



Execution version

# Sydney Light Rail PPP Project Deed

## IWRLV Fleet Repair Activities Consent Deed

Transport for New South Wales

**ABN** 18 804 239 602

and

ALTRAC Light Rail Partnership

**ABN** 37 399 764 913

20 January

2023

**THIS DEED** is made on 20 January 2023

**BETWEEN:**

- (1) **Transport for NSW** (ABN 18 804 239 602) a New South Wales Government agency constituted by section 3C of the *Transport Administration Act 1988* (NSW) of 231 Elizabeth Street, Sydney NSW 2000 (**TfNSW**);
- (2) **ALTRAC Light Rail Partnership** (ABN 37 399 764 913), a partnership between ALTRAC Light Rail 1 Pty Limited ACN 603 192 203 in its capacity as trustee of ALTRAC Light Rail Trust 1, ALTRAC Light Rail 2 Pty Limited ACN 603 194 476 in its capacity as trustee of ALTRAC Light Rail Trust 2 and ALTRAC Light Rail 3 Pty Limited ACN 603 190 601 in its capacity as trustee of ALTRAC Light Rail Trust 3 (**OpCo**).

**RECITALS:**

- (A) TfNSW and OpCo are parties to the Sydney Light Rail Project Deed dated 17 December 2014 (as amended from time to time), under which OpCo agreed (amongst other things) to operate and maintain the Inner West Light Rail.
- (B) TfNSW and Construcciones y Auxiliar de Ferrocarriles S. A. are party to a Supply Contract dated 1 August 2012 under which, amongst other things, Construcciones y Auxiliar de Ferrocarriles S. A. agreed to supply twelve light rail vehicles for use on the Inner West Light Rail.
- (C) On or around 26 October 2021, serious and extensive cracking was discovered in all twelve light rail vehicles supplied pursuant to the Supply Contract, causing a temporary shutdown of the Inner West Light Rail.
- (D) The parties have identified that Construcciones y Auxiliar de Ferrocarriles S. A., as the original equipment manufacturer, is the party best placed to effect the repair of the IWLRVs.
- (E) The parties are entering into this Deed in the context of disputes as to whether (among other things):
  - (1) OpCo is or was obliged to repair the light rail vehicles referred to in Recital C under the terms of the Project Deed; and
  - (2) the entry by the parties into this Deed and/or the actions taken by TfNSW pursuant to this Deed create or constitute:
    - (i) a Modification under the Project Deed;
    - (ii) a Compensation Event under the Project Deed;
    - (iii) a Relief Event under the Project Deed; or
    - (iv) an event that otherwise gives rise to an entitlement to relief or compensation, whether under the Project Deed or otherwise at law.
- (F) Notwithstanding the matters in dispute between the parties and without admissions, TfNSW will procure that Construcciones y Auxiliar de Ferrocarriles remedy the cracking in the light rail vehicles, subject to the terms of this Deed.

**THE PARTIES AGREE AS FOLLOWS:**

**1. INTERPRETATION**

**1.1 Definitions**

The following definitions apply in this document.

**ACICA Rules** means the most recent version of the ACICA Arbitration Rules as published and updated by ACICA from time to time.

**Availability Deductions** has the same meaning as is given to that term in the Project Deed.

**CAF** means Construcciones y Auxiliar de Ferrocarriles S.A.

**Claim** has the same meaning as is given to that term in the Project Deed.

**Compensation Event** has the same meaning as is given to that term in the Project Deed.

**Confidential Information** means this Deed and any information created or obtained by either party pursuant to or in connection with this Deed.

**Configuration Control Board** means the body of that name comprising the general managers of the O&M Contractor, with representatives of TfNSW and OpCo attending as observers.

**Customer Delay Measure** has the same meaning as is given to that term in the Project Deed.

**Debt Financing Documents** has the same meaning as is given to that term in the Project Deed.

**Disputes** means the Liability Dispute and the disputes between the parties as to whether:

- (a) OpCo is or was obliged to repair the IWLRVs under the terms of the Project Deed;
- (b) the entry by the parties into this Deed and/or the actions taken by TfNSW pursuant to this Deed create or constitute:
  - (i) a Modification;
  - (ii) a Compensation Event;
  - (iii) a Relief Event; or
  - (iv) an event that otherwise gives rise to an entitlement to relief or compensation, whether under the Project Deed or otherwise at law.

**Inner West Light Rail and IWLR** have the same meaning as is given to those terms in the Project Deed.

**IWLR Breach** has the same meaning as is given to that term in the Project Deed.

**IWLRV** has the same meaning as is given to that term in the Project Deed.

**IWLRV Cracking** means the cracking, damage or breakage in the bogie boxes and suspension, carbody (including the bodyshell and structure), underframes, waistline, and door and window frames of the IWLRVs identified before the date of the Remediation

Agreement, including the cracking, damage or breakage identified at **Schedule 2** of this Deed.

**IWLRV Repair and Handover Criteria** means the requirements set out in **Schedule 1** of this Deed.

**Liability Dispute** means any dispute between TfNSW and OpCo arising out of or in connection with:

- (a) the cause of the IWLRV Cracking;
- (b) the repair of the IWLRV Cracking; and/or
- (c) the obligations and liabilities of either party to compensate the other party for any Loss suffered or incurred in connection with the IWLRV Cracking or the repair of the IWLRV Cracking.

**Loss** has the same meaning as is given to that term in the Project Deed.

**Missed Service** has the same meaning as is given to that term in the Project Deed.

**Modification** has the same meaning as is given to that term in the Project Deed.

**O&M Contractor** means Transdev Sydney Pty Ltd (ABN 34 096 046 052).

**ONRSR** means the Office of the National Rail Safety Regulator, being an independent body corporate established under the Rail Safety National Law.

**Payment Dispute** means a dispute between TfNSW and CAF under the Remediation Agreement in connection with TfNSW's obligation or liability to pay for the repair of the IWLRV Cracking.

**Project Agreements** has the same meaning as is given to that term in the Project Deed.

**Project Deed** means the Sydney Light Rail PPP Project Deed between TfNSW and OpCo dated 17 December 2014, as amended from time to time.

**Rail Safety National Law** means the *Rail Safety National Law* (NSW) No 82a, as defined in the *Rail Safety (Adoption of National Law) Act 2012* (NSW), and any associated regulations.

**Related Body Corporate** has the same meaning as is given to that term in the Project Deed.

**Related IWLRV Arbitration** means any arbitration (whether ongoing or contemplated) between TfNSW and CAF arising out of or in connection with:

- (a) the cause of the IWLRV Cracking; and/or
- (b) the repair of the IWLRV Cracking.

**Relief Event** has the same meaning as is given to that term in the Project Deed.

**Repair Activities** means:

- (a) the taking and retaining possession of the IWLRVs for the purposes of repairing the IWLRV Cracking;

- (b) procuring CAF to carry out the repair of the IWLRV Cracking pursuant to a Remediation Agreement; and
- (c) taking any action reasonably necessary to administer the Remediation Agreement in order to effect the repairs of the IWLRVs,

whether before or after the date of this document.

**Remediation Agreement** means the agreement between TfNSW and CAF in respect of the repair of IWLRV Cracking dated 28 November 2022.

**Return to Service Activities** means all activities that will be performed by OpCo after the IWLRV Repair and Handover Criteria in respect of the Repair Activities for a relevant stage in the repair of the IWLRV Cracking have been met and prior to the return of the repaired IWLRVs back into Service, and include:

- (a) full functionality testing;
- (b) the 560,000km overhauls; and
- (c) cable connector modifications.

**Service** means the performance of the Required Services (as that term is defined in the Project Deed).

**State Parties** means the Crown in right of the State of New South Wales and TfNSW.

**Supply Contract** means the Sydney Light Rail Rolling Stock Supply Contract between the Director General of the Department of Transport for and on behalf of Transport for NSW, Pyrmont Light Rail Company Pty Limited (ACN 065 183 913) and CAF dated 1 August 2012, as varied from time to time.

**TfNSW Deed of Charge** has the same meaning as is given to that term in the Project Deed.

**Timeliness Deductions** has the same meaning as is given to that term in the Project Deed.

## 1.2 **Multiple parties**

If a party to this Deed is made up of more than one person, or a term is used in this Deed to refer to more than one party, then unless otherwise specified in this Deed:

- (a) an obligation of those persons is joint and several;
- (b) a right of those persons is held by each of them severally; and
- (c) any other reference to that party or term is a reference to each of those persons separately, so that (for example) a representation, warranty or undertaking relates to each of them separately.

## 1.3 **The rule about "contra proferentem"**

This Deed is not to be interpreted against the interests of a party merely because that party proposed this Deed or some provision in it or because that party relies on a provision of this Deed to protect itself.

**1.4 Requirement on a person not a party to this Deed**

If a provision of this Deed requires a person that is not a party to this Deed to do, or not to do, a thing, each party must use its best efforts to ensure that the person does, or does not, do that thing.

**1.5 Consideration**

Each party acknowledges that it has received valuable consideration for entering into this Deed.

**2. EFFECT OF THIS DEED ON PARTIES' RIGHTS UNDER THE RELEVANT AGREEMENTS**

**2.1 No admission and reservation of rights**

Each party enters into this Deed:

- (a) without admission and without prejudice to the parties' respective positions in relation to the Disputes;
- (b) without accepting any liability under the Project Deed or otherwise at law for:
  - (i) the fact of the IWLRV Cracking; and
  - (ii) the repair of the IWLRV Cracking; and
- (c) without prejudice to and in reservation of their respective rights and liabilities under the Project Deed and otherwise at law, including any Claims in respect of damages or other monetary or relief entitlements.

**2.2 No increase of liability or limitation of rights under the Project Deed**

Unless otherwise expressly provided, nothing in this Deed:

- (a) increases or extends either party's liability to the other party;
- (b) gives any party any additional rights of Claim against the other party; or
- (c) limits or affects the rights of either party, including in respect of any Claims for damages or other monetary or relief entitlements,

under or in connection with the Project Deed.

**2.3 No amendment to the Project Deed**

Except as expressly provided for in this Deed:

- (a) the Project Deed is unamended and remains in full force and effect; and
- (b) the terms of this Deed shall not be relevant to or in any way affect the interpretation and construction of the terms of the Project Deed.

**3. OPCO'S CONSENT TO TfNSW PERFORMING THE REPAIR ACTIVITIES**

- (a) Notwithstanding any provision of the Project Deed:
  - (i) TfNSW will perform the Repair Activities; and
  - (ii) OpCo consents to TfNSW performing the Repair Activities.

- (b) Subject to clauses 3(d) and 5(b)(iii), TfNSW will have no liability to OpCo, and OpCo will not be entitled to make any Claim against TfNSW for any Loss suffered or incurred by OpCo arising out of or in connection with the actions taken by TfNSW pursuant to this Deed, except where such Loss arises from:
  - (i) fraud, wilful default or gross negligence on the part of TfNSW;
  - (ii) subject to clause 3(e), a Modification;
  - (iii) a Compensation Event; or
  - (iv) a Relief Event.
- (c) Clause 3(a) does not affect or limit any right or remedy:
  - (i) TfNSW may have under the Project Deed, including:
    - (A) any right to damages for any breach by OpCo of the Project Deed;
    - (B) any right of set off under clause 25.10 of the Project Deed; and
  - (ii) OpCo may have under the Project Deed.
- (d) Clause 3(b) does not affect or limit OpCo's rights, remedies or entitlements pursuant to Schedule D1 (*Service Payment Regime*) and clause 51.5 of the Project Deed and clause 5 of this Deed.
- (e) Without limiting any right TfNSW has under the Project Deed to direct a Modification, if, and to the extent that, OpCo is or was obliged to rectify the IWLRV Cracking under the Project Deed, the parties acknowledge and agree that:
  - (i) the act of entering into this Deed; or
  - (ii) TfNSW performing the Repair Activities, to the extent only that such Repair Activities form part of OpCo's obligations under the Project Deed,will not of itself constitute a direction by TfNSW for a Modification.

#### **4. COOPERATION WITH AND FACILITATION OF THE REPAIR ACTIVITIES**

##### **4.1 Provision of the Remediation Agreement to OpCo**

OpCo acknowledges that it received a copy of the final executed Remediation Agreement prior to the execution of this Deed.

##### **4.2 OpCo's duties to cooperate**

- (a) Subject to clause 4.3, OpCo will cooperate with TfNSW in relation to all aspects of the Repair Activities, including (without limitation):
  - (i) by providing reasonable advice and assistance, where requested, as to the terms of the Remediation Agreement relevant to OpCo's requirements for accepting the repaired IWLRVs back into service;
  - (ii) the identification, design, verification, conduct and testing of the repairs; and
  - (iii) subject to clause 4.4, accepting the repaired IWLRVs back into service on the Inner West Light Rail.

- (b) In discharging its obligations under clause 4.2(a)(ii), no review or comments by OpCo or the O&M Contractor regarding the repairs will lessen or otherwise affect:
  - (i) CAF's warranties under the Remediation Agreement, the Supply Contract or otherwise at law; or
  - (ii) OpCo's rights under the Project Deed or otherwise at law.
- (c) Subject to TfNSW providing OpCo with an executed copy of the Remediation Agreement and clause 4.3, OpCo will:
  - (i) use all reasonable endeavours in discharging its obligations under clause 4.2(a) so as:
    - (A) to allow TfNSW to comply with any of its obligations under the Remediation Agreement; and
    - (B) not to cause any delay to the repair of the IWLRVs; and
  - (ii) conduct (and procure that the O&M Contractor conduct) all activities of the Configuration Control Board relating to the repair of the IWLRVs in good faith to achieve the return of the IWLRVs into Service as expeditiously as reasonably possible; and
  - (iii) not (and will procure that the O&M Contractor will not) leverage its position on or in respect of the Configuration Control Board to prevent or delay the repair of the IWLRVs in order to achieve or extract an extraneous commercial benefit (including enhanced rights of Claim) from either CAF or TfNSW.

#### **4.3 Conflict between OpCo's obligations under this Deed and the Project Deed**

Nothing in clause 4.2 of this Deed will require OpCo to breach its obligations under the Project Deed.

#### **4.4 Return to service of repaired IWLRVs**

- (a) Subject to clause 4.4(d), provided that the repair of the IWLRV Cracking is conducted in accordance with the Remediation Agreement and the Repair Activities result in the satisfaction of the IWLRV Repair and Handover Criteria, OpCo will:
  - (i) receive the repaired IWLRVs from TfNSW;
  - (ii) perform the Return to Service Activities; and
  - (iii) subject to satisfying the requirements of the Configuration Control Board process and obtaining necessary rail safety accreditation (including from ONRSR), return the repaired IWLRVs back into Service on the Inner West Light Rail.
- (b) Acceptance of the IWLRVs back into Service will not prejudice any of the rights, liabilities, powers or obligations of TfNSW or OpCo under the Project Deed or otherwise at law.
- (c) OpCo acknowledges and agrees that the repair of the IWLRV Cracking will be carried out in stages and involve the temporary return to Service of partially repaired IWLRVs pending subsequent permanent repairs by TfNSW, providing that any such partial repair is conducted substantially in accordance with the Remediation Agreement and the Repair Activities result in the satisfaction of the IWLRV Repair and Handover Criteria.



- (d) Notwithstanding the obligations contained in clauses 4.4(a)(i) to 4.4(a)(iii), the parties acknowledge and agree that:
- (i) neither TfNSW nor OpCo has been provided with CAF's root cause analysis;
  - (ii) by returning the repaired IWLRVs to service on the Inner West Light Rail in accordance with clause 4.4(a), OpCo will not be deemed to have accepted that:
    - (A) any repair of the IWLRV Cracking has been conducted in accordance with the Remediation Agreement;
    - (B) the repairs of the IWLRV Cracking have addressed the root cause of the cracking; or
    - (C) that the IWLRVs once permanently repaired will achieve the remainder of their design life as specified in the Supply Contract.

#### 4.5 Cooperation by the O&M Contractor

Not later than five Business Days after the date of this Deed, OpCo will procure from the O&M Contractor an agreement under which the O&M Contractor will agree to perform for OpCo equivalent obligations on equivalent terms to those obligations that OpCo has agreed to perform for TfNSW under this Deed.

#### 5. APPLICATION OF CLAUSE 51.5 OF THE PROJECT DEED TO THE REMEDIATION AGREEMENT

- (a) On and from the date of this Deed, clause 1.1 of the Project Deed is amended as follows:
- (i) the following changes are made to the definition of "IWLR Contract":
    - IWLR Contract*** means each of the following documents:
      - (a) the CAF Supply Contract; ~~and~~
      - (b) the Transdev O&M Contract; or
      - (c) the IWLRV Remediation Agreement.
  - (ii) after the definition of "IWLRV" is inserted the words:
    - IWLRV Remediation Agreement*** means the agreement between TfNSW and Construcciones y Auxiliar de Ferrocarriles S.A. dated 28 November 2022 in respect of the repair and remediation of cracking, damage or breakage in the bogie boxes, carbody (including the bodysell and structure), underframes, waistline, door and window frames of the IWLRVs.
- (b) TfNSW and OpCo agree that:
- (i) a breach by CAF of the Remediation Agreement will constitute an IWLR Breach as that term is defined in clause 51.5(a) of the Project Deed;
  - (ii) save for clause 5(b)(iii), the provisions of clause 51.5 of the Project Deed will apply in respect of such IWLR Breach;

(iii) [REDACTED]

(iv) without limiting clause 3, the relief in clause 5(b)(iii) of this Deed constitutes OpCo's sole remedy in respect of relief for a delay by CAF in achieving Handover Completion by the Date for Handover Completion (as those terms are defined in the Remediation Agreement).

**6. DISPUTE RESOLUTION**

**6.1 Amendment to the Project Deed**

On and from the date of this Deed, the definition of "ACICA Rules" at clause 1.1 of the Project Deed is amended as follows:

***ACICA Rules*** means the most recent version of the ACICA Arbitration Rules 2016 as published and updated by ACICA from time to time.

**6.2 Resolution of disputes under this Deed**

Any dispute arising between the parties under or in connection with this Deed will be resolved in accordance with the dispute resolution procedure set out under clause 56 of the Project Deed.

**6.3 Related disputes**

- (a) In the event that a Payment Dispute arises, OpCo will provide TfNSW (and procure that the O&M Contractor will provide TfNSW) at its own cost with all information and documents reasonably necessary to assist TfNSW in respect of the Payment Dispute.
- (b) For the avoidance of doubt, OpCo's obligation under clause 6.3(a) does not require OpCo or the O&M Contractor to breach their respective existing duties of confidence or waive any legal professional privilege attaching to any documents in OpCo's or the O&M Contractor's possession.
- (c) If:
  - (i) a Liability Dispute arises; and
  - (ii) a Related IWLRV Arbitration is contemplated or ongoing,subject to clause 6.3(d), OpCo and TfNSW will consider, acting reasonably, any request by the other party (as applicable) to consolidate any arbitration (whether ongoing or contemplated) between TfNSW and OpCo in connection with the Liability Dispute with a Related IWLRV Arbitration.
- (d) For the purposes of clause 6.3(c), it would not be unreasonable for OpCo or TfNSW to withhold its consent to the consolidation of any arbitral proceedings where either

party (as applicable) considers that any such consolidation would be adverse to its interests.

- (e) For the avoidance of any doubt, OpCo or TfNSW withholding its consent to the consolidation of a Liability Dispute arbitration and a Related IWLTV Arbitration will not operate to prevent the other party (as applicable) from applying for consolidation under the ACICA Rules.

#### 6.4 **Resolution of disputes under the Remediation Agreement**

TfNSW will consult in good faith with OpCo about the conduct and potential settlement of Disputes (as that term is defined in the Remediation Agreement) under the Remediation Agreement.

### 7. **CONFIDENTIALITY**

#### 7.1 **Confidential Information**

Subject to clause 7.2, the parties will:

- (a) keep the Confidential Information strictly confidential and in a secure place subject to a degree of care that would apply to its own confidential information;
- (b) use the Confidential Information only in connection with this Deed, the Remediation Agreement, the Project Agreements or any process contemplated by or transaction in connection with them;
- (c) only disclose the Confidential Information:
  - (i) as required by law;
  - (ii) to any recognised stock exchange or regulator;
  - (iii) to any of its Related Bodies Corporate, equity investors, financiers and potential financiers and their respective officers and employees required to be involved in connection with this Deed, the Remediation Agreement, the Project Agreements or any process contemplated by or transaction in connection with them;
  - (iv) to any of its advisers or auditors involved in connection with this Deed, the Remediation Agreement, the Project Agreements or any process contemplated by or transaction in connection with them who is bound by a duty or obligation of confidence;
  - (v) to any rating agency (including its professional advisers) to the extent required to be disclosed to enable it to carry out its normal rating activities in relation to the this Deed, the Remediation Agreement, the Project Agreements or any process contemplated by or transaction in connection with them; or
  - (vi) in the case of TfNSW, if required by a House of Parliament, a Committee of a House of Parliament or for any legitimate government purpose; and
- (d) ensure everyone mentioned in clause 7.1(c) is aware of these requirements, everyone mentioned in clauses 7.1(c)(iii) and 7.1(c)(iv) complies with these requirements as if they had signed this document in place of the relevant party and that disclosure to everyone mentioned in clause 7.1(c) is made on the basis that the recipient of the information will comply with this clause 7 in the same way that the disclosing party is required to do so.

**7.2 Disclosure by the State Parties**

- (a) OpCo acknowledges that the State Parties may disclose this document (and information concerning the terms of this document) under or in accordance with any one or more of the following:
  - (i) the Government Information (Public Access) Act 2009 (NSW);
  - (ii) to satisfy the disclosure requirements of the New South Wales Auditor General or to satisfy the requirements of Parliamentary accountability; and
  - (iii) any other Law.
- (b) OpCo must provide to the State Parties any other information which the State Parties reasonably require to comply with its obligations under the items referred to in clause 7.2(a).

**7.3 Restrictions on public announcements**

Subject to clause 7.2, no party may directly or indirectly make a public announcement about or comment on this Deed including any discussions between the parties without the prior written consent of the other parties.

**7.4 Survival of obligations**

The obligations in this clause 7 survive any termination or expiry of this document.

**8. AMENDMENT**

This document can only be amended or replaced by express written agreement captured in a document executed by all of the parties.

**9. ASSIGNMENT**

A party may only assign, encumber (other than, in the case of OpCo, pursuant to the Debt Financing Documents and the TfNSW Deed of Charge), declare a trust over or otherwise deal with its rights under this document with the written consent of each other party.

**10. COUNTERPARTS**

- (a) This document may be executed and exchanged in counterparts.
- (b) Delivery of a counterpart of this document by email attachment or fax constitutes an effective mode of delivery.

**11. GOVERNING LAW**

This Deed and any dispute arising out of or in connection with the subject matter of this Deed is governed by the laws of the State of New South Wales.

**12. GIVING EFFECT TO THIS DOCUMENT**

Each party must do anything (including execute any document), and must ensure that its employees and agents do anything (including execute any document), that any other party may reasonably require to give full effect to this document.

13. **LIABILITY FOR EXPENSES**

Each party must pay its own expenses incurred in negotiating, executing and giving effect to this Deed.

14. **OPERATION OF THIS DOCUMENT**

Any provision of this Deed which is unenforceable or partly unenforceable is, where possible, to be severed to the extent necessary to make this document enforceable, unless this would materially change the intended effect of this document.

15. **AUTHORITY TO EXECUTE**

- (a) Each party who executes this Deed declares that they have full authority to execute it and that they have obtained any necessary consents or approvals.
- (b) Each person who executes this Deed on behalf of a party under power of attorney declares that he or she is not aware of any fact or circumstance that might affect his or her authority to do so under that power of attorney.

**EXECUTED** as a Deed.

Signed sealed and delivered on behalf of **Transport for NSW** by its authorised delegate in the presence of:

<p><i>sign here</i> ▶</p> <p>DocuSigned by: [Redacted]</p> <p>816F0E494F15434...</p> <p>_____ Witness</p>	<p><i>sign here</i> ▶</p> <p>[Redacted]</p> <p>_____ Authorised delegate</p>
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<p><i>print name</i> Campbell Rice</p> <p>_____</p>	<p><i>print name</i> Liz Ward</p> <p>_____</p>
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I witnessed the signatory sign this document by Microsoft Teams audio-visual platform and in accordance with section 14G of the Electronic Transactions Act 2020 (NSW)

Executive director, public transport, contracts and partners

Signed sealed and delivered by **ALTRAC Light Rail 1 Pty Limited ACN 603 192 203** as trustee of **ALTRAC Light Rail Trust 1** by

<p><i>sign here</i> ▶</p> <p>DocuSigned by: [Redacted]</p> <p>A1971BD3A1B7441...</p> <p>_____ Company Secretary/Director</p>	<p><i>sign here</i> ▶</p> <p>DocuSigned by: [Redacted]</p> <p>_____ Director</p>
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<p><i>print name</i> [Redacted]</p> <p>_____</p>	<p><i>print name</i> [Redacted]</p> <p>_____</p>
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Signed sealed and delivered by  
**ALTRAC Light Rail 2 Pty Limited ACN  
603 194 476** as trustee of **ALTRAC Light  
Rail Trust 2**  
by

<p><i>sign here</i> ▶</p> <p>DocuSigned by: [Redacted] 608E34C14DA04A8...</p> <p>Company Secretary/Director</p> <p><i>print name</i> [Redacted]</p>	<p><i>sign here</i> ▶</p> <p>DocuSigned by: [Redacted] 5B9089B2613B4C4...</p> <p>Director</p> <p><i>print name</i> [Redacted]</p>
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Signed sealed and delivered by  
**ALTRAC Light Rail 3 Pty Limited ACN  
603 190 601** as trustee of **ALTRAC Light  
Rail Trust 3**  
by

<p><i>sign here</i> ▶</p> <p>DocuSigned by: [Redacted] 98FF8F6450264AF...</p> <p>Company Secretary/Director</p> <p><i>print name</i> [Redacted]</p>	<p><i>sign here</i> ▶</p> <p>DocuSigned by: [Redacted]</p> <p>Director</p> <p><i>print name</i> [Redacted]</p>
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## SCHEDULE 1

### IWLRV Repair and Handover Criteria

#### 1. Definitions

In this Schedule:

**Intermediate LRV** has the same meaning as is given to that term in the Remediation Agreement.

**Intermediate Works Stage** has the same meaning as is given to that term in the Remediation Agreement.

**Remediation Works** has the same meaning as is given to that term in the Remediation Agreement.

**Repaired LRV** has the same meaning as is given to that term in the Remediation Agreement.


#### 2. Handover of LRVs that remain subject to further Remediation Works

OpCo has received:

- (a) the following CAF design documentation deliverables in respect of the repair works;
  - (i) detailed design and drawings for replacement components and deliverables that CAF must provide in respect of the Remediation Works;
  - (ii) repair/MOD/replacement procedure;
  - (iii) WPS - Welding procedure/ Specification;
  - (iv) NDT procedure/specification;
  - (v) surface treatment application procedure;
  - (vi) any modified operating and/or infrastructure requirements; and
  - (vii) any modified maintenance requirements (TMP) for repaired components;
- (b) the following CAF reports or verification documents as to the quality and validation of any design (including any design calculations and valid design test results showing that the design for the Intermediate Works Stage will be effective) and efficacy of the Intermediate Works Stage:
  - (i) a report detailing working stresses in the vehicle car body under operating loads recorded during test campaigns before applying the relevant Remediation Works and fatigue evaluation of the measured stress levels; and
  - (ii) a report detailing working stresses working stresses, margins of safety and displacements in the vehicle car body under operating loads recorded during test campaigns after applying the relevant Remediation Works and fatigue evaluation of the measured stress levels;

- (c) CAF's Manufacturer's Data Record (**MDR**) containing the following evidence as to the quality of the relevant Remediation Works;
  - (i) QC records for OEM supplied component;
  - (ii) repair/MOD/replacement procedure;
  - (iii) WPS - Welding procedure/ Specification;
  - (iv) WPQR - Weld Procedure Qualification Records (proves the weld procedure/s work);
  - (v) WQR - Welder qualifications records (evidence that the Welders have undertaken the weld procedure successfully);
  - (vi) NDT procedure/specification;
  - (vii) NDT Technician Qualifications;
  - (viii) NDT reports;
  - (ix) material identification data sheet (incl material certificates for new components);
  - (x) weld maps with traceability ID link to Tram/location/Welder/NDT/weld procedure/weld consumables report;
  - (xi) consumables traceability records;
  - (xii) surface treatment application procedure;
  - (xiii) surface treatment inspection records;
  - (xiv) as built dimensional records;
  - (xv) Inspection & Test Plan; and
  - (xvi) Hold & Witness points;
- (d) CAF's dynamic test report for IWLRV 2117 indicating that repairs have been validated;
- (e) evidence from CAF that the Inspection and Test Plan provided as part of the MDR for the relevant Intermediate Works Stage has been completed successfully;
- (f) an assurance statement from CAF for each repaired IWLRV in the form of Schedule 10 of the Remediation Agreement or otherwise agreed between CAF and TfNSW (and notified to OpCo);
- (g) any updated or revised post-repair inspection regime that CAF provides under the Remediation Agreement that may set out inspection tasks, frequency of inspections and location of inspection points based on the post structural failure risk analysis, and as may be detailed in any updated Technical Maintenance Plan (**TMP**), and/or any other updated technical documents including Maintenance Manuals and Technical Instructions requirements for post repair requirements;
- (h) confirmation from CAF of any additional requirements for maintenance (including of infrastructure) or operating conditions, or confirmation that there are no additional requirements;



- (i) CAF's post repair structural failure risk analysis containing:
  - (i) identified risks;
  - (ii) assessed risk profile against risk acceptance criteria;
  - (iii) mitigations for risks that exceed the acceptance criteria;
  - (iv) re-assessment of mitigated risks to verify adequate mitigations are in place; and
  - (v) assessment of any non-conservative assumptions and design methods employed by CAF;
- (j) any further documents or information requested by ONRSR to satisfy OpCo's accreditation requirements;
- (k) a written no objection from TfNSW for each LRV's return to service in the form set out at Appendix 1 of this Schedule; and
- (l) 

**3. Handover of LRVs upon completion of all Remediation Works**

OpCo has received the following documents:

- (a) the following CAF design documentation deliverables in respect of the Remediation Works:
  - (i) detailed design and drawings for replacement components and deliverables that CAF must provide in respect of the Remediation Works;
  - (ii) repair/MOD/replacement procedure;
  - (iii) WPS - Welding procedure/ Specification;
  - (iv) NDT procedure/specification;
  - (v) surface treatment application procedure;
  - (vi) any modified operating and/or infrastructure requirements; and
  - (vii) any modified maintenance requirements (**TMP**) for repaired components;
- (b) the following CAF reports or verification documents as to the quality and validation of any design (including any design calculations and valid design test results showing that the design for the Remediation Works will be effective against the post-repair FEA) and efficacy of the Remediation Works:
  - (i) a report detailing working stresses in the vehicle car body under operating loads recorded during test campaigns before applying the Remediation Works, and fatigue evaluation of the measured stress levels; and
  - (ii) a report detailing working stresses, margins of safety and displacements in the vehicle car body under operating loads recorded during test campaigns

after applying the Remediation Works, and fatigue evaluation of the measured stress levels;

- (c) CAF's MDR containing the following evidence as to the quality of the Remediation Works:
  - (i) QC records for OEM supplied component;
  - (ii) repair/MOD/replacement procedure;
  - (iii) WPS - Welding procedure/ Specification;
  - (iv) WPQR - Weld Procedure Qualification Records (proves the weld procedure/s work);
  - (v) WQR - Welder qualifications records (evidence that the Welders have undertaken the weld procedure successfully);
  - (vi) NDT procedure/specification;
  - (vii) NDT Technician Qualifications;
  - (viii) NDT reports;
  - (ix) material identification data sheet (incl material certificates for new components);
  - (x) weld maps that comply with traceability ID link to Tram/location/Welder/NDT/weld procedure/weld consumables report the Relevant Standards (as these terms are defined in the CAF Supply Contract);
  - (xi) consumables traceability records;
  - (xii) surface treatment application procedure;
  - (xiii) surface treatment inspection records;
  - (xiv) as-built dimensional records;
  - (xv) Inspection & Test Plan; and
  - (xvi) Including Hold & Witness points;
- (d) evidence from CAF that the Inspection and Test Plan provided as part of the MDR for the Remediation Works has been completed successfully;
- (e) assurance statement from CAF for each repaired IWLRV in the form of Schedule 10 of the Remediation Agreement or otherwise agreed between CAF and TfNSW and notified to OpCo;
- (f) any updated or revised post-repair inspection regime that CAF provides under the Remediation Agreement that may set out inspection tasks, frequency of inspections and location of inspection points based on the post structural failure risk analysis, and as may be detailed in any updated TMP, and/or any other updated technical documents including Maintenance Manuals and Technical Instructions requirements for post repair requirements;

- (g) confirmation from CAF of any additional requirements for maintenance (including of infrastructure) or operating conditions, or confirmation that there are no additional requirements;
- (h) CAF's post repair structural failure risk analysis containing:
  - (i) identified risks;
  - (ii) assessed risk profile against risk acceptance criteria;
  - (iii) mitigations for risks that exceed the acceptance criteria;
  - (iv) re-assessment of mitigated risks to verify adequate mitigations are in place; and
  - (v) assessment of any non-conservative assumptions and design methods employed by CAF;
- (i) any further documents or information requested by ONRSR to satisfy OpCo's accreditation requirements;
- (j) a written no objection from TfNSW for each LRV's return to service in the form set out at Appendix 1 of this Schedule;
- (k) a certificate of handover completion in the form of Schedule 11 of the Remediation Agreement given by TfNSW in respect of the Remediation Works; and
- (l) the AMB Compliance Reports (as that term is defined in the Remediation Agreement) produced by CAF and any agreement reached between CAF and TfNSW in respect of such AMB Compliance Report pursuant to clause 5.6(c) of the Remediation Agreement (provided that TfNSW is permitted to disclose the AMB Compliance Report to OpCo under clause 11.3 of the Remediation Agreement).

**Appendix 1: form of "no objection statement"**

To: [OpCo's Representative]

In accordance with paragraph [2(k)/3(j)] of Schedule 1 of the deed between TfNSW and OpCo titled "IWLRV Fleet Repair Activities Consent Deed" dated [date] (the **Consent Deed**), I confirm that TfNSW:

1. has received from CAF the documents listed and appended to this letter; and
2. is not aware of any fact or matter that would prevent:
  - (a) the safe operation of the Intermediate / Repaired LRV in accordance with the Rail Safety National Law; and
  - (b) the [Intermediate/Repaired] LRV from being reintroduced into service on the Inner West Light Rail network.

Accordingly, TfNSW does not object to OpCo reintroducing LRV number [insert] into service on the Inner West Light Rail network in accordance with and under the terms of the Consent Deed and the Project Deed.

Yours sincerely,

TfNSW's Representative

## **SCHEDULE 2**

### **IWLRV Cracking**

As at the date of the Remediation Agreement, the following IWLRV Cracking has been identified:

**1. CARBODY BOXES OVER BOGIES (named "bogie box") IN C MODULE CARS**

- (a) Cracks in the support of the rotation stop;
- (b) Cracks in the trace welds of the union of the upper part with the lower part of the bogie box including the vertical and horizontal plates; and
- (c) Cracks in welds and in parent metal.

**2. DOOR CORNERS**

Cracks in the door corners of C module cars.

**3. WINDOW CORNERS**

- (a) Cracks in the corners (central pillar) of Windows in C and R module cars;
- (b) Cracks at the union of the window central pillar with the horizontal waistline in C and R module cars; and
- (c) Cracks in the corners of the windows in S module cars.

**4. WAISTLINE JUNCTION WITH SIDEWALL PILLARS**

In C and R module cars, the junction of the waistlines with the extreme upright sidewall pillars present cracks from their lower end.

**5. CARBODY BOXES OVER BOGIES (named "bogie box") IN R CARS**

Cracks in the upper part of the bogie box, starting at the ends of the welding traces of the rails for fixing the seats and the reinforcements and extending into the parent material, in the area above the suspension spring.

The locations of the cracks are identified in the following diagram:

