

THIS AGREEMENT is made on the

day of

2019

BETWEEN:

- (1) Those persons whose names and registered offices or addresses are set out in Schedule 1 and those persons who subsequently accede to the terms of this Agreement in accordance with the provisions of Clause 12 (the "**Participating Operators**"); and
- (2) BUCKINGHAMSHIRE COUNTY COUNCIL (the "**Local Authority**").

BACKGROUND

- (A) The Participating Operators and the Authority are entering into this Agreement for the purposes of providing, to members of the public, multi-operator travel cards in the Area of Validity (the "**Scheme**").
- (B) The Participating Operators and The Authority intend for this Agreement to comply with the terms of the Competition Act 1998 (Public Transport Ticketing Schemes Block Exemption) Order 2001 (as amended) (the "**Block Exemption**").

IT IS AGREED as follows:

1 DEFINITIONS AND INTERPRETATION

- 1.1 In this Agreement the following words shall, unless the context otherwise requires, have the following meanings:

"Area of Validity"	means the area represented geographically in Schedule 3 or as may be varied in accordance with this Management Agreement;
"Block Exemption"	has the meaning given to it in Recital (B) above;
"Business Day"	means in relation to England any day except a Saturday, Sunday and Statutory / Public / Bank Holidays;
"Bus Service"	has the meaning given to it in the Block Exemption;
"Commencement Date of the Scheme"	means: <ol style="list-style-type: none">(a) in respect of the original parties to this Agreement, the date specified in Schedule 1; and(b) in respect of any new Operators joining the Scheme, the date determined in accordance with clause 12.3;
"Deed of Adherence"	means a deed entered into by any Operator joining the Scheme in an agreed form;
"Expiry Date"	means the latest date on which the MTCs issued under the Scheme prior to termination in relation to, or withdrawal by, a Participating Operator, expires;

"HOPS"	means Host Operator Processing System;
"ITSO"	means the government backed, not-for-profit, certification company, ITSO Limited;
"ITSO Certified"	means software and hardware that is ITSO compliant with either: (i) the latest specification issued by ITSO from time to time and, for the purposes of this Agreement 2.1.4; or (ii) such other specification which replaces ITSO specification 2.1.4 (and any successor thereof) from time to time;
"Local Public Transport Services"	has the meaning given to it in the Block Exemption;
"Local Transport Authority"	has the meaning given to it in section 108 of the Transport Act 2000;
"Management Committee"	means a body established and operated in accordance with clause 3;
"Market Share"	means the percentage share of the total number of registered local bus services departing from High Wycombe bus station during a weekly period.;
"MTCs"	has the meaning set out in the Block Exemption and includes any of the multi-operator travel cards available through the Scheme set out in Schedule 4 (as amended from time to time);
"Multi-Operator Individual Ticket"	has the meaning given to it in the Block Exemption;
"Operator"	means an undertaking supplying Local Public Transport Services;
"Relevant Pricing Information"	means all information required from an individual Operator by the Information Referee in order to conduct a price review set out in clause 5;
"Scheme"	has the meaning given to it in Recital (A) above;
"Scheme Administrator"	means the third party engaged to act as the administrator of the Scheme in accordance with the terms of this Agreement;
"Specified Services"	means all the Local Public Transport Services of each Participating Operator with at least two stopping places in the Area of Validity which shall be included in the Scheme;
"Through Ticket"	has the meaning given to it in the Block Exemption; and
"Traffic Commissioner"	means the traffic commissioner(s) for the Area of Validity.

1.2 In this Agreement and the Schedules, unless the context otherwise requires:

- (a) references to a clause, Schedule or paragraph are to a clause in or a Schedule to this Agreement or a paragraph of such a Schedule;
- (b) the Schedules to this Agreement shall have the same effect as if contained in the body of the Agreement, and any reference to this Agreement shall include the Schedules. If there is a conflict between the terms of this Agreement and any terms set out in a Schedule, the terms of this Agreement shall prevail; and
- (c) any reference in this Agreement to any statute shall include references to any statutory modification or consolidation of it or any re-enactment that supersedes it from time to time, and to any regulation or subordinate legislation made under it (or under such a modification, consolidation or re-enactment);

2 THE SCHEME

- 2.1 This Agreement shall come into effect on the date written at the head of this Agreement and shall continue in force until being terminated in accordance with its terms. If, as a result of any change in applicable competition laws or other developments, this Agreement ceases to comply with applicable competition laws (including but not limited to the Block Exemption), then the Participating Operators agree to (i) meet in good faith and review the impact of such change or other developments on this Agreement; and (ii) make any amendment necessary to ensure that this Agreement does comply with applicable competition laws then in force, whilst taking account of the Participating Operators' commercial intentions as expressed in this Agreement.
- 2.2 Notwithstanding clause 2.1, each Participating Operator acknowledges its obligations under applicable competition laws. The conduct of the Management Committee and meetings of the Participating Operators is to be undertaken in accordance with such competition laws. The Participating Operators undertake to abide (and procure that the Management Committee will abide) by the Protocol set out at Schedule 5 in this regard.

3 MANAGEMENT COMMITTEE

- 3.1 A Management Committee will be established to run the Scheme in accordance with this clause 3.
- 3.2 The Management Committee will consist of the number of representatives nominated by each of the Participating Operators in accordance with Schedule 2 and one representative nominated by The Authority. Each Participating Operator and the Authority shall (i) ensure that their respective representative complies with the terms of the Agreement as such terms apply to such representative and the Management Committee; and (ii) where such representative is in breach of the relevant obligations, such breach will be deemed a breach of the party who has appointed that representative.
- 3.3 Each representative of a Participating Operator on the Management Committee shall have such number of votes as determined in accordance with Schedule 2. The Authority representative shall have one vote and chair meetings of the Management Committee.
- 3.4 Notwithstanding clause 3.2, each Participating Operator (or group of Participating Operators) shall be responsible for electing its (or their) representative. A Participating Operator (or group of Participating Operators) can change its (or their) elected representative at any time (subject always to the provisions of Schedule 2). Any representative attending meetings of the Management Committee will be deemed validly appointed by its (or their) Participating Operator(s).
- 3.5
 - (a) The quorum for a Management Committee meeting will be the Local Authority representative and a minimum of one representative appointed by each Category A Participating Operator pursuant to Schedule 2.
 - (b) If a quorum is not present within 30 minutes of the scheduled time for the meeting, the meeting will be rescheduled for a date and time set by the Local Authority. The quorum for the adjourned meeting will be the same as set out in subclause 3.5(a).
- 3.6 Other than as set out in this Agreement, all decisions of the Management Committee will be by majority vote.

4 SCHEME ADMINISTRATOR

- 4.1 The Participating Operators shall procure that the Management Committee identifies a suitable third party to act as the Scheme Administrator for the operation and administration of the Scheme. The Management Committee shall be required to agree commercial and suitable terms for the appointment of a Scheme Administrator and, following agreement of such terms, the Participating Operators will agree which of them shall engage the Scheme Administrator. Following agreement by the Participating Operators as to the identity of the Participating Operator which will engage the relevant third party to act as Scheme Administrator (the "**Appointing PO**"), the Appointing PO shall enter into such arrangements with such third party to act as a Scheme Administrator upon the terms agreed by the Management Committee and the terms set out in this Agreement (the "**Scheme Administrator Agreement**"). Notwithstanding the foregoing, the Participating Operators (not being the Appointing PO) agree to indemnify and keep indemnified the Appointing PO for any costs and liabilities properly incurred and suffered as a direct result of the proper execution and operation of the Scheme Administrator Agreement.
- 4.2 In fulfilling the requirements under the Scheme Administrator Agreement, the Appointing PO warrants, at all times, that the Appointing PO will (i) engage the Scheme Administrator in accordance with the terms of the Scheme Administrator Agreement; (ii) put in place suitable controls and procedures (including but not limited to appropriate Chinese Walls) to ensure that persons employed or engaged by the Appointing PO in its business do not have access to information concerning the MTCs (including but not limited to Revenue Information as defined in clause 5.1) provided to the Scheme Administrator where such persons are involved in commercial and / or strategic decisions taken by the Appointing PO; and (iii) where there is any, or there is likely to be, conflict in having the Scheme Administrator providing the services contemplated hereunder, immediately notify to the Management Committee the same and, subject to the terms of the Scheme Administrator Agreement, withdraw the Scheme Administrator immediately from any further provision of the services contemplated hereunder.
- 4.3 The Appointing PO warrants to the other Participating Operators that any and all information connected to the operation of the Scheme and provided to the Scheme Administrator (including but not limited to Revenue Information), will be used solely for purposes associated with the administration and operation of the Scheme and will remain confidential to the Scheme Administrator (and the terms of the Scheme Administrator Agreement will include such terms to give effect to the terms set out herein).

5 PRICING

- 5.1 The Participating Operators agree that the price of any MTC shall only be agreed or changed in accordance with the procedure set out in this clause.
- 5.2 The Management Committee shall from time to time agree, by a majority decision of those Participating Operators present, to initiate a price review for any MTC.
- 5.3 Within seven working days of a price review being initiated by the Management Committee, each Participating Operator may, but is not obliged to, submit a proposal for a scheme price alteration directly to the Management Committee alongside supporting evidence (an "**MTC Price Proposal**"), demonstrating that its pricing proposal complies with the principles stated in CMA guidance which accompanies the Block Exemption (the "**CMA Guidance**"), including but not limited to that the MTC Price Proposal is not mechanistically linked to the individual fares of any Participating Operator, and is otherwise determined on objective factors and the economic value of the MTC. Each

Participating Operator warrants that the information it is supplying as part of a MTC Price Proposal is accurate in all material ways.

- 5.4 The Management Committee shall carry out a review of each of the MTC Price Proposals and shall meet to decide on the appropriate MTC Price Proposal by majority vote, (the **"Price Review Meeting"**) including taking into account the extent to which each MTC Price Proposal complies with the CMA Guidance.
- 5.5 The Management Committee shall record its assessment of each MTC Price Proposal and its final decision in writing.
- 5.6 If there is no majority of Management Committee members in favour of a MTC Pricing Proposal, each Participating Operator shall nominate a designated individual (the **"Escalation Contact"**), such a contact not being the same individual acting as the representative for the Participating Operator on the Management Committee, and notify the other Participating Operators of the identity of their Escalation Contact by notice (the **"Escalation Notice"**) within two (2) working days of the date of the relevant Price Review Meeting.
- 5.7 The Escalation Contacts shall use all reasonable endeavours to identify a MTC Pricing Proposal that is acceptable for the majority of the Participating Operators. If, in the event that the Escalation Contacts are unable to reach a majority view on a MTC Pricing Proposal within fourteen working days of the date of the relevant Price Review Meeting, the Participating Operators agree that the price review will be referred to and finally resolved by the Local Authority.
- 5.8 All Participating Operators agree to be bound by the decision of the Management Committee, Escalation Contacts or Local Authority, as appropriate, in relation to pricing and implement the revised pricing structure on the [thirtieth working day] following the Management Committee's decision pursuant to clause 5.4 above or, if the decision was made by the Escalation Contacts or Local Authority, the [thirtieth working day] following the date the Management Committee was informed of the final pricing decision.
- 5.9 Where it comes to the attention of the Management Committee that any Relevant Pricing Information provided by a Participating Operator in a MTC Price Proposal was outdated or otherwise incorrect in any material respect, the Management Committee shall immediately initiate a price review.
- 5.10 All Participating Operators shall sell MTC at the same agreed price and no Participating Operator shall sell any MTC at a discounted price or in conjunction with any other offer which confers a price benefit or incentive.

6 EQUIPMENT AND SMART MEDIA

6.1 For the purposes of this Scheme, A Operators (as defined in Schedule 2) shall be obliged to retail and accept MTCs and B Operators (as defined in Schedule 2) shall be obliged to accept MTCs and permitted, but not obliged, to retail MTCs.

6.2 Each Participating Operator retailing scheme MTCs must do so via, either:

- (a) its own Smartphone app and deliver these to customers in ticket form, using the agreed scheme QR code schema (the **"QR Code Schema"**) to encode the tickets: or
- (b) using the Participating Operators own ITSO certified smart media.

(Together these ticketing forms are **"Smartmedia"**)

6.3 The Participating Operators, acting reasonably, reserve the right to test any such Smartmedia used by a Participating Operator (the **"Smartmedia Test Operator"**) at any time and on reasonable notice for compliance with such requirement. Such testing will be conducted by the Scheme Administrator at the expense of the relevant Smartmedia Test Operator and the Scheme Administrator shall only disclose its findings to the Smartmedia Test Operator. If a Smartmedia Test Operator, having been served reasonable notice, refuses to allow the Scheme Administrator to test such Smartmedia within five Business Days of being so notified the Scheme Administrator shall be required to notify the Participating Operators of such actions of the Smartmedia Test Operator. The Test Operator shall not be permitted to issue smart media MTCs via its smartphone app under the Scheme until it has permitted such testing by the Scheme Administrator (and, where appropriate, has implemented the reasonable requirements stipulated by the Scheme Administrator in respect thereof to ensure that such Smartmedia is compliant with either the agreed QR Code Schema or the ITSO certified requirements (as appropriate).

6.4 Each Participating Operator agrees to provide, at its own expense, either:

- (a) bus ticket machine equipment capable of accurately reading and recording the acceptance of all scheme QR Code Schemas and collecting all transaction data relating to scheme MTCs as required by the Scheme Administrator: or
- (b) ITSO Certified POSTs capable of accurately issuing, reading and recording the acceptance of the Scheme MTCs and access to an ITSO Certified HOPS capable of collecting all transaction data relating to Scheme MTCs.

(Together these systems are the **"Equipment"**).

- 6.5 The Participating Operators, acting reasonably, reserve the right to test any such Equipment at any time and on reasonable notice in relation to any capability associated with the Scheme. Such testing will be conducted by the Scheme Administrator and the Participating Operators shall procure that the Scheme Administrator does not disclose its findings to the Participating Operators (other than the Participating Operator which is the subject of the testing (the "**Test Operator**")).
- 6.6 If the Test Operator, having been served reasonable notice, refuses to allow the Scheme Administrator to test such Equipment, the Scheme Administrator shall be required to notify the Participating Operators of such actions of the Test Operator. The Test Operator shall not participate in the Scheme until it has permitted such testing by the Scheme Administrator (and, where appropriate, has implemented the reasonable requirements stipulated by the Scheme Administrator in respect thereof to ensure that such Equipment is so capable). In the event that the Test Operator refuses to permit the testing contemplated under clause 6.2 within five Business Days of being so notified or, as the case may be, the Test Operator has failed to implement the reasonable requirements stipulated by the Scheme Administrator within 20 Business Days of being so notified, the Test Operator shall be deemed to be in default and such participation shall cease immediately and the provisions of clause 14 (Termination) shall apply.

7 REVENUE

- 7.1 Each Participating Operator shall keep the revenue collected from MTC sales, and also keep a record of MTC sales and / or usage by ticket type (the "**Revenue Information**"). This Revenue Information is to be provided to the Scheme Administrator in accordance with Schedule 6.
- 7.2 If any Participating Operator can demonstrate evidence that it is receiving a disproportionate amount of revenue compared with usage (the "**Revenue-Usage PO**"), the Participating Operators shall procure that the Management Committee will enter into discussions with the Revenue-Usage PO and use reasonable endeavours and act in good faith to find an alternative method of revenue allocation, consistent with the requirements of the Block Exemption. It is recognised that failure to do so may result in termination of the Scheme.

8 COSTS AND EXPENSES OF SCHEME

- 8.1 Start-up costs to a value of £13,250 to be paid by BCC in accordance with Schedule 7
- 8.2 All ongoing costs and expenses of the scheme, including but not limited to the costs of the Scheme Administrator shall be borne by Participating Operators to the scheme. Costs will be split pro-rata to the number of voting rights held by each Participating Operator in the Management Committee, as specified in Schedule 2.

9 EXCHANGE OF INFORMATION

- 9.1 Each Participating Operator shall provide to the Scheme Administrator the information it reasonably requires or requests in respect of those services it performs under the Scheme Administrator Agreement (including but not limited to Revenue Information):
- (a) on entering into this Agreement either directly or by Deed of Adherence; and
 - (b) and at such times and for such periods as agreed under the terms of the Scheme Administrator Agreement and pursuant to Schedule 2 .

- 9.2 In complying with its obligations under this clause 9, no Participating Operator shall disclose to any other party any information pursuant to this Agreement other than information which is directly related and indispensable to the operation of the Scheme and is to be disclosed to the Scheme Administrator to enable the Scheme Administrator to perform the services under the Scheme Administrator Agreement.

10 GENERAL OBLIGATIONS

- 10.1 Each Participating Operator undertakes to each other as follows:

- (a) from the Commencement Date of the Scheme until the earlier of the Expiry Date or the termination of the Agreement under clause 14.2, to accept valid MTCs at all times on its Specified Services;
- (b) to take reasonable steps to promote the benefits of the Scheme to the public;
- (c) at all times to insure and maintain insurance to cover its liabilities (including without limitation the indemnity contained in clause 16) under this Agreement (howsoever arising);
- (d) to observe and perform all or any of the obligations and undertakings imposed upon it under the terms of this Agreement;
- (e) to take all reasonable care in the operation of the Specified Services and to ensure the safety of passengers; and
- (f) to comply with, and in particular operate the Specified Services in accordance with, public transport and all other general legislation and the relevant particulars registered with the Traffic Commissioner.

11 COMPLIANCE WITH COMPETITION LAW

- 11.1 Without prejudice to clause 2, nothing in this Agreement shall:

- (a) have the object or effect of directly or indirectly:
 - (i) limiting the variety or number of routes on which any Participating Operator provides or may provide Local Public Transport Services; or
 - (ii) limiting the freedom of Participating Operators to set the price or availability of, the fare structure relating to, or the zones or geographical validity applicable for, any ticket entitling the holder to make a journey solely on its own Local Public Transport Services; or
 - (iii) limiting the frequency or timing of any Local Public Transport Services operated by any Participating Operator; or
 - (iv) facilitating an exchange of information between the Participating Operators other than information which is directly related and indispensable to the effective operation of the Scheme (if any). The Participating Operators agree that the only information to be exchanged is the Specified Services information in accordance with clause 9;
- (b) prevent any Participating Operator from participating in any other ticketing scheme.

12 ADMISSION OF NEW PARTICIPATING OPERATORS

- 12.1 Any Operator operating Local Public Transport Services in the Area of Validity who is not a party to this Agreement may apply to join the Scheme at any time provided the Operator:

- (a) executes and delivers a Deed of Adherence to the Scheme Administrator; and
- (b) in accordance with the terms of this Agreement, supplies to the Scheme Administrator the information required by clauses 4 and 7.

- 12.2 In accordance with the Block Exemption, and the related CMA Guidance, the Scheme Administrator may refuse to allow a party who has requested to join the Scheme if the Scheme Administrator has, having taken legal advice (which can be evidenced at all

times), objective, transparent and non-discriminatory reasons for doing so, and the Scheme Administrator notifies to that party of those reasons within 7 days of receipt of both the Deed of Adherence and the information required to be provided under clause 9. For the avoidance of doubt, the Scheme Administrator may refuse to allow such party to join the Scheme if that party does not provide any Specified Services at the date of execution of the Deed of Adherence.

- 12.3 The Commencement Date of the Scheme in respect of any new Operator joining the Scheme under this clause 12 will be 7 days after delivery of both the executed Deed of Adherence and the information required to be provided under clause 4 and 7.

- 12.4 The Appointing PO shall procure that the Scheme Administrator will keep all parties to this Agreement informed of the identity of any Operator which becomes a party to this Agreement pursuant to this clause 12 or that ceases to be a party to this Agreement under clauses 13 or 14.

13 WITHDRAWAL FROM SCHEME

- 13.1 Each Participating Operator ("**Withdrawing Operator**") has the right to withdraw from the Scheme on giving to the Scheme Administrator at least 28 days prior notice in writing.

- 13.2 If the Appointing PO wishes to withdraw

from its role as the Scheme Administrator (or from the Scheme), it shall provide to the other Participating Operators at least 28 days prior notice in writing. Following such notice of service, the Appointing PO shall comply with the reasonable requests of the Management Committee (including how and to whom such Revenue Information, and other information provided to the Scheme Administrator during its appointment as the same, should be sent).

14 TERMINATION

- 14.1 If:

- (a) any Participating Operator commits any material breach of this Agreement and fails to remedy such breach within 28 days of the service of a notice from the Scheme Administrator (or, in the case of a breach by the Scheme Administrator, any other Participating Operator) requesting the same to be remedied; or
- (b) any Participating Operator ceases to carry on any Local Public Transport Services operating within the Area of Validity; or
- (c) the financial position of any Participating Operator is such that either that Participating Operator, its directors, shareholders or creditors take or are entitled to take steps to institute formal insolvency proceedings with respect to the Participating Operator of a type provided for by the Insolvency Act 1986 (or any similar or analogous legislation, whether under English law or otherwise), including without limitation administration, liquidation, administrative receivership, receivership, voluntary arrangement, scheme of arrangement or bankruptcy, or if that Participating Operator is unable to pay its debts within the meaning of section 123 of the Insolvency Act 1986, any Participating Operator may terminate this Agreement insofar as it relates to the rights of the Participating Operator in default; or
- (d) if a Participating Operator is the subject of a change of control (the "**New Owned PO**") and is either owned by a third party which does not operate Local Public Transport Services or the other Participating Operators believe, acting reasonably, that the New Owned PO will be subject to either subclause 12.1(b) or (c);

in each case, the Participating Operator which is subject to the provisions set out in this clause 12.1, hereinafter is the "**Defaulting Operator**".

- 14.2 The Agreement may be terminated by agreement between all Participating Operators if the Participating Operators agree, acting reasonably and in good faith, that there is no longer valid reason for continuing with the Scheme.

14.3 The termination of this Agreement under this clause 14 or the withdrawal of a Participating Operator from the Scheme under clause 13 shall be without prejudice to any obligations and rights of any Participating Operator which have accrued prior to such termination or withdrawal and shall not affect any provision of this Agreement which is expressly or by implication provided to come into effect on or continue in effect after such termination or withdrawal.

14.4 No Participating Operator may withdraw from the Scheme or terminate the Agreement except as set out in this Agreement.

15 CONSEQUENCES OF WITHDRAWAL OR TERMINATION

15.1 On withdrawal from the Scheme by any Withdrawing Operator, the Withdrawing Operator concerned shall be required to account for all revenue collected from sales of MTC, and all journeys recorded on its services prior to the effective date of withdrawal to the Scheme Administrator. Following calculation by the Scheme Administrator, the Withdrawing Operator shall settle any outstanding liabilities due to other participating operators within 30 days of the withdrawal date.

15.2 A Withdrawing Operator agrees from the date the notice is given under clause 13 not to offer for sale any MTCs that will expire after the notice period in clause 13.1.

15.3 A Defaulting Operator agrees from the date of termination to immediately cease offering for sale any MTCs.

16 LIABILITY

16.1 Subject to the provisions of this clause 14, each Participating Operator shall be solely liable for, and shall indemnify each other Participating Operator (the "Other PO") in respect of, any liability, loss, damage, claims or proceedings whatsoever arising under any statute or at common law in respect of damage to property or personal injury or the death of any person (including without limitation the carriage of any passengers) arising out of or in the course of or caused by any failure by such Participating Operator to comply with its obligations under this Agreement, to the extent that such breach is not due to any act or neglect of the Other PO or any person for whom that Other PO is responsible.

16.2 The liability of each Participating Operator to third parties (including the Other PO) will be governed by (i) the provisions of this clause 14; and (ii) statute or common law as limited by each Participating Operator's Conditions of Carriage or such other contract as is in place between the Participating Operator and such third parties.

16.3 No Participating Operator shall be liable in any circumstances for any indirect, special or consequential loss (including loss of anticipated profits or business, damage to goodwill or third party claims) howsoever arising either from breach or non-performance of any of its obligations under this Agreement, or from its withdrawal from the Scheme or termination of the Agreement.

17 GENERAL

17.1 No Participating Operator may assign or charge any of its rights or the benefit of all or part of this Agreement or transfer, delegate or sub-contract any of its duties or obligations without the prior written consent of the other Participating Operators (such consent not to be unreasonably conditioned, withheld or delayed).

17.2 Nothing in this Agreement shall be deemed to constitute a partnership or joint venture or relationship of employment between the parties nor constitute any party the agent of the other.

17.3 If a provision of this Agreement is declared or in the Management Committee's opinion may be declared illegal, invalid or unenforceable in whole or in part, for any reason whatsoever by any competent tribunal or authority, such provision or part thereof shall be divisible from this Agreement and shall be deemed deleted from this Agreement insofar as the continued operation of this Agreement is concerned provided always that the parties shall negotiate in good faith to agree a valid and enforceable term in substitution. If in the Management Committee's reasonable opinion, it is unable to agree a suitable term that is valid and enforceable in substitution for any provision that is deemed deleted

then, that a Participating Operator may withdraw from the Scheme forthwith on giving written notice to the Scheme Administrator or, in the case of the Scheme Administrator, the Appointing PO to each other Participating Operator.

- 17.4 This Agreement, including its Schedules, set out the entire agreement between the Participating Operators in connection with its subject matter and supersedes all prior oral or written agreements, arrangements or understandings between them. This Agreement may only be varied in writing and signed by the Participating Operators.
- 17.5 (a) Any notice or other communication to be given by a Participating Operator under this Agreement shall be given to the Scheme Administrator and any notice or other communication to be given by the Scheme Administrator to any other Participating Operator shall be given at their respective addresses set out in this Agreement; and
- (b) Any notice or other communication (including a Deed of Adherence) given by any party shall be deemed to have been received: (i) in the case of a notice given by hand, at the time of day of actual delivery; (ii) if sent by email, by 10am on the next Business Day; and (iii) if posted, by 10am on the second Business Day following the day on which it was despatched by first class mail postage prepaid provided that a notice given in accordance with the above but received on a day which is not a Business Day or after normal business hours in the place of receipt shall be deemed to have been received on the next Business Day.
- 17.6 (a) In the event of any dispute arising out of or in connection with this Agreement, the Participating Operators will, in good faith, refer that dispute to the Management Committee;
- (b) If the matter has not been resolved by the Management Committee within 90 days of the referral pursuant to paragraph (a) above, the Participating Operators will be free to pursue their remedies without further reference to this clause.
- 17.7 For the purpose of section 1(2) of the Contracts (Rights of the Third Parties) Act 1999 (the "**1999 Act**") the parties state that they do not intend any term of this Agreement to be enforced by any third parties except that any passenger holding a valid MTC for use in the Area of Validity may enforce their right to use that MTC. Any third party right which exists or is available independently of the 1999 Act is preserved.
- 17.8 The validity, construction and performance of this Agreement shall be governed by English law.
- 17.9 Any claim, dispute or difference arising under or in connection with this Agreement shall be subject to the exclusive jurisdiction of the English courts to which each of the Participating Operators irrevocably agrees to submit.

Schedule 1

Commencement Date and Participating Operators

Commencement Date of the Scheme: Sunday 3rd November 2019

Participating Operators:

Name and (if relevant) Company Number	Registered Office/Address
1. Arriva The Shires Limited 02116519	1 Admiral Way, Doxford International Business, Park, Sunderland, SR3 3XP
2. Carousel Buses Limited 04062073	3 rd Floor, 41-51 Grey Street, Newcastle-Upon-Tyne NE1 6EE

Schedule 2

Participating Operator representation on Management Committee

The entitlement to representation on the Management Committee shall be based on the Participating Operator's share of the Market Share:

Where a Participating Operator operates 15% or more of the Market Share, such Participating Operator is known as an "A Operator" and shall have the right to appoint two representatives to the Management Committee and each representative shall have one vote.

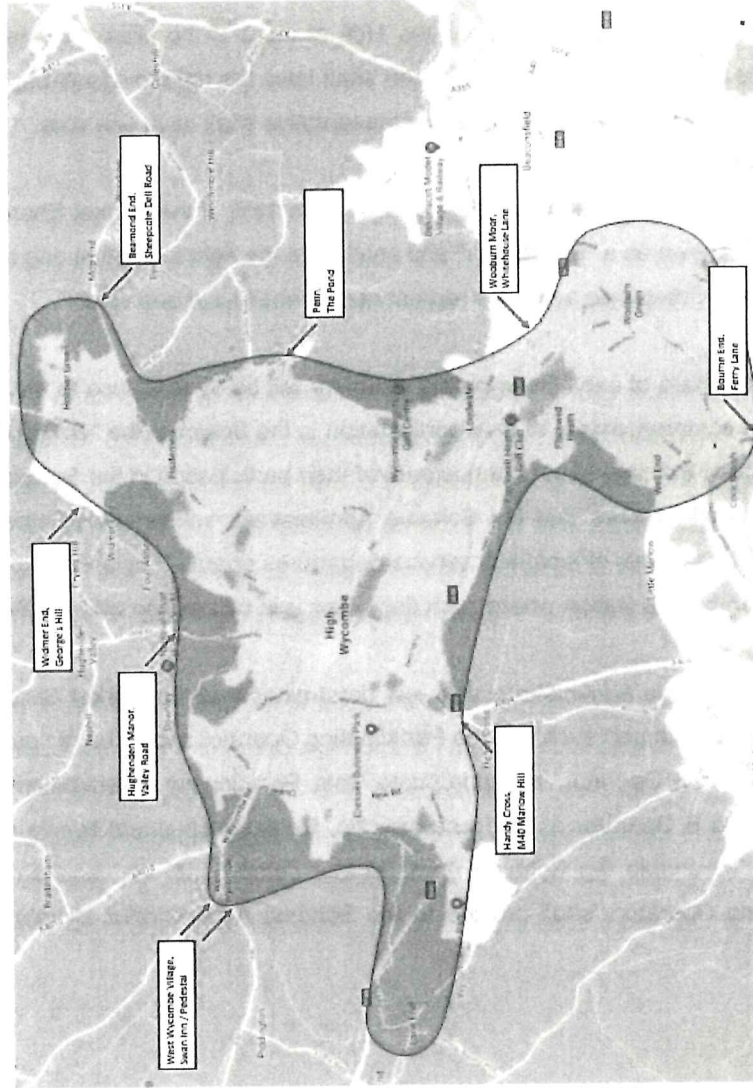
Where a Participating Operator operates less than 15% of the Market Share such Participating Operator is known as a "B Operator" and shall have the right to appoint one representative to the Management Committee and such representative shall have one vote.

The Market Share of each Participating Operator will be by reference to the Market Share as at the date of commencement of their participation in the Scheme (the "**Original Level**"). On each anniversary of the date of commencement of their participation in the Scheme, the Participating Operators shall procure that the Scheme Administrator will review whether or not there is a change in the number of local bus service departures operated by a Participating Operator from High Wycombe bus station where such departure is in connection with the Scheme.

Where the Scheme Administrator's review determines that the Market Share of a Participating Operating has changed such that the Participating Operator should be reclassified as either an A Operator or a B Operator, as appropriate, that Participating Operator will be deemed an A Operator or a B Operator as the case may be, for the subsequent twelve month period of the Scheme. To enable the Scheme Administrator comply with the requirement hereunder, the Participating Operators shall provide to the Scheme Administrator all relevant information so required.

Schedule 3

Area of Validity



Schedule 4

Pricing tbc

Schedule 5
Competition Compliance Protocol

1. INTRODUCTION

- 1.1 This Competition Law compliance protocol (the "**Protocol**") governs the activities of the Management Committee and the Participating Operators.
- 1.2 The sole objective of the Agreement is to establish and participate in the Scheme in the Area of Validity.
- 1.3 The Operator recognise the importance of complying with all applicable competition laws (the "**Competition Laws**") and each Participating Operator explicitly agrees to abide by this Protocol.

2. DEALINGS WITH OPERATORS

- 2.1 The overriding principle is that each Participating Operator must act, and be seen to act, independently in the market. UK/EU Competition authorities are suspicious of any form of contact or discussions between competitors.
- 2.2 The Participating Operators should therefore not reach any understanding or agreement as to any facet of competition including (but not limited to):
 - 2.2.1 Fixing fares or other terms and conditions of supply other than to the extent required in the normal operation of the Scheme;
 - 2.2.2 Agreeing to boycott certain customers or suppliers;
 - 2.2.3 Agreeing to divide or share markets or customers; or agreeing to compete less actively in relation to a particular location, customer group or type of service; and
 - 2.2.4 Agreeing an approach to a competitive tender process, for example, agreeing to submit bids on a systematic basis (bid rotation) or to withdraw or withhold a bid (bid suppression).
- 2.3 Each Participating Operator understands that any decisions of the Management Committee do not represent an "agreed" view of Participating Operators and that each Participating Operator is free to pursue its own strategy or explore alternative ideas on any industry issue so discussed.

3. INFORMATION EXCHANGES

- 3.1 The Participating Operators recognise that appropriate safeguards need to be put in place to ensure that commercially sensitive information is not exchanged between the Participating Operators or third parties.
- 3.2 For the avoidance of doubt, commercially sensitive information about an individual Participating Operator or a third party shall not be shared or discussed between the Participating Operator directly or indirectly (for example, via a third party) in any event. This includes (but is not limited to) any of the following categories of information:
 - 3.2.1 Current, recent or future fares charged by an Operator or third party (even if in the public domain);
 - 3.2.2 Conditions or payment terms including relating to a Participating Operator's ticketing schemes (such as one day travelcards);

- 3.2.3 A Participating Operator's current or anticipated future costs or margins;
 - 3.2.4 A Participating Operator's future business plans or marketing strategies;
 - 3.2.5 A Participating Operator's anticipated future changes to existing bus routes or services including the establishment of new routes or services (even if the changes have been registered with the Traffic Commissioner and are in the public domain); and
 - 3.2.6 Details of a Participating Operator's customer or supplier relationships.
- 3.3 The Participating Operators are however permitted to discuss general market conditions without going into specifics such as prices or individual routes.
4. **CONDUCT OF MEETINGS**
- 4.1 The guidelines set out in this Protocol apply to the conduct of any meetings of the Management Committee or meetings of the Participating Operators.
- 4.2 It is essential that any discussions at meetings or in an informal context comply with the Protocol guidelines.
- 4.3 In addition, the following apply to all meetings to which are referred in paragraph 4.1 above:
- 4.3.1 A draft agenda will be circulated in advance of any meeting and will be validated at the start of the meeting; and
 - 4.3.2 Draft minutes must be circulated after any meeting and will be approved at the next meeting.
- 4.4 An external lawyer may be designated to attend meetings from time to time in order to ensure that they are held in compliance with this Protocol.

Schedule 6
Scheme accounting dates

Period Name	From	To	Quarter
01-19/20	30/06/2019	27/07/2019	1
02-19/20	28/07/2019	24/08/2019	1
03-19/20	25/08/2019	28/09/2019	1
04-19/20	29/09/2019	26/10/2019	2
05-19/20	27/10/2019	23/11/2019	2
06-19/20	24/11/2019	28/12/2019	2
07-19/20	29/12/2019	25/01/2020	3
08-19/20	26/01/2020	22/02/2020	3
09-19/20	23/02/2020	28/03/2020	3
10-19/20	29/03/2020	25/04/2020	4
11-19/20	26/04/2020	23/05/2020	4
12-19/20	24/05/2020	27/06/2020	4
13-19/20	27/06/2020	27/06/2020	4