

LONDON CYCLE HIRE SCHEME AGREEMENT

Schedule 16 – Exit Plan

SCHEDULE 16

Exit Plan

1. **Scope**

1.1 This Schedule 16:

- (A) sets out the strategy to be followed by the Parties on the termination (including Partial Termination) or expiry of this Agreement; and
- (B) requires the Service Provider to support an orderly, controlled transition of responsibility for the provision of the Services, LCHS Assets, Service Systems and Premises from the Service Provider to a New Service Provider, at TTL's direction, with the minimum of disruption and so as to prevent or mitigate any inconvenience to TTL by means of the implementation of the Exit Plan.

2. **Exit Strategy**

2.1 The initial exit strategy is set out in Annex A (*Exit Strategy*) to this Schedule 16 (the "**Exit Strategy**").

2.2 Without prejudice to any Approval given by TTL pursuant to paragraph 4.1 (*Service and Asset Transfer Plan*) and subject to paragraph 4.3 (*Service and Asset Transfer Plan*) below, the Service Provider shall revise the Exit Strategy from time to time throughout the Term to take into account changing technologies and any changes to the scope or nature of the Services, LCHS Assets and Service Systems, including any Changes agreed and implemented by the Parties in accordance with the Change Control Request Procedure.

2.3 The Service Provider shall make such amendments to the Exit Strategy as TTL may require from time to time.

3. **Development and Review of Exit Plan**

3.1 The Service Provider shall prepare an Exit Plan during the Implementation Phase and submit it to TTL for Approval in accordance with Schedule 3 (*Milestones and Deliverables*).

3.2 As a minimum, the Service Provider shall ensure that the Exit Plan includes:

(A) those areas set out in:

- (1) the Exit Strategy; and
- (2) paragraph 6 (*Contents of the Exit Plan and Service and Asset Transfer Plan*) of this Schedule 16,

to the maximum level of detail as it is reasonably possible to determine at the time of preparation of the Exit Plan; and

- (B) such other provisions as the Service Provider deems necessary or TTL may request from time to time in relation to expiry or termination of this Agreement (including Partial Termination).

3.3 Without prejudice to the review pursuant to paragraph 4.1 (*Service and Asset Transfer Plan*), and subject to paragraph 4.3 (*Service and Asset Transfer Plan*), the Service Provider shall, on a six-monthly basis starting at the Effective Date and at any other time TTL or the Service Provider deems necessary throughout the Term:

- (A) review and revise the Exit Plan to take into account changing technologies and any changes to the scope or nature of the Services, LCHS Assets and Service Systems, including any Changes; and
- (B) agree with TTL the scope and detail of any necessary revisions to the Exit Plan and promptly submit such revised Exit Plan to TTL for Approval.

3.4 Without limitation to the generality of the foregoing, the Service Provider shall make such amendments to the Exit Plan as TTL may require from time to time.

4. **Service and Asset Transfer Plan**

4.1 The Service Provider shall:

- (A) if requested by TTL from time to time;
- (B) if a notice of termination or a Partial Termination Notice is served by either Party in respect of this Agreement; or
- (C) at the point where there is nine (9) months of the Initial Term or Extended Term, as appropriate, remaining,

(each of the events and/or dates referred to in paragraphs 4.1(A), 4.1(B) and 4.1(C) being referred to, as appropriate, in this Schedule 16 as the “**Trigger Date**”),

- (1) promptly produce a detailed service and asset transfer plan (the “**Service and Asset Transfer Plan**”) by developing and refining the Exit Plan as necessary to envisage either:
 - (a) the hand-over of the:
 - (i) Services;
 - (ii) LCHS Assets (or parts thereof); and/or
 - (iii) Premises in accordance with the provisions of Schedule 18 (*Premises*),to TTL or a New Service Provider; or
 - (b) the:
 - (i) winding-down of the Services (as the case may be);
 - (ii) sale of the LCHS Assets (or parts thereof);

(iii) hand-over of the Premises in accordance with the provisions of Schedule 18 (*Premises*),

as instructed by TTL; and

(2) deliver such Service and Asset Transfer Plan to TTL for its review and Approval within thirty (30) Working Days of the relevant Trigger Date (or, where paragraph 4.1(B) above applies, such earlier date as TTL may specify (acting reasonably)).

4.2 The Service Provider shall:

(A) ensure that the Service and Asset Transfer Plan deals as a minimum with:

(1) developing in more detail those areas set out in the Exit Plan; and

(2) such other provisions as the Service Provider deems necessary in accordance with Good Industry Practice or TTL may require from time to time; and

(B) revise and update the Service and Asset Transfer Plan in accordance with any reasonable instructions of TTL from time to time,

in each case so as to establish a detailed plan and management structure for all activities required for exit of the Service Provider under the specific conditions applying at the time and enable the smooth and orderly transition of the Services, LCHS Assets, Service Systems and Premises (in each case, or any part thereof, in the event of Partial Termination) to a New Service Provider within the specified timescales.

4.3 Production, revision and updating of both the Exit Plan and the Service and Asset Transfer Plan shall be at the Service Provider's sole cost and expense.

5. **Disclosure of Exit Documents**

5.1 The Service Provider acknowledges that, notwithstanding any of TTL's obligations of confidentiality under this Agreement, TTL may at any time disclose the:

(A) Exit Strategy;

(B) Exit Plan; and/or

(C) Service and Asset Transfer Plan,

to Third Parties who are tendering or involved in the tendering process for the re-letting of the Services or substantially similar services on termination or expiry of this Agreement or Partial Termination to a New Service Provider.

6. **Contents of the Exit Plan and Service and Asset Transfer Plan**

- 6.1 The Service Provider shall ensure that together the Exit Plan and Service and Asset Transfer Plan contain all detail necessary to effect the smooth and orderly termination of the Services, LCHS Assets, Service Systems and Premises (in each case, or any part thereof, in the event of Partial Termination) and hand-over of the same to TTL or a New Service Provider, and shall, without limitation to the generality of the foregoing:
- (A) set out the respective obligations of the Parties and applicable timescales;
 - (B) document the key service outputs, which shall include a breakdown of the volumes of key Service Levels and PIs in each of the last six (6) Months;
 - (C) document:
 - (1) specifications of any and all Interfaces (whether technical, administrative or otherwise) between the relevant LCHS Assets and Service Systems and any Third Party Systems and/or Data sources;
 - (2) definitions of the responsibilities of the various Service Systems owners and records of the past performance of such Third Party Systems and/or Data sources;
 - (D) document details of any work in progress the Service Provider will deliver to TTL or a New Service Provider on the expiry or termination of the Agreement or on Partial Termination;
 - (E) document the levels of resources employed by the Service Provider in the provision of the Services in the previous year, including:
 - (1) the numbers and grades of all Service Provider Personnel employed in the provision of the Services, in accordance with the level of detail set out in paragraph 8 (*Termination*) of Schedule 39 (*Service Provider Personnel*);
 - (2) the Data processing and printing capacities required to provide the Services; and
 - (3) any accommodation (other than the Premises) occupied by the Service Provider and any of its Sub-Contractors or agents to the extent they are involved in the provision of the Services;
 - (F) document details of Service Provider Personnel transferring in accordance with the TUPE Regulations, including such information as the Service Provider is required to provide in accordance with paragraph 8 (*Termination*) of Schedule 39 (*Service Provider Personnel*);
 - (G) include a list of Key Personnel;
 - (H) document each Party's responsibilities for the provision of the Services commencing on the Trigger Date:

- (1) up to the Termination Date, Partial Termination Date or Expiry Date;
 - (2) on the Termination Date, Partial Termination Date or Expiry Date; and
 - (3) during any parallel running of the Services by the Service Provider and TTL or any New Service Provider (if relevant);
- (I) detail the each Party's respective responsibilities and obligations during preparation for, and the transfer of:
- (1) relevant LCHS Assets and all associated warranties and guarantees;
 - (2) Sub-Contracts (including Key Sub-Contracts);
 - (3) Data (including proposals for Data migration and Data deletion, as appropriate);
 - (4) required consents;
 - (5) operational documentation, including Customer Records and Databases, configuration documentation and manuals;
 - (6) Software licences;
 - (7) escrow agreements relating to Escrow Software; and
 - (8) any and all security devices, encryption keys, digital signatures, digital certificates and algorithms provided that actual live encryption keys and certificates shall not be disclosed until expressly required by TTL in writing;
- (J) include the timetable for the transfer of the Services, LCHS Assets, Service Systems, Services and Premises (in each case, or any part thereof, in the event of Partial Termination), which shall include:
- (1) the transfer and cut-over milestones (being the points at which the Services, LCHS Assets, Service Systems, and Premises (in each case, or any part thereof, in the event of Partial Termination) transfer from the Service Provider to TTL and/or a New Service Provider), identifying dates, events, and criteria to be met for completion of the transfer;
 - (2) dependencies on:
 - (a) TTL;
 - (b) the Service Provider;
 - (c) Interested Parties;
 - (d) Other Service Providers;
 - (e) the Insurance Provider;

- (f) any New Service Provider; and
 - (g) Third Parties;
 - (3) when the Service Provider shall:
 - (a) make LCHS Assets and Premises available for inspection by TTL;
 - (b) provide:
 - (i) Data;
 - (ii) the Asset Register;
 - (iii) Documentation (including Design Documents);
 - (iv) Software;
 - (v) Software licences; and
 - (vi) security devices, encryption keys, digital certificates, algorithms and any associated Software (if any); and
 - (c) hand-over the LCHS Assets;
 - (4) the timing as to when TTL and New Service Provider shall review Data (if relevant);
 - (5) the timing of the training of the employees of TTL or the New Service Provider;
 - (6) the timing for transfer of Service Provider Personnel and related activities; and
 - (7) the obligations and related timings of Third Parties who will need to be involved in the transfer of the Services, LCHS Assets, Service Systems and Premises;
- (K) document the key activities to be undertaken during exit, including:
- (1) the arrangements for continuing provision of the Services, LCHS Assets and Service Systems, subject to any winding-down of the Services, LCHS Assets and Service Systems instructed to the Service Provider in accordance with paragraph 4.1 (*Service and Asset Transfer Plan*) of this Schedule 16 or this Agreement;
 - (2) the arrangements for continuing provision of support services in relation to the Service Systems in accordance with paragraph 13 (*Rights to Continued Support Services*) of this Schedule 16;
 - (3) handing-over of:
 - (a) TTL Assets;

- (b) Customer Records, Data and other records;
 - (c) Documentation (including Design Documents);
 - (d) Software;
 - (e) Software licences;
 - (f) configuration information;
 - (g) Databases;
 - (h) Documentation;
 - (i) Asset Register;
 - (j) programs;
 - (k) fault databases;
 - (l) LCHS Asset maintenance history and status;
 - (m) Operational Processes and Procedures and related documentation;
 - (n) associated warranties and guarantees; and
 - (o) any other similar items used or produced during the course of the provision of the Services by the Service Provider or relating to the configuration control of the LCHS Assets and Service Systems provided under the Services;
- (4) due diligence on LCHS Assets, contracts and other resources;
- (5) briefings on all the items to be handed over to TTL or the Service Provider, including their status and completeness and knowledge transfer on the Services, LCHS Assets and Service Systems;
- (6) the means by which no interruption of the provision of the Services, LCHS Assets and Service Systems or reduction in Service Levels will occur during the from the Trigger Date to the Expiry Date, Termination Date or Partial Termination Date and during transfer to the New Service Provider;
- (7) subject to the provisions of Schedule 41 (*Intellectual Property Rights*), the transfer to TTL (for the remainder of the term of the relevant licence) of all relevant Software licences and other licences used in the provision of the Service Systems including an outline of any special transition provisions relating to the transfer or removal of any Software or the transfer or termination of any Software licences and details of any licences which will expire at the end of the Term in accordance with Schedule 41 (*Intellectual Property Rights*);

- (8) an outline of the procedures for the transfer and/or removal of Data from the Service Systems (including Data cleansing, correction, checking, quality assessment, verifying or other processing as required in preparation for Data migration to TTL or the New Service Provider);
 - (9) subject to the provisions of paragraph 12.2 (*Service Provider Personnel and Training*) of this Schedule 16, an outline of any training of TTL's or New Service Provider's employees required to effect an orderly and successful transition of the Services, LCHS Assets and Service Systems;
 - (10) an outline of the transition provisions relating to the transfer of Third Party contracts;
 - (11) procedures and timeframe for the hand back or destruction of documents and LCHS Assets containing each Party's Intellectual Property Rights;
 - (12) subject to the provisions of paragraph 10 (*Right to Continued Use of Service Providers Premises*) of this Schedule 16, arrangements which the Service Provider proposes for TTL or a New Service Provider continuing to use the Service Provider's premises (including the Premises), covering access, security, space to be used, any modifications to be made to the Service Provider's premises (including the Premises) to allow their continued use;
 - (13) the arrangements for hand-over of the Premises (other than the Service Provider's premises);
 - (14) the arrangements for transfer of Service Provider Personnel including communications, briefing and negotiation;
 - (15) the provision of a data room (if required by TTL) into which information required to be provided by the Service Provider under the Service and Asset Transfer Plan shall be placed, for TTL and New Service Provider to inspect and make copies for removal;
 - (16) any contracts which will be novated from the Service Provider to a New Service Provider (including the escrow agreements);
 - (17) preparation and testing of Data checking, verification, cleansing, review, quality analysis and assurance, integrity and migration programs;
 - (18) arrangements for sharing Data to enable parallel running and/or testing by the New Service Provider;
 - (19) an outline of the procedures for the installation, operation, maintenance, removal and disposal of LCHS Assets (or relevant parts thereof);
- (L) detail the Documentation to be prepared and made available by the Service Provider during exit, including:
- (1) Data on Service Provider Personnel as defined by, and constrained by, the TUPE Regulations and other employment legislation;

- (2) Asset Register including release and version numbers;
- (3) configuration data for the Service Systems;
- (4) Databases and structure;
- (5) Services documentation covering:
 - (a) Incidents and Service Levels achieved over the past twelve (12) months; and
 - (b) Service Level measurement method;
- (6) status of Third Party Software including supplier, version, upgrade status;
- (7) status of Specially Written Software, including Source Code and Documentation;
- (8) Service Systems and equipment fault databases;
- (9) LCHS Asset maintenance history and status;
- (10) LCHS Asset warranties and guarantees;
- (11) manuals for the key applications used within the Services Systems;
- (12) process and procedure Documentation including the installation, operation, maintenance, removal and disposal of LCHS Assets (or relevant parts thereof);
- (13) outline of the financial information relevant to the Services (as required in the Financial Reports);
- (14) other items relating to the:
 - (a) provision of the Services by the Service Provider; or
 - (b) configuration control of the Service Systems;
- (15) key service outputs relating to the Services;
- (16) specifications of any technical and/or administrative Interfaces between the LCHS Assets and Service Systems any Third Party Systems;
- (17) details of any work in progress;
- (18) the list of all required consents to effect a smooth and orderly termination of the Services and hand-over to TTL or a New Service Provider as the case may be;
- (19) the list of Sub-Contracts (including Key Sub-Contracts), other contracts relating to the provision of the Services or licences relating to the

Licensed Materials (subject to the provisions Schedule 41 (*Intellectual Property Rights*)) to be novated to TTL or a New Service Provider;

- (20) an inventory of Spare Parts;
 - (21) full copies of all Sub-Contracts which will be novated to TTL or the New Service Provider as appropriate, together with all relevant reference and operational documentation;
 - (22) the list of all of the Service Provider's internal and Third Party support arrangements used in the operation and delivery of the Services and any Sub-Contracts (including Key Sub-Contracts) which are not to be novated to TTL or a New Service Provider under paragraph 6.1(L)(19) to the extent such arrangements are not covered by paragraphs 6.1(L)(10) and 6.1(L)(21) of this Schedule 16;
 - (23) any other information or action pertaining to the Service and Asset Transfer Plan reasonably required by TTL to ensure a smooth and timely transfer to TTL or New Service Provider as the case may be; and
 - (24) full copies of LCHS Asset disposal certificates.
- (M) if TTL is taking Step-in Action which is continuing at the Termination Date, Partial Termination Date or Expiry Date, include an explanation as to how this impacts each of the points referred to in this paragraph 6.

7. Implementation of Service and Asset Transfer Plan

- 7.1 Upon Approval of the Service and Asset Transfer Plan by TTL (or determination of the Service and Asset Transfer Plan in accordance with the Dispute Resolution Procedure, as appropriate), following a Trigger Date, the Service Provider shall implement the Service and Asset Transfer Plan in accordance with its terms.
- 7.2 The Service Provider shall promptly comply with all reasonable instructions from TTL with regard to the implementation and execution of the Service and Asset Transfer Plan including:
- (A) co-operating with any New Service Provider, Interested Party, Other Service Provider, the Insurance Provider, Third Party and Sponsor, including in relation to transfer of Service Provider Personnel and the transfer of Data; and
 - (B) making such Key Personnel not comprised within the Exit Transferring Employees available to the New Service Provider for a reasonable period of time after expiry, termination or Partial Termination as the case may be to be agreed between the outgoing Service Provider and TTL in order to assist in the transfer of responsibility for the provision of the Services.
- 7.3 Subject to paragraph 7.4 below, the charges payable to the Service Provider in relation to the implementation of the Service and Asset Transfer Plan shall be agreed in writing by the Parties and calculated in accordance with the rates set out

in Annex G (*Principles to Apply to the Pricing of Changes to this Agreement*) to Schedule 9 (*Change Control Request Procedure*).

- 7.4 In no event shall the Service Provider be entitled to any payment under paragraph 7.3 above in respect of any Services, work, products or activities which it was or is required to undertake or provide under this Agreement, notwithstanding the terms of the Service and Asset Transfer Plan.

8. **Assignment of Licences and Relevant Contracts**

Licences

- 8.1 The Service Provider shall, subject to the provisions of Schedule 41 (*Intellectual Property Rights*), use reasonable endeavours to procure that, if notified by TTL that the Service Provider should do so, after the Trigger Date and on or prior to the Termination Date, Partial Termination Date or the Expiry Date (as appropriate) (the relevant date in each case being the “**End Date**”):
- (A) each of the Sub-Contracts and any other contracts relating to the provision of the Services entered into by the Service Provider; and
 - (B) each licence relating to any Licensed Materials as referred to in the Service and Asset Transfer Plan,

as required in accordance with paragraph 6.1(L)(19) of this Schedule 16 is, subject to Schedule 41 (*Intellectual Property Rights*), assigned, transferred or novated (at no cost) to TTL or the New Service Provider, at TTL’s direction. The Licensed Materials to which each such assigned, transferred or novated licence relates shall in each case be the latest version of the Licensed Materials that is used by the Service Provider and/or the relevant Sub-Contractor in the provision of the Services.

Relevant Contracts

- 8.2 Upon receipt from the Service Provider of all required Third Party consents in respect of a Sub-Contract or a contract relating to the provision of the Services entered into by the Service Provider or Software licence to which paragraph 8.1 above applies (a “**Relevant Contract**”), the Service Provider shall, as soon as reasonably practicable, assign, transfer or novate the Relevant Contract to which the Third Party consent relates to the New Service Provider, as TTL may direct (the date from which such assignment, novation or transfer becomes effective being the “**RC Transfer Date**”).
- 8.3 Until such time as it can be assigned, novated or transferred pursuant to paragraph 8.2 above, in respect of each Relevant Contract, the Service Provider shall unless contractually prevented from so doing, sub-contract the rights and obligations of the Service Provider under such contracts to TTL or the New Service Provider, as TTL may direct, on the same terms, *mutatis mutandis*, and for the same rates of remuneration (without imposing any margin) as apply to the contracts concerned at all times without prejudice to Schedule 41 (*Intellectual Property Rights*) (the date from which each such sub-contracting becomes effective being the “**RC Sub-Contract Date**”).

8.4 Where prevented from sub-contracting pursuant to paragraph 8.3 of this Schedule 16, the Service Provider shall hold the rights and benefits under the Relevant Contract in trust for TTL or the relevant New Service Provider absolutely from the End Date until such Third Party consent is obtained and the Relevant Contract is so assigned, transferred or novated (the date from which each such holding of rights and benefits on trust becomes effective being the “**RC Trust Date**”). The Service Provider shall, whilst so holding the rights and benefits under the Relevant Contract in trust as aforesaid, in the performance of its obligations and the exercise of its rights under the Relevant Contract, seek and act at all times in accordance with the instructions of TTL in order to secure the performance of the Relevant Contract and shall deliver to (or shall procure that there is delivered to) TTL, as soon as practicable following receipt by the Service Provider, any notice or other document concerning or relating to the Relevant Contract.

8.5 If:

(A) the Service Provider holding a Relevant Contract on trust for the benefit of TTL or a New Service Provider would result in the breach of the Relevant Contract; or

(B) any Third Party consent is not obtained by the End Date,

then the Relevant Contract shall be deemed to have not been transferred to TTL (or such New Service Provider) and, in either case, the Parties shall make such other reasonably practicable arrangements between themselves which will, without (in the case of paragraph 8.5(A) above) giving rise to such a breach, and so far as is practicable, secure rights for TTL or the relevant New Service Provider equivalent to those it would have enjoyed had the benefit of the Relevant Contract been transferred to it and for relieving the Service Provider from all liability under the Relevant Contract with effect from the End Date.

8.6 Notwithstanding any other provision of this Agreement or any document effecting any assignment, novation or transfer in accordance with this Schedule 16, a New Service Provider shall not have any liability for any claim which may be made against the Service Provider for or in respect of any breach by the Service Provider prior to the relevant RC Sub-Contract Date or the RC Transfer Date (as applicable) of any term or obligation under any of the Relevant Contracts or failure by the Service Provider prior to the relevant RC Sub-Contract Date and/or the RC Transfer Date (as applicable) to perform any of its obligations thereunder.

Service Provider to indemnify TTL and/or New Service Provider

8.7 The Service Provider shall indemnify the relevant New Service Provider (and TTL if TTL is not the New Service Provider) against the amount of any claim which may be made against them for or in respect of any breach by the Service Provider prior to the RC Transfer Date or RC Sub-Contract Date (as appropriate) of any term or obligation under any of the Relevant Contracts or failure by the Service Provider or the New Service Provider prior to the RC Transfer Date or RC Sub-Contract Date (as appropriate) to perform any of its obligations thereunder. A New Service Provider shall have the right to enforce the terms of this paragraph 8.7.

TTL to indemnify Service Provider

8.8 TTL shall:

- (A) indemnify the Service Provider against the amount of any claim which may be made against it for or in respect of any breach by TTL (or a New Service Provider (as applicable)) of any obligation under any Relevant Contract to the extent that such term or obligation is sub-contracted to TTL or a New Service Provider (as applicable) pursuant to paragraph 8.3 from the relevant RC Sub-Contract Date; and/or
- (B) reimburse the Service Provider for any amounts properly paid as charges in respect of the services received by TTL (to the extent such services are solely received by TTL) under any Relevant Contract to the extent that the Service Provider holds the rights and benefits under the Relevant Contract on trust for TTL pursuant to paragraph 8.4 from the relevant RC Trust Date,

in each case until such date (if any) as the sub-contracting or holding on trust ceases to be effective in accordance with paragraph 8.5 provided that:

- (1) TTL shall be entitled to assume conduct of the defence of each such claim; and
- (2) the Service Provider provides all information reasonably required by TTL in connection with the defence of each such claim.

9. **Transfer of Data to TTL and/or New Service Provider**

9.1 The Service Provider shall carry out Data checking, verification, cleansing, review, quality analysis and assurance, integrity testing and migration as set out in the Service and Asset Transfer Plan or as otherwise directed in writing by TTL (acting reasonably) from time to time (at the sole cost and expense of the Service Provider) so as to ensure that to the extent within the control of the Service Provider:

- (A) Data or Data extracts are received by the New Service Provider (or TTL if applicable) and/or any Third Parties nominated by TTL or the New Service Provider;
- (B) all Data being migrated to the New Service Provider (or TTL if applicable) remain available to and useable by TTL, Interested Parties, Other Service Providers, the Insurance Provider and Third Parties during such migration;
- (C) the migration of Data to the New Service Provider (or TTL if applicable) envisaged under this paragraph 9.1 does not result in Data loss, corruption or impairment;
- (D) all Data migrated to the New Service Provider (or TTL if applicable) is accurate, up to date and complete;
- (E) all Data migrated to the New Service Provider (or TTL if applicable) is reconciled, which shall include carrying out referential integrity checks between each part of the Service Systems to ensure that Data stored in each part of the Service Systems are consistent and correct; and

- (F) all Data is fit for the purposes of their use and processing in connection with the Services or services materially similar to the Services (provided that such services involve the use and processing of Data in a materially similar format to the Services).

9.2 The Service Provider shall promptly at its own expense remedy any breach by the Service Provider of paragraph 9 of this Schedule 16. Should it fail to do so within such period as TTL may reasonably specify, TTL shall be entitled to take such action to remedy such breach as TTL deems appropriate (including using one or more Third Parties) and the Service Provider shall promptly on demand reimburse to TTL all costs and expenses (including the costs and expenses of a New Service Provider or of TTL Group).

10. **Right to Continued Use of Service Provider Premises**

In circumstances in which any of the Service Provider Premises are required by TTL to be continued to be used after the expiry or termination of this Agreement or Partial Termination by TTL and/or the New Service Provider for a reasonable period of time sufficient to enable the transfer of responsibility for the provision of the Services, LCHS Assets and Service Systems, the Parties shall discuss and agree in good faith the commercial and other terms upon which such Service Provider Premises shall be made available (provided that both TTL and the Service Provider shall be under an obligation to act reasonably in such discussions and any resulting commercial terms agreed shall in any event be fair and reasonable in all the prevailing circumstances).

11. **Withdrawal from the Premises**

- 11.1 After the occurrence of the Trigger Date and on or before the Termination Date, Partial Termination Date or Expiry Date (as appropriate) and in accordance with the Service and Asset Transfer Plan or at such other time as TTL may by notice in writing to the Service Provider specify the Service Provider shall:
- (A) effect an orderly withdrawal from all or some of the Premises and surrender the same and any LCHS Assets to be transferred to TTL pursuant to Clause 64 (*Consequences of Termination, Partial Termination or Expiry*) on the basis of a timetable to be set out in the Service and Asset Transfer Plan and in accordance with the provisions of Schedule 18 (*Premises*);
 - (B) at the request of TTL, procure that the benefit of all manufacturers' warranties in favour of the Service Provider or any Sub-Contractor in respect of the LCHS Assets which are to be transferred to TTL pursuant to Clause 64 (*Consequences of Termination, Partial Termination or Expiry*) and any and all mechanical, electronic and electrical equipment or Hardware included in the Premises are assigned to such New Service Provider as TTL may direct.

12. **Service Provider Personnel and Training**

- 12.1 Within ten (10) Working Days of the Trigger Date, TTL and the Service Provider shall meet with a view to agreeing that such Service Provider Personnel as identified by TTL (acting reasonably) shall remain based at the Premises and shall continue to be engaged in the provision of the Services during the provision of the Exit Management Services or the nine (9) Month period prior to the Expiry Date (as appropriate).
- 12.2 If requested to do so by TTL, the Service Provider shall provide familiarisation training at such times as TTL may reasonably require for any TTL Personnel and employees of the New Service Provider in order to ensure that such employees obtain a sound knowledge and understanding of the Services, LCHS Assets and Service Systems. Such training shall be subject to agreement through the Change Control Request Procedure.

13. **Rights to Continued Support Services**

- 13.1 The Service Provider shall, after the termination or expiry of this Agreement or Partial Termination, if required by notice in writing from TTL, provide to such New Service Provider as TTL may direct, continued support and/or maintenance of any elements of the Services, LCHS Assets and/or Service Systems provided by the Service Provider which are to continue to be used by such New Service Provider (as appropriate in the administration or operation of the Services), and for the support and/or maintenance of which the proprietary knowledge or skills of the Service Provider is required, including but not limited to correction of defects, provision of upgrades and replacements and design services:
- (A) for a period of time to be agreed between the Service Provider and TTL; and
 - (B) on commercial and other terms which reflect the Service Provider's then standard terms for the provision of such services to its clients (or, in the absence of any such standard terms, on such commercial and other terms as may be agreed between the Service Provider and TTL, provided that both TTL and the Service Provider shall be under an obligation to act reasonably in such discussions and any resulting commercial terms agreed shall in any event be fair and reasonable in all the prevailing circumstances).

14. **Continued Performance**

Except as otherwise expressly specified in the Service and Asset Transfer Plan or this Schedule 16, the Service Provider shall at all times during exit continue to perform its other obligations, including in respect of the achievement of the Service Levels and accrual of Service Failure Deductions, pursuant to the provisions of this Agreement.

15. **Scope of Exit Strategy**

- 15.1 The Service Provider shall ensure that the Exit Strategy deals as a minimum with those areas set out in this paragraph 15, together with such other provisions as the Service Provider deems necessary or TTL may reasonably request from time to time:

- (A) the name and contact details of each party's Representative who will act as the primary point of contact for all exit related matters;
- (B) the timing and process for jointly establishing an exit team of suitably skilled Representatives of the Parties to manage the implementation of the Exit Plan ("**Exit Team**"), and replacements thereof including the following information:
 - (1) the name and contact details for each member of the Exit Team and his role;
 - (2) the Exit Team shall consist of no more than five (5) Representatives from each Party;
 - (3) reporting lines for each member of the Exit Team;
 - (4) liaison lines between TTL and the Service Provider and any Interested Party, Other Service Provider, the Insurance Provider, Sponsor or Third Party;
 - (5) responsibilities for approval of Documentation; and
 - (6) escalation processes;
- (C) unless the Parties agree otherwise, the Exit Plan shall cover the period commencing on the Trigger Date and ending on the Partial Termination Date, Termination Date or Expiry Date (as appropriate);
- (D) a project plan detailing the timeframes for implementation of each part of the Exit Plan and any milestones that need to be met by the Service Provider or TTL or any New Service Provider;
- (E) details of the management processes and controls to be used in the implementation of the Exit Plan;
- (F) a list of the meetings that shall take place during the implementation of the Exit Plan. Unless agreed otherwise in writing between the Parties, the Exit Team shall meet at least once a week from the Trigger Date;
- (G) a list of the LCHS Assets that are capable of delivery by leaving those LCHS Assets in situ in a safe and secure condition at the relevant Premises, and any other LCHS Assets that are to be transferred to TTL or to a New Service Provider including the following information:
 - (1) an outline of the process and timeframes for the transfer of the LCHS Assets to TTL; and
 - (2) the procedure and timeframe for the transfer back of Assets owned by TTL or leased to the Service Provider by TTL, if appropriate;
- (H) a list of the Design Documents that are capable of delivery and any other documents that are to be transferred to TTL or to a New Service Provider including an outline of the process, timeframes and terms of the transfer of the items listed in accordance with paragraph 6 of this Schedule 16 to TTL;

- (I) an outline of the procedures for the transfer and/or removal of Data from the Service Systems and any other Systems of the Service Provider;
- (J) an outline of any special transition provisions relating to the transfer or removal of any Software or the transfer or termination of any Software licences;
- (K) the procedure and timeframe for the hand back or destruction of LCHS Assets and/or any other documents containing the other Party's Intellectual Property Rights or Confidential Information as expressly required by this Agreement;
- (L) a list of all Service Provider internal and Third Party support arrangements used in the delivery of the Services;
- (M) a list of the Service Provider Personnel on an anonymous/grade basis who are or may be involved in the provision of the Services and a summary of their terms of employment;
- (N) a list of all Sub-Contracts or other relevant contracts (if any);
- (O) the procedure, structure and timeframe for training the employees of TTL or the New Service Provider as the case may be;
- (P) a list of any and all approvals, consents, licences, permissions, certificates and statutory agreements, permits or authorisations which are necessary, desirable or required by Law or by any competent authority obtained, or to be obtained by the Service Provider for the performance of the Services, the occupation and use of the Premises, the performance of services replacing the Services or any other transfer or hand-back envisaged under this paragraph 15;
- (Q) a full list of the information relevant to the Service Provider's provision of the Services including, but not limited to, volumes processed, Data volumes stored, performance against the Service Level Agreement, maintenance statistics and fault statistics; and
- (R) any other information or action pertaining to the Exit Plan required by TTL to ensure a smooth and timely transfer to TTL or New Service Provider as the case may be.

ANNEX A: EXIT STRATEGY
[INFORMATION REDACTED]