

Schedule 7: Governance and Service Management

Part 1 – Groups

1. Composition

1.1 Project Governance Group

Unless otherwise agreed by the parties, the Project Governance Group shall comprise:

- (a) representatives of the Contractor, including:
 - (i) the chairman of the Contractor General Partner's board of directors or the chairman's delegate as agreed with the Transport Agency;
 - (ii) representatives of each of:
 - (A) the holders of equity in HoldCo General Partner; and
 - (B) the HoldCo Limited Partner's; and
 - (iii) other members of either the HoldCo General Partner's board of directors or the Contractor General Partner's board of directors, in each case with relevant knowledge and oversight applicable to the current phase of the Project; and
- (b) representatives of the Transport Agency, who shall be members of the Transport Agency's senior management, in each case with relevant knowledge and oversight applicable to the then-current phase of the Project.

1.2 Relationship Management Group

Unless otherwise agreed by the parties, the Relationship Management Group shall comprise six members, being:

- (a) the Contractor's Representative and two other representatives appointed by the Contractor; and
- (b) the Transport Agency's Representative and two other representatives appointed by the Transport Agency.

1.3 Notification of membership

- (a) On or prior to Financial Close, each party must give the other party written notice of the representatives (and any alternates to those representatives) it appoints to the Project Governance Group. Subject to paragraph 1.1, each party may replace a representative or alternate appointed by it by written notice to the other party.
- (b) Subject to paragraphs 6.4 (Notification of appointment) and 7.4 (Notification of appointment), on or prior to Financial Close, each party must give the other party written notice of the representatives (and any alternates to those representatives) it appoints to the Relationship Management Group. Subject to paragraphs 1.2, 6.4 (Notification of appointment) and 7.4 (Notification of appointment), each party may replace a representative or alternate appointed by it by written notice to the other party.

1.4 Authority of members

Each party must ensure the members of a Group appointed by it:

- (a) are authorised to represent the respective party in respect of any of the purposes, duties or functions of the Group; and
- (b) attend all meetings as required, subject to the terms of paragraphs 3.2 (Method of attendance) and 3.3 (Quorum).

1.5 Sub-groups

A Group may form a sub-group for any purpose. The sub-group will be governed by the same terms as the parent Group unless the sub-group is expressly formed on restricted terms (in which case such restricted terms shall apply to that sub-group).

2. Purposes

2.1 Project Governance Group

The Project Governance Group shall be responsible for the overall governance of the Project from the Execution Date until the Expiry Date or the Actual Termination Date (whichever occurs first), such responsibility to include:

- (a) reviewing and setting the overall strategy for the Project;
- (b) managing the strategic relationships required within the Project;
- (c) informing members of developing and planned strategic matters relating to the transport sector, including those matters impacting, or reasonably capable of impacting, on the TG Project and the delivery of the Services;
- (d) reviewing and discussing ideas for innovation;
- (e) reviewing and discussing key stakeholder relationships;
- (f) discussing issues of public concern;
- (g) acting as a strategic risk management forum; and
- (h) acting as a forum to discuss any other issues arising in relation to the Works Provisioning or the Operational Services, including any issues that may be escalated from the Relationship Management Group.

2.2 Relationship Management Group

The Relationship Management Group shall be responsible for overseeing the implementation and performance of this Agreement from the Execution Date until the Expiry Date or the Actual Termination Date (whichever occurs first), such responsibility to include:

- (a) monitoring the progress and delivery of the Works Provisioning and the Operational Services delivered pursuant to the Agreement, with reference to all applicable Operative Documents;

- (b) reviewing reports prepared by the Contractor, any Major Sub-contractor, the Independent Reviewer or any other person in relation to the Works Provisioning and the Operational Services;
- (c) discussing any issues arising from any manuals, plans, programmes, reports or documents provided by or on behalf of the Contractor or the Independent Reviewer;
- (d) discussing issues of public concern;
- (e) discussing quality assurance;
- (f) reporting on and discussing health and safety and environmental issues;
- (g) raising for discussion any potential Changes, where practicable, prior to the issue of any Change Notice in accordance with Part 12 (Changes) of the Base Agreement;
- (h) monitoring and overseeing the implementation and negotiation of any proposed Change;
- (i) acting as a forum to discuss any other issues arising in relation to the Works Provisioning or the Operational Services; and
- (j) working together to implement any strategy or innovation agreed by the Project Governance Group.

3. Meetings

3.1 Frequency

- (a) The Project Governance Group shall meet:
 - (i) quarterly or as otherwise agreed by the Project Governance Group; and
 - (ii) at such other times as the parties may reasonably require.
- (b) The Relationship Management Group shall meet:
 - (i) monthly or as otherwise agreed by the Relationship Management Group; and
 - (ii) at such other times as the parties may reasonably require.
- (c) The Contractor shall:
 - (i) within one month after the Execution Date, propose for approval by the Transport Agency (acting reasonably) a schedule of Project Governance Group and Relationship Management Group meetings for the period up until the Planned Service Commencement Date (which shall be updated as necessary to reflect the likely Service Commencement Date); and
 - (ii) within one month before the Planned Service Commencement Date and thereafter within one month before each anniversary of the Service Commencement Date, propose for approval by the Transport Agency (acting reasonably), a schedule of Project Governance Group and Relationship Management Group meetings for the following 12 month period.

- (d) Each party shall use its reasonable endeavours to adhere to the schedules of meetings approved by the Transport Agency under paragraph 3.1(c).

3.2 Method of attendance

Subject to paragraph 3.3, a meeting of a Group may be held:

- (a) by assembly at the place, date, and time appointed for the meeting under paragraph 3.1; and
- (b) where requested by a member not less than five Business Days in advance, by means of audio, or audio and visual, communication by which all members participating can simultaneously hear each other throughout the meeting.

3.3 Quorum

- (a) For a meeting of a Group to proceed there must be in attendance in person at all times during the meeting at least four members, including at least two representatives of the Transport Agency and at least two representatives of the Contractor (a **Quorum**).
- (b) If a Quorum is not present within 15 minutes after the time appointed for the meeting, the meeting is adjourned for two Business Days at the same time and place or to such other date, time and place as the members present at the meeting may appoint.
- (c) A member is not regarded as present for the purposes of a Quorum if he or she attends by telephone, video conference or similar telecommunication device. However, he or she shall, provided such device allows all persons participating in the meeting to simultaneously hear each other, be entitled to participate fully in such Group meeting after a Quorum is established.
- (d) A member may be represented by an alternate (either in person, by telephone, video conference or similar telecommunication device, but such alternate will only be regarded as present for the purposes of a Quorum if the alternate is present in person).

3.4 Chair

The chair of a Group shall be:

- (a) with respect to the Project Governance Group, one of the Transport Agency's representatives (or his or her alternate); and
- (b) with respect to the Relationship Management Group, the Transport Agency's Representative (or his or her alternate).

3.5 Attendees

During Works Provisioning:

- (a) either party may have other sub-contractors, advisors and consultants present at any Relationship Management Group meeting from time to time as required, subject to giving the other party not less than two Business Days' prior notice of such attendance; and
- (b) the Independent Reviewer shall be required to attend all meetings of the Relationship Management Group where his or her monthly report (verbal or written) will be

considered, unless otherwise agreed by the Transport Agency's Representative and the Contractor's Representative in advance of the meeting.

3.6 Procedures and protocols

Subject to this paragraph 3, meetings of a Group will be conducted according to such other procedures and protocols as the members of that Group agree from time to time.

4. Agenda and minutes

4.1 Agenda

- (a) At least five Business Days prior to the scheduled date of each meeting, the Contractor shall prepare and provide to the members of the relevant Group a draft agenda for the next meeting, along with supporting reports and information.
- (b) The Transport Agency shall advise the Contractor within two Business Days whether it wishes to make additions to the agenda and whether it requires the Contractor to provide additional information prior to the meeting.
- (c) The final agenda shall be circulated by the Contractor at least one Business Day prior to the meeting, together with any additional material requested by the Transport Agency.
- (d) The agenda may be amended at the meeting by agreement of at least three members of the relevant Group present at the meeting.

4.2 Minutes

Within five Business Days of the conclusion of each meeting of the relevant Group, the Contractor shall prepare and circulate detailed minutes of the meeting to each member of the relevant Group. The minutes must include:

- (a) a list of attendees;
- (b) details of the matters discussed at the meeting; and
- (c) the actions arising from the meeting as agreed by the relevant Group at that meeting.

4.3 Provision of additional information

The Transport Agency may require, from time to time, the Contractor to provide additional information on matters discussed at any Group meeting and the Contractor must provide such information in a timely manner.

5. Conduct and decisions

5.1 Relationship principles

Each party acknowledges and agrees that the parties will behave and work together, in relation to all aspects of this Agreement and the delivery of the Services, in a manner that is consistent with the following principles:

- (a) **Teamwork:** the Transport Agency and the Contractor will operate as a team, tasked with delivering the Transport Agency's outcomes and objectives. Communication will

be open and honest. Each party will respond quickly and proactively to issues raised by the other, and both opportunities and solutions to problems will be shared.

- (b) **Transparency:** transparency is a fundamental requirement in relation to all operational information and matters relating to the TG Project.

5.2 Completion of agreed actions

Without prejudice to the right of the Transport Agency to issue directions and Change Notices in accordance with the Base Agreement, each party must seek to complete any actions assigned to it, which are agreed at the relevant Group meeting, within a timely manner and shall be carried out in accordance with the relationship principles set out in paragraph 5.1.

5.3 Effect of decisions

The parties recognise that decisions of a Group shall not be binding nor confer rights or obligations on either the Transport Agency or the Contractor under, or otherwise affect, any of the Project Documents, unless any such decision of either Group is given as an express direction pursuant to this paragraph 5.3 by the Transport Agency's Representative in writing within five Business Days of the meeting, or a Confirmed Change results after the matter is progressed in accordance with Part 12 (Changes) of the Base Agreement.

5.4 Effect of exercise of rights by Transport Agency

The Transport Agency's exercise of, or omission to exercise, any of its rights and obligations with respect to a Group will not:

- (a) constitute an Event;
- (b) lessen or otherwise affect the Contractor's obligations and the Transport Agency's rights, whether under this Agreement or at Law;
- (c) entitle the Contractor to make any Claim against the Transport Agency; or
- (d) be construed as a Change,

save that in the event of any direction given, or Change initiated, by the Transport Agency following any meeting of a Group, the relevant provisions of this Agreement shall, notwithstanding the foregoing, apply.

Part 2 – Parties' Representatives

6. Transport Agency's Representative

6.1 General

The Transport Agency's Representative will:

- (a) exercise the rights, powers and authority and perform the roles delegated to the Transport Agency's Representative by the Transport Agency as may be notified to the Contractor from time to time;
- (b) exercise such other power or authority of the Transport Agency under any Project Document, delegated in writing by the Transport Agency to the Transport Agency's Representative and notified to the Contractor (including any conditions applying to the delegated power);
- (c) bind the Transport Agency under this Agreement or other Project Documents, only to the extent of compliance with the conditions of any lawfully delegated power to do so; and
- (d) exercise all powers, duties, discretions and authorities on behalf of the Transport Agency (and not as an independent certifier, assessor or valuer).

6.2 Notices

Any notice that is required to be given to the Transport Agency under this Agreement or any Project Document can, unless otherwise specified, be given to the Transport Agency's Representative. Any notice given to, or any information within the possession of, the Transport Agency's Representative is deemed to have been given to, or to be within the possession of, the Transport Agency.

6.3 Reliance on instruction

- (a) Save where notified in writing by the Transport Agency before such act, instruction, notice or direction, the Contractor and the Contractor's Representative shall be entitled to treat any act, instruction, notice or direction of the Transport Agency's Representative that is within the delegated authority of the Transport Agency's Representative as being expressly authorised by the Transport Agency, and the Contractor and the Contractor's Representative shall not be required to determine whether authority has in fact been given.
- (b) The Contractor shall be entitled to rely on written instructions given by:
 - (i) the Transport Agency's Representative or authorised delegate acting within his or her delegation;
 - (ii) the Chief Executive of the Transport Agency; or
 - (iii) a person to whom the Chief Executive of the Transport Agency has delegated appropriate authority, evidence of which has been provided to the Contractor.
- (c) The Contractor shall not be entitled to rely on or claim, and the Transport Agency will not be responsible for, any relief, additional time, losses or expenses, damages, costs or other losses should the Contractor fail to act on any notice, communication or other

purported instruction given by a person alleging to act for or on behalf of the Transport Agency unless such instruction is given in accordance with paragraph 6.3(b).

- (d) The Contractor shall not be required to act on any notice, communication or other purported instruction given by a person alleging to act for or on behalf of the Transport Agency unless such instruction is given in accordance with paragraph 6.3(b).

6.4 Notification of appointment

- (a) The Transport Agency must provide written notice to the Contractor of the name and contact details of, and the extent of the delegation exercisable by, the Transport Agency's Representative on or before Financial Close.
- (b) The Transport Agency may appoint a replacement or additional Transport Agency's Representative at any time by written notice to the Contractor, which notice shall contain the information required by paragraph 6.4(a).

6.5 Delegation of function

For the avoidance of doubt, the Transport Agency's Representative may, from time to time, delegate all or part of his or her functions and powers to a suitably qualified and experienced alternate by written notice to the Contractor's Representative and may at any time revoke such delegation or limit or qualify its extent (in each case) on written notice to the Contractor's Representative.

7. Contractor's Representative

7.1 Generally

The Contractor's Representative will:

- (a) exercise the rights, powers and authority and perform the roles accorded to the Contractor's Representative by the Contractor as may be notified to the Transport Agency from time to time;
- (b) exercise such other power or authority of the Contractor under any Project Document, delegated in writing by the Contractor to the Contractor's Representative and notified to the Transport Agency (including any conditions applying to the delegated power);
- (c) bind the Contractor under this Agreement or other Project Documents, only to the extent of compliance with the conditions of any lawfully delegated power to do so; and
- (d) exercise all powers, duties, discretions and authorities on behalf of the Contractor (and not as an independent certifier, assessor or valuer).

7.2 Notices

Any notice that is required to be given to the Contractor under this Agreement or any Project Document can, unless otherwise specified, be given to the Contractor's Representative. Any notice given to, or any information within the possession of, the Contractor's Representative is deemed to have been given to, or to be within the possession of, the Contractor.

7.3 Reliance on instruction

- (a) Save to the extent notified in writing by the Contractor before such act, instruction, notice or direction, the Transport Agency and the Transport Agency's Representative

shall be entitled to treat any act, instruction, notice or direction of the Contractor's Representative as being expressly authorised by the Contractor, and the Transport Agency and the Transport Agency's Representative shall not be required to determine whether authority has in fact been given.

- (b) The Transport Agency will not be entitled to rely on or claim, and the Contractor shall not be responsible for, any relief, additional time, losses or expenses, damages, costs or other losses should the Transport Agency fail to act on any notice, communication or other instruction given by a person alleging to act for and on behalf of the Contractor unless that person is the Contractor's Representative or authorised delegate acting within his or her delegation.
- (c) The Transport Agency shall not be required to act on or acknowledge any notice, communication or other purported instruction given by a person alleging to act for or on behalf of the Contractor unless such instruction is given by the Contractor's Representative or authorised delegate acting within his or her delegation.

7.4 Notification of appointment

- (a) The Contractor must provide written notice to the Transport Agency of the name and contact details of, and the extent of the delegation exercisable by, the Contractor's Representative on or before Financial Close.
- (b) Subject to clause 15.2 (Service management) of the Base Agreement, the Contractor may appoint a replacement Contractor's Representative at any time by written notice to the Transport Agency, which notice shall contain the information required by paragraph 7.4(a).

7.5 Delegation

For the avoidance of doubt, but subject to clause 15.2 (Service management) of the Base Agreement, the Contractor's Representative may, from time to time, delegate his or her functions and powers to a suitably qualified and experienced alternate appointed when the Contractor's Representative is incapacitated, ill or on holiday and may at any time revoke such delegation or limit or qualify its extent (in each case) on written notice to the Transport Agency's Representative.

7.6 Independent chairman

The Contractor must, for the duration of the Contract Term, ensure that it has a person appointed as the independent chairman of the General Partners.