SCHEDULE 12

Part B

British Rail Privilege Facilities

THIS AGREEMENT is made the day of

BETWEEN

London Regional Transport (*LRT*) of 55 Broadway London SW1H 0BD and GEC ALSTHOM NL Service Provision Limited of Westinghouse Road, Trafford Park, Manchester M17 1PR (the *Contractor*).

WHEREAS:

- 1. On 30 March 1994, LRT and the British Railways Board (the *Board*) exchanged a Staff Travel Agreement relating to privilege travel, status and duty passes (the *Staff Travel Agreement*).
- 2. On leaving the employment of London Underground Limited (*LUL*) the Transferring Employee will cease to be eligible for privilege travel on the Board's railways under the terms of the Staff Travel Agreement.
- 3. It has been agreed between the Board and LRT on the Contractor's behalf that privilege travel will continue to be made available to those Transferring Employees who were in receipt of such facilities at the Transfer Date for so long as they remain in receipt of LRT staff travel facilities (eligible staff) on the terms contained in this Agreement.

IT IS AGREED AS FOLLOWS:

1. The terms and conditions upon which privilege travel facilities are allowed to eligible staff and their eligible spouses and dependants for travel on the railways of the

Board are included in the document PD54 "London Transport Privilege Facilities - Regulations and Arrangements dated March 1994", and as amended from time to time. The Contractor shall ensure that all eligible staff comply with these terms and conditions and that they surrender their tickets on ceasing to be entitled to them.

- 2. This Agreement extends only to privilege passes for travel off duty and for travel to and from work by eligible staff. It shall not cover status or regional passes.
- 3. LRT shall be responsible for issuing all privilege travel tickets and documentation, and for receiving all surrendered or expired or otherwise invalid tickets.
- 4. The Contractor shall pay to LRT such sums and at such times as are demanded by the Board in respect of the provision of privilege travel for eligible staff. LRT shall, as agent for the Contractor, pay these sums to the Board. LRT shall in no event be liable for payment of these sums other than as agent for the Contractor.
- 5. The cost at the date of this Agreement of privilege travel is £212 per annum for each member of eligible staff. LRT will as agent for the Contractor negotiate in good faith with the Board from time to time in respect of variations to this charge, and the Contractor undertakes to pay such varied charges for so long as the privilege travel facilities are retained.
- 6. The Contractor agrees and undertakes that it will bear the cost of providing such privilege travel and that it will not recover such costs directly or indirectly from the eligible staff.
- 7. The Contractor acknowledges that certain aspects of the Staff Travel Agreement may be renegotiated to facilitate the efficient implementation of the restructuring of the passenger rail industry in Great Britain as contemplated by the Railways Act 1993.

FX950970.013/1+ Page 2 of 4

- 8. The Contractor further acknowledges that the continued provision of privilege travel facilities is entirely in the discretion of the Board. The terms and conditions (including the charges) on which such facilities are provided may be changed or withdrawn as a result of the restructuring of the passenger rail industry.
- 9. In the event of any change to the provision of privilege travel facilities (including the signing of any new staff travel agreement between LRT, the Board and any other parties) LRT acting as agent for the Contractor will use their reasonable endeavours in good faith to procure continuing arrangements for the provision of the facility.
- 10. If at any time LRT in its reasonable opinion considers that it does not have the surplus capacity it requires in order to have the power to provide the services contained in this letter within the terms of the London Regional Transport Act 1984 it may cease to provide those services forthwith by giving notice to the Contractor. LRT shall where possible endeavour to give the Contractor prior notice of any such anticipated loss of surplus capacity.
- 11. No provisions of this letter and any arrangement of which it forms part by virtue of which this letter or such arrangement is subject to registration under the Restrictive Trade Practices Act 1976, if such be the case, shall take effect until the date after that on which particulars of this letter and of any such arrangement have been furnished to the Director General of Fair Trading pursuant to the said Act.

IN WITNESS whereof the parties have hereunto set their respective hands by their duly authorised representatives the day and year first above written.

For and on behalf of London Regional Transport
For and on behalf of GEC ALSTHOM NL Service Provision Limited

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