Attachment 14

Handover and Reinstatement Work Procedures
1.1 Handover and Reinstatement Work Committee

(a) Thirty months prior to the Expiry Date, RTD and the Concessionaire shall establish a committee (the Handover and Reinstatement Work Committee) comprised of three appropriately qualified and experienced representatives of each Party who shall be responsible for agreeing the manner, procedures and timetables for carrying out and participating in these Handover and Reinstatement Work Procedures to ensure that the Concessionaire-operated Components comply with the Handover and Reinstatement Work Requirements on the Expiry Date.

(b) The activities to be performed by the Handover Committee shall include, at a minimum, the following:

(i) an examination of the Asset Register in accordance with Section 1.1(c) below, spare parts inventory, maintenance facilities, maintenance records and delay statistics;

(ii) a detailed joint inspection of the Concessionaire-operated Components and the Sites conducted during the review of the Asset Register pursuant to Section 1.1(c) below and prior to issuance of the Handover Register (the Initial Inspection) in order to agree the Reinstatement Work in accordance with Section 1.2 (Reinstatement Work) of this Attachment 14;

(iii) follow-up inspections and joint progress reviews of the completion of the Reinstatement Work at least at three monthly intervals;

(iv) an examination of documentation and training proposals; and

(v) agreement as to scope of the Reinstatement Work and the scope of the report to be prepared and submitted by the Concessionaire to RTD (the Reinstatement Proposal) in accordance with Section 1.3 (Reinstatement Proposal) of this Attachment 14.

(c) The Handover Committee shall review the then current Asset Register in comparison to the assets identified during the Initial Inspection and in comparison to previous historic versions of the Asset Register.

(d) The Handover Committee shall complete such review and issue a revised Asset Register and submit it to RTD [CDRL #14-01] no later than 24 months prior to the Expiry Date, following which such revised Asset Register, inclusive of any modifications agreed by the Handover Committee as a result of its review (the Asset Register as so revised, the Handover Asset Register) shall reflect the assets which the Concessionaire shall be required to hand over to RTD on or before the Expiry Date. If the Handover Committee fails to agree on the Handover Asset Register prior to such required date of issuance, either Party may refer such matter for resolution in accordance with the Dispute Resolution Procedures.

(e) During the Initial Inspection, the Handover Committee shall compare the spare parts inventory identified in the then current Asset Register to the inventory listing maintained over the 36 months preceding the establishment of the Handover Committee. A level of
not less than 90% of the maximum inventory values for each item over the 36 months, except as agreed otherwise by the Parties, shall be considered fully stocked and shall be included in the Handover Asset Register.

1.2 Reinstatement Work

(a) The Handover Committee shall take into account and consider relevant the following criteria in agreeing the necessary Reinstatement Work:

(i) the main civil and structural works shall not exhibit any undue signs of damage, wear, stress, cracking, settlement, corrosion, or weather erosion, such that they cannot reasonably be expected to satisfy their full design life specification and to support reliable service operations for a period of three years beyond the Expiry Date;

(ii) limited life and "wear and tear" components of the Equipment have been replaced by the Concessionaire during the Operating Period in accordance with Good Industry Practice as and when they failed, wore out, or reached their design life or customary replacement frequency, as part of ongoing maintenance activities;

(iii) major electrical and mechanical components or equipment (excluding the Rolling Stock) have been repaired, refurbished, or replaced by the Concessionaire as appropriate prior to handover if their condition indicates that they are unlikely to support reliable service operations (without recourse to major repair) for a period of three years beyond the Expiry Date; and

(iv) Rolling Stock and its components, whether original or replacement equipment, has been, and continues to be, maintained in accordance with the original equipment manufacturers' recommendations, subject to reasonable modification of maintenance practices, up until the Expiry Date.

(b) The Handover Committee shall agree the necessary scope of the Reinstatement Work (the Reinstatement Work Scope) and the Concessionaire shall submit this to RTD no later than 24 months prior to the Expiry Date. [CDRL #14-02]

1.3 Reinstatement Proposal

(a) No later than 30 days following issuance of the Reinstatement Work Scope, the Concessionaire shall provide a proposal to RTD for performance of the work items listed within the Reinstatement Work Scope (the Reinstatement Proposal), detailing the following for each Reinstatement Work Scope item: [CDRL #14-03]

(i) the specific work plan, such that Reinstatement Work can be performed without disruption to the Commuter Rail Services in compliance with the O&M Standards (the Reinstatement Work Plan);

(ii) the proposed schedule for implementation of the Reinstatement Work, such that all Reinstatement Work is completed not less than 90 days prior to the Expiry Date (the Reinstatement Schedule); and
(iii) an estimate of the cost to the Concessionaire to perform the Reinstatement Work in the proposed manner (the *Reinstatement Amount*).

(b) RTD will, no later than 30 days after receipt of the Reinstatement Proposal, either accept the Reinstatement Proposal or make reasonable objection to any item within the Reinstatement Proposal in respect of any or all of the Reinstatement Work Plan, the Reinstatement Schedule and the Reinstatement Amount. Any such objection to the Reinstatement Proposal shall detail the grounds for such objection and include RTD's proposed revisions to the Reinstatement Proposal in respect of the Reinstatement Work Plan, the Reinstatement Schedule and/or the Reinstatement Amount, as applicable.

(c) The Concessionaire shall, no later than 15 days after receipt of any such objection by RTD to the Reinstatement Proposal, either accept RTD's proposed revisions or declare its disagreement with specific items and refer those specific items for resolution in accordance with the Dispute Resolution Procedure. [CDRL #14-04]

### 1.4 Implementation of the Reinstatement Work

(a) Upon agreement or determination in accordance with the Dispute Resolution Procedure of the Reinstatement Work Scope and each element of the Reinstatement Proposal, and subject to the establishment of the Handover Security and receipt of RTD's direction to proceed with Reinstatement Work for each item identified in the Reinstatement Work Scope, the Concessionaire shall carry out, or arrange for the carrying out of, the items of the Reinstatement Work in accordance with the Reinstatement Proposal, in each case at its own cost notwithstanding that the actual cost of the Reinstatement Work may be higher than the Reinstatement Amount.

(b) For each item of the agreed Reinstatement Work Scope identified in the agreed Reinstatement Proposal, prior to the scheduled start of work on such item in accordance with the Reinstatement Schedule, RTD may by written notice to the Concessionaire either (a) direct the Concessionaire to implement the applicable Reinstatement Work or (b) elect to defer the implementation of the applicable Reinstatement Work and direct the Concessionaire to deposit the associated portion of the Reinstatement Amount for that scope item into an account specified by RTD to the Concessionaire in writing. If RTD does not notify the Concessionaire as to RTD's decision regarding any item of the Reinstatement Work Scope prior to the scheduled start of work on such item in accordance with the Reinstatement Schedule, RTD will be deemed to have directed the Concessionaire to implement the applicable Reinstatement Work.

(c) Once RTD has notified the Concessionaire of its election to defer an item of the Reinstatement Work Scope and the associated portion of the Reinstatement Amount has been transferred to the account specified by RTD to the Concessionaire, the Concessionaire shall be relieved of the obligation to implement that item of the Reinstatement Work and RTD shall be required to issue an RTD Proposed Change pursuant to Section 36.3 (*RTD Proposed Changes*) if it subsequently requires the Concessionaire to perform such Reinstatement Work.

(d) The agreement of RTD to any items of the Reinstatement Work, the Reinstatement Proposal, the participation of RTD in the Initial Inspection or the complete or partial
carrying out of the Reinstatement Work (whether revised or otherwise) will not relieve or absolve the Concessionaire from:

(i) its obligation under Section 1.5 (Handover Security); or

(ii) any obligation to conduct any other inspection or perform any other work in accordance with or otherwise comply with its obligations under the O&M Standards.

(e) The Concessionaire shall ensure that all contractors carrying out the Reinstatement Work provide a two-year warranty in respect of such work, such warranty being stated to be transferable to RTD or any successor operator of the Concessionaire-operated Components nominated by RTD.

1.5 Handover Security

(a) The Concessionaire will, no later than seven days after agreement of the Reinstatement Proposal or determination in accordance with the Dispute Resolution Procedure, but in any event not earlier than 18 months before the Expiry Date, provide one or more on-demand letters of credit (in such form as may be reasonably required by RTD) for the benefit of RTD in respect of the Reinstatement Work valid for a period of 90 days after the Expiry Date in an aggregate amount that is 20% higher than the Reinstatement Amount (the Handover Security). [CDRL #14-05]

(b) Where there is any Dispute in relation to the Reinstatement Amount, the existence of the Dispute shall not in any way reduce or limit the liability of the Concessionaire to provide the Handover Security under this Section 1.5, except to the extent of any such part of the Reinstatement Amount that is in dispute. Upon resolution of the Dispute, the value of the Handover Security shall be adjusted to reflect the outcome of the Dispute.

(c) The Handover Security shall be subject to reduction during the period following the provision of the Handover Security to the extent that items of the Reinstatement Work are implemented to RTD’s satisfaction and as the Concessionaire meets the requirements of Section 1.6 (Handover Inspection) for items of the Reinstatement Amount that RTD elects to transfer to the Reinstatement Account.

(d) The Concessionaire will ensure that at all times any bank issuing the Handover Security is a Qualifying Institution and is acceptable to RTD in its sole discretion. If an issuer of the Handover Security ceases at any time to be a Qualifying Institution, the Concessionaire will, upon becoming aware of this, notify RTD without delay and will, no later than 30 days after service of a notice by RTD on the Concessionaire requiring it to do so, replace the Handover Security with a replacement on-demand letter of credit issued in substantially identical terms by a Qualifying Institution in the amount required for the Handover Security.

(e) If the Concessionaire (i) does not provide the Handover Security in accordance with this Section 1.5 or (ii) does not replace the Handover Security in accordance with Section 1.5(d), RTD shall be entitled to deduct the total required amount of the Handover Security from Service Payments which would otherwise be payable to the Concessionaire by RTD. RTD shall transfer any monies deducted from the Service Payments pursuant to
this Section 1.5(e) into an escrow account (the **Handover Escrow Account**) on the date on which they would otherwise have been paid to the Concessionaire. Any interest accrued on the amounts transferred to such escrow account shall be paid to the Concessionaire.

### 1.6 Handover Inspection

(a) Not later than three months before the Expiry Date, the Parties shall conduct a joint inspection of the Concessionaire-operated Components (the **Handover Inspection**) to assess the condition of the Concessionaire-operated Components and the Reinstatement Work and to identify which items of the Reinstatement Work and the Handover Procedures remain outstanding. The findings of the Handover Inspection will be recorded on each Site, which record will be signed by the Parties. The Concessionaire shall submit these records to RTD. [CDRL #14-06]

(b) If RTD, on the basis of the Handover Inspection, determines that not all elements of the Concessionaire-operated Components comply with the Handover and Reinstatement Work Requirements, RTD shall, within ten days, notify the Concessionaire of its opinion and the Parties shall meet at the earliest opportunity to attempt to resolve the issues raised by RTD.

(c) If no agreement is reached between the Parties as to whether each element of the Concessionaire-operated Components complies with the Handover and Reinstatement Work Requirements within 10 days after RTD's notification of its opinion, then either the Concessionaire or RTD may refer the matter for resolution in accordance with the Dispute Resolution Procedure within five days thereafter.

(d) If it is agreed or determined in accordance with the Dispute Resolution Procedure that the Concessionaire-operated Components do not comply in all material respects with the Handover and Reinstatement Work Requirements, without prejudice to any other right or remedy of RTD, the Concessionaire will pay to RTD an amount equal to the estimated cost of ensuring that the Concessionaire-operated Components comply in all material respects with the Handover and Reinstatement Work Requirements, as agreed or as determined in accordance with this Section 1.6(d), after which the Handover Requirements shall be deemed satisfied. The amount in the Handover Escrow Account or the Handover Security, as the case may be, will be returned to the Concessionaire as soon as is reasonably practicable after agreement or determination following dispute resolution (as the case may be) to the extent (if any) not drawn once the Handover Amount has been paid in full.
1.7 Handover Procedures at the end of the term

Upon the Termination Date or prior to the Expiry Date as set out in Section 44 (Handover and Reinstatement Work Requirements on the Expiry Date) of the Agreement (as applicable), the Concessionaire and RTD shall, at the Concessionaire's cost (except where otherwise provided), carry out and participate in the following procedures and requirements:

(a) The Concessionaire shall record the assets and other items handed over to RTD, as well as any observations or objections by either Party, in an asset register signed by the Parties. [CDRL #14-07]

(b) The Concessionaire shall surrender the Sites to RTD and as soon as practicable vacate the Sites (leaving the Sites in compliance with Section 12.6 (Reinstatement) of the Agreement) and remove from the Sites all equipment, materials, temporary buildings, road vehicles, spare parts and other property which RTD notifies the Concessionaire in writing is not required by RTD for the continuation of the Eagle Project, or which is not acquired by RTD pursuant to these Handover and Reinstatement Work Procedures, and if it has not done so within 28 days after any notice from RTD requiring it to do so, RTD may (without being responsible for any loss) remove and sell any such property and will hold any proceeds less all costs incurred to the credit of the Concessionaire. If the costs incurred exceed such proceeds RTD will, by giving written notice to the Concessionaire, set out the amount by which the costs incurred exceed the proceeds and the Concessionaire will pay such amount to RTD within 14 days after receipt of such notice.

(c) The Concessionaire shall cooperate fully with RTD and any potential bidders throughout the course of any procurement process that RTD may conduct in order to determine a successor operator. The Concessionaire shall provide potential bidders with copies of or access to the Contract Data and Work Products [CDRL #14-08] and with such access to the Sites and to operational staff as may be necessary for the preparation of complete and competitive bids.

(d) The Concessionaire shall cooperate fully with RTD and any successor operator of the Concessionaire-operated Components in order to achieve an efficient and effective transfer of the operation of the Concessionaire-operated Components, as necessary to protect the safety of, and avoid undue delay or inconvenience to, Passengers and to de-register the Memorandum of Lease from the relevant land registries.

(e) The Concessionaire's lease and all other rights of access to, and use of, the Sites will terminate and RTD will assume and acquire the rights of the Concessionaire over the Sites.

(f) To the extent it has not already done so and to the extent possible, the Concessionaire will transfer all Permits to RTD or obtain the right to use all Permits for the benefit of RTD. [CDRL #14-09]

(g) RTD or any successor operator of the Concessionaire-operated Components nominated by RTD may make offers of employment to operational staff. Insofar as such offers extend to the employees of the O&M Contractor, the Concessionaire shall not hinder or obstruct (and shall procure that the O&M Contractor does not hinder or obstruct) the
transfer of such employees who wish to accept such offers of employment and so transfer their employment as aforesaid.

(h) The Concessionaire will ensure that the benefit of the Work Products and the Intellectual Property Rights relating thereto are or have been transferred to RTD pursuant to Section 33 (Intellectual Property Rights) of the Agreement and that copies of all Work Products have been delivered in accordance with Section 33.1(a) of the Agreement.

(i) The Concessionaire shall provide, convey or surrender (as the case may be) to RTD (to the extent not already provided, conveyed or surrendered to RTD):

(i) originals of all Contract Data (including documents, designs, drawings, O&M Submittals and other information created and submitted to RTD in accordance with the Contract Data Requirements List and all records required to be maintained by the Concessionaire pursuant to the terms of this Agreement and Applicable Requirements) required for the operation and maintenance of the Concessionaire-operated Components or otherwise produced in connection with the Concessionaire-operated Components; [CDRL #14-10]

(ii) one complete set of "as built drawings" (to the extent that such drawings have been finalized at the time of termination and not already provided to RTD); [CDRL #14-11]

(iii) the Equipment and all fixtures, structures, installations and fixed and movable equipment or property required for the safe operation and maintenance of the Concessionaire-operated Components in good condition, and all improvements and modernizations effected by the Concessionaire during the Lease Period;

(iv) spare parts of a type and quantity equivalent to its stock accumulated in accordance with Good Industry Practice; and

(v) all keys, access codes or other devices required to operate the Concessionaire-operated Components. [CDRL #14-12]

(j) The Concessionaire will ensure that the benefit of all unexpired warranties, guarantees, obligations or other commitments given by any Project Contractor or professional consultant involved in the Eagle Project and all unexpired manufacturer's warranties in respect of mechanical and electrical equipment used or made available by the Concessionaire in connection with the Eagle Project but not previously assigned to RTD are assigned, or otherwise transferred, to RTD with full title guarantee ensuring that the Concessionaire has sufficient title to effect the transfer. [CDRL #14-13]

(k) If termination occurs prior to the Revenue Service Commencement Date to the extent not already conveyed or vested in RTD pursuant to Section 23.1 (Ownership of Concessionaire-operated Components) of the Agreement:

(i) the Concessionaire will convey to and RTD will assume and acquire all elements of the Commuter Rail Network, the Work (including Temporary Work) and the Rolling Stock; and
(ii) the right of the Concessionaire to use the Work (including Temporary Work) and the equipment and other materials on or near the Sites will remain available to RTD for the purposes of completing the Work.

(l) If RTD so elects, the Design/Build Contract, the O&M Contract and any other Subcontracts to which the Concessionaire is a party (and any other contracts referred to in this Agreement as being able to be replaced with a similar contract to be effective from or after the End Date between the relevant contractor and RTD) will be replaced with a similar contract between the relevant contractor and RTD. Upon such election, the Concessionaire will take all necessary steps as soon as reasonably practicable to effect such replacement.

(m) RTD will have the right to use all spare parts, fixtures, structures, installations and fixed and movable equipment and all other property required for the safe operation and maintenance of the Concessionaire-operated Components.

(n) Commencing 12 months prior to the Expiry Date, the Concessionaire, at RTD's sole cost and expense, shall at RTD's request conduct an effective training program for various categories of RTD staff and third party staff nominated by RTD who will be responsible for operation and maintenance of the Concessionaire-operated Components following the Expiry Date to ensure the successful continuation of all operation and maintenance activities. An outline of the content and style of and program for the training shall be submitted to RTD by the Concessionaire for review 18 months prior to the Expiry Date [CDRL #14-14] and the Concessionaire shall comply with RTD's reasonable requirements in relation thereto. The training shall be supported by appropriate documentation and training manuals [CDRL #14-15] and shall include practical fieldwork or "on-the-job" training in addition to classroom sessions.