
73	01-May-24 / 31-May-24		
74	01-Jun-24 / 30-Jun-24		
75	01-Jul-24 / 31-Jul-24		
76	01-Aug-24 / 31-Aug-24		
77	01-Sep-24 / 30-Sep-24		
78	01-Oct-24 / 31-Oct-24		
79	01-Nov-24 / 30-Nov-24		
80	01-Dec-24 / 31-Dec-24		
81	01-Jan-25 / 31-Jan-25		
82	01-Feb-25 / 28-Feb-25		
83	01-Mar-25 / 31-Mar-25		
84	01-Apr-25 / 30-Apr-25		
85	01-May-25 / 31-May-25		
86	01-Jun-25 / 30-Jun-25		
87	01-Jul-25 / 31-Jul-25		
88	01-Aug-25 / 31-Aug-25		
89	01-Sep-25 / 30-Sep-25		
90	01-Oct-25 / 31-Oct-25		
91	01-Nov-25 / 30-Nov-25		
92	01-Dec-25 / 31-Dec-25		
93	01-Jan-26 / 31-Jan-26		
94	01-Feb-26 / 28-Feb-26		
95	01-Mar-26 / 31-Mar-26		
96	01-Apr-26 / 30-Apr-26		
97	01-May-26 / 31-May-26		

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<b>COLUMN A</b>	<b>COLUMN B</b>		
<b>Contract Month <i>n</i></b>	<b>Contract Month <i>m</i></b>		
98	01-Jun-26 / 30-Jun-26		
99	01-Jul-26 / 31-Jul-26		
100	01-Aug-26 / 31-Aug-26		
101	01-Sep-26 / 30-Sep-26		
102	01-Oct-26 / 31-Oct-26		
103	01-Nov-26 / 30-Nov-26		
104	01-Dec-26 / 31-Dec-26		
105	01-Jan-27 / 31-Jan-27		
106	01-Feb-27 / 28-Feb-27		
107	01-Mar-27 / 31-Mar-27		
108	01-Apr-27 / 30-Apr-27		
109	01-May-27 / 31-May-27		
110	01-Jun-27 / 30-Jun-27		
111	01-Jul-27 / 31-Jul-27		
112	01-Aug-27 / 31-Aug-27		
113	01-Sep-27 / 30-Sep-27		
114	01-Oct-27 / 31-Oct-27		
115	01-Nov-27 / 30-Nov-27		
116	01-Dec-27 / 31-Dec-27		
117	01-Jan-28 / 31-Jan-28		
118	01-Feb-28 / 29-Feb-28		
119	01-Mar-28 / 31-Mar-28		
120	01-Apr-28 / 30-Apr-28		
121	01-May-28 / 31-May-28		
122	01-Jun-28 / 30-Jun-28		
123	01-Jul-28 / 31-Jul-28		
124	01-Aug-28 / 31-Aug-28		
125	01-Sep-28 / 30-Sep-28		
126	01-Oct-28 / 31-Oct-28		
127	01-Nov-28 / 30-Nov-28		
128	01-Dec-28 / 31-Dec-28		
129	01-Jan-29 / 31-Jan-29		
130	01-Feb-29 / 28-Feb-29		

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<b>COLUMN A</b>	<b>COLUMN B</b>		
<b>Contract Month <i>n</i></b>	<b>Contract Month <i>m</i></b>		
131	01-Mar-29 / 31-Mar-29		
132	01-Apr-29 / 30-Apr-29		
133	01-May-29 / 31-May-29		
134	01-Jun-29 / 30-Jun-29		
135	01-Jul-29 / 31-Jul-29		
136	01-Aug-29 / 31-Aug-29		
137	01-Sep-29 / 30-Sep-29		
138	01-Oct-29 / 31-Oct-29		
139	01-Nov-29 / 30-Nov-29		
140	01-Dec-29 / 31-Dec-29		
141	01-Jan-30 / 31-Jan-30		
142	01-Feb-30 / 28-Feb-30		
143	01-Mar-30 / 31-Mar-30		
144	01-Apr-30 / 30-Apr-30		
145	01-May-30 / 31-May-30		
146	01-Jun-30 / 30-Jun-30		
147	01-Jul-30 / 31-Jul-30		
148	01-Aug-30 / 31-Aug-30		
149	01-Sep-30 / 30-Sep-30		
150	01-Oct-30 / 31-Oct-30		
151	01-Nov-30 / 30-Nov-30		
152	01-Dec-30 / 31-Dec-30		
153	01-Jan-31 / 31-Jan-31		
154	01-Feb-31 / 28-Feb-31		
155	01-Mar-31 / 31-Mar-31		
156	01-Apr-31 / 30-Apr-31		
157	01-May-31 / 31-May-31		
158	01-Jun-31 / 30-Jun-31		
159	01-Jul-31 / 31-Jul-31		
160	01-Aug-31 / 31-Aug-31		
161	01-Sep-31 / 30-Sep-31		
162	01-Oct-31 / 31-Oct-31		
163	01-Nov-31 / 30-Nov-31		

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COLUMN A	COLUMN B		
Contract Month <i>n</i>	Contract Month <i>m</i>		
164	01-Dec-31 / 31-Dec-31		
165	01-Jan-32 / 31-Jan-32		
166	01-Feb-32 / 29-Feb-32		
167	01-Mar-32 / 31-Mar-32		
168	01-Apr-32 / 30-Apr-32		
169	01-May-32 / 31-May-32		
170	01-Jun-32 / 30-Jun-32		
171	01-Jul-32 / 31-Jul-32		
172	01-Aug-32 / 31-Aug-32		
173	01-Sep-32 / 30-Sep-32		
174	01-Oct-32 / 31-Oct-32		
175	01-Nov-32 / 30-Nov-32		
176	01-Dec-32 / 31-Dec-32		
177	01-Jan-33 / 31-Jan-33		
178	01-Feb-33 / 28-Feb-33		
179	01-Mar-33 / 31-Mar-33		
180	01-Apr-33 / 30-Apr-33		
181	01-May-33 / 31-May-33		
182	01-Jun-33 / 30-Jun-33		
183	01-Jul-33 / 31-Jul-33		
184	01-Aug-33 / 31-Aug-33		
185	01-Sep-33 / 30-Sep-33		
186	01-Oct-33 / 31-Oct-33		
187	01-Nov-33 / 30-Nov-33		
188	01-Dec-33 / 31-Dec-33		
189	01-Jan-34 / 31-Jan-34		
190	01-Feb-34 / 28-Feb-34		
191	01-Mar-34 / 31-Mar-34		
192	01-Apr-34 / 30-Apr-34		
193	01-May-34 / 31-May-34		
194	01-Jun-34 / 30-Jun-34		
195	01-Jul-34 / 31-Jul-34		
196	01-Aug-34 / 31-Aug-34		

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<b>COLUMN A</b>	<b>COLUMN B</b>		
<b>Contract Month <i>n</i></b>	<b>Contract Month <i>m</i></b>		
197	01-Sep-34 / 30-Sep-34		
198	01-Oct-34 / 31-Oct-34		
199	01-Nov-34 / 30-Nov-34		
200	01-Dec-34 / 31-Dec-34		
201	01-Jan-35 / 31-Jan-35		
202	01-Feb-35 / 28-Feb-35		
203	01-Mar-35 / 31-Mar-35		
204	01-Apr-35 / 30-Apr-35		
205	01-May-35 / 31-May-35		
206	01-Jun-35 / 30-Jun-35		
207	01-Jul-35 / 31-Jul-35		
208	01-Aug-35 / 31-Aug-35		
209	01-Sep-35 / 30-Sep-35		
210	01-Oct-35 / 31-Oct-35		
211	01-Nov-35 / 30-Nov-35		
212	01-Dec-35 / 31-Dec-35		
213	01-Jan-36 / 31-Jan-36		
214	01-Feb-36 / 29-Feb-36		
215	01-Mar-36 / 31-Mar-36		
216	01-Apr-36 / 30-Apr-36		
217	01-May-36 / 31-May-36		
218	01-Jun-36 / 30-Jun-36		
219	01-Jul-36 / 31-Jul-36		
220	01-Aug-36 / 31-Aug-36		
221	01-Sep-36 / 30-Sep-36		
222	01-Oct-36 / 31-Oct-36		
223	01-Nov-36 / 30-Nov-36		
224	01-Dec-36 / 31-Dec-36		
225	01-Jan-37 / 31-Jan-37		
226	01-Feb-37 / 28-Feb-37		
227	01-Mar-37 / 31-Mar-37		
228	01-Apr-37 / 30-Apr-37		
229	01-May-37 / 31-May-37		

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COLUMN A	COLUMN B		
Contract Month <i>n</i>	Contract Month <i>m</i>		
230	01-Jun-37 / 30-Jun-37		
231	01-Jul-37 / 31-Jul-37		
232	01-Aug-37 / 31-Aug-37		
233	01-Sep-37 / 30-Sep-37		
234	01-Oct-37 / 31-Oct-37		
235	01-Nov-37 / 30-Nov-37		
236	01-Dec-37 / 31-Dec-37		
237	01-Jan-38 / 31-Jan-38		
238	01-Feb-38 / 28-Feb-38		
239	01-Mar-38 / 31-Mar-38		
240	01-Apr-38 / 30-Apr-38		
241	01-May-38 / 31-May-38		
242	01-Jun-38 / 30-Jun-38		
243	01-Jul-38 / 31-Jul-38		
244	01-Aug-38 / 31-Aug-38		
245	01-Sep-38 / 30-Sep-38		
246	01-Oct-38 / 31-Oct-38		
247	01-Nov-38 / 30-Nov-38		
248	01-Dec-38 / 31-Dec-38		
249	01-Jan-39 / 31-Jan-39		
250	01-Feb-39 / 28-Feb-39		
251	01-Mar-39 / 31-Mar-39		
252	01-Apr-39 / 30-Apr-39		
253	01-May-39 / 31-May-39		
254	01-Jun-39 / 30-Jun-39		
255	01-Jul-39 / 31-Jul-39		
256	01-Aug-39 / 31-Aug-39		
257	01-Sep-39 / 30-Sep-39		
258	01-Oct-39 / 31-Oct-39		
259	01-Nov-39 / 30-Nov-39		
260	01-Dec-39 / 31-Dec-39		
261	01-Jan-40 / 31-Jan-40		
262	01-Feb-40 / 29-Feb-40		

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<b>COLUMN A</b>	<b>COLUMN B</b>		
<b>Contract Month <i>n</i></b>	<b>Contract Month <i>m</i></b>		
263	01-Mar-40 / 31-Mar-40		
264	01-Apr-40 / 30-Apr-40		
265	01-May-40 / 31-May-40		
266	01-Jun-40 / 30-Jun-40		
267	01-Jul-40 / 31-Jul-40		
268	01-Aug-40 / 31-Aug-40		
269	01-Sep-40 / 30-Sep-40		
270	01-Oct-40 / 31-Oct-40		
271	01-Nov-40 / 30-Nov-40		
272	01-Dec-40 / 31-Dec-40		
273	01-Jan-41 / 31-Jan-41		
274	01-Feb-41 / 28-Feb-41		
275	01-Mar-41 / 31-Mar-41		
276	01-Apr-41 / 30-Apr-41		
277	01-May-41 / 31-May-41		
278	01-Jun-41 / 30-Jun-41		
279	01-Jul-41 / 31-Jul-41		
280	01-Aug-41 / 31-Aug-41		
281	01-Sep-41 / 30-Sep-41		
282	01-Oct-41 / 31-Oct-41		
283	01-Nov-41 / 30-Nov-41		
284	01-Dec-41 / 31-Dec-41		
285	01-Jan-42 / 31-Jan-42		
286	01-Feb-42 / 28-Feb-42		
287	01-Mar-42 / 31-Mar-42		
288	01-Apr-42 / 30-Apr-42		
289	01-May-42 / 31-May-42		
290	01-Jun-42 / 30-Jun-42		
291	01-Jul-42 / 31-Jul-42		
292	01-Aug-42 / 31-Aug-42		
293	01-Sep-42 / 30-Sep-42		
294	01-Oct-42 / 31-Oct-42		
295	01-Nov-42 / 30-Nov-42		

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<b>COLUMN A</b>	<b>COLUMN B</b>		
<b>Contract Month <i>n</i></b>	<b>Contract Month <i>m</i></b>		
296	01-Dec-42 / 31-Dec-42		
297	01-Jan-43 / 31-Jan-43		
298	01-Feb-43 / 28-Feb-43		
299	01-Mar-43 / 31-Mar-43		
300	01-Apr-43 / 30-Apr-43		
301	01-May-43 / 31-May-43		
302	01-Jun-43 / 30-Jun-43		
303	01-Jul-43 / 31-Jul-43		
304	01-Aug-43 / 31-Aug-43		
305	01-Sep-43 / 30-Sep-43		
306	01-Oct-43 / 31-Oct-43		
307	01-Nov-43 / 30-Nov-43		
308	01-Dec-43 / 31-Dec-43		
309	01-Jan-44 / 31-Jan-44		
310	01-Feb-44 / 29-Feb-44		
311	01-Mar-44 / 31-Mar-44		
312	01-Apr-44 / 30-Apr-44		
313	01-May-44 / 31-May-44		
314	01-Jun-44 / 30-Jun-44		
315	01-Jul-44 / 31-Jul-44		
316	01-Aug-44 / 31-Aug-44		
317	01-Sep-44 / 30-Sep-44		
318	01-Oct-44 / 31-Oct-44		
319	01-Nov-44 / 30-Nov-44		
320	01-Dec-44 / 31-Dec-44		
321	01-Jan-45 / 31-Jan-45		
322	01-Feb-45 / 28-Feb-45		
323	01-Mar-45 / 31-Mar-45		
324	01-Apr-45 / 30-Apr-45		
325	01-May-45 / 31-May-45		
326	01-Jun-45 / 30-Jun-45		
327	01-Jul-45 / 31-Jul-45		
328	01-Aug-45 / 31-Aug-45		

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<b>COLUMN A</b>	<b>COLUMN B</b>		
<b>Contract Month <i>n</i></b>	<b>Contract Month <i>m</i></b>		
329	01-Sep-45 / 30-Sep-45		
330	01-Oct-45 / 31-Oct-45		
331	01-Nov-45 / 30-Nov-45		
332	01-Dec-45 / 31-Dec-45		
333	01-Jan-46 / 31-Jan-46		
334	01-Feb-46 / 28-Feb-46		
335	01-Mar-46 / 31-Mar-46		
336	01-Apr-46 / 30-Apr-46		
337	01-May-46 / 31-May-46		
338	01-Jun-46 / 30-Jun-46		
339	01-Jul-46 / 31-Jul-46		
340	01-Aug-46 / 31-Aug-46		
341	01-Sep-46 / 30-Sep-46		
342	01-Oct-46 / 31-Oct-46		
343	01-Nov-46 / 30-Nov-46		
344	01-Dec-46 / 31-Dec-46		
345	01-Jan-47 / 31-Jan-47		
346	01-Feb-47 / 28-Feb-47		
347	01-Mar-47 / 31-Mar-47		
348	01-Apr-47 / 30-Apr-47		
349	01-May-47 / 31-May-47		
350	01-Jun-47 / 30-Jun-47		
351	01-Jul-47 / 31-Jul-47		
352	01-Aug-47 / 31-Aug-47		
353	01-Sep-47 / 30-Sep-47		
354	01-Oct-47 / 31-Oct-47		
355	01-Nov-47 / 30-Nov-47		
356	01-Dec-47 / 31-Dec-47		
357	01-Jan-48 / 31-Jan-48		
358	01-Feb-48 / 29-Feb-48		
359	01-Mar-48 / 31-Mar-48		
360	01-Apr-48 / 30-Apr-48		
361	01-May-48 / 31-May-48		

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APPENDIX B: DEDUCTION FACTORS

VEHICLE KILOMETRES AVAILABILITY FAILURE DEDUCTION - TABLE 1 (APPLICABLE TO SERVICE LEVELS 1-3A)

Availability Ratio	Deduction Factor	Availability Ratio	Deduction Factor	Availability Ratio	Deduction Factor
100.0%		94.9%		89.8%	
99.9%		94.8%		89.7%	
99.8%		94.7%		89.6%	
99.7%		94.6%		89.5%	
99.6%		94.5%		89.4%	
99.5%		94.4%		89.3%	
99.4%		94.3%		89.2%	
99.3%		94.2%		89.1%	
99.2%		94.1%		89.0%	
99.1%		94.0%		88.9%	
99.0%		93.9%		88.8%	
98.9%		93.8%		88.7%	
98.8%		93.7%		88.6%	
98.7%		93.6%		88.5%	
98.6%		93.5%		88.4%	
98.5%		93.4%		88.3%	
98.4%		93.3%		88.2%	
98.3%		93.2%		88.1%	
98.2%		93.1%		88.0%	
98.1%		93.0%		87.9%	
98.0%		92.9%		87.8%	
97.9%		92.8%		87.7%	
97.8%		92.7%		87.6%	
97.7%		92.6%		87.5%	
97.6%		92.5%		87.4%	
97.5%		92.4%		87.3%	
97.4%		92.3%		87.2%	
97.3%		92.2%		87.1%	
97.2%		92.1%		87.0%	
97.1%		92.0%		86.9%	
97.0%		91.9%		86.8%	
96.9%		91.8%		86.7%	
96.8%		91.7%		86.6%	
96.7%		91.6%		86.5%	
96.6%		91.5%		86.4%	
96.5%		91.4%		86.3%	
96.4%		91.3%		86.2%	
96.3%		91.2%		86.1%	
96.2%		91.1%		86.0%	
96.1%		91.0%		85.9%	
96.0%		90.9%		85.8%	
95.9%		90.8%		85.7%	
95.8%		90.7%		85.6%	
95.7%		90.6%		85.5%	
95.6%		90.5%		85.4%	
95.5%		90.4%		85.3%	
95.4%		90.3%		85.2%	
95.3%		90.2%		85.1%	
95.2%		90.1%		85.0%	
95.1%		90.0%		84.9%	
95.0%		89.9%		84.8%	

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VEHICLE KILOMETRES AVAILABILITY FAILURE DEDUCTION - TABLE 1 (CONT.)

Availability Ratio	Deduction Factor	Availability Ratio	Deduction Factor	Availability Ratio	Deduction Factor
84.7%		79.6%		74.2%	
84.6%		79.5%		74.1%	
84.5%		79.4%		74.0%	
84.4%		79.3%		73.9%	
84.3%		79.2%		73.8%	
84.2%		79.1%		73.7%	
84.1%		79.0%		73.6%	
84.0%		78.9%		73.5%	
83.9%		78.8%		73.4%	
83.8%		78.7%		73.3%	
83.7%		78.6%		73.2%	
83.6%		78.5%		73.1%	
83.5%		78.4%		73.0%	
83.4%		78.3%		72.9%	
83.3%		78.2%		72.8%	
83.2%		78.1%		72.7%	
83.1%		78.0%		72.6%	
83.0%		77.9%		72.5%	
82.9%		77.8%		72.4%	
82.8%		77.7%		72.3%	
82.7%		77.6%		72.2%	
82.6%		77.5%		72.1%	
82.5%		77.4%		72.0%	
82.4%		77.3%		71.9%	
82.3%		77.2%		71.8%	
82.2%		77.1%		71.7%	
82.1%		77.0%		71.6%	
82.0%		76.9%		71.5%	
81.9%		76.8%		71.4%	
81.8%		76.7%		71.3%	
81.7%		76.6%		71.2%	
81.6%		76.5%		71.1%	
81.5%		76.4%		71.0%	
81.4%		76.3%		70.9%	
81.3%		76.2%		70.8% or below	
81.2%		76.1%			
81.1%		76.0%			
81.0%		75.9%			
80.9%		75.8%			
80.8%		75.7%			
80.7%		75.6%			
80.6%		75.5%			
80.5%		75.4%			
80.4%		75.3%			
80.3%		75.2%			
80.2%		75.1%			
80.1%		75.0%			
80.0%		74.9%			
79.9%		74.8%			
79.8%		74.7%			
79.7%		74.6%			

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TABLE 2 - VEHICLE KILOMETRES AVAILABILITY FAILURE DEDUCTION (APPLICABLE TO SERVICE LEVELS 4-9)

Availability Ratio	Deduction Factor	Availability Ratio	Deduction Factor	Availability Ratio	Deduction Factor
100.0%		94.9%		89.8%	
99.9%		94.8%		89.7%	
99.8%		94.7%		89.6%	
99.7%		94.6%		89.5%	
99.6%		94.5%		89.4%	
99.5%		94.4%		89.3%	
99.4%		94.3%		89.2%	
99.3%		94.2%		89.1%	
99.2%		94.1%		89.0%	
99.1%		94.0%		88.9%	
99.0%		93.9%		88.8%	
98.9%		93.8%		88.7%	
98.8%		93.7%		88.6%	
98.7%		93.6%		88.5%	
98.6%		93.5%		88.4%	
98.5%		93.4%		88.3%	
98.4%		93.3%		88.2%	
98.3%		93.2%		88.1%	
98.2%		93.1%		88.0%	
98.1%		93.0%		87.9%	
98.0%		92.9%		87.8%	
97.9%		92.8%		87.7%	
97.8%		92.7%		87.6%	
97.7%		92.6%		87.5%	
97.6%		92.5%		87.4%	
97.5%		92.4%		87.3%	
97.4%		92.3%		87.2%	
97.3%		92.2%		87.1%	
97.2%		92.1%		87.0%	
97.1%		92.0%		86.9%	
97.0%		91.9%		86.8%	
96.9%		91.8%		86.7%	
96.8%		91.7%		86.6%	
96.7%		91.6%		86.5%	
96.6%		91.5%		86.4%	
96.5%		91.4%		86.3%	
96.4%		91.3%		86.2%	
96.3%		91.2%		86.1%	
96.2%		91.1%		86.0%	
96.1%		91.0%		85.9%	
96.0%		90.9%		85.8%	
95.9%		90.8%		85.7%	
95.8%		90.7%		85.6%	
95.7%		90.6%		85.5%	
95.6%		90.5%		85.4%	
95.5%		90.4%		85.3%	
95.4%		90.3%		85.2%	
95.3%		90.2%		85.1%	
95.2%		90.1%		85.0%	
95.1%		90.0%		84.9%	
95.0%		89.9%		84.8%	

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VEHICLE KILOMETRES AVAILABILITY FAILURE DEDUCTION - TABLE 2 (CONT.)

Availability Ratio	Deduction Factor	Availability Ratio	Deduction Factor	Availability Ratio	Deduction Factor
84.7%		79.6%		74.5%	
84.6%		79.5%		74.4%	
84.5%		79.4%		74.3%	
84.4%		79.3%		74.2%	
84.3%		79.2%		74.1%	
84.2%		79.1%		74.0%	
84.1%		79.0%		73.9%	
84.0%		78.9%		73.8%	
83.9%		78.8%		73.7%	
83.8%		78.7%		73.6%	
83.7%		78.6%		73.5%	
83.6%		78.5%		73.4%	
83.5%		78.4%		73.3%	
83.4%		78.3%		73.2%	
83.3%		78.2%		73.1%	
83.2%		78.1%		73.0%	
83.1%		78.0%		72.9%	
83.0%		77.9%		72.8%	
82.9%		77.8%		72.7%	
82.8%		77.7%		72.6%	
82.7%		77.6%		72.5%	
82.6%		77.5%		72.4%	
82.5%		77.4%		72.3%	
82.4%		77.3%		72.2%	
82.3%		77.2%		72.1%	
82.2%		77.1%		72.0%	
82.1%		77.0%		71.9%	
82.0%		76.9%		71.8%	
81.9%		76.8%		71.7%	
81.8%		76.7%		71.6%	
81.7%		76.6%		71.5%	
81.6%		76.5%		71.4%	
81.5%		76.4%		71.3%	
81.4%		76.3%		71.2%	
81.3%		76.2%		71.1%	
81.2%		76.1%		71.0%	
81.1%		76.0%		70.9%	
81.0%		75.9%		70.8% or below	
80.9%		75.8%			
80.8%		75.7%			
80.7%		75.6%			
80.6%		75.5%			
80.5%		75.4%			
80.4%		75.3%			
80.3%		75.2%			
80.2%		75.1%			
80.1%		75.0%			
80.0%		74.9%			
79.9%		74.8%			
79.8%		74.7%			
79.7%		74.6%			

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TABLE 3 - STATION AVAILABILITY FAILURE DEDUCTION (APPLICABLE TO SERVICE LEVELS 1-3A)

Availability Ratio	Deduction Factor	Availability Ratio	Deduction Factor	Availability Ratio	Deduction Factor
100.0%		94.9%		89.8%	
99.9%		94.8%		89.7%	
99.8%		94.7%		89.6%	
99.7%		94.6%		89.5%	
99.6%		94.5%		89.4%	
99.5%		94.4%		89.3%	
99.4%		94.3%		89.2%	
99.3%		94.2%		89.1%	
99.2%		94.1%		89.0%	
99.1%		94.0%		88.9%	
99.0%		93.9%		88.8%	
98.9%		93.8%		88.7%	
98.8%		93.7%		88.6%	
98.7%		93.6%		88.5%	
98.6%		93.5%		88.4%	
98.5%		93.4%		88.3%	
98.4%		93.3%		88.2%	
98.3%		93.2%		88.1%	
98.2%		93.1%		88.0%	
98.1%		93.0%		87.9%	
98.0%		92.9%		87.8%	
97.9%		92.8%		87.7%	
97.8%		92.7%		87.6%	
97.7%		92.6%		87.5%	
97.6%		92.5%		87.4%	
97.5%		92.4%		87.3%	
97.4%		92.3%		87.2%	
97.3%		92.2%		87.1%	
97.2%		92.1%		87.0%	
97.1%		92.0%		86.9%	
97.0%		91.9%		86.8%	
96.9%		91.8%		86.7%	
96.8%		91.7%		86.6%	
96.7%		91.6%		86.5%	
96.6%		91.5%		86.4%	
96.5%		91.4%		86.3%	
96.4%		91.3%		86.2%	
96.3%		91.2%		86.1%	
96.2%		91.1%		86.0%	
96.1%		91.0%		85.9%	
96.0%		90.9%		85.8%	
95.9%		90.8%		85.7%	
95.8%		90.7%		85.6%	
95.7%		90.6%		85.5%	
95.6%		90.5%		85.4%	
95.5%		90.4%		85.3%	
95.4%		90.3%		85.2%	
95.3%		90.2%		85.1%	
95.2%		90.1%		85.0% or below	
95.1%		90.0%			
95.0%		89.9%			

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TABLE 4 - STATION AVAILABILITY FAILURE DEDUCTION (APPLICABLE TO SERVICE LEVELS 4-9)

Availability Ratio	Deduction Factor	Availability Ratio	Deduction Factor	Availability Ratio	Deduction Factor
100.0%		94.9%		89.8%	
99.9%		94.8%		89.7%	
99.8%		94.7%		89.6%	
99.7%		94.6%		89.5%	
99.6%		94.5%		89.4%	
99.5%		94.4%		89.3%	
99.4%		94.3%		89.2%	
99.3%		94.2%		89.1%	
99.2%		94.1%		89.0%	
99.1%		94.0%		88.9%	
99.0%		93.9%		88.8%	
98.9%		93.8%		88.7%	
98.8%		93.7%		88.6%	
98.7%		93.6%		88.5%	
98.6%		93.5%		88.4%	
98.5%		93.4%		88.3%	
98.4%		93.3%		88.2%	
98.3%		93.2%		88.1%	
98.2%		93.1%		88.0%	
98.1%		93.0%		87.9%	
98.0%		92.9%		87.8%	
97.9%		92.8%		87.7%	
97.8%		92.7%		87.6%	
97.7%		92.6%		87.5%	
97.6%		92.5%		87.4%	
97.5%		92.4%		87.3%	
97.4%		92.3%		87.2%	
97.3%		92.2%		87.1%	
97.2%		92.1%		87.0%	
97.1%		92.0%		86.9%	
97.0%		91.9%		86.8%	
96.9%		91.8%		86.7%	
96.8%		91.7%		86.6%	
96.7%		91.6%		86.5%	
96.6%		91.5%		86.4%	
96.5%		91.4%		86.3%	
96.4%		91.3%		86.2%	
96.3%		91.2%		86.1%	
96.2%		91.1%		86.0%	
96.1%		91.0%		85.9%	
96.0%		90.9%		85.8%	
95.9%		90.8%		85.7%	
95.8%		90.7%		85.6%	
95.7%		90.6%		85.5%	
95.6%		90.5%		85.4%	
95.5%		90.4%		85.3%	
95.4%		90.3%		85.2%	
95.3%		90.2%		85.1%	
95.2%		90.1%		85.0% or below	
95.1%		90.0%			
95.0%		89.9%			

**APPENDIX C: FAILURE POINTS**

**Section 1. Failure Points Applicable to Vehicle Kilometres Availability Failures**

1.1 Failure Points shall be awarded in each Contract Month based on the Aggregate Vehicle Kilometres Availability Ratio calculated for that Contract Month, in accordance with the table, below.

Aggregate Vehicle Kilometres Availability Ratio for Contract Month <i>n</i>	Failure Points Awarded for Contract Month <i>n</i>
98.0% and above	
97.0% - 97.9%	
96.0% - 96.9%	
95.0% - 95.9%	
94.0% - 94.9%	
93.0% - 93.9%	
92.0% - 92.9%	
91.0% - 91.9%	
90.0% - 90.9%	
89.0% - 89.9%	
88.0% - 88.9%	
87.0% - 87.9%	
86.0% - 86.9%	
85.0% - 85.9%	
Below 84.9% %	

**Section 2. Failure Points Applicable to System Events**

2.1 Failure Points shall be awarded in each Contract Month based on any System Events occurring during that Contract Month, in accordance with the table, below. The maximum aggregate amount of Failure Points to be awarded in respect of System Events for any one day shall be.

System Event	Failure Points Applied
On any single Weekday during a Contract Month, the Aggregate Vehicle Kilometres Availability Ratio for either (a) morning Peak Period service (06:30 to 09:00) or (b) afternoon Peak Period service (14:45 to 18:00) is less than %.	per occurrence.  For clarity, each Peak Period which fails to meet the % service standard shall result in awarding Failure Points, such that Project Co could be awarded Failure Points in respect of morning Peak Period service and a further in respect of afternoon Peak Period service.
On any single day during a Contract Month, the Aggregate Vehicle Kilometres Availability Ratio for that day is less than %	per occurrence.

**Section 3. Failure Points Applicable to Station Availability Failures**

3.1 Failure Points shall be awarded in each Contract Month based on the Aggregate Station Availability Ratio calculated for that Contract Month, in accordance with the table, below.

Aggregate Station Availability Ratio for Contract Month <i>n</i>	Failure Points Awarded for Contract Month <i>n</i>
98.0% - 99.0%	
97.0% - 97.9%	
96.0% - 96.9%	
95.0% - 95.9%	
94.0% - 94.9%	
93.0% - 93.9%	
92.0% - 92.9%	
91.0% - 91.9%	

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Aggregate Station Availability Ratio for Contract Month <i>n</i>	Failure Points Awarded for Contract Month <i>n</i>
90.0% - 90.9%	
89.0% - 89.9%	
88.0% - 88.9%	
87.0% - 87.9%	
86.0% - 86.9%	
85.0% - 85.9%	
Below 84.9%	

**Section 4. Failure Points Applicable to Quality Failures and Service Failures in respect of Service Levels 1-3:**

Category	FPS	Application
Minor Quality Failure		Per Quality Failure
Medium Quality Failure		
Major Quality Failure		
Minor Service Failure		Per Service Failure
Medium Service Failure		
Major Service Failure		

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**Section 5. Failure Points Applicable to Quality Failures and Service Failures in respect of Service Levels 3a-9:**

*Table A - General*

Category	FPs	Application
Minor Quality Failure		Per Quality Failure
Medium Quality Failure		
Major Quality Failure		
Minor Service Failure		Per Service Failure
Medium Service Failure		
Major Service Failure		



APPENDIX D: STATION GROUPS

Group 1 Stations	Group 2 Stations	Group 3 Stations
<ul style="list-style-type: none"> <li>• Tunney’s Pasture</li> <li>• Downtown West</li> <li>• Downtown East</li> <li>• Rideau Centre</li> <li>• Hurdman</li> <li>• Blair</li> <li>• Lincoln Fields Station</li> <li>• Baseline Station</li> <li>• Bayshore Station</li> <li>• Moodie Station</li> <li>• Place d’Orleans Station</li> <li>• Trim Station</li> </ul>	<ul style="list-style-type: none"> <li>• Bayview</li> <li>• Campus</li> <li>• St. Laurent</li> <li>• Iris Station</li> <li>• Pinecrest Station</li> <li>• Montreal Road Station</li> <li>• Jeanne d’Arc Station</li> </ul>	<ul style="list-style-type: none"> <li>• Lebreton</li> <li>• Lees</li> <li>• Train Station</li> <li>• Cyrville</li> <li>• Westboro Station</li> <li>• Dominion Station</li> <li>• Cleary Station</li> <li>• New Orchard Station</li> <li>• Queensview Station</li> <li>• Orleans Boulevard Station</li> </ul>