

DEPARTMENT OF TRANSPORT

PASSENGER LICENCE

granted to

LONDON UNDERGROUND LIMITED

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Part I - Scope of the Licence

1. The Secretary of State, in exercise of the powers conferred by section 8 of the Railways Act 1993 (as amended) ("the Act"), hereby grants to London Underground Limited ("the licence holder") a licence authorising the licence holder:
 - (a) to be the operator of trains being used on a network for the purpose of carrying passengers by railway;
 - (b) to be the operator of trains being used on a network for a purpose preparatory or incidental to, or consequential on, using a train as mentioned in (a) above; and
 - (c) to be the operator of trains being used on a network for the purpose of assisting other operators of railway assets,subject to the Conditions set out in Part III hereof ("the Conditions").
2. This licence shall come into force on 1 April 1994 and shall continue in force unless and until revoked in accordance with the provisions of the Schedule hereto or by not less than 10 years' notice given to the licence holder by the Secretary of State, such notice not to be given earlier than 25 years after the date on which this licence comes into force.

31 March 1994

Signed by authority of the
Secretary of State for Transport

Part II - Interpretation

1. In this licence:

"Authority"	means the Strategic Rail Authority;
"exempt network"	means any network falling within article 3(a) of the Railways (London Regional Transport) (Exemptions) Order 1994; and
"non-exempt network"	shall be construed accordingly.
2. Any reference in this licence to a numbered paragraph is a reference to the paragraph bearing that number in the Condition in which the reference occurs.
3. In interpreting this licence, headings shall be disregarded.
4. Where in this licence the licence holder is required to comply with any obligation within a specified time limit, that obligation shall be deemed to continue after that time limit if the licence holder fails to comply with that obligation within that time limit.
5. The provisions of section 149 of the Act shall apply for the purposes of the service of any document pursuant to this licence.

Part III - Conditions

A: Consumer Protection Conditions

Condition 1 : Insurance Against Third Party Liability

1. The licence holder shall, in respect of its activities as an operator of trains being used on a non-exempt network, maintain insurance (including self-insurance) against third party liabilities on terms which the Authority, having taken into consideration the licence holder's insurance arrangements for its activities as an operator of trains on an exempt network, has approved¹ (including, but without limitation, with respect to the type, cover and level of insurance and identity of insurer), with any such modification as may be required pursuant to paragraph 3.
2. The licence holder shall, except as the Authority may otherwise consent, procure that every insurance policy maintained pursuant to paragraph 1 shall (on first renewal after the coming into force of this licence and thereafter) bear an endorsement to the effect that 30 days' notice shall be given to the Authority by the insurer or insurance broker of any lapse or cancellation of, or material change to, the policy.
3. Where the Authority notifies the licence holder that the Authority, having taken into consideration the licence holder's insurance arrangements for its activities as an operator of trains on an exempt network, reasonably requires any modification of the insurance approved by the Authority pursuant to paragraph 1, the licence holder shall, no later than 60 days (or such longer period as the Authority may approve) from the date of the notice, procure that such modification is made.
4. In this Condition:

"self-insurance" means the licence holder's financial capacity to meet any liability to a third party in respect of which the licence holder does not otherwise have insurance.

Condition 2 : Claims Allocation and Handling

1. The licence holder shall, except in so far as the Authority may otherwise consent, ensure that either the licence holder is, or London Regional Transport are, at all times be a party to such agreements or arrangements relating to:
 - (a) the allocation, among operators of railway assets, of liabilities to persons other than such operators; and
 - (b) the handling of claims by or on behalf of such persons against such operators

¹ Pursuant to the Transport Act 2000 (Railway Licence Modification) Scheme any approval given before 1st February 2001 by the Regulator in respect of a consumer protection condition in this licence, has effect as if such approval were given by the Authority.

(in each case in relation to the licence holder's activities as an operator of trains being used on a non-exempt network) as may have been approved by either:

- (i) the Regulator as at the date on which this licence came into force (as may have been amended from time to time); or
 - (ii) the Authority (as amended from time to time).
2. Except with the consent of the Authority, the licence holder shall not, in relation to any of the agreements or arrangements described in paragraph 1 (the "relevant claims handling arrangements"), enter into any agreement or arrangement with any other party to the relevant claims handling arrangements:
 - (a) under which the licence holder agrees not to exercise any rights which it may have under any of the relevant claims handling arrangements; or
 - (b) varying the relevant claims handling arrangements,other than as provided for under the terms of those arrangements.

Condition 3 : Transport Police

The licence holder shall, in relation to its activities as an operator of trains being used on a non-exempt network, ensure that there is in force at all times an agreement approved by the Secretary of State with the employer of the British Transport Police, for the provision to the licence holder of services specified for the time being as core police services in the code issued by the Police Committee established under the scheme made, or treated as if made, under section 132 of the Act.

Condition 4 : Through Tickets and Network Benefits

1. The licence holder shall, except in so far as the Authority may otherwise consent, ensure that either the licence holder is a party to and complies with, or that London Regional Transport are party to and comply with, such arrangements relating to:
 - (a) the honouring of through tickets compatible with LUL's technical standards for tickets;
 - (b) settlement of amounts due to or from the licence holder in respect of through tickets; and
 - (c) conditions of carriage in respect of through tickets,as shall have been approved (other than in relation to any fares charged by the licence holder) by the Regulator after consultation with the Secretary of State as at the date on which this licence is granted, or as may be approved by either the Regulator or the Authority after consultation with the Secretary of State upon expiry of the arrangements first approved.
2. In this Condition, "through ticket" has the same meaning as in section 4 of the Act.

Condition 5 : Provision of Services for Disabled People

1. The licence holder shall within 6 months beginning with the date on which this licence comes into force establish and thereafter comply with:
 - (a) a statement of policy; and
 - (b) a detailed body of arrangements, procedures, services and other benefits to be implemented or provided by the licence holder,

designed to protect the interests of people who are disabled in their use of trains being used on a non-exempt network of which the licence holder is the operator pursuant to this licence and to facilitate such use (together "the Disabled People's Protection Policy").
2. In establishing the Disabled People's Protection Policy and in making any alteration to it, the licence holder shall have due regard to the code of practice published by the Authority pursuant to section 70 or section 71B of the Act.
3. The licence holder shall not establish, or make any material alteration to, the Disabled People's Protection Policy unless and until:
 - (a) the London Transport Users' Committee has been consulted; and
 - (b) the licence holder has submitted the Disabled People's Protection Policy to the Regulator, and either:
 - (i) in the case of a proposed alteration submitted before 1 February 2001, the licence holder has submitted the proposed alteration to the Regulator; or
 - (ii) in the case of a proposed alteration submitted on or after 1 February 2001, the licence holder has submitted the proposed alteration to the Authority,

and before 1 February 2001 the Regulator has approved the proposed alteration, and thereafter the Authority has approved the proposed alteration.
4. Where the Authority requires the licence holder to carry out a review of the Disabled People's Protection Policy or any part or aspect thereof and the manner in which the same has been implemented, with a view to determining whether any alteration should be made thereto, the licence holder shall promptly carry out such review and shall submit a written report to the Authority setting out the results or conclusions thereof.
5. The licence holder shall:
 - (a) send a copy of the Disabled People's Protection Policy and of any alteration to it (in each case following approval by the Authority where required under subparagraph 3(b)) to the Authority and the London Regional Passengers' Committee;

- (b) in a place of reasonable prominence at each station on a non-exempt network at which trains of which the licence holder is the operator pursuant to this licence are scheduled to call, display or procure the display of a notice giving the address from which a copy of the statement referred to in sub-paragraph 1(a) may be obtained;
 - (c) give or send free of charge a copy of the statement referred to in sub-paragraph 1(a) (as altered) to any person who requests it.
6. Nothing in this Condition shall oblige the licence holder to undertake any action that entails excessive cost taking into account all the circumstances, including the nature and scale, of licensed activities.

Condition 6 : Complaints Handling Procedure

1. The licence holder shall comply with a procedure ("Complaints Procedure") which the Regulator (having taken into consideration the licence holder's procedure for handling complaints relating to its activities as an operator of trains on an exempt network) has approved as at the date on which this licence is granted for handling complaints from its customers and potential customers relating to its activities as an operator of trains being used on a non-exempt network.
2. Subject to paragraph 6, the licence holder shall not make any material alteration to the Complaints Procedure unless and until:
 - (a) the London Transport Users' Committee has been consulted; and
 - (b) the licence holder has submitted the proposed alteration to either:
 - (i) the Regulator in respect of an alteration proposed before 1 February 2001; or
 - (ii) the Authority,and the proposed alteration has been approved by the Regulator before 1 February 2001, and thereafter the proposed alteration has been approved by the Authority.
3. The licence holder shall send a copy of the Complaints Procedure and of any material alteration to it (in each case following approval by the Regulator or the Authority where required under paragraph 1 and sub-paragraph 2(b)) to the Authority and London Transport Users' Committee.
4. Where the Authority (having taken into consideration the licence holder's procedure for handling complaints relating to its other activities as an operator of trains on an exempt network) requires the licence holder to carry out a review of the Complaints Procedure or any part or aspect thereof and the manner in which the same has been operated, with a view to determining whether any alterations should be made thereto, the licence

holder shall promptly carry out such review and shall submit a written report to the Authority setting out the results or conclusions thereof.

5. The licence holder shall make such alterations to the Complaints Procedure, or the manner in which it is operated, as the Authority may reasonably require after the Authority has received a report under paragraph 4 and consulted the licence holder.
6. Paragraph 2 does not apply to any alteration made pursuant to paragraph 5

B: Other Conditions

Condition 7 : Environmental Matters

1. The licence holder shall, taking due account of any relevant guidance issued to it by the Regulator, within 6 months beginning with the day on which this licence came into force establish a written policy designed to protect the environment from the effect of its activities as an operator of trains being used on a non-exempt network, together with operational objectives and management arrangements to give effect to the policy. The licence holder shall review the policy, the operational objectives and the management arrangements periodically and otherwise as appropriate. Nothing contained in this paragraph shall oblige the licence holder to undertake any action that entails excessive cost taking into account all the circumstances, including the nature and scale, of operations of the type carried out by the licence holder.
2. The licence holder shall, upon establishment and any material modification of them, promptly send the Regulator a copy of the policy together with a general description of the operational objectives and management arrangements.
3. The licence holder shall act with regard to the policy and operational objectives and use its reasonable endeavours to operate the management arrangements effectively.

Condition 8 : Inspecting Officers

The licence holder shall allow HM Inspecting Officers of Railways, while exercising their powers under section 20 of the Health and Safety at Work etc Act 1974 and on production of a valid warrant, to travel without charge on any train being used on a non-exempt network of which the licence holder is the operator pursuant to this licence.

Condition 9 : Timetabling

The licence holder shall provide Railtrack PLC with such information about its activities as an operator of trains on a non-exempt network as may be reasonably necessary for Railtrack PLC to fulfil any obligation on it under its network licence to publish or procure the publication of a national timetable of railway passenger services.

Condition 10 : Provision of Information to the Regulator and the Authority

1. Subject to paragraphs 3 and 4, the licence holder shall furnish to the Regulator and the Authority such information as the Regulator may reasonably require for the purpose of carrying out any of his functions under Part I of the Act, or the Authority may reasonably require for the purpose of carrying out any of its functions which relate to consumer protection conditions as defined in section 7A of the Railways Act.
2. Information required to be furnished under this Condition shall be furnished in such form and manner and at such times as the Regulator or the Authority may reasonably require.

3. This Condition shall not require the licence holder to furnish to the Regulator or the Authority information for the purposes of any function of the Regulator under sections 69 and 71 of the Act, or any function of the Authority under section 71A of the Act.
4. Neither this Condition nor any other Condition shall require the licence holder to produce any documents or furnish any information:
 - (a) for any purpose referred to in section 58 of the Act which it could not be compelled to produce or furnish under that section; or
 - (b) which it could not be compelled to produce or give in evidence in civil proceedings in any court.
5. Subject to paragraph 4, nothing in this Condition shall prejudice any right of the Regulator or the Authority to require information under or pursuant to any other Condition. The right of the Regulator or the Authority to require information pursuant to this Condition shall not be affected by any right to require information under or pursuant to any other Condition.

Condition 11 : Liability of Operators to Each Other

1. The licence holder shall, except in so far as the Regulator may otherwise consent, ensure that either the licence holder is, or London Regional Transport are, at all times party to such agreements or arrangements relating to certain matters relating to the liabilities of operators of railway assets to each other in such case in relation to licensed activities, as may have been approved by the Regulator as at the date on which this licence came into force (as amended from time to time).
2. Except with the consent of the Regulator, the licence holder shall not, in relation to any of the agreements or arrangements described in paragraph 1 (the "relevant claims handling arrangements"), enter into any agreement or arrangement with any other party to the relevant claims handling arrangements:
 - (a) under which the licence holder agrees not to exercise any rights which it may have under any of the relevant claims handling arrangements; or
 - (b) varying the relevant claims handling arrangements,other than as provided for under the terms of those arrangements.

Schedule- Terms as to Revocation

1. The Secretary of State may revoke, after having consulted the Regulator and the Authority, this licence by not less than 3 months' notice to the licence holder:
 - (a) if the licence holder agrees in writing with the Secretary of State that this licence should be revoked; or
 - (b) if a final order has been made, or a provisional order has been confirmed under section 55 of the Act, in respect of any contravention or apprehended contravention by the licence holder of any Condition, and the licence holder does not comply with the order within a period of 3 months beginning with the day on which the Secretary of State gives notice to the licence holder stating that this licence will be revoked pursuant to this term if the licence holder does not so comply; provided that the Secretary of State shall not give any such notice before the expiration of the period within which an application could be made under section 57 of the Act in relation to the order in question or before any proceedings relating to any such application are finally determined.
2. The Secretary of State may, after having consulted the Regulator and the Authority, revoke this licence forthwith by notice to the licence holder if the licence holder commits a serious breach of the Railways (Safety Case) Regulations 2000.