

2014 DAU submission version

Aurizon Network Pty Ltd

[Insert name of End User]

End User Access Agreement – Coal

Contents

1	Definitions and interpretation	8
1.1	Definitions	8
1.2	Interpretation	32
1.3	References to Train Service and Access Rights	34
1.4	Words and expressions defined in Access Undertaking	34
1.5	References to descriptors of Train Service Types	34
1.6	References to an Operator	34
1.7	Material published on the Website	35
1.8	Headings	35
1.9	Inconsistency	35
2	Term	35
2.1	Term	35
2.2	Right to renewal	35
3	Access Rights	35
3.1	Grant of Access Rights	35
3.2	Nature and scope of Access Rights	35
3.3	Exercise of Access Rights and Operator nomination	36
3.4	Changes to Operator nominations	38
3.5	Nominations with different Train Service Descriptions	38
3.6	Reduction of rights resulting in an Over-Allocation	39
3.7	Operation of Ad Hoc Train Service	40
3.8	Supply Chain Rights	41
4	Billing and payments	42
4.1	Charges	42
4.2	Invoicing	43
4.3	Payment	43
4.4	Disputes	44
4.5	Interest on overdue payments and Disputed amounts	45
4.6	Right of set-off	45
4.7	Consequences of failure to comply with Performance Levels	45
5	Security	46
5.1	Requirement to provide Security after Commencement Date	46
5.2	Requirement to provide Security on certain events occurring	46
5.3	Requirement to provide Security for the Security Amount	46
5.4	Requirement to provide Security for additional Train Service Type	47
5.5	Replacement of Security	47
5.6	Recourse to Security	47
5.7	Review of requirement to provide Security	48
5.8	Return of Security	48
5.9	Provision of Security by an Operator	48
5.10	Impact on operation of Train Services	49
6	Resumption of Access Rights	49
6.1	Information Request Notice	49
6.2	Proposed Resumption Notice	49
6.3	Response to Proposed Resumption Notice	50

6.4	Resumption Notice	50
6.5	Dispute	51
6.6	Withdrawal of Resumption Notice	51
6.7	Effect on Operator nominations	52
7	Reduction of Conditional Access Rights due to Capacity Shortfall	52
7.1	Application	52
7.2	Conditional Access Rights	53
7.3	Capacity Assessment	53
7.4	Determination of Reduced Conditional Access Rights for Segments	53
7.5	Consequences of Capacity Shortfall	54
7.6	Disputes	55
7.7	Variation to Conditional Access Rights	56
7.8	Effect on Operator nominations	56
7.9	Future capacity developments	57
8	Reduction of Nominated Monthly Train Services if Maximum Payload exceeded	57
8.1	Notification of reduction of Nominated Monthly Train Services	57
8.2	Determining the Affected Train Service Type	58
8.3	Calculation of Revised Nominal Payload	59
8.4	Calculation of Revised Maximum Payload	59
8.5	Calculation of Revised Nominated Monthly Train Services	59
8.6	Dispute	60
8.7	Variation to Train Service Description	61
8.8	Variation to Train Operations Agreements	61
8.9	No prejudice to other rights	62
9	End User initiated increase to Maximum Payload	62
9.1	Request for increased Maximum Payload	62
9.2	Response Notice and Variation Request Notice	62
9.3	Consequences of a Variation Request Notice	63
10	Reduction of Nominated Monthly Train Services if Nominal Payload increased	64
10.1	Notice of Intention to Increase Nominal Payload	64
10.2	Calculation of Revised Maximum Payload	65
10.3	Calculation of Revised Nominated Monthly Train Services	65
10.4	Dispute in relation to variations to Train Service Description	66
10.5	Withdrawal of Notice of Intention to Increase Nominal Payload	67
10.6	Variation to Train Service Description	67
10.7	Variation of Train Operations Agreements and Operator nominations	67
11	Relinquishment of Access Rights	68
11.1	Notice of Intention to Relinquish	68
11.2	Relinquishment subject to Relinquishment Fee	68
11.3	Determination of the Relinquishment Fee	69
11.4	Timing	70
12	Transfer of Access Rights by End User	71
12.1	Notice of Intention to Transfer	71
12.2	Limitation on discretion to refuse Transfer	71
12.3	Transfer subject to Transfer Fee	73

12.4	Determination of the Transfer Fee	74
12.5	Timing	76
12.6	Obligation to act diligently	76
13	Reduction Factor	76
13.1	Determination of the Reduction Factor	76
13.2	Replacement Access Agreement	78
14	Resumptions, reductions, relinquishments and transfers - General	78
14.1	Termination where no Access Rights remain	78
14.2	Effect on entitlement to operate and Access Charge Rates	79
14.3	No compensation or liability	79
15	Consequences of a failure of an Operator to satisfy conditions	79
15.1	Reduction of allocation of Access Rights	79
15.2	Reversing changes to Train Service Descriptions	80
16	Compliance	80
16.1	General requirements – Parties	80
16.2	Compliance with Aurizon Network’s Accreditation	80
16.3	General Requirements – Aurizon Network	81
16.4	Compliance with IRMP	81
16.5	Non-compliance by Operator with Train Service Description	81
16.6	Determining the Affected Train Service Type	83
17	Weighbridges and Overload Detectors	84
17.1	Exceeding Maximum Desirable Gross Tonnage	84
17.2	Verification	84
17.3	No Claim	85
18	Infrastructure management	85
18.1	Notifications	85
18.2	Investigations	85
19	Insurance by End User	86
19.1	Maintain insurance policies	86
19.2	Required insurance policies	86
19.3	Disclosure of insurance policies	86
19.4	Failure to disclose insurance policies	86
19.5	Minimum terms of policies	87
19.6	End User not to render policy void	87
19.7	Compliance	87
19.8	Notice of potential claims	87
19.9	End User to pay all excess/deductibles	87
19.10	Settlement of claims	87
20	Indemnities	88
20.1	Indemnity by End User for personal injury and property damage	88
20.2	Indemnity by Aurizon Network for personal injury and property damage	88
20.3	Indemnity by End User for certain liabilities to third parties	88
20.4	Duty to mitigate	89
20.5	General provisions regarding indemnities	89
21	Limitations and exclusions of liability	89

21.1	Exclusion of Consequential Loss	89
21.2	Time limit and minimum threshold on Claims	89
21.3	Claims and exclusions in respect of Infrastructure standard	89
21.4	Claims and exclusions in respect of non-provision of access	89
21.5	Claims and exclusions in respect of delays to Train Movements	91
21.6	Defence of Claims by Third Parties	92
21.7	Exclusion of Claims in certain other circumstances	92
22	Determination of liability and loss adjustment	92
22.1	Determination of liability	92
22.2	Loss Adjuster	93
22.3	Parties to assist loss adjuster	94
22.4	Decision of the loss adjuster	94
22.5	Costs of the loss adjuster	94
23	Material Change	94
23.1	Adjustment for a Material Change	94
23.2	Parties' obligations continue	95
24	Disputes	95
24.1	Method	95
24.2	Chief executive resolution	95
24.3	Expert	96
24.4	Arbitration	98
24.5	Queensland Competition Authority (QCA)	98
24.6	Determination by Court	98
25	Force Majeure	98
25.1	Force Majeure Event under a Train Operations Agreement	98
25.2	Suspension of obligations	98
25.3	End of period of Force Majeure	99
25.4	Reduction of Access Rights due to loss or damage to Nominated Network	99
25.5	Effect of Nominated Network FM Reduction Notice on Operator nominations	100
25.6	Termination after extended Force Majeure Event	101
26	Suspension	101
26.1	Suspension of Access Rights	101
26.2	Suspension due to suspension under End User Agreement	101
26.3	Details of suspension	101
26.4	Effect of suspension	101
26.5	Duration of suspension	101
26.6	Suspension of an Operator's rights under a Train Operations Agreement	102
27	Liability for wrongful suspension	102
28	Termination	102
28.1	Termination of Agreement	102
28.2	Termination by the End User	103
28.3	Grounds for termination to be specified	103
28.4	Obligations and other rights upon termination or expiry	103
29	Assignment	103
29.1	Assignment by Aurizon Network	103

29.2	Assignment by the End User	104
29.3	Charging	105
30	GST	105
<hr/>		
30.1	Construction	105
30.2	Consideration GST exclusive	105
30.3	Payment of GST	105
30.4	Timing of GST payment	105
30.5	Tax invoice	106
30.6	Adjustment event	106
30.7	Reimbursements	106
31	Confidentiality	106
<hr/>		
31.1	Confidentiality	106
31.2	Permitted disclosures	106
31.3	Discloser may give certain directions	107
31.4	PPS Act	108
31.5	Survival	108
31.6	Injunctive relief	108
32	Intellectual property and permitted use of Confidential Information	108
<hr/>		
33	Relationship with Train Operations Agreement	109
<hr/>		
33.1	Disputes	109
33.2	Amendments due to changes to Train Operations Agreement	109
33.3	Notice to End User	110
34	Notices	111
<hr/>		
34.1	Form of Notice	111
34.2	Method of service	111
34.3	Deemed Notice	111
34.4	Addresses for notices	111
35	General	112
<hr/>		
35.1	Survival	112
35.2	Amendment	112
35.3	Entire agreement	112
35.4	Counterparts	112
35.5	Non-merger	112
35.6	Authority to enter into agreement	112
35.7	Consents and approvals	112
35.8	Relationship	113
35.9	Certificate	113
35.10	Costs	113
35.11	Duty	113
35.12	Waiver and exercise of rights	113
35.13	Computation of time	113
35.14	Severance of invalid or illegal terms	113
35.15	Rights cumulative	114
35.16	Approvals and consents	114
35.17	Third Party Land	114
35.18	Implementation of agreement	115
35.19	Governing law and jurisdiction	115

35.20 PPS Act	115
36 Most favoured nation status	116
36.1 Notice of contravention of price differentiation limitations	116
36.2 Aurizon Network's response	116
36.3 Disputes	117
36.4 Interaction with other Access Holders	117
37 [JV Participants and liability]	117
37.1 Applicability	117
37.2 Warranty	117
37.3 JV Participants and percentage interests	117
37.4 Liability of JV Participants	117
37.5 Termination and Suspension	118
Schedule 1 – Reference schedule	120
Schedule 2 – Train Service Descriptions	122
Appendix A to Schedule 2 – Sectional Running Times	126
Appendix B to Schedule 2 – Nominated Monthly Train Services	127
Appendix C to Schedule 2 – Conditional Access Rights	128
Schedule 3 – Nominated Network	129
Schedule 4 – Access Charges	131
Schedule 5 – Insurance	151
Schedule 6 – Suspension Events and Termination Events	152
Schedule 7 – Pro Forma Train Operations Agreement	154

Date

Parties

Aurizon Network Pty Ltd ABN 78 132 181 116 of Level 17, 175 Eagle Street, Brisbane, Queensland (**Aurizon Network**)

The person specified in **item 1** of **schedule 1** (**End User**)

Background

- A Aurizon Network is responsible for the provision of access to the Nominated Network in accordance with the Access Undertaking.
 - B The End User wishes to secure non-exclusive rights of access to the Nominated Network for the operation of Train Services by an Operator (or Operators) appointed by the End User.
 - C Aurizon Network has agreed to grant non-exclusive Access Rights to the End User for the operation of Train Services over the Nominated Network by an Operator (or Operators) in accordance with one or more Train Operations Agreements and to provide Train Control for those Train Services on the terms and conditions of this Agreement.
 - D The Parties may enter into separate agreements for the provision of services by Aurizon Network to the End User other than the grant of the Access Rights.
-

1 Definitions and interpretation

1.1 Definitions

In this Agreement:

Acceptable Credit Rating means a minimum long term credit rating of not less than BBB- from Standard & Poor's Ratings Services (or equivalent rating by another internationally recognised ratings agency).

Access has the meaning given in the Access Undertaking.

Access Agreement means an access agreement made under the Access Undertaking, other than this Agreement.

Access Application has the meaning given in the Access Undertaking.

Access Charges means:

[Where this Agreement provides for the End User to pay all Access Charges:]

- (a) where the term is used in respect of a Billing Period, the Access Charges for that Billing Period as calculated in accordance with **item 3.1** of **schedule 4**; and
- (b) otherwise, the charges calculated in accordance with **schedule 4** and any

interest payable in relation to such charges under this Agreement.

[Where this Agreement provides for the End User to only pay TOP Charges:]

- (a) where the term is used in respect of a Billing Period, the Access Charges for that Billing Period:
 - (i) payable by the End User in accordance with **item 3.1 of schedule 4**; and
 - (ii) payable by an Operator in accordance with schedule 4 of the applicable Train Operations Agreement; and
- (b) otherwise, the charges payable to Aurizon Network by the End User and each Operator for the Access Rights (and the right to utilise the Access Rights to operate Train Services) calculated in accordance with **schedule 4** and schedule 4 of the applicable Train Operations Agreement respectively, and any interest payable in relation to such charges under such agreements.

Access Charge Rates has the meaning given in **item 1.1 of schedule 4**.

Access Holder means any person (including the End User) that has been granted access rights to operate Network Train Services on all or part of the Infrastructure.

Access Rights means:

- (a) the rights of access to the Nominated Network granted pursuant to this Agreement (whether or not allocated to an Operator from time to time); and
- (b) for a Train Service Type, the “Access Rights” (as defined in **paragraph (a)** of this definition) for the operation of Train Services for that Train Service Type.

Access Seeker has the meaning given in the Access Undertaking.

Access Undertaking means the access undertaking submitted by Aurizon Network to the QCA and approved by the QCA under the *Queensland Competition Authority Act 1997* (Qld) from time to time.

Accreditation means the ability to lawfully carry out railway operations under the Rail Safety Act (whether by being accredited under the Rail Safety Act or by being exempt from the requirement to be accredited under the Rail Safety Act), and

Accredited means to have Accreditation.

Activities means any activity, including “railway operations” as defined under the Rail Safety Act.

Ad Hoc Train Service for a Train Service Type means:

- (a) a Network Train Service which is additional to the Nominated Monthly Train Services for that Train Services Type but which is otherwise in accordance with the Train Service Description for that Train Service Type; or
- (b) a Network Train Service which is not a Train Service for a Train Service Type but which Aurizon Network permits an Operator to operate for the End User under this Agreement as if it was a Train Service for the Train Service Type (subject to any derogations to the Train Service Description

for the Train Service Type permitted by Aurizon Network, which includes a change in the Origin and Destination for that Train Service Type provided that the changed Origin and Destination forms part of the Nominated Network).

Adjoining Network means a rail network which is not part of the Infrastructure but which connects to the Infrastructure.

Adjustment Charge means an Adjustment Charge (as defined in the Access Undertaking) approved by the QCA from time to time.

Advanced Access Seeker means an Access Seeker that has:

- (a) commenced negotiation of an access agreement with Aurizon Network in respect of the access rights sought by the Access Seeker; and
- (b) demonstrated to Aurizon Network's reasonable satisfaction that the Access Seeker will be able to fully utilise those access rights, including demonstrating to Aurizon Network's satisfaction that the Access Seeker will hold, or will have the benefit of, or is reasonably likely to hold, or have the benefit of, Supply Chain Rights (as if the Access Seeker was the End User and an Operator was an operator for the Access Seeker for the purposes of that definition) for the operation of Network Train Services utilising those access rights for the whole of the term of those access rights

In determining whether the Access Seeker will continue to hold, or have the benefit of, the relevant Supply Chain Rights for the purposes of **paragraph (b)** of this definition, the Parties are to assume, if the Access Seeker or the holder of those Supply Chain Rights has an option granted in its favour to renew such Supply Chain Rights or extend the term of such Supply Chain Rights, that such option to renew or extend is exercised.

Affected Train Service Type:

- (a) in **clause 8**, has the meaning given in **clause 8.2(b)**; and
- (b) in **clause 16**, has the meaning given in **clause 16.6(b)**.

Agreement means this document, including the schedules and annexures to it.

Allowable Threshold for a Billing Period means 10 percent of the total number of Train Services scheduled in the Daily Train Plan for that Billing Period.

Ancillary Access Rights has the meaning given in the Access Undertaking.

Approval means any consent, licence, permit, authorisation, lodgement, filing, agreement, certificate, permission, direction, declaration, authority, accreditation, approval or exemption issued by an Authority.

Assessment Date has the meaning given in **clause 8.1**.

Assign means to assign, novate, transfer, part possession with, license, charge, mortgage, become trustee of, grant an option or other right over or otherwise deal with or encumber, but does not include the nomination of an Operator by the End User and the execution of a Train Operations Agreement.

Aurizon Network Cause means where Aurizon Network is unable to make the Infrastructure available for the operation of Network Train Services in accordance with the End User's Access Rights under this Agreement or any

other Access Holder's access rights under any other Access Agreement for the operation of Network Train Services on the Infrastructure, as a result of:

- (a) Planned Possessions, Emergency Possessions or Urgent Possessions;
- (b) a "Force Majeure Event", as defined in and affecting Aurizon Network under a Train Operations Agreement; or
- (c) any other action or inaction by Aurizon Network which directly resulted in the Infrastructure not being so available,

where such inability by Aurizon Network is not attributable in any way:

- (d) to an Access Holder, a Railway Operator or a Railway Operator's customer;
- (e) to Aurizon Network complying with its Passenger Priority Obligations;
- (f) to the unavailability of a Loading Facility or an Unloading Facility;
- (g) to the failure to load a Train at the Loading Facility for a Train Service Type within the Maximum Time at Loading Facility, or unload a Train at the Unloading Facility for a Train Service Type within the Maximum Time at Unloading Facility, as specified in the Train Service Description for that Train Service Type; or
- (h) in respect of each Train Service for a Through-Running Train Service Type, to the unavailability of, or cancellation of train services on, an Adjoining Network.

Aurizon Network's Staff means the employees, contractors and agents of Aurizon Network and any other person under the control or supervision of Aurizon Network involved in the provision of Access Rights.

Authorised Rollingstock Configurations for a Train Service Type means Rollingstock Configurations for a Train Service Type which are taken to be authorised Rollingstock Configurations for that Train Service Type under a Train Operations Agreement from time to time.

Authority means the Crown (in right of the State or the Commonwealth), a minister of the Crown, a federal, state or local government department, a corporation or authority constituted for a public purpose, a holder of an office for a public purpose, a local authority, a court, a tribunal and any officer or agent of the foregoing acting as such.

Available Capacity has the meaning given in the Access Undertaking.

Average Annual Payload for a Train Service Type and for an Operator means, at a point in time, the average of the Payloads (expressed in tonnes) for each Train Service for that Train Service Type operated by that Operator from the Origin to the Destination (as recorded by a Weighbridge or Overload Detector) during the 12 month period ending at that point in time.

Billing Period means the period of a Month, except that:

- (a) the first Billing Period starts on the Commitment Date and ends on the last day of the Month in which the Commitment Date occurs; and
- (b) the last Billing Period commences on the first day of the Month during which this Agreement terminates or expires and ends on the date of termination or expiry.

Business Day means a day which is not a Saturday, Sunday or public holiday in Brisbane or, if and to the extent that this Agreement expressly refers to another place, in that other place.

Capacity has the meaning given in the Access Undertaking.

Capacity Assessment has the meaning given in **clause 7.3(a)**.

Capacity Assessment Notice has the meaning given in **clause 7.5**.

Capacity Change has the meaning given in **clause 7.3(a)**.

Capacity Shortfall has the meaning given in the Access Undertaking.

Central Queensland Coal Region has the meaning given in the Access Undertaking.

Change in Access Undertaking means:

- (a) any amendment to or replacement of an Access Undertaking; or
- (b) any change in the interpretation or application, including by the exercise of delegated authority, of an Access Undertaking resulting from a decision of a court or other Authority.

Change in Control in relation to any entity (the first mentioned entity) means:

- (a) a change in the entity that Controls the first mentioned entity (other than if the Ultimate Holding Company of the first mentioned entity remains the same following the change);
- (b) an entity that Controls the first mentioned entity ceases to Control that entity (other than if the Ultimate Holding Company of the first mentioned entity remains the same following the change); or
- (c) if the first mentioned entity is not Controlled, another entity acquires Control of the first mentioned entity.

Change in Law means:

- (a) any amendment, repeal or enactment of any Law;
- (b) any legally binding change in the interpretation or application, including by the exercise of delegated authority, of any Law resulting from a decision of a court or other Authority;
- (c) the making of any new directive, or any change in an existing directive, of any Authority that is legally binding;
- (d) the imposition of a legally binding requirement for authorisations not required as at the Commencement Date;
- (e) after the date of grant of any authorisation, a change in the terms and conditions attaching to that authorisation or the attachment of any new terms or conditions that are legally binding; or
- (f) any such authorisation as has been granted ceasing to remain in full force and effect or, if granted for a limited period, not being renewed on a timely basis on application being duly made, or being renewed on conditions that are legally binding and which are materially less favourable than those attached to the original authorisation.

Change in Relevant Taxes means:

- (a) the imposition of a new Relevant Tax;
- (b) an increase in the rate of a Relevant Tax; or
- (c) a change in the basis of calculation of a Relevant Tax.

Chargee has the meaning given in **clause 29.3**.

Chargor has the meaning given in **clause 29.3**.

Claim means any action, proceeding, claim, demand, damage, loss, cost, liability or expense, including the costs and expenses of defending or settling any action, proceeding, claim or demand.

Coal System has the meaning given in the Access Undertaking.

Collateral has the meaning given in the PPS Act.

Commencement Date means the date of this Agreement.

Commitment Date means the earliest Train Service Commitment Date under this Agreement.

Committed Capacity has the meaning given in the Access Undertaking.

Common Corridor means that part of the Infrastructure that:

- (a) either:
 - (i) would be utilised by an Operator to operate Train Services for the End User utilising the Nominated Access Rights; or
 - (ii) if the End User has not nominated an Operator to operate Train Services utilising the Nominated Access Rights, would have been utilised by an Operator had the End User nominated an Operator to operate the relevant Train Services; and
- (b) will also be utilised by the Transferee's Network Train Services.

Common Costs means those costs associated with the provision of Infrastructure that are not Incremental Costs for any particular Network Train Service using that Infrastructure.

Compliance Date means the earliest Train Service Compliance Date under this Agreement.

Compliant Nomination Requirements means:

- (a) subject to **paragraph (b)** of this definition, the Train Service Description for the Train Service Type which the End User wishes to allocate to the nominee Operator in the nominee Operator's new or existing Train Operations Agreement (as applicable) must be the same as the Train Service Description for that Train Service Type in this Agreement;
- (b) in respect of each Train Service Type which is the subject of the nomination, the aggregate of:
 - (i) the "Nominated Monthly Operational Rights (for a 30 day Month)" in the Train Service Description for that Train Service Type in the nominee Operator's Train Operations Agreement; and
 - (ii) the "Nominated Monthly Operational Rights (for a 30 day Month)" in

the Train Service Description for that Train Service Type in all other Train Operations Agreements (if any),

must not exceed the “Nominated Monthly Train Services (for a 30 day Month)” set out in the Train Service Description for that Train Service Type in this Agreement. For the avoidance of doubt, where the nomination is accompanied by the statement in **clause 3.3(b)(iv)(B), paragraph (b)(i)** of this definition is to be determined on the basis of the nominee Operator’s Train Operations Agreement taking into account the additional Access Rights for the relevant Train Service Type which the End User wishes to allocate to the nominee Operator.

Conditional Access Rights has the meaning given in **clause 7.2**.

Confidential Information means the terms of this Agreement and any information, data or other matter disclosed to a Recipient by or on behalf of the Discloser in relation to this Agreement where:

- (a) the disclosure of the information, data or other matter by the Recipient might reasonably be expected to affect the commercial affairs of the Discloser; or
- (b) the information, data or matter is marked confidential by the Discloser when disclosed,

but excluding any such information, data or other matter which:

- (c) is already in the public domain or becomes available to the public through means other than a breach of the confidentiality undertaking by the Parties under this Agreement;
- (d) was in the Recipient’s lawful possession before the disclosure by the Discloser;
- (e) is received by the Recipient independently from a Third Party who is free to disclose such information, data or other matter to the Recipient; or
- (f) has ceased to retain its confidential nature, for example, where the disclosure of the information, data or other matter by the Recipient would no longer reasonably be expected to affect the commercial affairs of the Discloser.

Connecting Infrastructure has the meaning given in the Access Undertaking.

Consequential Loss means:

- (a) any special, indirect or consequential loss;
- (b) any economic loss in respect of any claim in tort;
- (c) any loss of profits, loss of production, loss of revenue, loss of use, loss of contract, loss of opportunity, loss of reputation or loss of goodwill, any wasted overheads, any demurrage or any damage to credit rating whatsoever; and
- (d) any loss or damage arising out of any Claim by a Third Party,

but does not include loss or damage (including loss or damage arising out of a Claim by a Third Party) in respect of:

- (e) the cost of repairing, replacing or reinstating any real or personal property of any person (including a Party) that has been lost, damaged or destroyed;
- (f) personal injury to or death of any person; or
- (g) any personal injury claim, special loss or economic loss as those terms are used in the context of personal injury claims.

Corporations Act means the *Corporations Act 2001* (Cth).

Corresponding Suspension Event in respect of a Termination Event means the Suspension Event specified in the same row as that Termination Event in **schedule 6**.

Customer Specific Branch Lines has the meaning given in the Access Undertaking.

Cyclic Traffic means traffic such as coal traffic in respect of which the entitlement to operate train services is defined in terms of a number of train services within a particular period of time (for example, a year, month or week).

Daily Train Plan means that document detailing the scheduled times for all Network Train Services operating on the Infrastructure and any Planned Possessions, Urgent Possessions and Emergency Possessions on a particular day on a specified part of the Infrastructure.

Default Rate means, for any day in a Month, the annual interest rate that is the sum of:

- (a) 2%; and
- (b) the Commonwealth Bank of Australia's "Corporate Overdraft Reference Rate" (monthly charging cycle) quoted by the Commonwealth Bank of Australia on its public website for the last trading day of the previous Month (or in the event that such a rate is not so quoted at or in respect of any relevant date, such other similar rate as is quoted by a major commercial bank as agreed by the Parties or, failing agreement, as determined by an Expert under **clause 24**).

Defaulting Operator:

- (a) in **clause 8**, has the meaning given in **clause 8.1(a)**;
- (b) in **clause 15**, has the meaning given in **clause 15.1(a)**; and
- (c) in **clause 16**, has the meaning given in **clause 16.5(a)(i)**.

Depot for a Train Service Type means a depot, as specified in the Train Service Description for that Train Service Type.

Destination for a Train Service Type means the destination specified as such in the Train Service Description for that Train Service Type.

Discloser means a Party that discloses Confidential Information to the other Party.

Discount Rate has the meaning given in the Access Undertaking.

Dispute has the meaning given in **clause 24.1**.

Dispute Notice has the meaning given in **clause 24.1**.

Effective Date has the meaning given in **clause 10.1(d)(ii)**.

Efficient Cost means the cost, for each Year during the Evaluation Period, that reflects the cost that would be reasonably expected to be incurred by a Railway Manager adopting efficient work practices in the provision of the Infrastructure to the required service standard, having regard to any matters particular to the environment in which Aurizon Network operates, and including any transitional arrangements agreed between Aurizon Network and the QCA to reflect the transition from Aurizon Network's actual cost to that efficient cost.

Emergency Possession means a Possession required to rectify a serious fault with the Infrastructure that Aurizon Network, acting reasonably, considers dangerous to any person, or where severe speed restrictions have been imposed affecting the scheduled Network Train Services of Railway Operators.

End User Agreement means each of the following types of agreements between Aurizon Network and the End User:

- (a) a licence in respect of a train loadout facility;
- (b) an agreement allowing the connection of Private Facilities to the Infrastructure; or
- (c) an agreement in relation to the funding and/or construction of connecting infrastructure.

End User's Staff means employees, contractors, volunteers and agents of the End User and any other person under the control or supervision of the End User who is involved in any Activity associated with the Train Services but does not include an Operator or the employees, contractors, volunteers or agents of an Operator.

Environment has the meaning given in the Environmental Protection Act.

Environmental Harm means Serious Environmental Harm, Material Environmental Harm or Environmental Nuisance.

Environmental Law means a Law relating to the Environment, including:

- (a) a Law relating to planning, health, toxic or contaminating materials, dangerous goods, waste disposal or pollution; and
- (b) environmental protection policies, guidelines, regulations and relevant approved codes of practice, and the conditions of all licences, notices, directions, approvals, consents, permissions or permits, issued under any such Law.

Environmental Management Plan means the environmental management plan developed, implemented and maintained by an Operator under a Train Operations Agreement.

Environmental Nuisance means "environmental nuisance" as defined in the Environmental Protection Act.

Environmental Protection Act means the *Environmental Protection Act 1994* (Qld).

Environmental Regulator means, in respect of an Environmental Law, the Authority administering that Environmental Law.

Evaluation Period means, in respect of:

- (a) an individual Network Train Service, the period which is equal to the length of the expected duration of the existing or proposed access right under the Access Agreement in respect of the relevant Network Train Service;
- (b) a combination of Network Train Services for the purpose of determining a Reference Tariff to apply to some or all of those Network Train Services, the period for which that Reference Tariff will apply; or
- (c) a combination of Network Train Services other than those referred to in **paragraph (b)** of this definition, the period which is equal to the length of the expected duration of the longest existing or proposed access right under the Access Agreement in respect of any of the Network Train Services comprising the combination of Network Train Services.

Existing Capacity has the meaning given in the Access Undertaking.

Expansion has the meaning given in the Access Undertaking.

Expansion Infrastructure for an Expansion means the section or sections (as applicable) of the Infrastructure (excluding Customer Specific Branch Lines and Connecting Infrastructure) on which:

- (a) either:
 - (i) the Operator may operate Train Services for the End User utilising the Conditional Access Rights; or
 - (ii) if the End User has not nominated an Operator to operate Train Services utilising the Conditional Access Rights, an Operator may operate Train Services for the End User had the End User nominated an Operator to operate the relevant Train Services; and
- (b) any Other Conditional Access Holders may operate, or cause the operation of, Network Train Services exercising their Other Conditional Access Rights for the Expansion.

Expert has the meaning given in **clause 24.3**.

Expiry Date means the latest Train Service Expiry Date under this Agreement.

Financial Obligation means any obligation of the End User to:

- (a) pay, or cause to be paid, an amount of money, including damages for a breach of this Agreement; and
- (b) provide Security or an additional or replacement Security.

FM Access Rights means the Access Rights for each Train Service Type which cannot be made available by Aurizon Network for an Operator to operate Train Services for the End User due to damage to, or the destruction of, a part of the Nominated Network referred to in **clause 25.4** (assuming that part of the Nominated Network will not be repaired or replaced).

Force Majeure Event means any cause, event or circumstance, or combination of causes, events or circumstances, which is a "Force Majeure Event" as defined in a Train Operations Agreement.

Good Engineering Practices means, in respect of any undertaking in any circumstances, the exercise of that degree of care, foresight, prudence and skill that would reasonably and ordinarily be expected from a competent, skilled and experienced person in the same type of undertaking in the same or similar circumstances.

GST has the meaning given to that expression in the *A New Tax System (Goods and Services Tax) Act 1999* (Cth).

Incident means any Network Incident involving the Activities of an Operator.

Incident Commander means a member of Aurizon Network's Staff who has been delegated responsibility for the direction and coordination of Aurizon Network's, each relevant Operator's and the End User's resources in the performance of their respective roles and tasks at the site of an Incident, recording events during the course of an Incident and liaison with external agencies.

Incremental Costs means those costs of providing access rights, including capital (renewal and expansion) costs, that would not be incurred (including the cost of bringing expenditure forward in time) if the particular Network Train Service or combination of Network Train Services (as appropriate) did not operate, where those costs are assessed as the Efficient Costs and based on the assets reasonably required for the provision of the access rights.

Indicative Tonnage for a Train Service Type means the tonnage as specified as such in the Train Service Description for that Train Service Type.

Information Request Notice has the meaning given in **clause 6.1(a)**.

Infrastructure means rail transport infrastructure as defined in the Transport Infrastructure Act for which Aurizon Network is the owner or lessee, the use of which for providing transportation by rail is or is taken to be a service declared for the purposes of Part 5 of the *Queensland Competition Authority Act 1997* (Qld).

Infrastructure Enhancement means the improvement, upgrading or other variation of the whole or any part of the Infrastructure which affects the capabilities of the Infrastructure and any major replacement programme for elements of the Infrastructure (and for the avoidance of doubt, includes an Expansion).

Infrastructure Lease means any lease or sublease to Aurizon Network of any Infrastructure which forms part of the Nominated Network.

Infrastructure Lessor means any lessor or sublessor under an Infrastructure Lease.

Infrastructure Service Providers means persons who provide maintenance, construction and other related services in respect of the Infrastructure.

Insolvency Event means the happening of any of the following events in relation to a Party:

- (a) it is unable to pay all its debts as and when they become due and payable or it has failed to comply with a statutory demand as provided in section 459F(1) of the Corporations Act;

- (b) a meeting is convened to pass a resolution to place it in voluntary liquidation or to appoint an administrator unless the resolution is withdrawn within 10 Business Days or the resolution fails to pass;
- (c) an application is made to a court for it to be wound up and the application is not dismissed within 10 Business Days after it is made;
- (d) the appointment of a liquidator, provisional liquidator or controller (as defined in the Corporations Act) of any of its assets if that appointment is not revoked within 10 Business Days after it is made;
- (e) it resolves to enter into or enters into any form of arrangement (formal or informal) with its creditors or any of them, including a deed of company arrangement; or
- (f) any similar event occurs in respect of the Party under the laws of any jurisdiction other than Australia.

Interface Risk Assessment has the meaning given in the applicable Train Operations Agreement.

Interface Risk Management Plan or **IRMP** has the meaning given in the applicable Train Operations Agreement.

Intermediate Train Plan or **ITP** has the meaning given in the Access Undertaking.

Investigation means the investigation conducted in accordance with the Investigation Procedures.

Investigation Procedures means the procedures in relation to investigations which are:

- (a) specified in Aurizon Network's document entitled *Incident Report and Investigations* which is published on the Website (as amended and replaced from time to time); and
- (b) as far as practicable, applied consistently for all Railway Operators operating Network Train Services in the same Coal System.

Joint Venture means the unincorporated joint venture (if any) between the JV Participants specified in **item 6 of schedule 1**.

JV Participants means the entities (if any) specified in **item 7 of schedule 1**.

Landowner has the meaning given in **clause 35.17**.

Law includes:

- (a) any statute, rule, regulation, code, proclamation, ordinance or by-law, present or future, whether State, Commonwealth or otherwise; and
- (b) any requirement, condition, notice, consent, accreditation, order or direction or similar thing of any Authority (including the State in any of its regulatory capacities), present or future, given or imposed pursuant to anything specified in **paragraph (a)** of this definition.

Like Train Service has the meaning given in **clause 36.1(a)**.

Loading Facility for a Train Service Type means the loading facility located at the ultimate origin for that Train Service Type (whether located on the Nominated Network, an Adjoining Network or otherwise), as specified in the Train Service

Description for that Train Service Type.

Maintenance Work means any work involving maintenance or repairs to, or renewal, replacement and associated alterations or removal of, the whole or any part of the Infrastructure (other than Infrastructure Enhancements) and includes any inspections or investigations of the Infrastructure.

Major Periodic Maintenance means activities that renovate the Infrastructure to retain it in a functional condition completed on Track sections at intervals of more than one year and includes activities such as re-railing, rail grinding, resurfacing, re-signalling, communications upgrades, renovating structures, ballast cleaning and re-sleepering.

Master Train Plan means that document detailing the scheduled times as advised by Aurizon Network from time to time for all Network Train Services and any Planned Possessions on a specified part of the Infrastructure.

Material Change means a:

- (a) Change in Relevant Taxes;
- (b) Change in Law;
- (c) Change in Access Undertaking; or
- (d) matter deemed to be a Material Change under **clause 35.17(d)**.

Material Environmental Harm means “material environmental harm” as defined in the Environmental Protection Act.

Maximum Desirable Gross Tonnage has the meaning given in the applicable Train Operations Agreement.

Maximum Gross Mass for a Wagon or other Rollingstock has the meaning given in the applicable Train Operations Agreement.

Maximum Other Dwell Times for a Train Service Type means the maximum Other Dwell Times for Train Services for that Train Service Type as specified as such in the Train Service Description for that Train Service Type.

Maximum Payload for a Train Service Type means the maximum Payload for Train Services for that Train Service Type as specified as such in the Train Service Description for that Train Service Type.

Maximum Sectional Running Time for a Section for a Train Service Type means the maximum Sectional Running Times for Train Services for that Train Service Type operating on that Section as specified as such in the Train Service Description for that Train Service Type.

Maximum Time at Depot for a Train Service Type means the maximum Time at Depot for Train Services for that Train Service Type as specified as such in the Train Service Description for that Train Service Type.

Maximum Time at Loading Facility for a Train Service Type means the maximum Time at Loading Facility for Train Services for that Train Service Type as specified as such in the Train Service Description for that Train Service Type.

Maximum Time at Unloading Facility for a Train Service Type means the maximum Time at Unloading Facility for Train Services for that Train Service Type as specified as such in the Train Service Description for that Train Service Type.

Month means calendar month.

Net Financial Effect on a Party of an event or circumstance means the net effect in financial terms of the occurrence of the event or circumstance on the Party in relation to performing its obligations and exercising its rights under this Agreement and/or a Train Operations Agreement including any increases in costs (whether capital or operating, fixed or variable) and other detriments incurred, or to be incurred, by the Party but deducting the amount of any savings or other benefits or advantages received, or to be received, by the Party, and on the basis that the Party uses reasonable endeavours to mitigate the net effect of the event or circumstance.

Network Incident means any Rollingstock derailment, Rollingstock disablement or breakdown, accident, collision or any other unplanned occurrence on the Infrastructure which causes or contributes to, or could cause or contribute to, injury to, or death of, any person, damage to any property or Environmental Harm or a disruption to, or cancellation of, any Train Movement.

Network Interface Point means a location at which the Infrastructure meets an Adjoining Network.

Network Management Principles has the meaning given in the Access Undertaking.

Network Train Service means the running of a Train between specified origins and destinations by a Railway Operator (including any Stowage) on the Infrastructure.

New Train Service Type:

- (a) in **clause 8**, has the meaning given in **clause 8.2(a)(i)**; and
- (b) in **clause 16**, has the meaning given in **clause 16.6(a)(i)**.

Nominal Payload for a Train Service Type means the nominal Payload for that Train Service Type as specified as such in the Train Service Description for that Train Service Type.

Nominated Access Rights:

- (a) in **clause 11**, has the meaning given in **clause 11.1(c)(i)**; and
- (b) in **clause 12**, has the meaning given in **clause 12.1(c)(i)(A)**.

Nominated Monthly Train Services for a Train Service Type means the number of Train Services for that Train Service Type that the End User is entitled to have operated during any Month:

- (a) in the case of a Month that is 30 days, as specified in the Train Service Description for that Train Service Type; and
- (b) in the case of a Month that is longer or shorter than 30 days, a pro rata portion of the number of Train Services referred to in **paragraph (a)** of this definition (rounded to the nearest even number of whole Train Services provided that where the pro rata portion of the number of Train Services is a whole odd number, the number of Train Services will be rounded up to the nearest even number) to reflect the longer or shorter period,

as varied in accordance with this Agreement.

Nominated Network means that part of the Infrastructure described in **item 1** of **schedule 3**.

Nominated Network FM Reduction Notice has the meaning given in **clause 25.4(d)**.

Nominated Unloading Facility means an unloading facility specified in the Access Undertaking for a nominated Reference Train Service.

Non-Charging Party has the meaning given in **clause 29.3**.

Non-Defaulting Operator:

(a) in **clause 8**, has the meaning given in **clause 8.2(a)**; and

(b) in **clause 16**, has the meaning given in **clause 16.6(a)**.

Notice has the meaning given in **clause 34.1**.

Notice of Enquiry has the meaning given in **clause 9.1(a)**.

Notice of Intention to Increase Nominal Payload has the meaning given in **clause 10.1(a)**.

Notice of Intention to Relinquish has the meaning given in **clause 11.1(b)**.

Notice of Intention to Transfer has the meaning given in **clause 12.1(b)**.

Obstruction means any circumstance relating to the whole or any part of the Infrastructure, including Rollingstock, debris or other objects on the Infrastructure, which has the potential to cause a disruption to or cancellation of Train Services or Train Movements, and includes any Network Incident but does not include an Operational Constraint imposed by Aurizon Network.

Operating Parameters has the meaning given in the Access Undertaking.

Operational Constraint means any restriction on the use of any part of the Infrastructure which impacts adversely on Train Services, including speed restrictions, load restrictions, Possessions or signalling or overhead restrictions.

Operator means each Accredited Railway Operator that is nominated by the End User in accordance with **clause 3.3(b)** who is contracted by the End User to operate Train Services for the End User in accordance with the relevant nomination – but only to the extent of the relevant nomination.

Operator's Staff means, in respect of an Operator, the employees, contractors, volunteers and agents of that Operator and any other person under the control or supervision of that Operator who is involved in any Activity associated with the Train Services but does not include the employees, contractors, volunteers or agents of another Operator.

Origin for a Train Service Type means the origin specified as such in the Train Service Description for that Train Service Type.

Original Train Service Type:

(a) in **clause 8**, has the meaning given in **clause 8.2(a)(ii)**; and

(b) in **clause 16**, has the meaning given in **clause 16.6(a)(ii)**.

Other Conditional Access Holder for:

- (a) an Expansion means an Access Holder (other than the End User) that has been granted access rights under an Access Agreement which are conditional upon the Expansion being completed and commissioned; and
- (a) a Segment of an Expansion means an “Other Conditional Access Holder” for the Expansion (as defined in **paragraph (a)** of this definition) that may operate Network Train Services on that Segment exercising their Other Conditional Access Rights for the Expansion.

Other Conditional Access Rights for an Other Conditional Access Holder for an Expansion means the access rights granted under an Access Agreement to the Other Conditional Access Holder which are conditional upon the Expansion being completed and commissioned.

Other Dwell Times means, for any other permitted activity, the time period commencing when a Train Service arrives at the specified point for that activity and ending when it is ready to depart from that point and the relevant Train Controller has been advised accordingly.

Over-Allocation has the meaning given in **clause 3.6(b)**.

Overload Detector means a weighing mechanism other than a Weighbridge and specified in **item 5.2** of **schedule 3**.

Party means a party to this Agreement, and **Parties** means the parties to this Agreement. For the avoidance of doubt, an Operator is not a party to this Agreement.

Passenger Priority Obligations means the obligations of a Railway Manager pursuant to sections 265 and 266 of the Transport Infrastructure Act.

Payload of a Train Service means the weight of product loaded onto any Train used in operating that Train Service.

Performance Levels has the meaning given in the relevant Train Operations Agreement.

Planned Capacity has the meaning given in the Access Undertaking.

Planned Dwell Times means any of Time at Loading Facility, Time at Unloading Facility, Time at Depot and Other Dwell Times specified in the Train Schedule.

Planned Possession means a Possession that is entered into the Master Train Plan and may adversely impact upon the operation of Network Train Services.

Possession means the temporary closure and/or occupation by Aurizon Network of part of the Infrastructure (including closure of Track or isolation of any electrical overhead traction system) for the purpose of carrying out Maintenance Work, Infrastructure Enhancements or other work on, or in the proximity of, the Infrastructure which may affect the safety of any person or property.

PPS Act means the *Personal Property Securities Act 2009* (Cth).

Private Facilities means sidings, loading and unloading facilities and any other facilities of any kind:

- (a) which either:

- (i) are required to be accessed or used by an Operator to operate any Train Services for the End User in the manner contemplated by this Agreement; or
 - (ii) if no Operator has been nominated in respect of the relevant Train Services, would have been required to be accessed or used by an Operator, had one been nominated; and
- (b) which do not form part of the Nominated Network.

Proposed Resumption Notice has the meaning given in **clause 6.2**.

Proposed Resumption Response Period has the meaning given in **clause 6.3**.

PV Amount:

- (a) in **clause 11**, has the meaning given in **clause 11.3(a)**; and
- (b) in **clause 12**, has the meaning given in **clause 12.4(a)**.

Quarter means each period of three consecutive Months commencing each 1 January, 1 April, 1 July or 1 October in each year.

Queensland Competition Authority or **QCA** means the authority established under the *Queensland Competition Authority Act 1997* (Qld).

Rail Safety Act means the *Transport (Rail Safety) Act 2010* (Qld).

Rail Safety Regulator means the chief executive of the department administering the Rail Safety Act.

Railway Manager has the meaning given in the Transport Infrastructure Act.

Railway Operator means any person (including an Operator) that is an Accredited rail transport operator for the Central Queensland Coal Region.

Recipient means a Party that receives Confidential Information from the Discloser.

Reduced Conditional Access Rights for a Segment of an Expansion means the Reduced Conditional Access Rights for that Segment of the Expansion calculated in accordance with the formula in **clause 7.4**.

Reduction Factor means the reduction factor determined in accordance with **clause 13**.

Reduction Notice has the meaning given in **clause 8.1**.

Reference Tariff has the meaning given in the Access Undertaking.

Reference Tariff Provisions means:

- (a) the schedule of the Access Undertaking which includes the Reference Tariffs and the details of the application of the Reference Tariffs for a particular Reference Train Service (which, as at the Commencement Date, is schedule F of the Access Undertaking); and
- (b) any other provisions of the Access Undertaking which affect or relate to the application or calculation of Reference Tariffs or access charges (including TOP Charges).

Reference Tariff Type for a Train Service Type means the Reference Tariff Type specified in **schedule 2** for that Train Service Type.

Reference Train Service has the meaning given in the Access Undertaking.

Related Body Corporate has the meaning given in the Corporations Act.

Relevant Collateral means Collateral which is the subject of a Security Interest granted under this Agreement.

Relevant Rollingstock Configuration for a Train Service Type means an Authorised Rollingstock Configuration for that Train Service Type which has a maximum Payload which exceeds the Maximum Payload for that Train Service Type.

Relevant Tax means any tax, charge, levy, duty, impost, rate, royalty, or imposition which is imposed on Aurizon Network by, or payable by Aurizon Network to, any Authority but does not include any income tax, fringe benefits tax, capital gains tax or any tax that replaces any of those taxes.

Relinquishment Date has the meaning given in **clause 11.1(c)(iii)**.

Relinquishment Fee means the relinquishment fee determined in accordance with **clause 11.3**.

Requested Ancillary Access Rights has the meaning given in **clause 12.1(c)(ii)**.

Response Notice has the meaning given in **clause 9.2(a)**.

Resumable Access Rights for a Train Service Type means:

- (a) if the End User does not give Aurizon Network a notice under **clause 6.3** within the Proposed Resumption Response Period, the whole of the Underutilised Access Rights for the Train Service Type specified in the Proposed Resumption Notice; or
- (b) if the End User gives Aurizon Network a notice under **clause 6.3** within the Proposed Resumption Response Period, any part of the Underutilised Access Rights for the Train Service Type which:
 - (i) the End User does not demonstrate, to Aurizon Network's reasonable satisfaction, within the Proposed Resumption Response Period that:
 - (A) there is a reasonable likelihood that the End User is able to utilise via the Operator(s); and
 - (B) the End User has a need to utilise,for the operation of Train Services for the Train Service Type; or
 - (ii) in addition to any part of the Underutilised Access Rights for the Train Service Type referred to in **paragraph (b)(i)** of this definition, the End User notifies Aurizon Network during the Proposed Resumption Response Period may be taken by Aurizon Network to be Resumable Access Rights for the purposes of **clause 6.4**.

Resumed Access Rights for a Train Service Type has the meaning given in **clause 6.4(a)**.

Resumption Date has the meaning given in **clause 6.4(b)(ii)(B)**.

Resumption Notice has the meaning given in **clause 6.4(a)**.

Resumption Trigger Event for a Train Service Type means:

- (a) the Operator does not (or where there is more than one Operator, the Operators collectively do not), for any reason other than the failure of Aurizon Network to make the Access Rights for the Train Service Type available, operate at least 85% of the Train Services for the Train Service Type which are entitled to be operated for the End User during a Quarter, for any four consecutive Quarters; or
- (b) the occurrence of an Underutilisation Event for that Train Service Type.

Revised Maximum Payload for a Train Service Type means:

- (a) in **clause 8**, the amount calculated for that Train Service Type in accordance with **clause 8.3**; and
- (b) in **clause 10**, the amount calculated for that Train Service Type in accordance with **clause 10.2**.

Revised Nominal Payload for a Train Service Type:

- (a) in **clause 8**, means the amount calculated for that Train Service Type in accordance with **clause 8.3**;
- (b) in **clause 9**, means the amount calculated for that Train Service Type in accordance with **clause 9.2(a)**; and
- (c) in **clause 10**, has the meaning given in **clause 10.1(d)(i)(A)**.

Revised Nominated Monthly Train Services for a Train Service Type means:

- (a) in **clause 8**, the amount calculated for that Train Service Type in accordance with **clause 8.5**;
- (b) in **clause 9**, the amount calculated for that Train Service Type in accordance with **clause 9.2(a)**; and
- (c) in **clause 10**, the amount calculated for that Train Service Type in accordance with **clause 10.3**.

Rollingstock means locomotives, carriages, Wagons, rail cars, rail motors, light rail vehicles, light inspection vehicles, rail/road vehicles, trolleys and any other vehicles which operate on or use a Track, and where used in respect of an Operator's Rollingstock includes Rollingstock which is owned, hired or leased by an Operator, supplied by a contractor of an Operator or is otherwise in the possession or control of an Operator.

Rollingstock Configuration means the description of the combinations of Rollingstock comprising a Train including identification number and gross mass of individual items of Rollingstock and the order in which those Rollingstock items are placed in the Train.

Safety Law means a Law relating to the safety of persons or property, including the Rail Safety Act and the *Work Health and Safety Act 2011* (Qld).

Safety Regulator means, in respect of a Safety Law, the Authority administering that Safety Law.

Safeworking Procedures means the procedures and systems, including supporting communications systems, for the safe operation of Trains and protection of worksites on the Infrastructure specified in Aurizon Network's

document entitled *Safeworking Procedures* as:

- (a) notified by Aurizon Network to the End User; or
- (b) published on the Website,

(as amended and replaced from time to time).

Scheduled Time means the time of arrival or departure for a Train Movement at specified locations on the Nominated Network as set out in the Train Schedule or as amended by Aurizon Network from time to time on the day of operation pursuant to the Network Management Principles.

Section means a section of Track between two locations on the Nominated Network as shown in the diagram(s) in **schedule 3**.

Sectional Running Times means the time period measured from the time a Train Service passes the signal controlling entry into a Section until the time the Train Service arrives at the signal controlling entry into the next adjoining Section or the Adjoining Network (as applicable), and does not include an allowance for Planned Dwell Times.

Security means:

- (a) an unconditional and irrevocable bank guarantee in favour of Aurizon Network which:
 - (i) is issued by a trading bank holding a current Australian banking licence and having a credit rating equivalent to or better than a Standard & Poor's BBB- rating;
 - (ii) requires the issuing bank to pay on demand by Aurizon Network, without recourse to the End User or any other person, an amount or amounts up to the amount specified in the bank guarantee;
 - (iii) has no expiry date (or, if it is not possible for the End User to obtain a bank guarantee with no expiry date, has an expiry date no earlier than 12 months after the date of issue of the bank guarantee);
 - (iv) states that it is assignable by Aurizon Network to an assignee from Aurizon Network under this Agreement (subject to the relevant bank and the End User being given notice of the identity of the assignee); and
 - (v) is otherwise in a form and upon terms reasonably acceptable to Aurizon Network; or
- (b) any other form of security reasonably acceptable to Aurizon Network, in a form and upon terms reasonably acceptable to Aurizon Network,

as security for the due and proper performance by the End User of its obligations under this Agreement.

Security Amount at a time means the amount determined in accordance with **item 4 of schedule 1** at that time.

Security Interest has the meaning given in **clause 35.20(a)**.

Segment of an Expansion means each segment of the Expansion specified as such in the Train Service Description for the Conditional Access Rights which are conditional upon the completion and commissioning of the Expansion.

Serious Environmental Harm means “serious environmental harm” as defined in the Environmental Protection Act.

Split Train Service Type:

- (a) in **clause 8**, has the meaning given in **clause 8.2(a)**; and
- (b) in **clause 16**, has the meaning given in **clause 16.6(a)**.

State means the State of Queensland.

Stowage means storage of Trains (excluding individual items of Rollingstock) on the Nominated Network at locations specified by Aurizon Network under the following circumstances:

- (a) during a Possession; or
- (b) during the operation of a Train Service.

Supplier has the meaning given in **clause 30.3**.

Supply Chain Rights for a Train Service Type means:

- (a) if any Private Facilities are required to be accessed or used by an Operator (and, to the extent no Operator has been nominated, would have been required to be accessed or used by an Operator, had one been nominated) to operate Train Services for that Train Service Type for the End User, rights which are sufficient to allow the Operator to access or use those Private Facilities to operate those Train Services within the timeframes and in the manner contemplated in this Agreement;
- (b) if that Train Service Type is a Through-Running Train Service Type, rights which are sufficient to allow Train Services for that Train Service Type to enter or exit (as applicable) the Nominated Network from or to (as applicable) each applicable Adjoining Network within the timeframes and in the manner contemplated in this Agreement;
- (c) if the Train Services for that Train Service Type are to be operated to an Unloading Facility, rights which are sufficient to allow:
 - (i) an Operator to access (or, if no Operator has been nominated, rights which would have been sufficient to allow an Operator to access, had one been nominated) the relevant Unloading Facility with a fully loaded Train which complies with the Train Service Description for that Train Service Type; and
 - (ii) the unloading of all coal from the Train at the relevant Unloading Facility,
within the timeframes and in the manner contemplated in this Agreement;
and
- (d) if the Train Services for that Train Service Type are to be operated to a Loading Facility, rights which are sufficient to allow:
 - (i) an Operator to access (or, if no Operator has been nominated, rights which would have been sufficient to allow an Operator to access, had one been nominated) the relevant Loading Facility with a Train which complies with the Train Service Description for that Train Service Type; and

(ii) the loading of coal onto the Train at the relevant Loading Facility, within the timeframes and in the manner contemplated in this Agreement, assuming 100% utilisation of the Access Rights for that Train Service Type in accordance with the Train Service Description for that Train Service Type.

Surplus Access Rights has the meaning given in **clause 9.2(a)(ii)(C)**.

Suspension Event means any event or circumstance specified as such in **schedule 6**.

Suspension Notice has the meaning given under **clause 26.1** or **26.2**.

System Discount means the amount specified as such for the relevant Reference Train Service in the Access Undertaking.

System Premium means the amount specified as such for the relevant Reference Train Service in the Access Undertaking.

System Rules means the rules made (including as amended and replaced) from time to time in accordance with the Access Undertaking.

Tare Weight for a Wagon or other Rollingstock has the meaning given in the applicable Train Operations Agreement.

Term means the term of this Agreement in accordance with **clause 2.1**.

Termination Event means any event or circumstance specified as such in **schedule 6**.

Third Party means a person other than the End User or Aurizon Network.

Third Party Land has the meaning given in **clause 35.17(a)**.

Through-Running Train Service Type means a Train Service Type that has a Destination and/or Origin that is a Network Interface Point that is specified as such in the Train Service Description for that Train Service Type.

Time at Depot means the time period commencing when a Train Service arrives at the entry signal for a Depot and ending when it is ready to depart the Depot and the relevant Train Controller has been advised accordingly.

Time at Loading Facility means the time period commencing when a Train Service arrives at the entry signal for a Loading Facility and ending when it presents at the exit signal for the Loading Facility, is ready to depart the Loading Facility and the relevant Train Controller has been advised accordingly.

Time at Unloading Facility means the time period commencing when a Train Service arrives at the entry signal for an Unloading Facility and ending when it presents at the exit signal for the Unloading Facility, is ready to depart the Unloading Facility and the relevant Train Controller has been advised accordingly.

TOP Charges:

- (a) in respect of this Agreement, has the meaning given **item 1.1 of schedule 4**; and
- (b) in respect of another Access Agreement, means the charge for contracted Network Train Services where the contracted Network Train Services are not operated by, or by a Railway Operator for, the relevant Access Holder

under the relevant Access Agreement.

TOP Charges (ATPY) for a year means:

- (a) in respect of this Agreement, the TOP Charges for a Train Service Type for that year that would be payable for the relevant Train Service Type for that year if the formula in **item 4.4 of schedule 4** was “*ATP = ATPY*”; and
- (b) in respect of another Access Agreement, the TOP Charges for that year that would be payable for contracted Network Train Services if the contracted Network Train Services are not operated by, or by a Railway Operator for, the relevant Access Holder under the relevant Access Agreement and the TOP Charges under that Access Agreement were calculated in a manner equivalent to the calculation of “*ATPY*” in **item 4.4 of schedule 4**.

Track means the part of the Infrastructure comprising the rail, ballast, sleepers and associated fittings.

Train means any configuration of Rollingstock operating as a unit on Track.

Train Control means the management and monitoring of all Train Movements and of all other operation of Rollingstock on the Infrastructure and of any activities affecting or potentially affecting such Train Movements or Rollingstock operation including:

- (a) recording Train running times on Train diagrams and in Aurizon Network’s information systems;
- (b) reporting of Incidents occurring on the Infrastructure;
- (c) managing Incidents occurring on the Infrastructure from within a Train Control centre;
- (d) field Incident management;
- (e) yard control services; and
- (f) exchanging information with Railway Operators.

Train Control Direction means any instruction or direction (whether given orally or in writing or by means of signal or other similar device) issued by or on behalf of Aurizon Network acting reasonably relating to Train Movements.

Train Controller means the person nominated by Aurizon Network from time to time as the supervisor of Train Movements on the relevant part of the Nominated Network.

Train Movement means the operation of a Train on the Infrastructure by Aurizon Network, an Operator or any other Railway Operator.

Train Operations Agreement means an agreement between Aurizon Network and an Operator in substantially the form of the agreement contained in **schedule 7** pursuant to which Aurizon Network agrees that the Operator may utilise Access Rights as allocated to the Operator by the End User, in accordance with this Agreement, for the purpose of operating Train Services on the Nominated Network.

Train Schedule means the train diagrams, yard schedules, terminal schedules and any other form of train timetable prepared by Aurizon Network before the day of operation in accordance with the Network Management Principles

showing the programmed times of arrival or departure for Train Movements at specified locations on the Infrastructure.

Train Service for a Train Service Type means the running, by an Operator for the End User, of a Train in one direction from the Origin to the Destination, or from the Destination to the Origin, for that Train Service Type (including any Stowage) in accordance with the Train Service Description for that Train Service Type.

Train Service Commitment Date for a Train Service Type means the date specified as such in the Train Service Description for that Train Service Type.

Train Service Compliance Date for a Train Service Type means the date specified as such in the Train Service Description for that Train Service Type.

Train Service Description for a Train Service Type means the description of, specifications for, and constraints on, the Access Rights for that Train Service Type specified in **schedule 2**.

Train Service Expiry Date for a Train Service Type means the date specified as such in the Train Service Description for that Train Service Type.

Train Service Type means each type of train service specified as such in **schedule 2**.

Transfer means the relinquishment of all or part of the Access Rights in order to create Available Capacity that can be used to grant access rights to the End User or a Third Party.

Transfer Cancellation Notice has the meaning given in **clause 12.3(e)**.

Transfer Date has the meaning given in **clause 12.1(c)(i)(C)**.

Transfer Fee means the transfer fee determined in accordance with **clause 12.4**.

Transfer Period has the meaning given in **clause 12.1(c)(i)(C)**.

Transferee has the meaning given in **clause 12.1(b)**.

Transferee Access Agreement has the meaning given in **clause 12.2(e)**.

Transferred Access Rights has the meaning given in **clause 12.1(c)(i)(E)**.

Transport Infrastructure Act means the *Transport Infrastructure Act 1994* (Qld).

Underutilisation Event for a Train Service Type means any cause, event or circumstance, or combination of causes, events or circumstances, other than the failure by Aurizon Network to make the Access Rights for the Train Service Type available, which will, or will likely, have a sustained or permanent and material adverse impact on the End User's ability to utilise, or need to utilise, the Access Rights for that Train Service Type (including, the End User ceasing to hold, or have the benefit of, any Supply Chain Rights).

Underutilised Access Rights for a Train Service Type means:

- (a) in respect of a Resumption Trigger Event for that Train Service Type specified in **paragraph (a)** of the definition of Resumption Trigger Event, the portion of future Access Rights for the Train Service Type (rounded to the nearest even number of whole Train Services for the Train Service

Type) which is equal to the average of the portions of the Access Rights for the Train Service Type which were entitled to be utilised for the End User but were not utilised for the End User (including because no Operator has been nominated by the End User to utilise those Access Rights) in the applicable four consecutive Quarters referred to in **paragraph (a)** of the definition of Resumption Trigger Event; and

- (b) in respect of a Resumption Trigger Event for that Train Service Type specified in **paragraph (b)** of the definition of Resumption Trigger Event, the Access Rights for the Train Service Type which Aurizon Network considers, acting reasonably, were entitled to be utilised for the End User but the Operator (or if there is more than one Operator, the Operators collectively) will be unable to utilise, or will not need to utilise, (including because no Operator has been nominated by the End User to utilise those Access Rights) for the operation of Train Services for the Train Service Type for the End User as a consequence (whether direct or indirect) of the Underutilisation Event for the Train Service Type.

Unloading Facility for a Train Service Type means the unloading facility located at the ultimate destination for that Train Service Type (whether located on the Nominated Network, an Adjoining Network or otherwise), as specified in the Train Service Description for that Train Service Type.

Urgent Possession means a Possession required to correct problems that Aurizon Network, acting reasonably, considers potentially dangerous to person or property, other than an Emergency Possession.

Variation Request Notice has the meaning given in **clause 9.2(b)**.

Wagon means any Rollingstock (including a wagon bogie) designed to carry any load other than passengers.

Website has the meaning given in the Access Undertaking.

Weighbridge means a weighbridge or weightometer verified under the *National Measurement Act 1960* (Cth), as specified in **item 5.1** of **schedule 3**.

Year means each year commencing on 1 July and ending on 30 June during the Term and, if applicable, includes:

- (a) the shorter period commencing on the first day of the Month in which the Commitment Date occurs and ending on the next 30 June; and
- (b) the shorter period commencing on the 1 July occurring prior to the date of expiration or termination of this Agreement and ending on the date of expiration or termination of this Agreement.

1.2 Interpretation

In this Agreement, unless expressed to the contrary:

- (a) the singular includes the plural and vice versa;
- (b) a gender includes all other genders;
- (c) where a word or phrase is defined, its other grammatical forms have a corresponding meaning;

- (d) no rule of construction will apply to a clause to the disadvantage of a Party merely because that Party put forward the clause or would otherwise benefit from it; and
- (e) a reference to:
 - (i) a person includes a firm, unincorporated association, corporation or other entity, government or statutory body;
 - (ii) a person includes its legal personal representative, successors and assigns;
 - (iii) conduct includes any omission and any representation, statement or undertaking, whether or not in writing;
 - (iv) conduct includes a benefit, remedy, discretion, authority or power;
 - (v) an obligation includes a warranty or representation and a reference to a failure to observe or perform an obligation includes a breach of warranty or representation;
 - (vi) the words “include”, “includes” or “including” must be read as if they are followed by the words “without limitation”;
 - (vii) writing includes:
 - (A) any mode of representing or reproducing words in tangible and permanently visible form, including fax transmission; and
 - (B) words created or stored in any electronic medium and retrievable in perceivable form;
 - (viii) time is to local time in Brisbane, Queensland;
 - (ix) “A\$”, “\$” or “dollars” is a reference to the lawful currency of Australia;
 - (x) this or any other document or agreement (including an Access Undertaking) includes the document or agreement as novated, amended or replaced from time to time and despite any changes in the identity of the parties;
 - (xi) anything (including any amount) is a reference to the whole or part or any part of it and a reference to a group of things or persons is a reference to any one or more of them;
 - (xii) under a clause includes in accordance with that clause;
 - (xiii) a clause or schedule is a reference to a clause or schedule (as applicable) in this Agreement;
 - (xiv) any legislation or any provision of any legislation includes any modification or re-enactment of it, any legislative provision substituted for it and all regulations and statutory instruments issued under it;
 - (xv) any code, guideline, recommendation or policy, or any provision of any code, guideline, recommendation or policy, includes any modification of it, or the substitution of it or any of its provisions for others, unless otherwise specified or directed by Aurizon Network;

- (xvi) any Authority, association or body whether statutory or otherwise (**first body**) is, if the first body ceases to exist or is re-constituted, re-named or replaced or the powers or functions of the first body is transferred to any other Authority, association or body (**replacement body**), deemed to refer to the replacement body established or constituted in lieu of the first body or as nearly as may be succeeding to the powers or functions of the first body;
- (xvii) access or access rights does not include rights granted by Aurizon Network to a Railway Operator under a train operations agreement; and
- (xviii) the End User, if the End User is comprised of more than one entity (for example, if the End User is comprised of the participants in an unincorporated joint venture), is a reference to each entity comprising the End User.

1.3 References to Train Service and Access Rights

For the avoidance of doubt:

- (a) a Train Service that is entitled to be operated for the End User includes a Train service that could have been operated had the End User, in accordance with this Agreement, nominated an Operator to use the Access Rights relevant to that Train Service;
- (b) a Train Service that the Operator was entitled to operate includes a Train service that could have been operated had the End User, in accordance with this Agreement, nominated an Operator to use the Access Rights relevant to that Train Service; and
- (c) Access Rights that are entitled to be utilised for the End User includes Access Rights that could have been utilised had the End User, in accordance with this Agreement, nominated an Operator to use those Access Rights.

1.4 Words and expressions defined in Access Undertaking

If a word or expression is defined under this Agreement to have the meaning given in the Access Undertaking and:

- (a) the word or expression ceases to be defined in the Access Undertaking, the word or expression will have the meaning given in the Access Undertaking immediately prior to it ceasing to be defined in the Access Undertaking; or
- (b) there ceases to be an Access Undertaking in force, the word or expression will have the meaning given in the Access Undertaking immediately prior to it ceasing to be in force.

1.5 References to descriptors of Train Service Types

In this Agreement, references to any descriptor of a Train Service or a Train Service Type (for example, 'Destination', 'Loading Facility', 'Nominated Monthly Train Services', 'Origin' and 'Unloading Facility') is to that descriptor as applicable to that particular Train Service or Train Service Type.

1.6 References to an Operator

All references in this Agreement to an act, omission, right or obligation of an

Operator are to be interpreted as an act, omission, right or obligation (as applicable) of that Operator in the course of providing Train Services for the End User in respect of the Access Rights, and not in connection with:

- (a) the provision of Train services by the Operator for any other person; or
- (b) the provision of Train services for the End User in respect of access rights granted under any other Access Agreement.

1.7 Material published on the Website

For the avoidance of doubt, material published on the Website includes material which is available via secured, password-protected online access via the Website.

1.8 Headings

Headings do not affect the interpretation of this Agreement.

1.9 Inconsistency

- (a) If there is any inconsistency between the substantive terms of this Agreement (comprising **clauses 1 to [36/37]**) and the schedules of this Agreement, the substantive terms of this Agreement prevail to the extent of the inconsistency.
- (b) Subject to **clause 7.1(b)**, if there is any inconsistency between matters contained in the Access Undertaking and this Agreement, the provisions of this Agreement prevail to the extent of the inconsistency.

2 Term

2.1 Term

This Agreement commences on the Commencement Date and, unless earlier terminated in accordance with its terms, continues until the Expiry Date.

2.2 Right to renewal

The Parties acknowledge and agree that any right which the End User may have to renew this Agreement will be as provided in the Access Undertaking in force from time to time.

3 Access Rights

3.1 Grant of Access Rights

On and from the Train Service Commitment Date for each Train Service Type until the Train Service Expiry Date for that Train Service Type, Aurizon Network grants, and will provide, to the End User the Access Rights for that Train Service Type in accordance with the Train Service Description for that Train Service Type for the operation of Train Services for that Train Service Type by an Operator pursuant to that Operator's Train Operations Agreement on the terms and conditions of this Agreement.

3.2 Nature and scope of Access Rights

- (a) The Access Rights granted under **clause 3.1** are non-exclusive contractual rights and do not give the End User any right, title or interest of any proprietary nature in the Nominated Network.

- (b) The Parties acknowledge and agree that Aurizon Network is required to provide the End User with certain benefits, rights and services in accordance with clause **3.4(b)** of, and the definition of “Access” in, the Access Undertaking and, to the extent that these requirements are relevant to the End User’s Access Rights, it is intended that the terms on which they are provided are detailed in this Agreement.

3.3 Exercise of Access Rights and Operator nomination

- (a) The Parties acknowledge and agree that:
 - (i) the grant of the Access Rights to the End User in accordance with this Agreement does not entitle the End User to itself operate Train Services on the Nominated Network (unless it is also an Operator which it is entitled to nominate, and has been nominated, to use the Access Rights in accordance with this **clause 3.3**); and
 - (ii) the End User can only utilise the Access Rights by nominating an Operator from time to time, in accordance with **clause 3.3(b)** or **3.4**, to use Access Rights, allocated to that Operator by the End User, under the terms of a Train Operations Agreement; and
 - (iii) the End User may nominate more than one Operator.
- (b) Subject to **clause 3.5(a)**, the End User may, from time to time, provided that it is not in material breach of any of its obligations under this Agreement, upon giving at least 20 Business Days prior written notice to Aurizon Network and the relevant Operator, nominate an Operator to utilise all or part of the Access Rights by written notice to Aurizon Network which:
 - (i) specifies the name, ABN, address and contact details of the Operator;
 - (ii) specifies the Access Rights which the End User wishes to allocate to the Operator for the Operator to use in providing Train Services for the End User;
 - (iii) specifies the first day and the last day of the period for which the Access Rights are to be allocated to the Operator; and
 - (iv) is accompanied by either:
 - (A) a Train Operations Agreement (in duplicate) in the form set out in **schedule 7** (or such other form as Aurizon Network and the Operator have agreed), duly executed by the Operator, which:
 - (1) reflects, in schedule 2 of that Train Operations Agreement, the Access Rights which the End User wishes to allocate to the Operator; and
 - (2) satisfies the Compliant Nomination Requirements; or
 - (B) a statement identifying the Operator’s existing applicable Train Operations Agreement in respect of utilisation of the Access Rights under this Agreement and evidence that:
 - (1) the Operator agrees to the relevant nomination; and

- (2) the Compliant Nomination Requirements are satisfied, provided that at no time can the Access Rights allocated by the End User to any one or more Operators exceed, in aggregate, the End User's Access Rights under this Agreement.
- (c) Despite any other provision in this Agreement, Aurizon Network is not obliged to accept, or act on:
- (i) any nomination of an Operator by the End User under **clause 3.3(b)**; or
 - (ii) any variation which increases the allocation of Access Rights (including an increase to the period for which the Access Rights are to be allocated) to an Operator under **clause 3.4**,
- if:
- (iii) that Operator is in material breach of any of its obligations under an existing Access Agreement or train operations agreement with Aurizon Network; or
 - (iv) Aurizon Network is not satisfied that the Operator is:
 - (A) financially sound; and
 - (B) otherwise capable of performing the obligations of the operator under a Train Operations Agreement.
- (d) Aurizon Network must, in respect of a nomination by the End User under **clause 3.3(b)**:
- (i) within 10 Business Days of receiving the nomination, notify the End User and the relevant Operator whether it accepts or rejects the nomination;
 - (ii) subject to **clause 3.3(c)**, act reasonably in assessing the nomination;
 - (iii) where it decides to reject the nomination, provide reasons for the rejection in writing to the End User and the Operator and thereafter use its best endeavours to facilitate the resolution of any matter the subject of its reasons for the rejection; and
 - (iv) where it accepts the nomination, promptly do all things reasonably required (including compliance with **clause 3.5(a)** where applicable and amending the relevant Train Operations Agreement to the extent required) to ensure that any delay to Train Services is minimised to the extent practicable.
- (e) If Aurizon Network accepts a nomination given under **clause 3.3(b)**, within 10 Business Days of notifying the End User and Operator of its acceptance under **clause 3.3(d)(i)**, Aurizon Network must:
- (i) where a Train Operations Agreement was provided in accordance with **clause 3.3(b)(iv)(A)**, execute both copies of the Train Operations Agreement and return one copy to the Operator; or
 - (ii) where a statement and evidence was provided in accordance with **clause 3.3(b)(iv)(B)**, vary the relevant Train Operations Agreement to include the right to operate Train Services utilising the Access

Rights in respect of which the Operator was nominated, and provide notice of that variation to the Operator.

3.4 Changes to Operator nominations

- (a) The End User may, from time to time, upon giving at least 7 days prior written notice to Aurizon Network and each affected Operator:
 - (i) vary any nomination previously given by the End User under **clause 3.3(b)** or this **clause 3.4(a)** so as to vary either or both of the following:
 - (A) the Access Rights which the End User has allocated to an Operator (provided that at no time can the Access Rights for a relevant Train Service Type allocated by the End User to any one or more Operators exceed, in aggregate, the End User's Access Rights under this Agreement for that Train Service Type); or
 - (B) the period for which the Access Rights are to be allocated to an Operator (provided that the period for which Access Rights are allocated to an Operator cannot extend beyond the expiry date for the relevant Train Service Type),
with Aurizon Network to comply with **clause 3.3(d)** in respect of any such varied nomination, subject to being required to notify of its acceptance or rejection within the lesser of 10 Business Days and the period remaining prior to the relevant Intermediate Train Plan being finalised; or
 - (ii) withdraw any nomination previously given by the End User under **clause 3.3(b)** or this **clause 3.4(a)**.
- (b) Where an Operator receives an increased allocation of Access Rights following a varied nomination in accordance with this **clause 3.4**, and the date on which that variation commences is during the period covered by the then current Intermediate Train Plan, then Aurizon Network will schedule any additional Train Services in accordance with the Network Management Principles.

3.5 Nominations with different Train Service Descriptions

- (a) If at any time:
 - (i) the End User intends to:
 - (A) nominate an Operator to utilise all or part of the Access Rights under **clause 3.3(b)**; or
 - (B) vary a nomination previously given by the End User under **clause 3.3(b)** or **clause 3.4(a)**;
and the Train Services of the relevant Operator will have a Train Service Description different from that contemplated in **schedule 2**;
or
 - (ii) the End User otherwise wishes to vary the Train Services from the Train Service Description nominated in **schedule 2**,
- then:

- (iii) prior to nominating the Operator or varying the nomination, Aurizon Network and the End User must negotiate and endeavour to agree any amendments to this Agreement (including any amendments to the Access Rights and the Access Charge Rates) that may be necessary to reflect the Train Service Description of the Train Services to be operated by the relevant Operator for that part of the Access Rights to be allocated to that Operator; and
- (iv) *[the End User must pay, or cause to be paid, to Aurizon Network any unpaid Adjustment Charges that, but for the nomination or variation, are or would have been payable by the Operator who provided Train Services corresponding to the Access Rights immediately prior to the relevant nomination or variation;*
- (v) *the obligation of the End User under **clause 3.5(a)(iv)** is a condition precedent to any amendments agreed between the Parties under **clause 3.5(a)(iii)**]; and*

[Square bracketed text only to be included where the End User is only paying TOP Charges]

- (vi) no amendment to the Access Rights that results in the End User being granted increased rights to access the Nominated Network has any effect unless and until the End User and Aurizon Network have complied with Aurizon Network's Access Undertaking (including with respect to the allocation of those increased Access Rights).
- (b) *[If the End User wishes to or is deemed to vary or withdraw its allocation of Access Rights to an Operator in accordance with **clause 3.4(a)**, or is deemed to vary or withdraw its allocation of Access Rights to an Operator in accordance with **clause 3.6**, then the End User must pay to Aurizon Network any Adjustment Charges that, but for the said variation or withdrawal of the allocation of Access Rights, are or would have been payable by the existing Operator under a Train Operations Agreement. The variation or withdrawal of the allocation of Access Rights in accordance with **clause 3.4** is subject to and conditional on the End User's payment of the Adjustment Charges to Aurizon Network.].*
[Paragraph (b) is deleted where the End User is paying all Access Charges]

3.6 Reduction of rights resulting in an Over-Allocation

If at any time:

- (a) the Access Rights of the End User are reduced (including by agreement or under **clause 6.4** or **clause 7.5**) or relinquished or transferred under **clause 9**, **clause 11** or **clause 12** or the Nominated Monthly Train Services in respect of a Train Service Type are reduced or varied (including by agreement or under **clause 8**, **clause 10** or **clause 16.5**); and
- (b) as a result of such reduction, relinquishment or transfer of Access Rights or reduction or variation of Nominated Monthly Train Services in respect of a Train Service Type, the Access Rights that have been allocated by the End User to any one or more Operators under **clause 3.3** or **3.4** for a

Train Service Type exceed, in aggregate, the End User's Access Rights under this Agreement for that Train Service Type following the reduction, relinquishment or transfer (such excess being the **Over-Allocation**),

then, unless the End User gives notice to Aurizon Network and each affected Operator in accordance with **clause 3.4(a)** varying any nominations previously given under **clause 3.3** or **3.4** to eliminate the Over-Allocation, the End User will be deemed to have given a notice to Aurizon Network in accordance with **clause 3.4(a)**:

- (c) if the End User has nominated only one Operator for that Train Service Type, reducing the Access Rights for that Train Service Type which the End User has allocated to the Operator under its Train Operations Agreement by the Over-Allocation; or
- (d) if the End User has nominated multiple Operators in respect of an affected Train Service Type, reducing the Access Rights for that Train Service Type which the End User has allocated to each Operator under this Agreement and each Operator's respective Train Operations Agreement by a share of the Over-Allocation that is as closely as possible proportionate to the Train Services allocated to the Operator for the affected Train Service Type as a share of the total Train Services allocated to all Operators for that Train Service Type,

and such reduction will be deemed to be accepted by Aurizon Network and will take effect on the date the reduction, variation relinquishment or transfer takes effect, with Aurizon Network providing written notice of the reduction to each affected Operator as soon as practicable.

3.7 Operation of Ad Hoc Train Service

- (a) If:
 - (i) the End User notifies Aurizon Network that it wishes to have an Operator (which the End User must identify when notifying Aurizon Network) operate an Ad Hoc Train Service (referred to in paragraph (b) of the definition of Ad Hoc Train Service) for a Train Service Type;
 - (ii) the relevant Operator has notified Aurizon Network that is able and willing to operate that Ad Hoc Train Service for a Train Service Type under its Train Operations Agreement; and
 - (iii) Aurizon Network schedules the Ad Hoc Train Service for the Train Service Type in the Daily Train Plan,

then, on and from the time that the Ad Hoc Train Service is scheduled in the Daily Train Plan, subject to **clause 3.7(c)**, the terms and conditions of this Agreement will apply to the Ad Hoc Train Service as if the Ad Hoc Train Service is a Train Service for the Train Service Type which the relevant Operator is entitled to operate for the End User utilising the Access Rights for the Train Service Type.

- (b) If:
 - (i) an Operator notifies Aurizon Network that it wishes to operate an Ad Hoc Train Service (referred to in paragraph (a) of the definition of Ad Hoc Train Service) for a Train Service Type for the End User;

and

- (ii) Aurizon Network schedules the Ad Hoc Train Service for the Train Service Type in the Daily Train Plan,

then, on and from the time that the Ad Hoc Train Service is scheduled in the Daily Train Plan, subject to **clause 3.8(c)**, the terms and conditions of this Agreement will apply to the Ad Hoc Train Service as if the Ad Hoc Train Service is a Train Service for the Train Service Type which the relevant Operator is entitled to operate for the End User utilising the Access Rights for the Train Service Type.

- (c) If Aurizon Network schedules an Ad Hoc Train Service for a Train Service Type in the Daily Train Plan then, despite any other provision of this Agreement, Aurizon Network, its directors and Aurizon Network's Staff are not liable to the End User for any Claim, and the End User must not make any Claim against Aurizon Network, its directors and/or Aurizon Network's Staff, in respect of any failure by Aurizon Network, for any reason (including breach or negligence by Aurizon Network), to make the Infrastructure available for the relevant Operator to operate the Ad Hoc Train Service for the End User (whether at the Scheduled Time in the Train Schedule, an alternative time or at all).
- (d) [The End User must pay Aurizon Network the Access Charges incurred in respect of the Ad Hoc Train Services.] [*Include where End User paying all Access Charges.*]
- (e) For the avoidance of doubt, nothing in **clause 3.7(a)** or **3.7(b)** requires Aurizon Network to schedule, or to endeavour to schedule, an Ad Hoc Train Service for a Train Service Type in the Daily Train Plan if the End User or Operator (as applicable) gives Aurizon Network a notice under **clause 3.7(a)** or **3.7(b)** (as applicable).

3.8 Supply Chain Rights

- (a) The End User must, for each Train Service Type:
 - (i) use reasonable endeavours to hold, or have the benefit of, Supply Chain Rights for all Train Services for that Train Service Type at all times on and from the Train Service Commitment Date for that Train Service Type until the Train Service Expiry Date for that Train Service Type;
 - (ii) ensure that an Operator does not operate Train Services for that Train Service Type at any time during which the End User does not hold, or have the benefit of, Supply Chain Rights for those Train Services; and
 - (iii) ensure that an Operator does not commence the operation of Train Services for a Train Service Type until the End User has demonstrated, to the reasonable satisfaction of Aurizon Network, the matters which the End User is required to demonstrate under **clause 3.8(b)**.
- (b) On or before the Train Service Commitment Date for a Train Service Type, the End User must demonstrate to the reasonable satisfaction of Aurizon Network that the End User holds, or has the benefit of, or is

reasonably likely to hold, or have the benefit of, Supply Chain Rights for the operation of the Train Services for that Train Service Type on and from the Train Service Commitment Date for that Train Service Type until at least the Train Service Expiry Date for that Train Service Type.

- (c) Within 10 Business Days after being requested to do so at any time by Aurizon Network, the End User must demonstrate to the reasonable satisfaction of Aurizon Network that the End User:
 - (i) holds, or has the benefit of, Supply Chain Rights for the operation of the Train Services for that Train Service Type; and
 - (ii) is reasonably likely to hold, or have the benefit of, those Supply Chain Rights until at least the Train Service Expiry Date for that Train Service Type.
- (d) In determining whether the End User will continue to hold, or have the benefit of, the relevant Supply Chain Rights for the purposes of **clause 3.8(b)** or **3.8(c)(ii)**, the parties are to assume, if the End User or the holder of those Supply Chain Rights has an option granted in its favour to renew such Supply Chain Rights or extend the term of such Supply Chain Rights, that such option to renew or extend is exercised.
- (e) The End User must promptly provide Aurizon Network with any information that Aurizon Network reasonably requires in relation to the matters which the End is required to demonstrate under **clause 3.8(b)** or **3.8(c)**.

4 Billing and payments

4.1 Charges

[The End User has a right to elect whether this Agreement should provide for it to pay all Access Charges, or just TOP Charges with the remaining components of Access Charges being charged to each Operator. This Agreement contains a number of provisions which include alternative drafting to be selected based on the election made by the End User.]

- (a) The End User must pay to Aurizon Network the [Access Charges/TOP Charges] and any other charges (if any) as calculated in accordance with this Agreement.
- (b) For the avoidance of doubt, the End User must pay to Aurizon Network the TOP Charges if:
 - (i) no Train Operations Agreement is executed on or before the Commitment Date; or
 - (ii) there is no Train Operations Agreement in place.
- (c) Where a Train Service is taken to be cancelled under a Train Operations Agreement, despite the Train Service being cancelled and not operated, the Train Service will be taken to be one of the Nominated Monthly Train Services for the Train Service Type for the Month in which the Train Service was originally scheduled in the Daily Train Plan provided that:
 - (i) the reason for the cancellation is not (or is deemed under the relevant Train Operations Agreement to not be) an Aurizon Network

Cause; and

- (ii) the relevant Operator notified Aurizon Network that it decided not to, or was unable to, operate that Train Service less than 48 hours (or failed to give any notification) before the time for commencement of the operation of that Train Service as originally scheduled in the Daily Train Plan.

4.2 Invoicing

- (a) As soon as reasonably practicable after the end of each Billing Period, Aurizon Network must give to the End User an invoice for:
 - (i) the [Access Charges/TOP Charges] for that Billing Period; and
 - (ii) any amounts payable but unpaid by the End User to Aurizon Network under this Agreement, and which have not previously been invoiced, as at the end of the Billing Period.
- (b) Aurizon Network is not required to give the End User an invoice under **clause 4.2(a)** after the end of a Billing Period if no amount is required to be invoiced under **clause 4.2(a)** for that Billing Period.
- (c) If this Agreement terminates or expires on a date other than 30 June then, as soon as reasonably practicable after the first 30 June to occur after the termination or expiry of this Agreement, Aurizon Network must give to the End User an invoice for the TOP Charges (if any) for the Year during which this Agreement terminated or expired.
- (d) Each invoice given under this **clause 4.2** must be accompanied by reasonable details of Aurizon Network's calculation of the amounts claimed in the invoice.

4.3 Payment

Subject to **clause 4.4**, the End User must:

- (a) pay to Aurizon Network the amount claimed in an invoice given under **clause 4.2** within 10 Business Days after the invoice is given to the End User; and
- (b) pay all amounts payable to Aurizon Network under this Agreement:
 - (i) in Australian currency; and
 - (ii) by:
 - (A) direct deposit into one or more bank accounts notified by Aurizon Network to the End User for this purpose (whether or not those bank accounts are in the name of Aurizon Network); or
 - (B) such other method as Aurizon Network may reasonably require from time to time.
- (c) Without limiting **clause 4.3(b)**, the End User must, if directed by Aurizon Network in an invoice given under **clause 4.2**, pay the amount claimed in that invoice by direct deposit into more than one bank account specified in that invoice (whether or not those bank accounts are in the name of Aurizon Network), in the amounts specified in that invoice.

- (d) Any payment by the End User of an amount payable under this Agreement in accordance with a direction given by Aurizon Network under **clause 4.3(c)** is taken to be a payment of such amount to Aurizon Network for the purpose of this Agreement (whether or not such amount is paid into a bank account in the name of Aurizon Network).

4.4 Disputes

- (a) If the End User genuinely and in good faith Disputes an amount claimed in an invoice given by Aurizon Network under **clause 4.2**:
 - (i) the End User may, within 10 Business Days after Aurizon Network gives the End User the invoice, give Aurizon Network a Dispute Notice under **clause 24.1**; and
 - (ii) if the Dispute is not resolved in accordance with **clause 24.2**, then either Party may refer the Dispute to an Expert in accordance with **clause 24.3**.
- (b) Despite **clause 4.4(a)**, if an amount claimed in an invoice given by Aurizon Network under **clause 4.2** is Disputed, the End User must pay to Aurizon Network:
 - (i) the portion of the amount claimed in the invoice that is not in Dispute; and
 - (ii) 50% of the portion of the amount claimed in the invoice that is in Dispute,within the time specified in **clause 4.3(a)**.
- (c) Upon resolution of any Dispute about an amount claimed in an invoice given by Aurizon Network under **clause 4.2**, if the total amount which Aurizon Network was entitled to claim in the invoice (as resolved) is:
 - (i) more than the amount paid by the End User, then the amount of the difference, together with interest on that amount calculated in accordance with **clause 4.5** (from the date when the amount in Dispute would have been due and payable under **clause 4.3(a)** but for **clause 4.4(b)**, until the date on which the difference, together with any interest, has been paid in full), must be paid by the End User to Aurizon Network within 20 Business Days after the resolution of the Dispute; or
 - (ii) less than the amount paid by the End User, then the amount of the difference, together with interest on that amount calculated in accordance with **clause 4.5** (as if Aurizon Network was the End User, and the End User was Aurizon Network, for the purposes of **clause 4.5**) (from the date when the amount in Dispute was paid by the End User until the date on which the credit is applied or the amount is paid (as applicable) under this **clause 4.4(c)(ii)**), must be:
 - (A) applied by Aurizon Network as credit in favour of the End User against the amount claimed in the next invoice to be issued by Aurizon Network to the End User under **clause 4.2** after the resolution of the Dispute (and, if necessary, to subsequent invoices issued by Aurizon Network under

clause 4.2 until the amount of the difference (including any interest) has been fully credited in favour of the End User against amounts payable under invoices issued by Aurizon Network to the End User under **clause 4.2**); or

- (B) if there will be no further invoices issued by Aurizon Network to the End User under **clause 4.2** after the resolution of the Dispute or the last credit referred to in **clause 4.4(c)(ii)(A)**, paid by Aurizon Network to the End User within 20 Business Days after resolution of the Dispute or the last credit referred to in **clause 4.4(c)(ii)(A)** (as applicable).

4.5 Interest on overdue payments and Disputed amounts

- (a) Without prejudice to the rights, powers and remedies of Aurizon Network under this Agreement or otherwise at Law, if for any reason the End User does not pay an amount payable under or in connection with this Agreement on or before the due date for payment, then the End User must pay interest to Aurizon Network on the outstanding amount calculated in accordance with this **clause 4.5**.
- (b) Interest accrues on outstanding amounts from the due date for payment until that amount, together with the interest on that amount, has been paid in full.
- (c) Interest under **clauses 4.4(c)(i), 4.4(c)(ii) and 4.5(b)** is calculated at the Default Rate. Any interest accrued but unpaid at the end of each Month is capitalised and, once capitalised, will itself bear interest.

4.6 Right of set-off

A Party may deduct from any amounts which are due and payable by the Party to the other Party under this Agreement any amounts which are due and payable by the other Party to the Party under this Agreement.

4.7 Consequences of failure to comply with Performance Levels

*[This **clause 4.7** to be included where the Access Holder is paying all of the Access Charges.]*

- (a) If an Operator does not comply with the performance levels imposed on it under a Train Operations Agreement, then, subject to **clause 4.4**, the End User must pay to Aurizon Network the amount (if any) determined in accordance with the relevant Train Operations Agreement as a result of that failure, as part of the invoice issued by Aurizon Network for Access Charges and other charges for the Billing Period immediately following Aurizon Network becoming entitled to that amount provided that, if there is no next Billing Period, the End User must pay such amount to Aurizon Network within 10 Business Days after receipt of an invoice from Aurizon Network.
- (b) If Aurizon Network does not comply with the performance levels imposed on it under a Train Operations Agreement, then Aurizon Network will credit to the End User the amount (if any) determined in accordance with the relevant Train Operations Agreement as a result of that failure by way of a deduction from the invoice issued by Aurizon Network for Access Charges and other charges for the Billing Period immediately following the End User becoming entitled to that amount, provided that if there is no

next Billing Period, then Aurizon Network must pay such amount to the End User within 10 Business Days after receipt of an invoice from the End User.

5 Security

5.1 Requirement to provide Security after Commencement Date

- (a) This **clause 5.1** only applies if **item 3** of **schedule 1** states that it applies.
- (b) On or before that date that is 10 Business Days prior to the Commitment Date, the End User must deliver Security to Aurizon Network which satisfies the requirements of this **clause 5** for an amount of not less than the Security Amount.

5.2 Requirement to provide Security on certain events occurring

If at any time during the Term when the End User is not required to provide Security to Aurizon Network under this **clause 5**:

- (a) the End User ceases to have an Acceptable Credit Rating;
- (b) the End User does not pay any amount payable under this Agreement by the due date for payment and does not pay that amount (together with any interest) within a further period of five Business Days after Aurizon Network gives notice to the End User requiring payment; or
- (c) Aurizon Network considers, acting reasonably, that the End User may:
 - (i) no longer be financially sound;
 - (ii) no longer be able to meet its debts as and when they fall due; or
 - (iii) not otherwise be capable of performing its obligations under this Agreement,

then the End User must, within 10 Business Days after being required to do so by Aurizon Network, deliver Security to Aurizon Network which satisfies the requirements of this **clause 5** for an amount of not less than the Security Amount.

5.3 Requirement to provide Security for the Security Amount

- (a) If the End User is required to provide Security under this **clause 5**, the Security must be provided and maintained for an amount of not less than the Security Amount.
- (b) If at any time during the Term:
 - (i) the End User is required to provide Security under this **clause 5**; and
 - (ii) the Security provided by the End User to Aurizon Network under this **clause 5** is for an amount which is less than the Security Amount (including due to Aurizon Network having recourse to the Security under **clause 5.6**),

then the End User must promptly (and in any event within 10 Business Days after being required to do so by Aurizon Network) deliver to Aurizon Network:

- (iii) additional Security; or

(iv) replacement Security,

which satisfies the requirements of this **clause 5** so that Security is provided and maintained for an aggregate amount of not less than the Security Amount.

5.4 Requirement to provide Security for additional Train Service Type

Without limiting **clause 5.3**, if:

- (a) at any time during the Term:
 - (i) **schedule 2** is varied to include an additional Train Service Type; or
 - (ii) the Train Service Description for an existing Train Service Type is varied;
- (b) at the time of the variation referred to in **clause 5.4(a)** the End User is required to provide Security under this **clause 5**; and
- (c) at the time of the variation referred to in **clause 5.4(a)** the Security provided by the End User to Aurizon Network under this **clause 5** is for an amount which is less than the amount which will be the Security Amount on and from, as applicable:
 - (i) the Train Service Commitment Date for that additional Train Service Type; or
 - (ii) the date the variation to the Train Service Description for that existing Train Service Type takes effect,

having regard to the additional Access Charges payable, in the future, for that Train Service Type,

then the End User must promptly (and in any event within 10 Business Days before the applicable date specified in **clause 5.4(c)(i)** or **5.4(c)(ii)**) deliver to Aurizon Network:

- (d) additional Security; or
- (e) replacement Security,

which satisfies the requirements of this **clause 5** so that Security is provided and maintained for an aggregate amount of not less than the amount which will be the Security Amount on and from the applicable date specified in **clause 5.4(c)(i)** or **5.4(c)(ii)** (having regard to the additional Access Charges payable, in the future, for that Train Service Type).

5.5 Replacement of Security

The End User may, with Aurizon Network's consent, replace any Security provided by the End User under this **clause 5** with replacement Security which satisfies the requirements of this **clause 5**.

5.6 Recourse to Security

Aurizon Network may have recourse to the Security where the End User fails to pay any amount payable by the End User to Aurizon Network under, or in connection with, this Agreement:

- (a) if the amount is payable by a specified due date, by the due date for payment; or

- (b) if the amount is not payable by a specified due date, within a reasonable period after Aurizon Network has requested payment of the relevant amount.

5.7 Review of requirement to provide Security

If at any time during the Term, the End User:

- (a) is required to provide Security under this **clause 5**; and
- (b) considers that its financial circumstances have changed such that it should no longer be required to provide Security,

then the End User may request (provided that the End User must not request more than once in any Year) that Aurizon Network review the creditworthiness of the End User and Aurizon Network will undertake such a review when requested.

5.8 Return of Security

Aurizon Network must return to the End User (and, where appropriate, give the End User any necessary releases in relation to) any Security provided by the End User under this **clause 5**:

- (a) subject to Aurizon Network's rights of recourse to the Security under **clause 5.6**, promptly after the date of termination or expiry of this Agreement;
- (b) on the End User delivering to Aurizon Network any replacement Security under **clause 5.3(b)(iv)**, **5.4(e)** or **5.5** which satisfies the requirements of this **clause 5**; or
- (c) if, after a review pursuant to **clause 5.7**, Aurizon Network considers, acting reasonably, that it is no longer necessary for the End User to provide Aurizon Network with Security under this **clause 5**.

5.9 Provision of Security by an Operator

- (a) Aurizon Network must promptly notify the End User of any failure by an Operator to adequately provide any security the Operator is required to provide under a Train Operations Agreement.
- (b) Aurizon Network agrees that the End User may at any time, without having any obligation to do so, provide security for an Operator and that, for any period during which the End User provides security which meets the requirements of the relevant Train Operations Agreement, Aurizon Network shall accept that that satisfies the Operator's obligations to provide security under the Train Operations Agreement.
- (c) For the avoidance of doubt, to the extent that the End User has exercised its right to provide security on behalf of an Operator in accordance with **clause 5.9(b)** and Aurizon Network has treated the provision of such security as satisfying the Operator's obligation to provide security under its Train Operations Agreement, the End User agrees that Aurizon Network may have recourse to that security as if it were provided by the Operator under the terms of its Train Operations Agreement. To the extent any such security is to be repaid, returned or released in accordance with clause 9.8 of the Operator's Train Operations Agreement, it will be repaid, returned or released to, and any necessary releases will be provided to, the End User.

5.10 Impact on operation of Train Services

The End User must:

- (a) if **clause 5.1** applies, ensure that no Operator operates any Train Services until the End User has complied with **clause 5.1** (including **clause 5.3(a)** as it applies to **clause 5.1**);
- (b) if the End User is required to provide additional Security or replacement Security under **clause 5.4**, ensure that no Operator operates any Train Services of the affected Train Service Type until the End User has complied with **clause 5.4** (including **clause 5.3(a)** as it applies to **clause 5.4**); and
- (c) ensure that no Operator operates any Train Services at any time while the End User is in breach of **clause 5.2** or **5.3(b)** (including **clause 5.3(a)** as it applies to **clause 5.2** or **5.3(b)**).

6 Resumption of Access Rights

6.1 Information Request Notice

- (a) If Aurizon Network considers that a Resumption Trigger Event for a Train Service Type has occurred, Aurizon Network may give the End User a notice (**Information Request Notice**) requesting such information in relation to the suspected Resumption Trigger Event as Aurizon Network may reasonably require.
- (b) If Aurizon Network gives the End User an Information Request Notice, the End User must:
 - (i) within 10 Business Days after Aurizon Network gives the Information Request Notice to the End User, provide to Aurizon Network the information requested in the Information Request Notice; and
 - (ii) if required by Aurizon Network, meet with Aurizon Network to discuss the suspected Resumption Trigger Event for the applicable Train Service Type.

6.2 Proposed Resumption Notice

- (a) Subject to **clause 6.2(b)**, if Aurizon Network considers that a Resumption Trigger Event for the Train Service Type has occurred, then Aurizon Network may, regardless of whether or not Aurizon Network has given the End User an Information Request Notice in respect of that Resumption Trigger Event or whether or not the End User has responded to such an Information Request Notice, give the End User a notice (**Proposed Resumption Notice**) specifying:
 - (i) reasonable details of the Resumption Trigger Event;
 - (ii) the Access Rights for the Train Service Type which Aurizon Network considers to be Underutilised Access Rights for the Train Service Type in respect of the Resumption Trigger Event; and
 - (iii) that Aurizon Network is considering resuming the whole or part of the Underutilised Access Rights for the Train Service Type.

- (b) Aurizon Network must not give a Proposed Resumption Notice in respect of a Resumption Trigger Event for a Train Service Type specified in **paragraph (a)** of the definition of Resumption Trigger Event more than 40 Business Days after the end of the applicable four consecutive Quarters referred to in **paragraph (a)** of that definition.

6.3 Response to Proposed Resumption Notice

Within 15 Business Days after Aurizon Network gives the End User a Proposed Resumption Notice (**Proposed Resumption Response Period**), the End User may give Aurizon Network a notice which seeks to demonstrate the extent to which, and the likelihood of:

- (a) the End User being able to utilise via the Operators; and
- (b) the End User needing to utilise,

the whole or part of the Underutilised Access Rights for the Train Service Type specified in the Proposed Resumption Notice for the operation of Train Services for the Train Service Type.

6.4 Resumption Notice

- (a) If Aurizon Network has a reasonable expectation of:
 - (i) a sustained alternative demand for the whole or part (as applicable) of the Resumable Access Rights for the Train Service Type; or
 - (ii) receiving a commercial benefit which Aurizon Network considers is sufficiently material to justify the resumption of the whole or part (as applicable) of the Resumable Access Rights for the Train Service Type,

then Aurizon Network may, subject to **clause 6.4(b)**, by notice to the End User (**Resumption Notice**), resume that part of the Resumable Access Rights for the Train Service Type in respect of which Aurizon Network has a reasonable expectation of a sustained alternative demand or receiving a commercial benefit (as applicable) (**Resumed Access Rights**).

- (b) A Resumption Notice must:
 - (i) not be given more than 20 Business Days after the end of the Proposed Resumption Response Period (and any Resumption Notice given after the end of that period will be of no effect); and
 - (ii) specify:
 - (A) full details of the Resumed Access Rights for the Train Service Type; and
 - (B) the date on which the resumption will take effect (which must be at least 10 Business Days after the Resumption Notice is given to the End User) (**Resumption Date**).
- (c) If a Resumption Notice is given under this **clause 6.4**, the Resumed Access Rights for the Train Service Type will, subject to **clause 6.5** and **clause 6.6**, cease to form part of the Access Rights for the Train Service Type on and from the Resumption Date (*[including for the purpose of the calculation of Access Charges]*) other than for the purpose of calculating any TOP Charges that are payable as a result of the non-utilisation of any

of the Resumed Access Rights prior to the Resumption Date). *[Square bracketed text to be deleted where the End User is only paying TOP Charges]*

6.5 Dispute

- (a) If Aurizon Network gives the End User a Resumption Notice, the End User may, not later than 10 Business Days after the Resumption Notice is given to the End User, give Aurizon Network a Dispute Notice under **clause 24** which Disputes the validity of the Resumption Notice, including:
- (i) the existence of the Resumption Trigger Event for the Train Service Type;
 - (ii) the existence and extent of the Underutilised Access Rights for the Train Service Type;
 - (iii) the existence or extent of the Resumable Access Rights for the Train Service Type; or
 - (iv) the reasonableness of the expectation of sustained alternative demand or Aurizon Network receiving a commercial benefit (as applicable) referred to in **clause 6.4(a)**,
- in accordance with **clause 24** and, if the Parties fail to resolve the Dispute by agreement, the Dispute must be referred to an Expert for resolution in accordance with **clause 24.3**.
- (b) If the End User gives Aurizon Network a Dispute Notice which Disputes the validity of a Resumption Notice within the time referred to in **clause 6.5(a)**, then the resumption of the Resumed Access Rights for the Train Service Type set out in the relevant Resumption Notice:
- (i) will not take effect until the later of the Resumption Date and 10 Business Days after the resolution of the Dispute; and
 - (ii) will then only take effect to the extent that the resumption is consistent with the resolution of the Dispute.
- (c) If Aurizon Network gives the End User a Resumption Notice and the End User does not give Aurizon Network a Dispute Notice which Disputes the validity of the Resumption Notice within the time referred to in **clause 6.5(a)**, then:
- (i) the End User must not give Aurizon Network a Dispute Notice under **clause 24** which Disputes any matter referred to in **clause 6.5(a)**; and
 - (ii) any such Dispute Notice which is given by the End User will be taken to be of no effect.

6.6 Withdrawal of Resumption Notice

- (a) Aurizon Network may, in its absolute discretion, withdraw a Resumption Notice at any time before the later of:
- (i) the Resumption Date; and
 - (ii) if the End User Disputes the Resumption Notice under **clause 6.5**, the date of the resolution of that Dispute.

- (b) If Aurizon Network withdraws a Resumption Notice under **clause 6.6(a)**, the resumption of the Access Rights for the Train Service Type set out in that Resumption Notice will not take effect.

6.7 Effect on Operator nominations

- (a) Within the later of:
 - (i) two Business Days after the Resumption Notice is given to the End User; and
 - (ii) if the End User gives a notice in accordance with **clause 6.5** Disputing a proposed resumption, two Business Days after the resolution of the Dispute,

the End User may give notice to Aurizon Network and each affected Operator in accordance with **clause 3.4(a)** to vary the Access Rights which the End User has allocated to an Operator to take into account the Resumed Access Rights.

- (b) Except to the extent that the End User has given a notice as contemplated in **clause 6.7(a)** in respect of the Resumed Access Rights, the Resumed Access Rights for each Train Service Type:
 - (i) firstly, are deemed to reduce the Access Rights for that Train Service Type for which the End User has not nominated an Operator; and
 - (ii) if, after the operation of **clause 6.7(b)(i)**, there is an Over-Allocation for the relevant Train Service Type, **clause 3.6** applies in respect of that Over-Allocation.
- (c) As soon as practicable after the expiry of the period referred to in **clause 6.7(a)**, Aurizon Network must, in respect of each Train Service Type affected by the Resumed Access Rights:
 - (i) issue a notice to the End User setting out the changes to the “Nominated Monthly Train Services (for a 30 day Month)” set out in **schedule 2** of this Agreement; and
 - (ii) issue a notice to each affected Operator and the End User setting out the changes to the “Nominated Monthly Operational Rights (for a 30 day Month)” in schedule 2 of the relevant affected Operator’s Train Operations Agreement.

7 Reduction of Conditional Access Rights due to Capacity Shortfall

7.1 Application

- (a) This **clause 7** only applies in respect of a Train Service Type if the Train Service Description for that Train Service Type specifies that this **clause 7** applies in respect of that Train Service Type.
- (b) If this **clause 7** applies in respect of a Train Service Type, this **clause 7** only applies to the extent that it:
 - (i) is not inconsistent with the Access Undertaking; and
 - (ii) does not oblige Aurizon Network to do or not do anything that would

cause Aurizon Network to breach the Access Undertaking.

7.2 Conditional Access Rights

If this **clause 7** applies in respect of a Train Service Type:

- (a) the Access Rights for that Train Service Type under this Agreement (**Conditional Access Rights**) are conditional upon the completion and commissioning of the Expansion specified in the Train Service Description for that Train Service Type; and
- (b) despite the Train Service Commitment Date specified in the Train Service Description for the Conditional Access Rights, the Train Service Commitment Date for the Conditional Access Rights will be taken to be the later of:
 - (i) the Train Service Commitment Date for the Conditional Access Rights specified in the Train Service Description for the Conditional Access Rights; and
 - (ii) the date upon which all Segments of the Expansion are completed and commissioned.

7.3 Capacity Assessment

- (a) Subject to **clause 7.3(c)**, Aurizon Network must, within six months after the completion and commissioning of an Expansion referred to in **clause 7.2**, undertake an assessment (**Capacity Assessment**) in respect of that Expansion to determine, in accordance with **clause 7.3(b)**, the change in Existing Capacity (**Capacity Change**) for each Segment of the Expansion.
- (b) For the purposes of **clause 7.3(a)**, the Capacity Change for each Segment of an Expansion is the amount which is:
 - (i) the Existing Capacity of the Segment of the Expansion as a result of the Expansion being undertaken; less
 - (ii) the Existing Capacity of the Segment of the Expansion if the Expansion had not been undertaken,using consistent Operating Parameters.
- (c) Aurizon Network may defer a Capacity Assessment in respect of an Expansion until such time as Aurizon Network reasonably considers that the Expansion Infrastructure is fully operational and the demand conditions are such that a reasonable Capacity Assessment can be undertaken.

7.4 Determination of Reduced Conditional Access Rights for Segments

Within a reasonable time after the completion of a Capacity Assessment in respect of an Expansion, Aurizon Network must:

- (a) determine whether or not there is a Capacity Shortfall for any Segment of the Expansion; and
- (b) in respect of any Segment of the Expansion for which there is a Capacity Shortfall, calculate the Reduced Conditional Access Rights for that Segment in accordance with the following formula:

$$RCAR = EAR \times \frac{CAR_{(Original)}}{\sum CAR_{(Original)}}$$

where:

RCAR = the Reduced Conditional Access Rights for the relevant Segment of the Expansion (expressed as a number of Train Services and rounded down to the nearest even number of whole Train Services)

EAR = the lesser of:
 (a) the sum of CC and IAC; and
 (b) $\sum CAR_{(Original)}$,
 (expressed as a number of Network Train Services)

CC = the Capacity Change for the relevant Segment of the Expansion (expressed as a number of Network Train Services)

IAC = the amount (expressed as a number of Network Train Services) specified as the “Initial Available Capacity” for the Segment in the Train Service Description for the Conditional Access Rights

$CAR_{(Original)}$ = the Conditional Access Rights (expressed as a number of Train Services)

$\sum CAR_{(Original)}$ = the sum of:
 (a) the Conditional Access Rights (expressed as a number of Network Train Services); and
 (b) for each Other Conditional Access Holder for the Segment of the Expansion, the Other Conditional Access Holder’s Other Conditional Access Rights for the Expansion (expressed as a number of Network Train Services).

7.5 Consequences of Capacity Shortfall

Within a reasonable time after the completion of a Capacity Assessment in respect of an Expansion, Aurizon Network must give the End User a notice (**Capacity Assessment Notice**) which specifies:

- (a) the Conditional Access Rights which are conditional upon the completion and commissioning of the Expansion;
- (b) the amount of the Capacity Change for each Segment of the Expansion (as determined by Aurizon Network under **clause 7.3(a)**);
- (c) whether or not there is a Capacity Shortfall in respect of any Segment of the Expansion;
- (d) if there is a Capacity Shortfall in respect of any Segment of the Expansion, the Reduced Conditional Access Rights for each such Segment of the Expansion (calculated in accordance with the formula in

clause 7.4), including reasonable details of the calculation of the Reduced Conditional Access Rights for each such Segment; and

- (e) that, with effect on the date that is 10 Business Days after the Capacity Assessment Notice is given to the End User, the Conditional Access Rights will be taken to be varied to be the lowest of the Reduced Conditional Access Rights for a Segment of the Expansion referred to in **clause 7.5(d)**.

7.6 Disputes

- (a) If Aurizon Network gives the End User a Capacity Assessment Notice in respect of Conditional Access Rights, the End User may, within 20 Business Days after Aurizon Network gives the Capacity Assessment Notice to the End User, give Aurizon Network a Dispute Notice which Disputes the Capacity Assessment Notice in accordance with **clause 24**.
- (b) If a Dispute referred to in **clause 7.6(a)** is not resolved in accordance with **clause 24.2**, then the Parties must refer the Dispute to an Expert to determine (unless otherwise agreed between the Parties):
 - (i) the amount of the Capacity Change for each Segment of the Expansion;
 - (ii) whether or not there is a Capacity Shortfall in respect of any Segment of the Expansion; and
 - (iii) if there is a Capacity Shortfall in respect of any Segment of the Expansion, the Reduced Conditional Access Rights for each such Segment of the Expansion (calculated in accordance with the formula in **clause 7.4**), including reasonable details of the calculation of the Reduced Conditional Access Rights for each such Segment.
- (c) If the End User does not give Aurizon Network a Dispute Notice referred to in **clause 7.6(a)** within the time referred to in **clause 7.6(a)**, then:
 - (i) the End User must not give Aurizon Network a Dispute Notice Disputing the relevant Capacity Assessment Notice or the variation of the Conditional Access Rights under this **clause 7**;
 - (ii) any such Dispute Notice which is given by the End User will be taken to be of no effect; and
 - (iii) the End User will not have, and must not make, any Claim against Aurizon Network in respect of that Dispute.
- (d) If Aurizon Network is of the opinion that:
 - (i) a Dispute referred to in **clause 7.6(a)**, or the outcome or consequences of that Dispute, may be relevant to Other Conditional Access Holders for an Expansion; or
 - (ii) a dispute referred to in a provision of an Access Agreement with an Other Conditional Access Holder for an Expansion which is equivalent **clause 7.6(a)**, or the outcome or consequences of that dispute, may be relevant to the End User under this Agreement,then:

- (iii) Aurizon Network will invite all of the Other Conditional Access Holders for the Expansion to participate in the dispute resolution process under this Agreement, or will invite the End User and each Other Conditional Access Holder for the Expansion to participate in the dispute resolution process under the relevant Other Conditional Access Holder's Access Agreement (as applicable); and
- (iv) Aurizon Network, the End User and the Other Conditional Access Holders will be bound by the outcome of the dispute irrespective of whether or not the End User and the Other Conditional Access Holders (as applicable) choose to actively participate in the dispute.
- (e) If the End User is, in accordance with this **clause 7.6**, a party to, or is invited to participate in, a dispute that has been referred to an Expert under this **clause 7.6** or a provision equivalent to this **clause 7.6** under any other Access Agreement, then the Expert must, amongst any other matters determined by the Expert, determine the matters specified in **clause 7.6(b)** (unless otherwise agreed between the parties to the dispute).

7.7 Variation to Conditional Access Rights

If Aurizon Network gives the End User a Capacity Assessment Notice in respect of Conditional Access Rights, then the Conditional Access Rights will be taken to be varied to be the lowest of the Reduced Conditional Access Rights for a Segment of the Expansion:

as:

- (a) specified in the Capacity Assessment Notice; or
- (b) if the End User is, in accordance with **clause 7.6**, a party to, or is invited to participate in, a dispute that has been referred to an Expert under **clause 7.6** or a provision equivalent to **clause 7.6** under any other Access Agreement, as agreed or determined through the dispute resolution process,

with effect on the later of:

- (c) the date that is 10 Business Days after the Capacity Assessment Notice is given to the End User; and
- (d) if the End User gives the Aurizon Network a Dispute Notice referred to in **clause 7.6(a)** or the End User is otherwise invited to participate in the dispute resolution process under the relevant Other Conditional Access Holder's Access Agreement in accordance with **clause 7.6(d)**, the date that is 10 Business Days after the Parties agree a resolution to, or the date that is 10 Business Days after the Expert notifies the Parties of its determination of, the dispute.

7.8 Effect on Operator nominations

- (a) Within the later of:
 - (i) two Business Days after the Capacity Assessment Notice is given to the End User; and
 - (ii) if the End User gives the Aurizon Network a Dispute Notice referred to in **clause 7.6(a)** or the End User is otherwise invited to

participate in the dispute resolution process under the relevant Other Conditional Access Holder's Access Agreement in accordance with **clause 7.6(d)**, two Business Days after the resolution of the Dispute,

the End User may give notice to Aurizon Network and each affected Operator in accordance with **clause 3.4(a)** to vary the Access Rights which the End User has allocated to an Operator to take into account the variation to the Conditional Access Rights under this **clause 7**.

- (b) Except to the extent that the End User has given a notice as contemplated in **clause 7.8(a)** in respect of the variation to the Conditional Access Rights under this **clause 7** for each affected Train Service Type, the variation to the Conditional Access Rights for each affected Train Service Type:
 - (i) firstly, are deemed to reduce the Access Rights for that Train Service Type for which the End User has not nominated an Operator; and
 - (ii) if, after the operation of **clause 7.8(b)(i)**, there remains an Over-Allocation for the relevant Train Service Type, **clause 3.6** applies in respect of that Over-Allocation.
- (c) As soon as practicable after the expiry of the period referred to in **clause 7.8(a)**, Aurizon Network must, in respect of each Train Service Type affected by the variation to the Conditional Access Rights:
 - (i) issue a notice to the End User setting out the changes to the "Nominated Monthly Train Services (for a 30 day Month)" set out in **schedule 2** of this Agreement; and
 - (ii) issue a notice to each affected Operator and the End User setting out the changes to the "Nominated Monthly Operational Rights (for a 30 day Month)" in schedule 2 of the relevant affected Operator's Train Operations Agreement.

7.9 Future capacity developments

If any Conditional Access Rights are varied under this **clause 7**, the End User acknowledges and agrees that Aurizon Network will only be obliged to develop additional Capacity, and to grant the End User access rights in respect of any such additional Capacity, if, and to the extent that, it is obliged to do so under the Access Undertaking.

8 Reduction of Nominated Monthly Train Services if Maximum Payload exceeded

8.1 Notification of reduction of Nominated Monthly Train Services

- (a) If, at a point in time (**Assessment Date**), the Average Annual Payload for a Train Service Type operated by a particular Operator (**Defaulting Operator**) exceeds the Maximum Payload for that Train Service Type, then Aurizon Network may, within 20 Business Days after the Assessment Date, give the End User and the Defaulting Operator a notice (**Reduction Notice**) in respect of the Affected Train Service Type.

- (b) The Reduction Notice must:
 - (i) specify:
 - (A) the Average Annual Payload for the Affected Train Service Type as at the Assessment Date;
 - (B) the Revised Nominal Payload for the Affected Train Service Type;
 - (C) the Revised Maximum Payload for the Affected Train Service Type; and
 - (D) the Revised Nominated Monthly Train Services for the Affected Train Service Type,
 including reasonable details of the calculation of those amounts; and
 - (ii) notify the End User and the Defaulting Operator that, with effect on the date specified in the Reduction Notice (which date must not be less than three months after the date the Reduction Notice is given to the End User and the Defaulting Operator):
 - (A) the Nominal Payload for the Affected Train Service Type will be taken to be varied to be the Revised Nominal Payload for that Affected Train Service Type (as specified in the Reduction Notice);
 - (B) the Maximum Payload for the Affected Train Services Type will be taken to be varied to be the Revised Maximum Payload for that Affected Train Service Type (as specified in the Reduction Notice); and
 - (C) the Nominated Monthly Train Services for the Affected Train Service Type will be taken to be varied to be the Revised Nominated Monthly Train Services for that Affected Train Service Type (as specified in the Reduction Notice).

8.2 Determining the Affected Train Service Type

- (a) If the relevant Train Service Type (**Split Train Service Type**) operated by the Defaulting Operator which has exceeded the Maximum Payload is also operated by another Operator (**Non-Defaulting Operator**):
 - (i) the Train Service Type operated by the Defaulting Operator (**New Train Service Type**); and
 - (ii) the Train Service Type operated by the Non-Defaulting Operator (**Original Train Service Type**),
 are deemed to be two different Train Service Types on the basis that:
 - (iii) the “Nominated Monthly Train Services (for a 30 day Month)” for the New Train Service Type is deemed to be the “Nominated Monthly Train Services (for a 30 day Month)” allocated to the Defaulting Operator in respect of the Split Train Service Type as at the Assessment Date;
 - (iv) the “Nominated Monthly Train Services (for a 30 day Month)” for the Original Train Service Type is deemed to be the “Nominated

Monthly Train Services (for a 30 day Month)” which was not allocated to the Defaulting Operator in respect of the Split Train Service Type as at the Assessment Date; and

(v) subject to **clauses 8.2(a)(iii)** and **8.2(a)(iv)**, the Train Service Description for:

(A) the New Train Service Type; and

(B) the Original Train Service Type,

is otherwise the same as for the Split Train Service Type.

(b) The **Affected Train Service Type** is:

(i) if **clause 8.2(a)** applies, the New Train Service Type operated by the Defaulting Operator; and

(ii) in any other case, the Train Service Type operated by the Defaulting Operator which has exceeded the Maximum Payload.

8.3 Calculation of Revised Nominal Payload

The Revised Nominal Payload for an Affected Train Service Type is the amount which is 98% of the maximum Payload of the Train Services operated by the Defaulting Operator of the Relevant Rollingstock Configuration for the Train Service Type (rounded to the nearest whole tonne) which was the Relevant Rollingstock Configuration for the Train Service Type which was most used in the operation of Train Services for the Affected Train Service Type by the Defaulting Operator during the 12 month period ending on the Assessment Date.

8.4 Calculation of Revised Maximum Payload

The Revised Maximum Payload for an Affected Train Service Type is the amount (expressed as tonnes) calculated in accordance with the following formula:

$$\text{RMP} = \text{RNP} \times \text{CF}$$

where:

RMP = the Revised Maximum Payload for the Affected Train Service Type (rounded to the nearest whole tonne)

RNP = the Revised Nominal Payload for the Affected Train Service Type

CF = 1.02 (or such other conversion factor agreed between the Parties)

8.5 Calculation of Revised Nominated Monthly Train Services

The Revised Nominated Monthly Train Services for an Affected Train Service Type is the number of Train Services calculated in accordance with the following formula:

$$\text{RNMTS} = 2 \times \text{Loaded Train Services}$$

where:

- RNMTS = the Revised Nominated Monthly Train Services for the Affected Train Service Type
- Loaded Train Services = IT/RNP (rounded to the nearest whole Train Service on the basis that where the first decimal place is greater than three, the number of Train Services is to be rounded up to the nearest number of whole Train Services and, where the first decimal place is three or less, the number of Train Services is to be rounded down to the nearest number of whole Train Services)
- IT = the Indicative Tonnage for the Train Service Type
- RNP = the Revised Nominal Payload for the Affected Train Service Type

8.6 Dispute

- (a) If Aurizon Network gives the End User a Reduction Notice in respect of an Affected Train Service Type, the End User may, within 20 Business Days after Aurizon Network gives the Reduction Notice to the End User, give Aurizon Network a Dispute Notice which Disputes the Reduction Notice in accordance with **clause 24**.
- (b) If a Dispute referred to in **clause 8.6(a)** is not resolved in accordance with **clause 24.2**, then the Parties must refer the Dispute to an Expert to determine:
- (i) the Average Annual Payload for the Affected Train Service Type as at the relevant Assessment Date; and
 - (ii) if the Expert determines that the Average Annual Payload for the Affected Train Service Type as at the relevant Assessment Date exceeds the Maximum Payload for the Train Service Type:
 - (A) the Revised Nominal Payload for the Affected Train Service Type;
 - (B) the Revised Maximum Payload for the Affected Train Service Type; and
 - (C) the Revised Nominated Monthly Train Services for the Affected Train Service Type.
- (c) If the End User does not give Aurizon Network a Dispute Notice referred to in **clause 8.6(a)** within the time referred to in **clause 8.6(a)**, then:
- (i) the End User must not give Aurizon Network a Dispute Notice Disputing the relevant Reduction Notice or the variation of the Nominal Payload, Maximum Payload or the Nominated Monthly Train Services for the relevant Affected Train Service Type under this **clause 8**;
 - (ii) any such Dispute Notice which is given by the End User will be taken to be of no effect; and

- (iii) the End User will not have, and must not make, any Claim against Aurizon Network in respect of that Dispute.

8.7 Variation to Train Service Description

If Aurizon Network gives the End User and the Defaulting Operator a Reduction Notice in respect of a Train Service Type, then:

- (a) the Nominal Payload for the Train Service Type operated by the Defaulting Operator will be taken to be the Revised Nominal Payload for the Train Service Type;
- (b) the Maximum Payload for the Train Service Type operated by the Defaulting Operator will be taken to be varied to be the Revised Maximum Payload for the Train Service Type; and
- (c) the Nominated Monthly Train Services for the Train Service Type operated by the Defaulting Operator will be taken to be varied to be the Revised Nominated Monthly Train Services for the Train Service Type,

as:

- (d) specified in the relevant Reduction Notice; or
- (e) if **clause 8.6(a)** applies, agreed or determined through the Dispute resolution process under **clause 24**,

with effect on the later of:

- (f) the date specified in the relevant Reduction Notice; and
- (g) if the End User gives Aurizon Network a Dispute Notice referred to in **clause 8.6(a)**, the date agreed through the Dispute resolution process, or the date the Expert notifies the Parties of his or her determination, under **clause 24**.

8.8 Variation to Train Operations Agreements

Where there is a variation to a Train Service Description in accordance with **clause 8.7**:

- (a) the End User will be deemed to have given a notice to Aurizon Network to reduce the number of Nominated Monthly Train Services the Defaulting Operator may operate for that Train Service Type utilising the Access Rights under a Train Operations Agreement in accordance with the Reduction Notice; and
- (b) Aurizon Network shall provide written notice of that reduction to the Defaulting Operator as soon as practicable and shall:
 - (i) issue a notice to the End User setting out the changes to the “Nominated Monthly Train Services (for a 30 day Month)” set out in **schedule 2** of this Agreement for each of:
 - (A) the Affected Train Service Type; and
 - (B) the Original Train Service Type (if applicable); and
 - (ii) issue a notice to the Defaulting Operator and the End User setting out the changes to the Train Service Description and the “Nominated Monthly Operational Rights (for a 30 day Month)” in schedule 2 of the Defaulting Operator’s Train Operations

Agreement.

8.9 No prejudice to other rights

This **clause 8** does not prejudice Aurizon Network's other rights and remedies in respect of any non-compliance by the End User, Defaulting Operator or any other Operator with the Train Service Description for a Train Service Type.

9 End User initiated increase to Maximum Payload

9.1 Request for increased Maximum Payload

- (a) At any time during the Term, the End User may give Aurizon Network a notice requesting that Aurizon Network consider increasing the Maximum Payload for a Train Service Type (**Notice of Enquiry**).
- (b) A Notice of Enquiry must specify:
 - (i) subject to **clause 9.1(c)**, the proposed increased Maximum Payload for the relevant Train Service Type;
 - (ii) the date on which the End User proposes that the proposed increased Maximum Payload for that Train Service Type take effect; and
 - (iii) if **clause 9.2(c)** would apply to the giving of a Variation Request Notice, details of the proposed Rollingstock Configuration for the Train Service Type (including the maximum Payload of the proposed Rollingstock Configuration).
- (c) The proposed increased Maximum Payload for a Train Service Type specified in a Notice of Enquiry must not exceed:
 - (i) the maximum Payload of the Authorised Rollingstock Configuration for the Train Service Type which has the greatest maximum Payload; or
 - (ii) if the Maximum Payload for the Train Service Type exceeds the maximum Payload of the Authorised Rollingstock Configuration for the Train Service Type which has the greatest maximum Payload, the maximum Payload of the proposed Rollingstock Configuration for the Train Service Type specified in the Notice of Enquiry.

9.2 Response Notice and Variation Request Notice

- (a) Within 20 Business Days after the End User gives Aurizon Network a Notice of Enquiry in respect of a Train Service Type, Aurizon Network must give the End User a notice (**Response Notice**) specifying:
 - (i) whether or not the proposed increased Maximum Payload for the Train Service Type specified in the Notice of Enquiry can be accommodated; and
 - (ii) if so:
 - (A) the Revised Nominal Payload for that Train Service Type (calculated as the amount (rounded to the nearest whole tonne) which is 98% of the Maximum Payload for the Train Service Type specified in the Notice of Enquiry);
 - (B) the Revised Nominated Monthly Train Services for that Train

- Service Type (calculated in accordance with **clause 8.5** as if the Revised Nominal Payload for the Train Service Type for the purpose of that calculation is the Revised Nominal Payload calculated in accordance with **clause 9.2(a)(ii)(A)**);
- (C) the difference between the Nominated Monthly Train Services for the Train Service Type and the Revised Nominated Monthly Train Services for the Train Service Type (**Surplus Access Rights**);
 - (D) the Relinquishment Fee that would be payable under **clause 11** in respect of the relinquishment of the Surplus Access Rights by the End User; and
 - (E) the earliest date on which the increase in the Maximum Payload for the Train Service Type could take effect.
- (b) Within 20 Business Days after Aurizon Network gives the End User a Response Notice that specifies that the proposed increased Maximum Payload for a Train Service Type specified in the Notice of Enquiry can be accommodated, the End User may give Aurizon Network a notice (**Variation Request Notice**) which:
- (i) requests that Aurizon Network increase the Maximum Payload for the Train Service Type to the proposed increased Maximum Payload specified in the Notice of Enquiry with effect on a date specified in the notice (which date must not be earlier, or more than six months later, than the date specified in the relevant Response Notice in accordance with **clause 9.2(a)(ii)(E)**); and
 - (ii) sets out the details of any changes to the nominations previously given under **clause 3.3** or **3.4** to take into account the relinquishment of the Surplus Access Rights.
- (c) If the proposed increased Maximum Payload for a Train Service Type specified in a Notice of Enquiry exceeds the maximum Payload of the Authorised Rollingstock Configuration for the Train Service Type which has the greatest maximum Payload, then the End User must not give Aurizon Network a Variation Request Notice in respect of the Train Service Type unless, at the same time, each Operator which operates Train Services in respect of that Train Service Type also gives Aurizon Network an Authorisation Request Notice (as defined in that Operator's Train Operations Agreement) in respect of a proposed Rollingstock Configuration which has a maximum Payload which is the same as the proposed increased Maximum Payload.

9.3 Consequences of a Variation Request Notice

- (a) If the End User gives Aurizon Network a Variation Request Notice in respect of a Train Service Type, then the End User will be taken, at the same time, to have given Aurizon Network a Notice of Intention to Relinquish in respect of which:
- (i) the Nominated Access Rights will be taken to be the Surplus Access Rights for the Train Service Type specified in the relevant Response Notice; and

- (ii) the Relinquishment Date will be taken to be the date specified in the Variation Request Notice.
- (b) Subject to **clause 9.2(c)**, if the End User gives Aurizon Network a Variation Request Notice in respect of a Train Service Type, then:
- (i) the Maximum Payload for the Train Service Type will be taken to be varied to be the proposed increased Maximum Payload for the Train Service Type (as specified in the relevant Notice of Enquiry);
 - (ii) the Nominal Payload for the Train Service Type will be taken to be varied to be the Revised Nominal Payload for the Train Service Type (as specified in the relevant Response Notice); and
 - (iii) the Nominated Monthly Train Services for the Train Service Type will be taken to be varied to be the Revised Nominated Monthly Train Services for the Train Service Type (as specified in the relevant Response Notice),
- with effect on the latest of:
- (iv) the date specified in the Variation Request Notice;
 - (v) if **clause 9.2(c)** applies, the date the proposed Rollingstock Configuration for the Train Service Type specified in the Authorisation Request Notice becomes an Authorised Rollingstock Configuration for the Train Service Type; and
 - (vi) the date the End User pays Aurizon Network the Relinquishment Fee in respect of the relinquishment of the Surplus Access Rights.

10 Reduction of Nominated Monthly Train Services if Nominal Payload increased

10.1 Notice of Intention to Increase Nominal Payload

- (a) Subject to **clause 10.1(b)**, at any time during the Term, Aurizon Network may give the End User a notice of Aurizon Network's intention to increase the Nominal Payload for a Train Service Type (**Notice of Intention to Increase Nominal Payload**).
- (b) Aurizon Network must not give a Notice of Intention to Increase Nominal Payload for a Train Service Type unless Aurizon Network has first consulted with all relevant Access Holders and relevant Railway Operators about options for increasing the capacity of the relevant part of the Network on which Train Services for the Train Service Type are operated.
- (c) If Aurizon Network gives a Notice of Intention to Increase Nominal Payload to the End User, Aurizon Network must also give a copy of that Notice of Intention to Increase Nominal Payload to each affected Operator (if any).
- (d) A Notice of Intention to Increase Nominal Payload must:
 - (i) specify:
 - (A) the increased Nominal Payload (**Revised Nominal Payload**) for the Train Service Type (as determined by Aurizon Network

- in its discretion); and
- (B) the Revised Maximum Payload for the Train Service Type; and
 - (C) the Revised Nominated Monthly Train Services for the Train Service Type,
- including reasonable details of the calculation of those amounts;
- (ii) specify the date (**Effective Date**) on which the variations specified in the Notice of Intention to Increase Nominal Payload will take effect (provided that such Effective Date must not be less than 18 months (or such other period as agreed between the Parties) after the date on which Aurizon Network gives the Notice of Intention to Increase Nominal Payload to the End User); and
 - (iii) notifying the End User that, subject to **clause 10.5**, with effect on the Effective Date:
 - (A) the Nominal Payload for the Train Service Type will be taken to be varied to be the Revised Nominal Payload for the Train Service Type (as specified in the Notice of Intention to Increase Nominal Payload);
 - (B) the Maximum Payload for the Train Services Type will be taken to be varied to be the Revised Maximum Payload for that Train Service Type (as specified in the Notice of Intention to Increase Nominal Payload); and
 - (C) the Nominated Monthly Train Services for that Train Service Type will be taken to be varied to be the Revised Nominated Monthly Train Services for that Train Service Type (as specified in the Notice of Intention to Increase Nominal Payload).

10.2 Calculation of Revised Maximum Payload

The Revised Maximum Payload for a Train Service Type is the amount (expressed as tonnes) calculated in accordance with the following formula:

$$\text{RMP} = \text{RNP} \times \text{CF}$$

where:

RMP = the Revised Maximum Payload for the Train Service Type (rounded to the nearest whole tonne)

RNP = the Revised Nominal Payload for the Train Service Type as specified in the relevant Notice of Intention to Increase Nominal Tonnage

CF = 1.02 (or such other conversion factor agreed between the Parties)

10.3 Calculation of Revised Nominated Monthly Train Services

The Revised Nominated Monthly Train Services for a Train Service Type is the

number of Train Services calculated in accordance with the following formula:

$$\text{RNMTS} = 2 \times \text{Loaded Train Services}$$

where:

RNMTS = the Revised Nominated Monthly Train Services for the Train Service Type

Loaded Train Services = IT/RNP (rounded to the nearest whole Train Service on the basis that where the first decimal place is greater than three, the number of Train Services is to be rounded up to the nearest number of whole Train Services and, where the first decimal place is three or less, the number of Train Services is to be rounded down to the nearest number of whole Train Services)

IT = the Indicative Tonnage for the Train Service Type

RNP = the Revised Nominal Payload for the Train Service Type as specified in the relevant Notice of Intention to Increase Nominal Payload

10.4 Dispute in relation to variations to Train Service Description

- (a) If Aurizon Network gives the End User a Notice of Intention to Increase Nominal Payload in respect of a Train Service Type, the End User may, within 20 Business Days after Aurizon Network gives the Notice of Intention to Increase Nominal Payload to the End User, give Aurizon Network a Dispute Notice which Disputes:
- (i) the Revised Maximum Payload for the Train Service Type; and/or
 - (ii) the Revised Nominated Monthly Train Services for the Train Service Type,
- specified in the Notice of Intention to Increase Nominal Payload in accordance with **clause 24**.
- (b) The End User must not Dispute the Revised Nominal Payload specified in a Notice of Intention to Increase Nominal Payload and any Dispute Notice which is given by the End User in respect of such a Dispute will be taken to be of no effect.
- (c) If a Dispute referred to in **clause 10.4(a)** is not resolved in accordance with **clause 24.2**, then the Parties must refer the Dispute to an Expert to determine:
- (i) the Revised Maximum Payload for the Train Service Type; and
 - (ii) the Revised Nominated Monthly Train Services for the Train Service Type,
- in each case, based on the Revised Nominal Payload specified in the Notice of Intention to Increase Nominal Payload.
- (d) If the End User does not give Aurizon Network a Dispute Notice referred to in **clause 10.4(a)** within the time referred to in **clause 10.4(a)**, then:

- (i) the End User must not give Aurizon Network a Dispute Notice Disputing the
 - (A) the Revised Maximum Payload for the Train Service Type; and/or
 - (B) the Revised Nominated Monthly Train Services for the Train Service Type,
 specified in the Notice of Intention to Increase Nominal Payload;
- (ii) any such Dispute Notice which is given by the End User will be taken to be of no effect; and
- (iii) the End User will not have, and must not make, any Claim against Aurizon Network in respect of that Dispute.

10.5 Withdrawal of Notice of Intention to Increase Nominal Payload

- (a) Aurizon Network may, in its absolute discretion, withdraw a Notice of Intention to Increase Nominal Payload at any time before the date which is 10 months before the Effective Date.
- (b) If Aurizon Network withdraws a Notice of Intention to Increase Nominal Payload under **clause 10.5(a)**, the variations to the Nominal Payload, Maximum Payload and Monthly Nominal Train Services for the Train Service Type set out in the Notice of Intention to Increase Nominal Payload will not take effect.

10.6 Variation to Train Service Description

If Aurizon Network gives the End User a Notice of Intention to Increase Nominal Payload in respect of a Train Service Type, then, unless the Notice of Intention to Increase Nominal Payload is withdrawn under **clause 10.5**, with effect on the Effective Date:

- (a) the Nominal Payload for the Train Service Type will be taken to be varied to be the Revised Nominal Payload for the Train Service Type;
- (b) the Maximum Payload for the Train Service Type will be taken to be varied to be the Revised Maximum Payload for the Train Service Type; and
- (c) the Nominated Monthly Train Services for the Train Service Type will be taken to be varied to be the Revised Nominated Monthly Train Services for the Train Service Type,

as:

- (d) specified in the relevant Notice of Intention to Increase Nominal Payload; or
- (e) if **clause 10.4(c)** applies, agreed or determined through the Dispute resolution process under **clause 24**.

10.7 Variation of Train Operations Agreements and Operator nominations

If Aurizon Network gives the End User a Notice of Intention to Increase Nominal Payload in respect of a Train Service Type, then, unless the Notice of Intention to Increase Nominal Payload is withdrawn under **clause 10.5**, with effect on the Effective Date the End User will be deemed to have given a notice to Aurizon

Network in accordance with **clause 3.4(a)** varying the Access Rights which the End User has allocated to each Operator under a Train Operations Agreement in respect of that Train Service Type:

- (a) if the End User has only nominated one Operator, so as to be consistent with the Revised Nominal Payload, Revised Maximum Payload and Revised Nominated Monthly Services for the Train Service Type set out in the relevant Notice of Intention to Increase Nominal Payload; and
- (b) if the End User has nominated multiple Operators, so as to ensure that, in aggregate, the train service descriptions under those Train Operations Agreements for that Train Service Type are consistent with the Revised Nominated Payroll, Revised Maximum Payload and Revised Nominated Monthly Services for the Train Service Type set out in the relevant Notice of Intention to Increase Nominal Payload (based on a consistent variation of those train service descriptions, having regard to the proportion of all Train Services for that Train Service Type allocated to each Operator).

11 Relinquishment of Access Rights

11.1 Notice of Intention to Relinquish

- (a) Unless otherwise specified in this Agreement, the End User may relinquish some or all of the Access Rights in accordance with this **clause 11**.
- (b) The End User must give Aurizon Network reasonable notice of the End User's intention to relinquish any of its Access Rights (**Notice of Intention to Relinquish**).
- (c) A Notice of Intention to Relinquish must specify:
 - (i) the Access Rights, by reference to each Train Service Type, which the End User intends to relinquish (**Nominated Access Rights**);
 - (ii) the details of any changes to the nominations previously given under **clause 3.3** or **3.4** to take into account the relinquishment of the Nominated Access Rights; and
 - (iii) the date (**Relinquishment Date**) on which, and the period for which, the Nominated Access Rights are to be relinquished (provided that such Relinquishment Date must not be more than two years after the date on which the End User gives the Notice of Intention to Relinquish to Aurizon Network).

11.2 Relinquishment subject to Relinquishment Fee

- (a) The relinquishment of any Nominated Access Rights in accordance with this **clause 11** is conditional on the End User's payment of the Relinquishment Fee to Aurizon Network.
- (b) Aurizon Network must:
 - (i) calculate the Relinquishment Fee; and
 - (ii) notify the End User of the amount of the Relinquishment Fee and how the Relinquishment Fee was calculated,at the following times:
 - (iii) if the End User is considering relinquishing some or all of the

Access Rights but has not given Aurizon Network a Notice of Intention to Relinquish in respect of those Access Rights, promptly following a request by the End User; and

- (iv) if the End User has given Aurizon Network a Notice of Intention to Relinquish, not less than five Business Days before the Relinquishment Date.
- (c) The End User must pay the Relinquishment Fee specified in a notice given under **clause 11.2(b)(ii)**, or agreed or determined through the Dispute resolution process under **clause 24**, on or before the Relinquishment Date.
- (d) If the calculation of the Relinquishment Fee changes after Aurizon Network notifies the End User under **clause 11.2(b)** but before the End User seeks to pay the Relinquishment Fee, then:
 - (i) Aurizon Network must advise the End User of the revised Relinquishment Fee and the circumstances giving rise to the change in the calculation; and
 - (ii) the End User must pay the revised Relinquishment Fee (to the extent not already paid).

11.3 Determination of the Relinquishment Fee

- (a) The **Relinquishment Fee** is the amount equivalent to the present value, calculated at the Discount Rate, of the payment of the aggregate TOP Charges (ATPY) for the relevant Train Service Types that would have been payable for the remainder of the Term assuming:
 - (i) the Nominated Access Rights were not relinquished; and
 - (ii) the relevant Train Services were not operated for the End User for a reason other than Aurizon Network Cause,
(PV Amount) less the amount which is the product of the PV Amount and the greater of:
 - (iii) 0.5; and
 - (iv) the Reduction Factor.
- (b) If the calculation of the Relinquishment Fee requires information about future events (for example, assumptions about Reference Train Services or Train Services), then Aurizon Network:
 - (i) may make reasonable assumptions about those future events so as to calculate the maximum amount of aggregate TOP Charges (ATPY) for the relevant Train Service Types that could potentially be payable, provided that:
 - (A) if an Access Charge Rate is based on a Reference Tariff, Aurizon Network must not make assumptions about the amount of future Reference Tariffs applicable to that Access Charge Rate; and
 - (B) if an Access Charge Rate has been determined in accordance with the pricing principles in Part 6 of the Access Undertaking, where there is not yet a Reference Tariff for the

Access Charge Rate but it is reasonably anticipated by Aurizon Network that a Reference Tariff applicable to that Access Charge Rate will be made or approved, Aurizon Network may make reasonable assumptions about the amount of the anticipated Reference Tariff and the variation that Aurizon Network could make to that Access Charge Rate to apply in the future in accordance with **schedule 4** (if applicable) when the anticipated Reference Tariff is made or approved;

- (ii) may assume that each of the Access Charge Rates (as at the Relinquishment Date) will escalate, on each 1 July, at the rate of 2.5% per annum for the remainder of the Term; and
 - (iii) must notify the End User of all assumptions made by Aurizon Network under this **clause 11.3(b)** provided that nothing in this **clause 11.3(b)** requires Aurizon Network to breach any duty of confidentiality owed to a third party.
- (c) Where:
- (i) the Reduction Factor is calculated in accordance with **clause 13.1(b)**; and
 - (ii) the Reference Tariff in relation to the Nominated Access Rights includes a System Discount or System Premium,

then the Relinquishment Fee must be further adjusted by Aurizon Network to account for any consequential decrease or increase (as applicable) in the System Discount or System Premium (as applicable) that would otherwise result in Aurizon Network under-recovering or over-recovering (as applicable) amounts from the End User due to the application of the System Discount or System Premium (as applicable).

- (d) Despite any other provision in this **clause 11.3**, if the Relinquishment Fee is calculated to be an amount that is less than zero, then the Relinquishment Fee will be zero.
- (e) If the End User disputes the calculation of the Relinquishment Fee notified by Aurizon Network to the End User under this **clause 11** (including any assumptions made by Aurizon Network in calculating the Relinquishment Fee), then:
 - (i) the End User may refer the matter to an Expert to determine the Relinquishment Fee in accordance with this **clause 11.3**; and
 - (ii) in determining the Relinquishment Fee, the Expert must make reasonable assumptions that Aurizon Network was entitled to make in calculating the Relinquishment Fee under this **clause 11.3**.

11.4 Timing

The Nominated Access Rights which are the subject of a Notice of Intention to Relinquish under **clause 11.1** will not be relinquished and the terms of this Agreement will continue to apply in respect of the Nominated Access Rights until the later of:

- (a) the date the End User pays the Relinquishment Fee to Aurizon Network; and

- (b) the Relinquishment Date.

12 Transfer of Access Rights by End User

12.1 Notice of Intention to Transfer

- (a) Unless otherwise specified in this Agreement, the End User may Transfer all or part of the Access Rights to itself or a Third Party in accordance with this **clause 12**.
- (b) If the End User intends to Transfer all or part of the Access Rights to itself or a Third Party (each a **Transferee**), the End User must give Aurizon Network reasonable notice of its intention to do so (**Notice of Intention to Transfer**).
- (c) A Notice of Intention to Transfer must:
 - (i) specify full details of the proposed Transfer including:
 - (A) the Access Rights which the End User proposes to Transfer (**Nominated Access Rights**);
 - (B) the details of any changes to the nominations previously given under **clause 3.3** or **3.4** to take into account the proposed Transfer of the Nominated Access Rights
 - (C) the date (**Transfer Date**) on which, and the period for which (**Transfer Period**), the Nominated Access Rights are proposed to be Transferred (provided that such Transfer Date must not be less than three months (or such other period as agreed between the Parties), and more than two years, after the date on which the End User gives the Notice of Intention to Transfer to Aurizon Network);
 - (D) the identity of the Transferee; and
 - (E) the access rights proposed to be granted to the Transferee as part of the proposed Transfer, provided that such access rights must not use more than the Available Capacity that will be created by the relinquishment of the Nominated Access Rights as part of the proposed Transfer (**Transferred Access Rights**);
 - (ii) specify any Ancillary Access Rights requested to be granted to the Transferee for the Transfer Period in addition to the Transferred Access Rights (**Requested Ancillary Access Rights**);
 - (iii) include any other information in relation to the Transferee and the proposed Transfer reasonably required by Aurizon Network;
 - (iv) if the Transferee is not the End User, be accompanied by evidence that the Transferee consents to the Transfer of the Transferred Access Rights and the grant of the Requested Ancillary Access Rights (if any) proposed to be granted to the Transferee; and
 - (v) be in the form (if any) required by Aurizon Network.

12.2 Limitation on discretion to refuse Transfer

If the End User gives a Notice of Intention to Transfer under **clause 12.1**, then

- (a) the End User will be taken to have relinquished the Nominated Access Rights under this Agreement; and
- (b) the Transferred Access Rights and the Requested Ancillary Access Rights (if any) will be granted to the Transferee for the Transfer Period under the Transferee Access Agreement,

provided that:

- (c) the Transferred Access Rights and the Requested Ancillary Access Rights (if any) are for Cyclic Traffic;
- (d) Aurizon Network and the End User have entered into an agreement, in a form reasonably acceptable to Aurizon Network, to vary the terms of this Agreement to address the relinquishment of the Nominated Access Rights (including, for the avoidance of doubt, variations to the Access Charge Rates);
- (e) the Transferred Access Rights and the Requested Ancillary Access Rights (if any) are granted under a new or varied access agreement between Aurizon Network and the Transferee (**Transferee Access Agreement**) that:
 - (i) has, to Aurizon Network's satisfaction, been negotiated and agreed in accordance with the requirements of the Access Undertaking; and
 - (ii) except for a condition in relation to the grant of the Transferred Access Rights and the Requested Ancillary Access Rights (if any) taking effect under this **clause 12**, is unconditional and binding upon the Transferee;
- (f) Aurizon Network's obligation to provide, and the Transferee's right to utilise, the Transferred Access Rights and the Requested Ancillary Access Rights (if any) under the Transferee Access Agreement does not commence until the later of:
 - (i) the date upon which the End User pays the Transfer Fee to Aurizon Network; and
 - (ii) the Transfer Date;
- (g) the Transferee has demonstrated to the reasonable satisfaction of Aurizon Network that the Transferee:
 - (i) will hold, or will have the benefit of, Supply Chain Rights (as if the Transferee was the End User and an Operator was an operator for the Transferee for the purposes of that definition) for the commencement of operation of Network Train Services utilising the Transferred Access Rights and the Requested Ancillary Access Rights (if any); and
 - (ii) is reasonably likely to continue to hold, or have the benefit of, those Supply Chain Rights for the whole of the Transfer Period. In determining whether the Transferee will continue to hold, or have the benefit of, the relevant Supply Chain Rights for the purposes of this **clause 12.2(g)(ii)**, the Parties are to assume, if the Transferee or the holder of those Supply Chain Rights has an option granted in

its favour to renew such Supply Chain Rights or extend the term of such Supply Chain Rights, that such option to renew or extend is exercised;

- (h) the End User has complied with this **clause 12**;
- (i) the End User and the Transferee have complied with any requirements under the Access Undertaking in relation to the Transfer and the grant of the Requested Ancillary Access Rights (if any);
- (j) giving effect to the Transfer and the grant of the Requested Ancillary Access Rights (if any) will not cause Aurizon Network to breach the Access Undertaking; and
- (k) Aurizon Network has sufficient capability in its Infrastructure to grant the Transferred Access Rights and Requested Ancillary Access Rights (if any) to the Transferee without adversely affecting Aurizon Network's ability to comply with its obligations to Advanced Access Seekers and Access Holders.

12.3 Transfer subject to Transfer Fee

- (a) The Transfer of any Nominated Access Rights in accordance with this **clause 12** is conditional on the payment of the Transfer Fee by the End User to Aurizon Network.
- (b) Aurizon Network must:
 - (i) calculate the Transfer Fee; and
 - (ii) notify the End User of the amount of the Transfer Fee and how the Transfer Fee was calculated,at the following times:
 - (iii) if the End User is considering Transferring some or all of the Access Rights but has not given Aurizon Network a Notice of Intention to Transfer in respect of those Access Rights, promptly following a request by the End User; and
 - (iv) if the End User has given Aurizon Network a Notice of Intention to Transfer, not less than five Business Days before the Transfer Date.
- (c) The End User must, on or before the Transfer Date, pay the Transfer Fee specified in a notice given under **clause 12.3(b)(ii)**, or agreed or determined through the Dispute resolution process under **clause 24**.
- (d) If the calculation of the Transfer Fee changes after Aurizon Network notifies the End User under **clause 12.3(b)** but before the End User seeks to pay the Transfer Fee, then:
 - (i) Aurizon Network must advise the End User of the revised Transfer Fee and the circumstances giving rise to the change in the calculation; and
 - (ii) the End User must pay the revised Transfer Fee (to the extent not already paid).
- (e) If the End User has not paid the Transfer Fee with 20 Business Days after the latest of:

- (i) the Transfer Date;
- (ii) the date Aurizon Network gives the End User a notice under **clause 12.3(d)**; and
- (iii) the date that Aurizon Network gives the End User a valid tax invoice in respect of the Transfer Fee,

then Aurizon Network may give the End User a notice (**Transfer Cancellation Notice**) with respect to Nominated Access Rights specified in the Notice of Intention to Transfer given by the End User under **clause 12.1(b)**.

- (f) If Aurizon Network gives the End User a Transfer Cancellation Notice, then:
 - (i) the Notice of Intention to Transfer given by the End User under **clause 12.1(b)** is deemed to have never been given by the End User;
 - (ii) the Nominated Access Rights that were the subject of the Notice of Intention to Transfer will not be Transferred to the Transferee; and
 - (iii) the terms of this Agreement will continue to apply in respect of the Nominated Access Rights that were the subject of the Notice of Intention to Transfer.
- (g) The giving of a Transfer Cancellation Notice in respect of the Transfer of Nominated Access Rights does not prevent the End User from subsequently giving Aurizon Network a new Notice of Intention to Transfer in respect of the same Nominated Access Rights.

12.4 Determination of the Transfer Fee

- (a) The **Transfer Fee** is the amount equivalent to the present value, calculated at the Discount Rate, of the payment of the aggregate TOP Charges (ATPY) for the relevant Train Service Types that would have been payable for the remainder of the Term assuming:
 - (i) the Nominated Access Rights were not transferred; and
 - (ii) the Train Services were not operated for the End User for a reason other than Aurizon Network Cause,

(**PV Amount**) less the amount which is the product of the PV Amount and the Reduction Factor.
- (b) If Aurizon Network requires information about future events (for example, assumptions about Reference Train Services or Train Services) to calculate the Transfer Fee, then Aurizon Network:
 - (i) may make reasonable assumptions about those future events so as to calculate the maximum amount of aggregate TOP Charges (ATPY) for the relevant Train Service Types that could potentially be payable, provided that:
 - (A) if an Access Charge Rate is based on a Reference Tariff, Aurizon Network must not make assumptions about the amount of future Reference Tariffs applicable to that Access Charge Rate; and

- (B) if an Access Charge Rate has been determined in accordance with the pricing principles in Part 6 of the Access Undertaking, where there is not yet a Reference Tariff for the Access Charge Rate but it is reasonably anticipated by Aurizon Network that a Reference Tariff applicable to that Access Charge Rate will be made or approved, Aurizon Network may make reasonable assumptions about the amount of the anticipated Reference Tariff and the variation that Aurizon Network could make to that Access Charge Rate to apply in the future in accordance with **schedule 4** (if applicable) when the anticipated Reference Tariff is made or approved;
 - (ii) may assume that each of the Access Charge Rates (as at the Transfer Date) will escalate, on each 1 July, at the rate of 2.5% per annum for the remainder of the Term; and
 - (iii) must notify the End User of all assumptions made by Aurizon Network under this **clause 12.4(b)** provided that nothing in this **clause 12.4(b)** requires Aurizon Network to breach any duty of confidentiality owed to a third party.
- (c) Where:
 - (i) the Reduction Factor is calculated in accordance with **clause 13.1(b)**; and
 - (ii) the Reference Tariff in relation to the Nominated Access Rights includes a System Discount or System Premium,

then the Transfer Fee must be further adjusted by Aurizon Network to account for any consequential decrease or increase (as applicable) in the System Discount or System Premium (as applicable) that would otherwise result in Aurizon Network under-recovering or over-recovering (as applicable) amounts from the End User due to the application of the System Discount or System Premium (as applicable).
- (d) Despite any other provision in this **clause 12.4**, if:
 - (i) the Transfer Fee is calculated to be an amount that is less than zero; or
 - (ii) the Nominated Access Rights to be Transferred are to be Transferred for a period which, when aggregated with the sum of the periods of all previous Transfers of Access Rights for Train Services for Train Service Types with the same Origin and Destination and with a Transfer Period (for each such Transfer) within the three year period ending on the last day of the Transfer Period, is less than two years,

then the Transfer Fee will be zero.
- (e) If the End User disputes the calculation of the Transfer Fee notified by Aurizon Network to the End User under this **clause 12** (including any assumptions made by Aurizon Network in calculating the Transfer Fee), then:
 - (i) the End User may refer the matter to an Expert to determine the

Transfer Fee in accordance with this **clause 12.4**; and

- (ii) in determining the Transfer Fee, the Expert must make reasonable assumptions that Aurizon Network was entitled to make in calculating the Transfer Fee under this **clause 12.4**.

12.5 Timing

Subject to **clause 12.2**, the Nominated Access Rights which are the subject of a Notice of Intention to Transfer under **clause 12.1** will not be Transferred to the Transferee and the terms of this Agreement will continue to apply in respect of the Nominated Access Rights until the later of:

- (a) the date upon which the End User pays the Transfer Fee to Aurizon Network; and
- (b) the Transfer Date.

12.6 Obligation to act diligently

Aurizon Network must act in a diligent and timely manner in dealing with a proposed Transfer under this **clause 12**.

13 Reduction Factor

13.1 Determination of the Reduction Factor

- (a) If:
 - (i) Nominated Access Rights are intended to be relinquished under **clause 11** or **12**;
 - (ii) an Access Holder has executed an Access Agreement (or a variation to this Agreement or any other existing Access Agreement) in respect of access rights that Aurizon Network could not grant to that Access Holder without using the Available Capacity to be created by the relinquishment of the Nominated Access Rights under **clause 11** or **12** ;
 - (iii) Aurizon Network's provision of the access rights referred to in **clause 13.1(a)(ii)** will commence on and from the date of the relinquishment of the Nominated Access Rights under **clause 11** or **12**;
 - (iv) the relevant Train Services of the End User and the Network Train Services of the Access Holder are coal carrying Network Train Services; and
 - (v) the Access Holder's Network Train Services that will use the access rights referred to in **clause 13.1(a)(ii)** will operate predominantly in and have an unloading facility that is a Nominated Unloading Facility for a Reference Train Service in the same Coal System as the Train Services of the End User that used the Nominated Access Rights to be relinquished under **clause 11** or **12**,

then the Reduction Factor is an amount calculated as follows:

$$TOP_B / TOP_A$$

where:

TOP_A is the amount equivalent to the present value, calculated at the Discount Rate, of the payment of the aggregate TOP Charges (ATPY) that would have been payable for the remainder of the Term assuming:

- (A) the Nominated Access Rights were not to be relinquished under **clause 11** or **12**; and
- (B) an Operator did not operate for the End User the relevant Train Services for a reason other than Aurizon Network Cause; and

TOP_B is the amount equivalent to the present value, calculated at the Discount Rate, of the payment of the aggregate TOP Charges (ATPY) that would be payable in accordance with this Agreement or the other Access Agreement (as applicable) referred to in **clause 13.1(a)(ii)** assuming the Access Holder's Network Train Services using the access rights referred to in **clause 13.1(a)(ii)** were not operated by or for the Access Holder for a reason other than Aurizon Network Cause during the same period as the remainder of the Term.

(b) If:

- (i) Nominated Access Rights are intended to be relinquished under **clause 11** or **12**; and
- (ii) **clauses 13.1(a)(ii)** and **13.1(a)(iii)** are both satisfied but **clause 13.1(a)(iv)** or **13.1(a)(v)** is not satisfied, then the Reduction Factor is an amount calculated as follows:

A / B

where:

A is the annual train kilometres over that part of the Common Corridor attributable to the Access Holder's Network Train Services to be operated using the access rights referred to in **clause 13.1(a)(ii)**; and

B is the annual train kilometres over the Infrastructure attributable to the Train Services operated using the Nominated Access Rights to be relinquished under **clause 11** or **12**,

provided that to the extent that the Access Holder's average contribution to Common Costs per train kilometre for its relevant Network Train Services is less than the End User's average contribution to Common Costs per train kilometre for its relevant Train Services, the Reduction Factor will be decreased in proportion to that relative contribution.

(c) If:

- (i) Nominated Access Rights are intended to be relinquished under **clause 11** or **12**; and
- (ii) **clauses 13.1(a)** and **13.1(b)** do not apply, the Reduction Factor is zero.

- (d) If Aurizon Network requires information about future events to calculate the Reduction Factor (for example, assumptions about Reference Train Services or Train Services), then Aurizon Network:
 - (i) may make assumptions about those future events so as to calculate the maximum amount of aggregate TOP Charges (ATPY) that could potentially be payable, provided that:
 - (A) if an Access Charge Rate is based on a Reference Tariff, Aurizon Network must not make assumptions about the amount of future Reference Tariffs applicable to that Access Charge Rate; and
 - (B) if an Access Charge Rate has been determined in accordance with the pricing principles in Part 6 of the Access Undertaking, where there is not yet a Reference Tariff for the Access Charge Rate but it is reasonably anticipated by Aurizon Network that a Reference Tariff applicable to that Access Charge Rate will be made or approved, Aurizon Network may make assumptions about the amount of the anticipated Reference Tariff and the variation that Aurizon Network could make to that Access Charge Rate to apply in the future in accordance with **schedule 4** (if applicable) when the anticipated Reference Tariff is made or approved; and
 - (ii) may assume that each of the Access Charge Rates (as at the Transfer Date) will escalate, on each 1 July, at the rate of 2.5% per annum for the remainder of the Term.

13.2 Replacement Access Agreement

If Aurizon Network identifies an opportunity for it to enter into an Access Agreement with an existing or prospective Access Holder that would result in a lessening of the Relinquishment Fee or Transfer Fee (as applicable) that would otherwise be payable to Aurizon Network under **clause 11** or **12** (as applicable), Aurizon Network will not unreasonably delay the process for negotiating and executing an Access Agreement with that existing or prospective Access Holder.

14 Resumptions, reductions, relinquishments and transfers - General

14.1 Termination where no Access Rights remain

- (a) Where Access Rights have been resumed, reduced, relinquished or transferred in accordance with this Agreement (including under **clauses 6, 7, 8, 9, 10, 11, 12** and **25.4**) to the extent that there is no longer any Access Rights remaining the subject of this Agreement, then Aurizon Network is entitled to terminate this Agreement by notice to the End User (without prejudice to those provisions which are stated to survive this Agreement).
- (b) Any termination under this **clause 14.1** is without prejudice to any rights of any Party which accrued on or before termination.

14.2 Effect on entitlement to operate and Access Charge Rates

Where Access Rights have been resumed, reduced, relinquished or transferred in accordance with this Agreement (including under **clauses 6, 7, 8, 9,10, 11, 12 and 25.4**), then for the avoidance of doubt:

- (a) the End User's entitlement to have an Operator operate Train Services is also reduced in accordance with that resumption, reduction, relinquishment or transfer of Access Rights;
- (b) the End User's Nominated Monthly Train Services for each applicable Train Service Type will be taken to be varied to be reduced in accordance with that resumption, reduction, relinquishment or transfer of Access Rights; and
- (c) the End User will no longer be obliged to pay Access Charges in respect of the resumed, reduced, relinquished or transferred Access Rights (except for any such Access Charges that accrued prior to the resumption, reduction, relinquishment or transfer, including any TOP Charges payable in respect of the part of the Year prior to the resumption, reduction, relinquishment or transfer).

14.3 No compensation or liability

- (a) Except for any payment specifically provided in this Agreement or liability for any breach by Aurizon Network of this Agreement, Aurizon Network is not liable for any loss or damage, however caused (including in contract, tort (including negligence) or otherwise) suffered or incurred by the End User in connection with any resumption, reduction, relinquishment or transfer of Access Rights in accordance with **clauses 6, 7, 8, 9,10, 11, 12 and 25.4**.
- (b) The End User releases Aurizon Network from any Claim for loss or damage referred to in **clause 14.3(a)** that the End User may otherwise have.

15 Consequences of a failure of an Operator to satisfy conditions

15.1 Reduction of allocation of Access Rights

If:

- (a) an Operator (**Defaulting Operator**) fails to satisfy the conditions for:
 - (i) the commencement of Train Services under clause 10.2 of its Train Operations Agreement; or
 - (ii) the commencement of Train Services for a Train Service Type under clause 10.3 of its Train Operations Agreement; and
- (b) Aurizon Network has given a notice to the End User and the Defaulting Operator in accordance with clause 10.2(c)(iv)(B) or clause 10.3(c)(iv)(A)(1) (as applicable) of the Defaulting Operator's Train Operations Agreement,

then, on such notice being given by Aurizon Network:

- (c) the End User is deemed to have withdrawn its allocation of Access Rights to the Defaulting Operator in respect of:
 - (i) in the case of a notice under clause 10.2(c)(iv)(A) of the Defaulting Operator's Train Operations Agreement, all of the Access Rights for which the Defaulting Operator has been nominated; and
 - (ii) in the case of a notice under clause 10.3(c)(iv)(A)(1) of the Defaulting Operator's Train Operations Agreement, that part of the Access Rights for which the Defaulting Operator has been nominated but in respect of which the Defaulting Operator has failed to satisfy the relevant conditions in clause 10.3 of its Train Operations Agreement; and
- (d) without limiting the End User's rights under **clauses 3.3** and **3.4**, the End User will have the right under **clauses 3.3(b)** and **3.4** to nominate a new Operator to use, or vary the previous nomination of another Operator to include, the Access Rights which were previously allocated to the Defaulting Operator.

15.2 Reversing changes to Train Service Descriptions

If:

- (a) a Defaulting Operator fails to satisfy the conditions for the commencement of Train Services for a Train Service Type (**relevant Train Service Type**) under clause 10.3 of its Train Operations Agreement; and
- (b) Aurizon Network has given a notice to the End User and the Defaulting Operator in accordance with clause 10.3(c)(iv)(B)(1) of the Defaulting Operator's Train Operations Agreement,

then, the Train Service Description for the relevant Train Service Type will be taken not to have been varied (even if the relevant variation has taken effect) and the Train Service Description for the relevant Train Service Type will be taken to be the Train Service Description for the relevant Train Service Type in force immediately before the variation took effect.

16 Compliance

16.1 General requirements – Parties

To the extent relevant to the performance of its obligations under this Agreement, a Party must observe and comply with:

- (a) all applicable Laws;
- (b) the lawful requirements of relevant Authorities; and

to the extent applicable to that Party, the terms of the Access Undertaking.

16.2 Compliance with Aurizon Network's Accreditation

- (a) Despite any other provision of this Agreement, Aurizon Network will not be in breach of this Agreement with respect to any act or omission to the extent that the act or omission is reasonably required in order for Aurizon Network to:
 - (i) comply with its Accreditation; or
 - (ii) ensure that its Accreditation is not at risk of:

- (A) amendment such that it cannot perform its role as rail infrastructure manager for the Infrastructure; or
 - (B) suspension, cancellation or revocation.
- (b) The End User must not do or fail to do anything which the End User knows, or ought reasonably to know, would be likely to result in:
- (i) the amendment of Aurizon Network's Accreditation such that Aurizon Network cannot perform its role as rail infrastructure manager for the Infrastructure; or
 - (ii) the suspension, cancellation or revocation of Aurizon Network's Accreditation.

16.3 General Requirements – Aurizon Network

To the extent relevant to the performance of its obligations under this Agreement, Aurizon Network must observe and comply with:

- (a) the conditions of its Accreditation; and
- (b) all licences and permits affecting the operations of Aurizon Network.

16.4 Compliance with IRMP

The End User must participate in the Interface Risk Assessment under each Train Operations Agreement and comply with the IRMP to the extent it is expressed to impose obligations upon the End User.

16.5 Non-compliance by Operator with Train Service Description

- (a) If:
- (i) Train Services for a Train Service Type operated by an Operator (**Defaulting Operator**) do not comply, in any material respect, with the Train Service Description for the Train Service Type, except where such non-compliance is attributable to another Railway Operator or Aurizon Network; and
 - (ii) the Defaulting Operator fails to demonstrate to the reasonable satisfaction of Aurizon Network, within 20 Business Days of being requested to do so, that those Train Services operated by the Defaulting Operator will consistently comply with the applicable Train Service Description for the remainder of the Term,
- then, without limiting any right Aurizon Network has to suspend or terminate the Train Services for a Train Service Type under the Train Operations Agreement, Aurizon Network must promptly notify the End User of any such non-compliance and failure to demonstrate future consistent compliance with the relevant Train Services Description.
- (b) Without limiting any right Aurizon Network has to suspend or terminate the Train Services for a Train Service Type under the Train Operations Agreement, before taking any steps under **clause 16.5(c)**, Aurizon Network shall:
- (i) provide the End User with at least 20 Business Days from commencement of consultation with the End User and the Defaulting Operator to:
 - (A) unless the Train Services for a Train Service Type have been

terminated under a Train Operations Agreement, procure the Defaulting Operator to rectify the non-compliance notified under **clause 16.5(a)**; or

- (B) nominate an alternative Operator to provide the relevant Train Services in accordance with its rights to do so under this Agreement; and
 - (ii) unless the Train Services for a Train Service Type have been terminated under a Train Operations Agreement, provide the End User prior notice of any action Aurizon Network intends to take under **clause 16.5(c)**.
- (c) If, following the provision of notice under **clause 16.5(a)** and taking of the steps in **clause 16.5(b)**, the End User has not nominated an alternative Operator in accordance with **clause 16.5(b)(i)(B)** or Aurizon Network continues to not be reasonably satisfied that the Defaulting Operator will consistently comply with the Train Service Description under the Train Operations Agreement for the remainder of the term of that Train Operations Agreement, Aurizon Network will be entitled to:
- (i) vary the applicable Train Service Description for the Affected Train Service Type to a level it reasonably expects to be achievable by the Defaulting Operator for the remainder of the Term, having regard to the extent of previous compliance with the applicable Train Service Description (ignoring, for the purpose of assessing previous compliance, any non-compliance to the extent that the non-compliance was attributable to another Railway Operator or to Aurizon Network);
 - (ii) vary the Access Charge Rates to fully compensate Aurizon Network for:
 - (A) any reasonable increase in cost or risk to Aurizon Network; or
 - (B) any increase in utilisation of the Capacity,as a result of the Train Service Description as varied under this **clause 16.5** when compared to the Train Service Description prior to the variation; and
 - (iii) reasonably vary:
 - (A) this Agreement in accordance with **clauses 33.2(g), 33.2(h) and 33.2(i)**; and
 - (B) the Defaulting Operator's Train Operations Agreement in accordance with clause 14.2 of that Train Operations Agreement,to reflect the impact of the change in the applicable Train Service Description.
- (d) If Aurizon Network varies the applicable Train Service Description for the Affected Train Service Type under **clause 16.5(c)(i)**, it shall:
- (i) issue a notice to the End User setting out the changes to the "Nominated Monthly Train Services (for a 30 day Month)" set out in **schedule 2** of this Agreement for each of:

- (A) the Affected Train Service Type; and
- (B) the Original Train Service Type (if applicable); and
- (ii) issue a notice to the Defaulting Operator and the End User setting out the changes to the Train Service Description and the “Nominated Monthly Operational Rights (for a 30 day Month)” in schedule 2 of the Defaulting Operator’s Train Operations Agreement.
- (e) For the avoidance of doubt, the End User is entitled to dispute any variation proposed by Aurizon Network pursuant to **clause 16.5(c)** in accordance with the process set out in **clause 33.2(i)**.

16.6 Determining the Affected Train Service Type

- (a) If the relevant Train Service Type (**Split Train Service Type**) in respect of which the Defaulting Operator has failed to comply with the relevant Train Service Description is also operated by another Operator (**Non-Defaulting Operator**):
 - (i) the Train Service Type operated by the Defaulting Operator (**New Train Service Type**); and
 - (ii) the Train Service Type operated by the Non-Defaulting Operator (**Original Train Service Type**),
 are deemed to be two different Train Service Types on the basis that:
 - (iii) the “Nominated Monthly Train Services (for a 30 day Month)” for the New Train Service Type is deemed to be the “Nominated Monthly Train Services (for a 30 day Month)” allocated to the Defaulting Operator in respect of the Split Train Service Type as at the date on which notice is given by Aurizon Network of any action it intends to take under **clause 16.5(c)**;
 - (iv) the “Nominated Monthly Train Services (for a 30 day Month)” for the Original Train Service Type is deemed to be the “Nominated Monthly Train Services (for a 30 day Month)” which was not allocated to the Defaulting Operator in respect of the Split Train Service Type as at the date on which notice is given by Aurizon Network of any action it intends to take under **clause 16.5(c)**; and
 - (v) subject to **clauses 16.6(a)(iii)** and **16.6(a)(iv)**, the Train Service Description for:
 - (A) the New Train Service Type; and
 - (B) the Original Train Service Type,
 is otherwise the same as for the Split Train Service Type.
- (b) The **Affected Train Service Type** is:
 - (i) if **clause 16.6(a)** applies, the New Train Service Type operated by the Defaulting Operator; and
 - (ii) in any other case, the Train Service Type in respect of which the Defaulting Operator has failed to comply with the relevant Train Service Description.

17 Weighbridges and Overload Detectors

17.1 Exceeding Maximum Desirable Gross Tonnage

If any Wagon or Train operated by an Operator for the End User is determined by a Weighbridge or Overload Detector to be in excess of the relevant Maximum Desirable Gross Tonnage, then Aurizon Network may impose any Operational Constraints which Aurizon Network considers to be reasonable in the circumstances.

17.2 Verification

- (a) If the Party that is not responsible for the Weighbridge or Overload Detector, as specified in **item 5 of schedule 3**, reasonably believes that any Weighbridge or Overload Detector may be inaccurate, that Party may by notice to the other Party require the other Party to procure the testing of the accuracy of such Weighbridge or Overload Detector.
- (b) As soon as reasonably practicable after being given a notice under **clause 17.2(a)**, the Party responsible for the Weighbridge or Overload Detector, as specified in **item 5 of schedule 3**, must use reasonable endeavours to procure a suitably qualified person to:
 - (i) test the calibration of the relevant Weighbridge or Overload Detector (as applicable); and
 - (ii) make any adjustments required to correct the calibration of the Weighbridge or Overload Detector (as applicable).
- (c) Unless otherwise determined by calibration testing under **clause 17.2(b)**, the relevant Weighbridge or Overload Detector (as applicable) is deemed to have malfunctioned from the date the notice is given under **clause 17.2(a)** until the testing referred to in **clause 17.2(b)** has been carried out and, if required, the Weighbridge or Overload Detector has been recalibrated. Until such testing has been carried out and the Weighbridge or Overload Detector has been recalibrated, the mass of the relevant Train or Wagon which would otherwise have been measured by that Weighbridge or Overload Detector will be the Maximum Desirable Gross Tonnage for the Train or Wagon, as applicable.
- (d) Except in the case of manifest error or fraud, the determination of the person conducting the test in accordance with **clause 17.2(b)** will be final and binding on the Parties.
- (e) Where the person conducting the test in accordance with **clause 17.2(b)** determines that the Weighbridge is measuring within the tolerances specified in **item 5 of schedule 3**, the Weighbridge will be treated as having been measuring accurately from the date on which the relevant notice was given under **clause 17.2(a)** and the Access Charges will be determined from that date in accordance with *[schedule 4/ schedule 4 of each Train Operations Agreement]*. The invoice for Access Charges for the Billing Period immediately following the Billing Period in which such determination is made will be adjusted to appropriately account for the difference in payment of Access Charges arising from the Weighbridge or Overload Detector having been treated as malfunctioning under **clause 17.2(c)**.

- (f) The cost of conducting the test in accordance with **clause 17.2(b)** must be borne by:
 - (i) the Party responsible for the Weighbridge or Overload Detector as specified in **item 5 of schedule 3** if the Weighbridge or Overload Detector is determined to be not measuring within the tolerances specified in **item 5 of schedule 3**; or
 - (ii) the Party giving notice under **clause 17.2(a)** if the Weighbridge or Overload Detector is determined to be measuring within the tolerances specified in **item 5 of schedule 3** (and, to the extent that the Party responsible for the Weighbridge or Overload Detector has paid any costs of conducting the test, the Party giving the notice must reimburse the Party responsible for the Weighbridge or Overload Detector such reasonable costs of conducting the test).

17.3 No Claim

- (a) Despite any other provision in this Agreement, neither Party (**first Party**) is liable to the other Party for any damage, loss, cost or expense that the other Party may suffer or incur as a result of the first Party, in good faith, acting on the basis of any mass determined in accordance with this Agreement.
- (b) Despite any other provision in this Agreement, neither Party will have any Claim against the other Party as a result of, or arising from, any delay to or cancellation of Train Services as a result of the operation of this **clause 17** or clause 19.3 of a Train Operations Agreement.

18 Infrastructure management

18.1 Notifications

- (a) The End User must notify Aurizon Network as soon as is reasonably practicable of any damage to or disrepair or failure in operation or function of any part of the Nominated Network of which the End User becomes aware.
- (b) The End User:
 - (i) must not cause any Obstruction or permit to continue any Obstruction caused by the End User; and
 - (ii) must notify Aurizon Network as soon as reasonably practicable after the End User's Staff or End User's officers discover or become aware of:
 - (A) any Obstruction (including all Incidents) or any breach or suspected breach of Safeworking Procedures; or
 - (B) anything which the End User, End User's Staff or End User's officers, observe which may reasonably be considered to cause or contribute to the occurrence of an Incident or Obstruction; or
 - (C) any harm to the Environment.

18.2 Investigations

- (a) If an Incident occurs, an Investigation into the Incident must be:

- (i) commenced as soon as practicable unless otherwise agreed between the Parties;
 - (ii) conducted in accordance with the Investigation Procedures.
- (b) Each Party must cooperate, and ensure that the End User's Staff or Aurizon Network's Staff (as applicable) cooperate, fully with any Investigation to the extent reasonably necessary for the conduct of the Investigation in accordance with the Investigation Procedures.
- (c) The Parties must consult in good faith in relation to the implementation of any recommendations arising from an Investigation in accordance with the Investigation Procedures.

19 Insurance by End User

19.1 Maintain insurance policies

Before the commencement of Train Services, the End User must, at its expense, take out and subsequently maintain current at all times during the Term insurance with a corporation (as defined in the Corporations Act) licensed to conduct insurance business in Australia (or otherwise reasonably acceptable to Aurizon Network) those policies of insurance required by this Agreement.

19.2 Required insurance policies

The End User must effect and maintain insurance for the risks and on the terms specified in **schedule 5**.

19.3 Disclosure of insurance policies

The End User must:

- (a) provide to Aurizon Network evidence of the insurance policies effected and maintained pursuant to this **clause 19** (including evidence that the cover provided under those insurance policies complies with this **clause 19** and of the currency of those insurance policies);
- (b) if requested by Aurizon Network, provide to Aurizon Network copies of such insurance policies; and
- (c) if requested by Aurizon Network, permit Aurizon Network to inspect such policies of insurance at a location in Brisbane;

to Aurizon Network's reasonable satisfaction:

- (d) at least 10 Business Days before the commencement of Train Services;
- (e) within 10 Business Days after renewal of each insurance policy during the Term; and
- (f) within 10 Business Days after being requested to do so in writing by Aurizon Network.

19.4 Failure to disclose insurance policies

Without prejudice to Aurizon Network's other rights and remedies in respect of such default, if the End User, whenever required to do so under this Agreement, fails to produce to Aurizon Network evidence to the reasonable satisfaction of Aurizon Network of insurances that have been effected or maintained by it and does not remedy that default within 10 Business Days after Aurizon Network

gives notice to the End User requiring that default to be remedied, Aurizon Network may effect and maintain the insurance and pay the premiums and any amount so paid will be a debt due from the End User to Aurizon Network.

19.5 Minimum terms of policies

Each of the policies of insurance effected in accordance with this Agreement must, to the extent permitted by Law:

- (a) note the interests of the End User, any contractor and Aurizon Network;
- (b) not contain any exclusions, endorsements or alterations to the accepted policy wording that adversely amends the cover provided without the written consent of Aurizon Network (not to be unreasonably withheld or delayed); and
- (c) include the terms and be for the amounts referred to in **schedule 5**.

19.6 End User not to render policy void

The End User must not render any of the insurances effected in accordance with this **clause 19** void or voidable or liable to refusal of any claim.

19.7 Compliance

The End User must at all times comply with the terms and conditions of all insurance policies effected pursuant to this **clause 19**.

19.8 Notice of potential claims

In addition to any other obligation on the End User pursuant to this Agreement, the End User must:

- (a) notify Aurizon Network as soon as practicable after the making of any claim under any insurance policy required by this Agreement to the extent that such claim is in connection with this Agreement;
- (b) notify Aurizon Network of that event in reasonable detail; and
- (c) thereafter keep Aurizon Network informed of subsequent developments concerning any claim.

19.9 End User to pay all excess/eductibles

- (a) The End User must in respect of any claims by it or any other insured for which it is responsible, pay and bear all excesses/eductibles provided for in any insurances effected in accordance with this **clause 19**.
- (b) If the End User fails to pay any excesses/eductibles provided for in any insurances effected in accordance with this **clause 19**, Aurizon Network may pay the relevant excesses/eductibles and any amount so paid will be a debt due from the End User to Aurizon Network.

19.10 Settlement of claims

Upon settlement of a claim under any policy required by this Agreement covering damage to Infrastructure, the monies received must be paid to Aurizon Network to the extent that monies are owed by the End User to Aurizon Network in respect of the relevant damage at the time of settlement.

20 Indemnities

20.1 Indemnity by End User for personal injury and property damage

Subject to **clause 21**, the End User is solely liable for, and releases, indemnifies and will keep indemnified Aurizon Network, its directors and Aurizon Network's Staff against, all Claims of any nature suffered or incurred by, or made or brought against, Aurizon Network, its directors or Aurizon Network's Staff in respect of:

- (a) any loss of, damage to or destruction of real or personal property (including property of Aurizon Network); or
- (b) personal injury to or death of any person,
in each case caused by or contributed to (to the extent of the contribution) by:
- (c) any breach of this Agreement by the End User; or
- (d) any negligent act or omission of, the End User or the End User's Staff in connection with this Agreement.

20.2 Indemnity by Aurizon Network for personal injury and property damage

Subject to **clauses 20.3** and **21**, Aurizon Network is solely liable for, and releases, indemnifies and will keep indemnified the End User, its directors and the End User's Staff against, all Claims of any nature suffered or incurred by, or made or brought against, the End User, its directors or the End User's Staff in respect of:

- (a) any loss of, damage to or destruction of real or personal property (including property of the End User); or
- (b) personal injury to or death of any person,
in each case caused by or contributed to (to the extent of the contribution) by:
- (c) any breach of this Agreement by Aurizon Network; or
- (d) any negligent act or omission of Aurizon Network or Aurizon Network's Staff in connection with this Agreement.

20.3 Indemnity by End User for certain liabilities to third parties

- (a) Despite **clause 20.2**, the End User is solely liable for, and releases, indemnifies and will keep indemnified Aurizon Network, its directors and Aurizon Network's Staff against, all Claims of any nature suffered or incurred by, or made or brought against, Aurizon Network, its directors or Aurizon Network's Staff in respect of:
 - (i) any loss of, damage to or destruction of real or personal property; or
 - (ii) personal injury to or death of any person,
- (b) where such person or property is being transported on a Train Service in each case caused by or contributed to (to the extent of the contribution) by any breach of this Agreement by the End User or any negligent act or omission of, the End User or the End User's Staff in connection with this Agreement.

20.4 Duty to mitigate

Each Party must use all reasonable endeavours to mitigate the damage, loss, cost, liability or expense in respect of which an indemnity in this Agreement applies.

20.5 General provisions regarding indemnities

- (a) Each indemnity in this Agreement is a continuing obligation, separate and independent from the other obligations of the Parties and survives the expiry or termination of this Agreement.
- (b) It is not necessary for a Party to incur expense or make a payment before enforcing any indemnity in this Agreement.

21 Limitations and exclusions of liability

21.1 Exclusion of Consequential Loss

Except as expressly provided otherwise in **clause 27**, neither Party is liable to the other under or in connection with this Agreement (including under an indemnity) for any Consequential Loss however caused (including any breach of this Agreement or negligent act or omission of a Party).

21.2 Time limit and minimum threshold on Claims

Neither Party (**first Party**) is liable for, and the other Party must not make any Claim against the first Party under or in connection with this Agreement unless:

- (a) notice of the Claim has been given to the first Party within twelve Months after the other Party becomes aware of the occurrence of the event or circumstance giving rise to the Claim; and
- (b) the amount of the Claim exceeds \$100,000 in respect of any one event or cause of action or series of related events or causes of action, provided that if this condition is satisfied then the other Party may proceed for the full amount of the Claim and not only the amount in excess of \$100,000.

21.3 Claims and exclusions in respect of Infrastructure standard

Despite any other provision of this Agreement, Aurizon Network, its directors and Aurizon Network's Staff are not liable to the End User for any Claim, and the End User must not make any Claim against Aurizon Network, its directors and/or Aurizon Network's Staff, in respect of any:

- (a) loss of or damage to real or personal property, including property of the End User;
- (b) personal injury to or death of any person; or
- (c) any other damage, expense, injury, cost or loss whatsoever,

arising out of or in connection with the standard of the Infrastructure or any failure of or defect in the Infrastructure, except to the extent that such loss, damage, injury or death, cost or expense results directly from the failure of Aurizon Network to perform its obligations under clause 21.2(a) of a Train Operations Agreement or Aurizon Network's negligence in performing those obligations.

21.4 Claims and exclusions in respect of non-provision of access

Despite any other provision of this Agreement, Aurizon Network, its directors

and Aurizon Network's Staff are not liable to the End User for any Claim, and the End User must not make any Claim against Aurizon Network, its directors and/or Aurizon Network's Staff, in respect of any failure by Aurizon Network to make the Infrastructure available for an Operator to operate a Train Service for the End User at the Scheduled Time in the Train Schedule unless (and then only to the extent that):

- (a) Aurizon Network did not use reasonable endeavours to reschedule the relevant Train Service if required to do so under a Train Services Agreement; and
- (b) if the failure by Aurizon Network to make the Infrastructure available was caused by or the result of an Operational Constraint, that Operational Constraint resulted from a breach of this Agreement by Aurizon Network or the negligence of Aurizon Network; and
- (c) the failure by Aurizon Network to make the Infrastructure available was a result of a breach of this Agreement by, or negligent act or omission of, Aurizon Network; and
- (d) the failure by Aurizon Network to make the Infrastructure available was not attributable to:
 - (i) the End User or the End User's Staff;
 - (ii) an Operator or an Operator's Staff;
 - (iii) another Railway Operator (other than Aurizon Network) or any employees, contractors, volunteers or agents of another Railway Operator (other than Aurizon Network);
 - (iv) a Force Majeure Event;
 - (v) Major Periodic Maintenance of, or Infrastructure Enhancements to, the Infrastructure scheduled in a manner consistent with the Network Management Principles;
 - (vi) if:
 - (A) the Access Rights for the relevant Train Service are Conditional Access Rights;
 - (B) there is a Capacity Shortfall in respect of any Segment of the applicable Expansion; and
 - (C) the Conditional Access Rights have not been varied under **clause 7**,
the unavailability in the Infrastructure is attributable to the Capacity Shortfall in relevant Infrastructure;
 - (vii) a breach of an Infrastructure Lease by an Infrastructure Lessor or any negligent act or omission of an Infrastructure Lessor; or
 - (viii) any action taken by Aurizon Network, acting reasonably, in response to an emergency or a genuine safety risk; and
- (e) either:
 - (i) the Parties and the relevant Operator have not agreed upon and implemented a performance and adjustment regime for the

purposes of the relevant Train Operations Agreement and the total number of Train Services (expressed as a percentage) cancelled in a Billing Period as a result of a failure by Aurizon Network to make the Infrastructure available (other than any failure by Aurizon Network to make the Infrastructure available which is attributable to an event or circumstance specified in **clauses 21.4(d)(i) to 21.4(d)(viii)**) exceeds the Allowable Threshold for that Billing Period; or

- (ii) the Parties and the relevant Operator have agreed upon and implemented a performance and adjustment regime for the purposes of the relevant Train Operations Agreement, but the failure to make the Infrastructure available is of a magnitude which is beyond the scope of that performance and adjustment regime.

21.5 Claims and exclusions in respect of delays to Train Movements

Despite any other provision of this Agreement, a Party (**Defaulting Party**) is not liable to the other Party (**Affected Party**) for any Claim, and the Affected Party must not make any Claim against the Defaulting Party, in respect of delays to Train Movements unless (and then only to the extent that):

- (a) the delay was a result of a breach of this Agreement by the Defaulting Party, or negligence on the part of the Defaulting Party; and
- (b) if the delay was caused by or the result of an Operational Constraint, that Operational Constraint resulted from a breach of this Agreement by the Defaulting Party; and
- (c) the delay is not attributable to:
 - (i) the Affected Party or where the Affected Party is:
 - (A) Aurizon Network - Aurizon Network's Staff; or
 - (B) the End User - the End User's Staff, an Operator or an Operator's Staff;
 - (ii) another Railway Operator (other than the Defaulting Party) or any employees, contractors, volunteers or agents of another Railway Operator (other than the Defaulting Party);
 - (iii) a Force Majeure Event;
 - (iv) Major Periodic Maintenance of, or Infrastructure Enhancements to, the Infrastructure scheduled in a manner consistent with the Network Management Principles;
 - (v) a breach of an Infrastructure Lease by an Infrastructure Lessor or any negligent act or omission of an Infrastructure Lessor; or
 - (vi) any action taken by Aurizon Network, acting reasonably, in response to an emergency or a genuine safety risk; and
- (d) either:
 - (i) the Parties and the relevant Operator have not agreed upon and implemented a performance and adjustment regime for the purposes of the relevant Train Operations Agreement; or

- (ii) the Parties and the relevant Operator have agreed upon and implemented a performance and adjustment regime for the purposes of the relevant Train Operations Agreement, but the delays are of a magnitude which is beyond the scope of that performance and adjustment regime.

21.6 Defence of Claims by Third Parties

- (a) Each Party must provide such reasonable assistance as requested by the other Party in the defence of any Claim made against the other Party by a Third Party arising out of any Incident or other event giving rise to the Claim.
- (b) The Party that requested assistance under **clause 21.6(a)** must, within five Business Days after a demand is made, pay to the other Party any costs and expenses reasonably incurred by the other Party in providing the assistance requested under **clause 21.6(a)**.

21.7 Exclusion of Claims in certain other circumstances

- (a) Except to the extent that an Operational Constraint results from a breach by Aurizon Network of this Agreement or a Train Operations Agreement, any delays or cancellations of Train Services caused by or resulting from Operational Constraints shall not constitute a default by Aurizon Network of its obligations under this Agreement and Aurizon Network will not be liable for any Claims suffered or incurred by or made or brought by or against the End User as a result of or arising from the imposition of such an Operational Constraint.
- (b) Except as otherwise provided in this Agreement, Aurizon Network will not be liable for any delays or cancellations of Train Services or Claims suffered or incurred by or made or brought by or against the End User and the End User must not make any Claim against Aurizon Network, its director and/or Aurizon Network's Staff as a result of an Operator complying with a request by Aurizon Network in accordance with clause 22.6(j) of a Train Operations Agreement.
- (c) If Aurizon Network takes action in accordance with clause 22.6(f) of a Train Operations Agreement, then Aurizon Network shall have no liability for any damage to or loss of freight caused by such actions.
- (d) Aurizon Network will not be liable for any delays or cancellations of Train Services or Claims suffered or incurred by or made or brought by or against the End User as a result of the exercise by Aurizon Network of its rights under clause 26 of a Train Operations Agreement, provided that Aurizon Network complies with clause 26.5 of a Train Operations Agreement.

22 Determination of liability and loss adjustment

22.1 Determination of liability

In the event of an Incident involving the End User or any other event which results or could result in a Claim by or against the End User or Aurizon Network, liability as between the End User and Aurizon Network is determined, for the purposes of **clauses 20** and **21.3**:

- (a) as agreed between the Parties;
- (b) subject to **clause 22.1(c)**, failing such agreement within one Month of either Party giving notice to the other requiring agreement on liability, by a loss adjuster appointed under **clause 22.2**; or
- (c) where the amount of the Claim exceeds \$200,000 and either Party is dissatisfied with the report of the loss adjuster, by a court of competent jurisdiction.

22.2 Loss Adjuster

Subject to **clause 33**, where a matter is to be referred to a loss adjuster in accordance with **clause 22.1**:

- (a) the loss adjuster:
 - (i) must be appointed by the Parties; or
 - (ii) in default of such appointment within 10 Business Days after the need to appoint a loss adjuster, is to be nominated at either Party's request by the President of The Australasian Institute of Chartered Loss Adjusters;
- (b) if the loss adjuster is to be nominated under **clause 22.2(a)(ii)** and the President of The Australasian Institute of Chartered Loss Adjusters declines to nominate a person as the loss adjuster but provides a list of people that could be appointed as the loss adjuster, then:
 - (i) the first person specified in that list will be taken to be nominated as the loss adjuster;
 - (ii) if the first person specified in that list does not accept the appointment as the loss adjuster, the next person specified in that list will be taken to be the first person specified in that list and will be nominated as the loss adjuster; and
 - (iii) the process specified in **clause 22.2(b)(ii)** will apply to the next and each subsequent person specified in that list until a person that is taken to be nominated as the loss adjuster accepts the appointment as the loss adjuster;
- (c) the Parties must comply with, and do all things necessary to satisfy and to give effect to, the reasonable requirements of an agreed or nominated loss adjuster (including providing relevant indemnities and paying any charges or fees (which charges or fees will be borne equally by the Parties)) that must be satisfied or complied with as a condition of the President of The Australasian Institute of Chartered Loss Adjusters agreeing to nominate a loss adjuster;
- (d) the loss adjuster must:
 - (i) be a Fellow of the Australasian Institute of Chartered Loss Adjusters or have equivalent qualifications and experience;
 - (ii) have no interest or duty which conflicts or may conflict with the loss adjuster's function as a loss adjuster (the loss adjuster being required to fully disclose any such interest or duty before their appointment); and

- (iii) not be, or have been in the last five years, an employee of an Operator, the End User or Aurizon Network or of a Related Body Corporate of any of them;
- (e) the loss adjuster appointed under this **clause 22.2** is not permitted to act until the loss adjuster has given written notice of the acceptance of the appointment to both Parties;
- (f) any loss adjuster appointed under this **clause 22.2** is required to undertake to keep confidential all matters coming to the loss adjuster's knowledge by reason of their appointment and the performance of their duties; and
- (g) any person nominated as a loss adjuster under this **clause 22.2** is deemed to be and act as an expert and not an arbitrator, and the law relating to arbitration, including the *Commercial Arbitration Act 2013* (Qld), does not apply to the loss adjuster or their determination or the procedures by which they may reach a determination.

22.3 Parties to assist loss adjuster

- (a) Each Party must ensure to the best of its ability that the loss adjuster appointed under **clause 22.2** is given the opportunity to interview any employee, agent or contractor involved in, or with knowledge of, the Incident or event giving rise to the Claim or with any other relevant information that may be of use to the loss adjuster.
- (b) Each Party must make available to the loss adjuster appointed under **clause 22.2** any files, documents, data, recordings or other information in the possession or control of the Party that may be of use to, or is requested by, the loss adjuster for the purposes of their investigation.

22.4 Decision of the loss adjuster

- (a) The loss adjuster appointed under **clause 22.2** will determine the quantum of the relevant Claim and the liability of the End User and/or Aurizon Network in respect of such Claim and must provide a copy of their report on such matters to each of the Parties within a reasonable time after their appointment.
- (b) In the absence of manifest error, the decision of the loss adjuster is final and binding upon the Parties where the total claims arising from the Incident or event giving rise to the Claim are equal to or less than \$200,000.

22.5 Costs of the loss adjuster

The costs of the loss adjuster must be borne by the Parties in such proportions as liability is determined by the loss adjuster, or where the liability is ultimately determined by a court of competent jurisdiction, in such proportions as liability is determined by the court.

23 Material Change

23.1 Adjustment for a Material Change

- (a) If there is no Reference Tariff applicable to the Train Services for a Train Service Type under this Agreement, then:

- (i) if at any time after the Commencement Date a Material Change occurs which affects the financial position of Aurizon Network or the cost to Aurizon Network of performing its obligations or exercising its rights under this Agreement and/or a Train Operations Agreement, then Aurizon Network may notify the End User [*and each relevant Operator*] giving details of the Net Financial Effect on Aurizon Network of the Material Change;
- (ii) within 10 Business Days after receipt of a notice under **clause 23.1(a)(i)**, the Parties [*and each relevant Operator*] must meet and negotiate in good faith any appropriate adjustments to the amounts payable under this Agreement [*and the relevant Train Operations Agreement*] to remove as far as practicable the Net Financial Effect on Aurizon Network of the Material Change and return Aurizon Network to the position it would have been in had it not been for the Material Change; and
- (iii) if the Parties [*and each relevant Operator*] have not agreed on the relevant adjustments within 15 Business Days after Aurizon Network's notice, then either Party may refer the matter to an Expert for determination in accordance with **clause 24.3**.

[Square bracketed text in (a)(i)-(iii) is only included where End User is only paying TOP Charges.]

- (b) If there is a Reference Tariff applicable to the Train Services for a Train Service Type under this Agreement, then the relevant Reference Tariff Provisions will provide for the consequences of Material Change.

23.2 Parties' obligations continue

The Parties' obligations under this Agreement continue despite the existence of a Material Change.

24 Disputes

24.1 Method

If any claim, dispute or question (**Dispute**) arises under this Agreement or in relation to the Access Rights, then unless otherwise expressly provided to the contrary in this Agreement, such Dispute must be resolved in accordance with this **clause 24** and either Party may give to the other Party a notice in writing (**Dispute Notice**) specifying the Dispute and requiring that it be dealt with in accordance with this **clause 24**.

24.2 Chief executive resolution

- (a) Except as otherwise provided in this Agreement, within five Business Days after a Dispute Notice is given, the Dispute must be referred for resolution to:
 - (i) the chief executive officer of Aurizon Network (or their nominee); and
 - (ii) the chief executive officer of the End User (or their nominee).
- (b) Within 10 Business Days after a Dispute Notice is given, the officers referred to in **clause 24.2(a)** must meet to resolve the Dispute.

- (c) Meetings referred to in **clause 24.2(b)** may be held in person or by telephone, video conference or other means of instantaneous communication.
- (d) If the Dispute is not resolved within 10 Business Days after:
 - (i) the date that officers first meet to resolve the Dispute in accordance with **clause 24.2(b)**; or
 - (ii) if the officers do not meet within the time required under **clause 24.2(b)**, the date the Dispute Notice is given,
 then the relevant Dispute may, by agreement between Aurizon Network and the End User, be referred for resolution by an Expert in accordance with **clause 24.3** or by arbitration in accordance with **clause 24.4**.

24.3 Expert

Subject to **clause 33.1**, where any matter may be referred to an expert (**Expert**) pursuant to **clause 24.2(d)**, or is expressly required by this Agreement to be referred to an Expert, then except as otherwise provided for in this Agreement:

- (a) an Expert must be appointed by agreement between the Parties, or in default of such appointment within 10 Business Days of the requirement or right (as applicable) to refer the matter to an Expert, then that person is to be nominated at either Party's request by:
 - (i) if the Parties agree the Dispute is purely of a financial or accounting nature, the President (for the time being) of The Institute of Chartered Accountants in Australia;
 - (ii) if the Parties agree the Dispute is purely of a technical nature, the President (for the time being) of the Institute of Arbitrators and Mediators Australia; or
 - (iii) in any other case, the President (for the time being) of the Queensland Law Society Inc;
- (b) if the Expert is to be nominated by a person referred to in **clause 24.3(a)** and that person declines to nominate a person as the Expert but provides a list of people that could be appointed as the Expert, then:
 - (i) the first person specified in that list will be taken to be nominated as the Expert;
 - (ii) if the first person specified in that list does not accept the appointment as the Expert, then the next person specified in that list will be taken to be nominated as the Expert; and
 - (iii) the process specified in **clause 24.3(b)(ii)** will apply to the next and each subsequent person specified in that list until a person that is taken to be nominated as the Expert accepts the appointment as the Expert;
- (c) subject to **clause 24.3(b)**, if the Expert is to be nominated by a person referred to in **clause 24.3(a)** and the person nominated as the Expert does not accept appointment as the Expert, then an alternative person is to be nominated as the Expert at either Party's request by the same person referred to in **clause 24.3(a)**;

- (d) if the Expert is to be nominated by a person referred to in **clause 24.3(a)** the Parties must comply with, and do all things necessary to satisfy and to give effect to, the reasonable requirements of that person (including providing relevant indemnities and paying any charges or fees (which charges or fees will be borne equally by the Parties)) that must be satisfied or complied with as a condition of that person agreeing to nominate an Expert;
- (e) the Parties must comply with, and do all things necessary to satisfy and to give effect to, the reasonable requirements of an agreed or nominated Expert (including providing relevant indemnities and paying any charges or fees (which charges or fees will be borne equally by the Parties)) that must be satisfied or complied with as a condition of that person accepting the appointment as an Expert;
- (f) the Expert must:
 - (i) have appropriate qualifications and practical experience having regard to the nature of the Dispute;
 - (ii) have no interest or duty which conflicts or may conflict with their function as Expert, the Expert being required to fully disclose any such interest or duty by notice to the Parties before their appointment;
 - (iii) not be, or have been in the last five years, an employee of an Operator, the End User, or Aurizon Network or of a Related Body Corporate of any of them;
 - (iv) not be permitted to act until the Expert has given notice to the Parties that the Expert is willing and able to accept the appointment;
 - (v) have regard to the provisions of this Agreement and consider all submissions (including oral submissions by either Party provided that such oral submissions are made in the presence of the other Party), supporting documentation, information and data with respect to the matter provided to the Expert by the Parties;
 - (vi) provide both Parties with a copy of the Expert's determination in the form of a report setting out reasonable details of the reasons for the Expert's determination within a reasonable time after their appointment; and
 - (vii) be required to undertake to keep confidential all matters coming to their knowledge by reason of their appointment and performance of their duties (including, if required by a Party, by entering into a confidentiality agreement in favour of the Parties);
- (g) the Expert is deemed to be and shall act as an expert and not an arbitrator and the law relating to arbitration (including the *Commercial Arbitration Act 2013 (Qld)*) will not apply to the Expert or the determination or the procedures by which the Expert may reach a determination;
- (h) in the absence of manifest error, the decision of the Expert is final and binding upon the Parties;
- (i) the costs of the Expert (and the costs of any advisers to the Expert) must be borne by the Parties in equal shares, with each Party bearing its own

costs of participating in the dispute resolution process (unless otherwise agreed by the Parties);

- (j) any determination made by an Expert must be consistent with the provisions of this Agreement; and
- (k) the Parties must do everything reasonably requested by the Expert to assist the Expert in determining the Dispute, including providing or making available to the Expert, as soon as reasonably practical, all information and materials in their possession or control requested by the Expert and attending any hearing convened by the Expert.

24.4 Arbitration

Subject to **clause 33.1**, the Parties may agree to refer any Dispute to arbitration by a single arbitrator sitting in Brisbane agreed upon between the Parties and, failing agreement upon such arbitrator within 10 Business Days after the date of notice from one Party to the other requiring the appointment of an arbitrator, by an arbitrator appointed by the President of the Institute of Arbitrators. Every such reference will be an arbitration within the meaning of the *Commercial Arbitration Act 2013* (Qld), and subject to the provisions relating to arbitration contained in that Act.

24.5 Queensland Competition Authority (QCA)

Subject to **clause 33.1**, the Parties may agree to refer, and where required by this Agreement must refer, any Dispute to the QCA.

24.6 Determination by Court

If any Dispute is not:

- (a) resolved in accordance with **clause 24.2**;
- (b) referred to an Expert in accordance with **clause 24.3**;
- (c) referred to arbitration by agreement of the Parties in accordance with **clause 24.4**; nor
- (d) referred to the QCA in accordance with **clause 24.5**,

then the Dispute must be referred to the courts of the State.

25 Force Majeure

25.1 Force Majeure Event under a Train Operations Agreement

Aurizon Network agrees to:

- (a) provide to the End User a copy of any notice provided by either Aurizon Network or an Operator in respect of the Force Majeure Event; and
- (b) send a notice of invitation to the End User for, and provide the End User with a reasonable opportunity to participate in, any meeting which Aurizon Network and an Operator may have in respect of the Force Majeure Event.

25.2 Suspension of obligations

If, by reason of a Force Majeure Event, Aurizon Network is prevented or hindered from carrying out, whether wholly or in part, its obligations under this Agreement (other than an obligation to pay money), then the obligations of

Aurizon Network will be suspended during that time to the extent that the performance of such obligations is prevented or hindered by the Force Majeure Event.

25.3 End of period of Force Majeure

Subject to **clauses 25.4** and **25.6**, the suspension of the obligations of Aurizon Network due to a Force Majeure Event ends when Aurizon Network is able to resume full performance of its obligations under this Agreement, at which time it must:

- (a) issue a notice to the End User advising that it is recommencing the performance of its obligations; and
- (b) recommence the performance of its obligations.

25.4 Reduction of Access Rights due to loss or damage to Nominated Network

- (a) If:
 - (i) any part of the Nominated Network specified in **item 2 of schedule 3** is damaged or destroyed by a Force Majeure Event; and
 - (ii) in Aurizon Network's reasonable opinion the cost of repairing such damage or destruction or replacing that part of the Nominated Network is not economic on the basis of the then and committed future utilisation of that part of the Nominated Network,

then Aurizon Network may by notice advise the End User of:

- (iii) the estimated cost of effecting the necessary repairs or replacement; and
 - (iv) Aurizon Network's intention to not repair or replace the relevant part of the Nominated Network unless the End User and any other Railway Operator (or any of its customers) using that part of the Nominated Network pay the amounts specified by Aurizon Network towards the cost of effecting the necessary repairs or replacement.
- (b) If the End User or an Operator under a Train Operations Agreement notifies Aurizon Network that:
 - (i) it agrees to bear the whole of the cost of necessary repairs or replacement; or
 - (ii) it agrees to bear that part requested by Aurizon Network of the cost of necessary repairs or replacement (and subject to Aurizon Network being satisfied that all other relevant Railway Operators (or their customers) have also agreed to bear their respective part of such costs),

then Aurizon Network will proceed with the repairs or replacement within a reasonable time after:

- (iii) if **clause 25.4(b)(i)** applies, receipt by Aurizon Network from the End User of payment of the relevant amount; and
- (iv) if **clause 25.4(b)(ii)** applies, receipt by Aurizon Network from the End User or a relevant Railway Operator (or, if applicable, its

customer) of the last payment of the relevant amount.

- (c) Where the End User or an Operator under a Train Operations Agreement pays to Aurizon Network the whole of the estimated cost, on completion of the necessary repairs or replacement:
 - (i) Aurizon Network must refund to the End User any amount by which the amount paid by the End User (or, if applicable, an Operator) exceeds the actual cost; or
 - (ii) the End User must pay to Aurizon Network the amount by which the actual cost exceeds the amount paid by the End User (or, if applicable, an Operator),(as applicable).
- (d) If, within 40 Business Days after receipt of a notice from Aurizon Network under **clause 25.4(a)**, the End User has not given notice to Aurizon Network pursuant to **clause 25.4(b)** (or each Operator has not given Aurizon Network an equivalent notice under its Train Operations Agreement) indicating that it agrees to pay the whole, or that part requested by Aurizon Network, of the cost of the necessary repairs or replacement, then Aurizon Network may, by giving not less than 20 Business Days notice in writing to the End User (**Nominated Network FM Reduction Notice**), reduce the Access Rights by the FM Access Rights, in which case, the FM Access Rights will cease to form part of the Access Rights on and from the date specified in the notice (which must be at least 20 Business Days from the date of the notice).

25.5 Effect of Nominated Network FM Reduction Notice on Operator nominations

- (a) Within 10 Business Days after the Nominated Network FM Reduction Notice is given to the End User, the End User may give written notice to Aurizon Network and each affected Operator in accordance with **clause 3.4(a)** to vary the Access Rights which the End User has allocated to an Operator to take into account the reduction to the Access Rights by the FM Access Rights.
- (b) Except to the extent that the End User has given a notice as contemplated in **clause 25.5(a)** in respect of the reduction to the Access Rights by the FM Access Rights, the FM Access Rights for each Train Service Type:
 - (i) firstly, are deemed to reduce the Access Rights for that Train Service Type for which the End User has not nominated an Operator; and
 - (ii) if, after the operation of **clause 25.5(b)(i)**, there remains an Over-Allocation for the relevant Train Service Type, **clause 3.6** applies in respect of that Over-Allocation.
- (c) As soon as practicable after the expiry of the period referred to in **clause 25.5(a)**, Aurizon Network must issue a notice to the End User and each affected Operator summarising, in respect of each Train Service Type affected by the FM Access Rights, the changes to:
 - (i) the “Nominated Monthly Train Services (for a 30 day Month)” set

out in **schedule 2** of this Agreement; and

- (ii) the “Nominated Monthly Operational Rights (for a 30 day Month)” in schedule 2 of each affected Operator’s Train Operations Agreement.

25.6 Termination after extended Force Majeure Event

If, by reason of a Force Majeure Event, Aurizon Network is wholly prevented or hindered from carrying out its obligations under this Agreement (other than an obligation to pay money) for a period of more than three consecutive Months, then:

- (a) the Parties must meet to endeavour to identify any alternative viable means to perform the suspended obligations; and
- (b) failing any alternative means being agreed within one Month after the end of the three Month period, the End User may terminate this Agreement by 20 Business Days notice to Aurizon Network and **clauses 25.3** and **25.4** apply without prejudice to any of the rights of the Parties which accrued before the date of such termination.

26 Suspension

26.1 Suspension of Access Rights

If a Suspension Event specified in **schedule 6** occurs, Aurizon Network may, by notice in writing to the End User and the relevant Operator (which may be given before or immediately after the suspension) (**Suspension Notice**), suspend the Access Rights of the End User.

26.2 Suspension due to suspension under End User Agreement

If, any of the End User’s rights under the End User Agreement are suspended under an End User Agreement for any reason, then Aurizon Network may, by notice in writing to the End User (which may be given before or immediately after the suspension) (also a **Suspension Notice**), suspend the right of the End User to have an Operator operate for it Train Services of any affected Train Service Type.

26.3 Details of suspension

A Suspension Notice given by Aurizon Network to the End User and the relevant Operator under **clause 26.1** or **26.2** must set out:

- (a) the rights of the End User which are affected by the suspension;
- (b) the reason for the suspension; and
- (c) the actions the End User must take to have the suspension lifted.

26.4 Effect of suspension

The suspension of any rights under this **clause 26** does not affect or suspend any other obligation of the End User, including the obligation to pay [Access Charges/TOP Charges] under this Agreement, and is without prejudice to Aurizon Network’s other rights and remedies in respect of that or any other default.

26.5 Duration of suspension

The suspension of any rights under **clause 26.1** or **26.2** continues until such time

as the End User has remedied the relevant default or non-compliance and, where appropriate, taken action to prevent its recurrence.

26.6 Suspension of an Operator's rights under a Train Operations Agreement

- (a) The End User acknowledges that, under a Train Operations Agreement, Aurizon Network has a right to suspend the right of a particular Operator to operate some or all of the Operator's Train Services for a Train Service Type or Train Services generally upon the occurrence of any one or more of a number of specified events or circumstances in respect of that Operator.
- (b) Aurizon Network will notify the End User if it suspends the right of a particular Operator to operate some or all of the Operator's Train Services for a Train Service Type or Train Services generally under a Train Operations Agreement and the End User will have the right to nominate an alternate Operator to operate the affected services in accordance with **clause 3.3** or **3.4**.
- (c) The suspension of any of an Operator's rights under a Train Operations Agreement does not affect or suspend any obligation of the End User, including the obligation to pay [*Access Charges/TOP Charges*] under this Agreement.

27 Liability for wrongful suspension

Where Aurizon Network suspends some or all of the End User's Access Rights or an Operator's rights under a Train Operations Agreement, Aurizon Network will be liable to the End User in respect of loss or damage (including damages for Consequential Loss arising from the suspension) if, and only if:

- (a) no reasonable person in Aurizon Network's position could have formed the view that the stated grounds for the suspension existed (Aurizon Network shall bear the burden of establishing that a reasonable person in Aurizon Network's position could have formed that view);
- (b) where the suspension is of an Operator's rights under a Train Operations Agreement, the End User's loss or damage is not, and has not been, included in a claim by the Operator in respect of that suspension; and
- (c) the End User has used all reasonable endeavours to mitigate the loss or damage arising from the suspension.

28 Termination

28.1 Termination of Agreement

- (a) Subject to **clause 28.1(b)** and without limiting any rights of termination contained elsewhere in this Agreement, Aurizon Network may, by notice in writing to the End User, terminate this Agreement if a Termination Event specified in **schedule 6** occurs.
- (b) If there is a Corresponding Suspension Event in respect of the Termination Event referred to in **clause 28.1(a)**, then Aurizon Network may only exercise its rights under **clause 28.1(a)** if it has first exercised its right of suspension in respect of the Corresponding Suspension Event

under **clause 26**.

28.2 Termination by the End User

Without limiting any rights of termination contained elsewhere in this Agreement, the End User may, by notice in writing to Aurizon Network, terminate this Agreement if any of the following occurs:

- (a) an Insolvency Event in relation to Aurizon Network occurs and continues for a period of 40 Business Days;
- (b) Aurizon Network's Accreditation is cancelled such that it cannot perform its obligations generally under this Agreement, and such default continues for at least 20 Business Days after the End User gives Aurizon Network notice of the default;
- (c) Aurizon Network fails to pay when due any amount payable under this Agreement, and such default continues for at least 20 Business Days after the End User gives Aurizon Network notice of the default; or
- (d) Aurizon Network is in default of the due performance of any other obligation under this Agreement, and such default continues for at least 40 Business Days after the End User gives Aurizon Network notice of the default.

28.3 Grounds for termination to be specified

A notice given under **clause 28.1** or **28.2** must set out the grounds for the termination.

28.4 Obligations and other rights upon termination or expiry

- (a) Neither termination of this Agreement by a Party pursuant to this **clause 28** nor expiry of this Agreement prejudices:
 - (i) a Party's right to make a Claim, recover damages or avail itself of other remedies under this Agreement or at Law; or
 - (ii) either Party's rights to recover money due to it under this Agreement.
- (b) On termination of this Agreement, Aurizon Network and the End User are released from all further obligations or liabilities under this Agreement except for:
 - (i) rights which accrued on or before termination, including for any breach of this Agreement which occurred before termination. Any liability in respect of such prior breach will be limited in the manner provided in this Agreement; or
 - (ii) any provisions which are expressed as surviving the expiry or termination of this Agreement.

29 Assignment

29.1 Assignment by Aurizon Network

- (a) Aurizon Network may Assign the whole or any part of its rights or obligations under this Agreement without the prior consent of the End User, provided that Aurizon Network procures that the Assignee covenants with the End User by deed to be bound by and to perform the

obligations of Aurizon Network under this Agreement to the extent of the rights and obligations Assigned to the Assignee.

- (b) On the Assignee entering into the deed referred to in **clause 29.1(a)**, Aurizon Network is released and discharged from further liability under this Agreement in respect of the obligations which the Assignee has undertaken under that deed to be bound by and to perform.

29.2 Assignment by the End User

- (a) The End User may not Assign its rights or obligations under this Agreement other than in accordance with this **clause 29.2**.
- (b) The End User may, provided it is not in default in the performance or observance of any of its obligations under this Agreement, Assign the whole of its rights and obligations under this Agreement to:
 - (i) a Related Body Corporate of the End User which is capable of performing the obligations of the End User under this Agreement, provided that:
 - (A) the End User remains liable for the performance of the duties, responsibilities and obligations assumed by the Assignee; and
 - (B) the performance by the Assignee will (to the extent of such performance) discharge the End User's liability for the performance of the duties, responsibilities and obligations Assigned; or
 - (ii) a person other than a Related Body Corporate of the End User with the prior written consent of Aurizon Network, provided that such consent will not be unreasonably withheld if Aurizon Network is satisfied that such person is:
 - (A) financially sound; and
 - (B) otherwise capable of performing the obligations of the End User under this Agreement.
- (c) Any Assignment by the End User of its rights and obligations under this Agreement is conditional on and will not take effect until:
 - (i) the Assignee covenants with Aurizon Network by deed, in such terms as Aurizon Network may reasonably require, to be bound by and to perform the obligations of the End User under this Agreement; and
 - (ii) if required by Aurizon Network, the Assignee delivers Security to Aurizon Network which satisfies the requirements of **clause 5** for an amount of not less than the Security Amount.
- (d) Subject to **clause 29.2(e)**, if a Change in Control of the End User occurs without Aurizon Network's prior written consent, the occurrence of the Change in Control will be taken to be an Assignment of the End User's rights and obligations under this Agreement which is not permitted under this **clause 29.2**.
- (e) **Clause 29.2(d)** does not apply to a Change in Control where:

- (i) the End User or its Ultimate Holding Company is listed on a recognised stock exchange;
- (ii) the Change in Control is a result of a Change in Control of that listed entity; and
- (iii) that listed entity remains listed on that recognised stock exchange both before and after that Change in Control.

29.3 Charging

A Party (**Chargor**) may create a Charge over all of its rights under this Agreement in favour of a recognised financial institution (**Chargee**) to secure financial accommodation provided to the Chargor in relation to its obligations under this Agreement, provided that the Chargee must first covenant in writing in favour of the other Party (**Non-Charging Party**), pursuant to a deed in such terms as the Non-Charging Party may reasonably require, that in relation to the exercise of any power of sale or other right or remedy under the Charge granted to the Chargee, the Chargee and any person (including any receiver or receiver and manager or agent) claiming through the Chargee will comply with the provisions of this **clause 29** as if it were originally a party to this Agreement, and will not exercise any power of sale of the rights and/or obligations of the Chargor under the Agreement except in accordance with this **clause 29**.

30 GST

30.1 Construction

In this **clause 30**:

- (a) words and expressions which are not defined in this Agreement but which have a defined meaning in GST Law have the same meaning as in the GST Law;
- (b) **GST Law** has the same meaning given to that expression in the *A New Tax System (Goods and Services Tax) Act 1999*; and
- (c) references to GST payable and input tax credit entitlement include GST payable by, and the input tax credit entitlement of, the representative member for a GST group of which the entity is a member.

30.2 Consideration GST exclusive

Unless otherwise expressly stated, all prices or other sums payable or consideration to be provided under this Agreement are exclusive of GST.

30.3 Payment of GST

If GST is payable on any supply made by a Party (or any entity through which that Party acts) (**Supplier**) under or in connection with this Agreement, the recipient will pay to the Supplier an amount equal to the GST payable on the supply.

30.4 Timing of GST payment

The recipient will pay the amount referred to in **clause 30.3** in addition to, and at the same time that, the consideration for the supply is to be provided under this Agreement.

30.5 Tax invoice

The Supplier must deliver a tax invoice or an adjustment note to the recipient before the Supplier is entitled to payment of an amount under **clause 30.3**. The recipient can withhold payment of the amount until the Supplier provides a tax invoice or an adjustment note, as appropriate.

30.6 Adjustment event

If an adjustment event arises in respect of a taxable supply made by a Supplier under this Agreement, the amount payable by the recipient under **clause 30.3** will be recalculated to reflect the adjustment event and a payment will be made by the recipient to the Supplier, or by the Supplier to the recipient, as the case requires.

30.7 Reimbursements

Where a Party is required under this Agreement to pay or reimburse an expense or outgoing of another Party, the amount to be paid or reimbursed by the first Party will be the sum of:

- (a) the amount of the expense or outgoing less any input tax credits in respect of the expense or outgoing to which the other Party is entitled; and
- (b) if the payment or reimbursement is subject to GST, an amount equal to that GST.

31 Confidentiality

31.1 Confidentiality

Subject to **clause 31.2**, the Recipient must:

- (a) keep confidential, and must not disclose to any Third Party, any Confidential Information disclosed to the Recipient by the Discloser; and
- (b) not use the Confidential Information for any purpose other than for the purposes of this Agreement.

31.2 Permitted disclosures

The Recipient may disclose Confidential Information disclosed to it by the Discloser to a Third Party where:

- (a) the Recipient has obtained the prior written approval of the Discloser to such disclosure. The Discloser must not unreasonably withhold such approval if the Recipient has procured a confidentiality undertaking in respect of the information from such Third Party in favour of both Parties on terms and conditions satisfactory to both Parties, acting reasonably; or
- (b) disclosure is:
 - (i) required or compelled by any order of a court of competent jurisdiction;
 - (ii) required or compelled by any Law;
 - (iii) required or compelled by notice validly issued by any Authority;
 - (iv) necessary for the conduct of any legal proceedings, including any dispute resolution process under this Agreement;

- (v) reasonably required for the performance of Train Control functions;
- (vi) required under any stock exchange listing requirement or rule;
- (vii) required by the Rail Safety Regulator or an Environmental Regulator;
- (viii) to an Operator provided that:
 - (A) the Disclosure is:
 - (1) required by the terms of this Agreement;
 - (2) reasonably necessary for the performance of obligations or the exercise of rights under this Agreement or the Operator's Train Operations Agreement; or
 - (3) reasonably necessary in connection with the safe operation of the Nominated Network; and
 - (B) the Discloser must ensure that the Operator keeps the Confidential Information confidential on terms no less onerous than this **clause 31**;
- (ix) to the Recipient's banker or other financial institution, to the extent required for the purpose of raising funds or maintaining compliance with credit arrangements, if such banker or financial institution has executed a legally enforceable confidentiality deed in favour of the Discloser;
- (x) to an expert for the purposes of a dispute resolution process, or an auditor for the purposes of an audit, under a "User Funding Arrangement" (as defined in the Access Undertaking), if such expert or auditor has executed a legally enforceable confidentiality deed in favour of the Discloser;
- (xi) to legal practitioners and accountants of the Recipient or a Related Body Corporate of it:
 - (A) whose duties in relation to the Recipient or the Related Body Corporate require the disclosure;
 - (B) who are under a duty of confidentiality to the Recipient; and
 - (C) who have been advised of the confidential nature of the Confidential Information; or
- (xii) otherwise permitted or required in accordance with this Agreement or the Access Undertaking.

31.3 Discloser may give certain directions

On expiry or termination of this Agreement, the Discloser may direct the Recipient to do any combination of the following in respect of some or all of the Confidential Information disclosed by the Discloser to the Recipient:

- (a) subject to the lawful requirements of the Recipient to retain copies of Confidential Information for business records and document control registers, to immediately deliver to the Discloser the Confidential Information specified by the Discloser;

- (b) to immediately destroy the Confidential Information specified by the Discloser; and
- (c) where the Recipient has disclosed the Confidential Information to any Third Party, to procure the compliance by that Third Party with the requirements of this **clause 31.3** as if that Third Party were the Recipient.

31.4 PPS Act

In addition to the obligations imposed under this **clause 31**, each Party agrees to not disclose any information of the kind described in section 275(1) of the PPS Act, including:

- (a) information about this Agreement including a copy of it;
- (b) information about the amount or the obligation secured by any Security Interest created by or under this Agreement and the terms of such payment or performance at any time; or
- (c) information about Relevant Collateral at any time.

31.5 Survival

Without limiting **clause 35.1**, this **clause 31** survives the destruction of Confidential Information and the delivery-up of Confidential Information in accordance with this Agreement.

31.6 Injunctive relief

The Recipient acknowledges and agrees that a breach of this **clause 31** would be harmful to the business interests of the Discloser and that, as a result, the Discloser may seek urgent injunctive relief, specific performance or a similar remedy to prevent the occurrence or continuance of any breach or suspected breach of this **clause 31** in addition to any other remedies available at law or in equity under or independently of this Agreement.

32 Intellectual property and permitted use of Confidential Information

- (a) Subject to **clause 32(b)**, all intellectual property rights in any material supplied or made available by one Party (**first Party**) to the other Party remains the intellectual property of the first Party and cannot be reproduced or used for any purpose other than the purpose for which it was supplied without the prior written approval of the first Party.
- (b) Notwithstanding **clauses 31** and **32(a)**, the End User grants to Aurizon Network an irrevocable, perpetual, non-exclusive, royalty-free license to use, modify and reproduce the Confidential Information for purposes in connection with:
 - (i) any capacity assessment being undertaken;
 - (ii) the investigation and planning of Maintenance Work;
 - (iii) the investigation and planning of Infrastructure Enhancements; and
 - (iv) Aurizon Network complying with its obligations under the Access Undertaking.

33 Relationship with Train Operations Agreement

33.1 Disputes

- (a) Prior to any referral of a matter to a loss adjuster, expert, arbitrator or the QCA (**Adjudicator**) in accordance with **clause 22.1 or 24**, either Party may notify the other Party that an Operator should be a party to that referral and, if such a notice is given, then the Party which has given the notice must:
 - (i) notify the relevant Operator of the matter to be referred to the Adjudicator; and
 - (ii) provide the relevant Operator with a copy of the provisions of this Agreement governing the referral of a matter to, the determination of a matter by, and the payment of the costs of, the Adjudicator (**Dispute Provisions**).
- (b) If an Operator is given a notice under **clause 33.1(a)**, then:
 - (i) where the Adjudicator is to be a loss adjuster, expert or arbitrator, the Parties are deemed not to have agreed the appointment of the loss adjuster, expert or arbitrator unless the Operator has also agreed to the appointment of that loss adjuster, expert or arbitrator;
 - (ii) the Parties must comply with the Dispute Provisions in respect of the Operator as though the Operator was a Party to this Agreement for the purposes of the matter referred to the Adjudicator; and
 - (iii) the Adjudicator, in addition to determining the matter between the Parties, must also determine any claim, dispute, question or liability involving the Operator and the relevant Train Operations Agreement arising in connection with any of the events or facts the subject of the matter referred to the Adjudicator (unless that claim, dispute, question or liability has already been agreed by Aurizon Network and the Operator or otherwise determined).
- (c) If the End User is notified of a matter to be referred to an Adjudicator in accordance with a Train Operations Agreement, then the End User:
 - (i) must comply with the provisions of that agreement governing the referral of a matter to, the determination of a matter by, and the payment of the costs of, an Adjudicator;
 - (ii) must provide the Adjudicator with a copy of this Agreement;
 - (iii) agrees that the Dispute Provisions do not apply to any claim, dispute, question or liability involving the End User and this Agreement in connection with the matter referred to the Adjudicator; and
 - (iv) agrees that, for the avoidance of doubt, the decision of that Adjudicator, in the absence of manifest error, shall be final and binding upon the End User.

33.2 Amendments due to changes to Train Operations Agreement

If:

- (a) modified or additional Rollingstock or Rollingstock Configurations are authorised under a Train Operations Agreement;
- (b) the Performance Levels specified in a Train Operations Agreement are varied;
- (c) an Interface Risk Management Plan or Environmental Management Plan is prepared, reviewed, amended or audited, in accordance with a Train Operations Agreement;
- (d) the Train Service Description under a Train Operations Agreement is varied;
- (e) [the Access Charges or Access Charge Rates under a Train Operations Agreement are varied]; or [*delete if all Access Charges are to be paid by the End User;*] or
- (f) a Train Operations Agreement is otherwise amended as a result of or in connection with any of the matters in paragraphs (a) to (e),

then:

- (g) the Parties must amend this Agreement (including, but not limited to, by Aurizon Network varying the Access Charge Rates or Train Service Description) as reasonably necessary to reflect the change or variation to the Train Operations Agreement and otherwise comply with this Agreement (including, for example, the End User varying its nomination of the Operator (if necessary)), provided that any such amendment ceases to apply to the extent the relevant Operator ceases to be nominated as the Operator of the relevant Train Services;
- (h) Aurizon Network must advise the End User of any variations to the Access Charge Rates payable by the End User as a result of that change or variation; and
- (i) where Aurizon Network and the End User cannot agree on the amendments to this Agreement, to the extent that those amendments:
 - (i) are not variations to the Access Charge Rates, the matter will be referred to an expert in accordance with **clause 24.3**; and
 - (ii) are variations to the Access Charge Rates (and any other amendments have been agreed by the Parties or otherwise determined), either Party may refer the matter to the QCA for determination in accordance with **clause 24.5**,

provided that any such amendment or variation will not result in any increase to the total capacity allocated to the End User under this Agreement.

33.3 Notice to End User

- (a) If any of the matters referred to in **clauses 33.2(a) to 33.2(f)** is proposed by Aurizon Network or the Operator and the proposal, if agreed, would require amendments to this Agreement or otherwise adversely affect the Access Rights or utilisation of the Access Rights, then Aurizon Network must provide:
 - (i) written notice to the End User of the proposal as soon as practicable; and

- (ii) the End User with a reasonable opportunity to participate in any negotiations or discussions between Aurizon Network and the Operator of such a proposal.
- (b) If the End User disputes the proposed amendments to this Agreement or the effect on the Access Rights or utilisation of the Access Rights (as applicable) arising from a matter referred to in **clauses 33.2(a) to 33.2(f)**, then the End User may refer the dispute to the QCA for determination in accordance with **clause 24.5**.

34 Notices

34.1 Form of Notice

Any notice, demand, invoice, certification, process or other communication authorised or required to be given by a Party to another under this Agreement (other than a Train Control Direction or a direction from the Incident Commander) (**Notice**) must be in writing and signed by an authorised officer of that Party and may, if agreed by Aurizon Network, be in electronic form.

34.2 Method of service

A Notice may be given by being:

- (a) personally delivered to a Party;
- (b) left at the Party's current address for service;
- (c) sent to the Party's current address for service by pre-paid ordinary mail;
- (d) sent by facsimile transmission to the Party's current facsimile number for service; or
- (e) if agreed by Aurizon Network, sent by email to the Party's current email address for service.

34.3 Deemed Notice

A Notice given in accordance with this **clause 33** is deemed to be given if:

- (a) personally delivered, upon delivery;
- (b) posted to an address in Australia, three Business Days after posting;
- (c) posted to an address outside Australia, 10 Business Days after posting;
- (d) sent by facsimile, on the next Business Day after being sent if following transmission the sender receives a transmission report indicating that the facsimile was sent to the addressee's facsimile number; or
- (e) sent by email, on the next Business Day after being sent (as recorded on the device from which the sender sent the email) unless the sender receives an automated message that the email has not been delivered.

34.4 Addresses for notices

- (a) Each Party's address for notices is as set out in **item 2 of schedule 1**.
- (b) A Party may from time to time change its particulars for service by giving notice of that change to the other Party.

35 General

35.1 Survival

This **clause 35** and **clauses 4, 5, 14, 17.3, 19, 21, 22, 24, 28, 30** and **31** survive the expiration or termination of this Agreement.

35.2 Amendment

- (a) Except as otherwise provided in this Agreement, any variation or amendment to this Agreement must be in writing signed by both Parties.
- (b) The End User must provide each Operator with a copy of any written agreement to variations or amendments to this Agreement.

35.3 Entire agreement

- (a) This Agreement, the Schedules and other documents referred to in the Schedules constitute the entire understanding and agreement between the Parties as to the subject matter of this Agreement.
- (b) All previous negotiations, understandings, representations, warranties, memoranda or commitments in relation to, or in any way affecting, the subject matter of this Agreement are merged in and superseded by this Agreement and are of no force or effect whatever, and no Party is liable to any other Party in respect of those matters.
- (c) The End User has not relied on any representations made by Aurizon Network relating to the subject matter of this Agreement or otherwise.
- (d) No oral explanation or information provided by any Party to another:
 - (i) affects the meaning or interpretation of this Agreement; or
 - (ii) constitutes any collateral agreement, warranty or understanding between any of the Parties.

35.4 Counterparts

This Agreement may consist of a number of counterparts and, if so, the counterparts taken together constitute one document.

35.5 Non-merger

Each representation, covenant and obligation under this Agreement continues in full force and effect until such representation, obligation or covenant is satisfied or completed.

35.6 Authority to enter into agreement

- (a) Each Party warrants to the other Party that, in respect of itself, it has full power to enter into and perform its obligations under this Agreement, and that this Agreement constitutes valid and binding obligations on it, enforceable in accordance with its terms.
- (b) If this Agreement is executed by an attorney, the attorney states, by such execution, that as at the time of such execution the attorney has received no notice of the revocation of the power of attorney pursuant to which the attorney has executed this Agreement.

35.7 Consents and approvals

Unless otherwise stated in this Agreement, if a Party has a right to accept, reject, decide, determine, consent or make any decision or exercise any

discretion or decide to give any notice under this Agreement, the Party may do so conditionally or unconditionally at its discretion.

35.8 Relationship

The relationship between the Parties is entirely contractual. Nothing in this Agreement creates, or is to be taken to create, any partnership, joint venture or relationship of employer and employee between the Parties or any of them.

35.9 Certificate

A certificate signed by any duly authorised officer of Aurizon Network as to a matter or as to a sum payable to Aurizon Network in connection with this Agreement is prima facie evidence of the matter stated in it or the sum payable.

35.10 Costs

Subject to any express provision in this Agreement to the contrary, each Party bears its own legal and other expenses relating directly or indirectly to the preparation of, and performance of its obligations under, this Agreement.

35.11 Duty

- (a) The End User is, as between the Parties, liable for and must duly pay all stamp duty (including any fine or penalty) on or relating to this Agreement and any document executed under or in connection with it.
- (b) If Aurizon Network pays any stamp duty (including any fine or penalty) on or relating to this Agreement, or any document executed under or in connection with it, the End User must reimburse Aurizon Network the amount paid upon demand.

35.12 Waiver and exercise of rights

- (a) A single or partial exercise or waiver of a right relating to this Agreement does not prevent any other exercise of that right or the exercise of any other right.
- (b) No failure or delay by either Party to exercise any right or remedy under this Agreement may be construed or operate as a waiver or be evidence of delay, laches or acquiescence in equity or at law in respect of such right or remedy.
- (c) A waiver or consent by any Party of any default or breach of any term of this Agreement does not constitute a waiver of later defaults or breaches of the same or any other term.
- (d) A Party's election not to exercise any rights under this Agreement does not prejudice any other rights which that Party may have against the other Party arising out of any failure by the other Party to comply with this Agreement.

35.13 Computation of time

Where time is to be reckoned by reference to a day or event, that day or the day of the event will be excluded.

35.14 Severance of invalid or illegal terms

- (a) If any term of this Agreement, or its application to any Party, person or circumstance, is or becomes invalid, void, voidable or otherwise unenforceable for any reason whatever, then:

- (i) that term, or its application to such Party, person or circumstance, is severed from this Agreement;
 - (ii) the remainder of this Agreement, excluding the severed part, remains in force, and any term which includes the severed part applies to such Party, person or circumstance without reliance on the part severed; and
 - (iii) to the extent permissible by Law, the Parties must agree to replace the severed term, effective from the date of severance, with a valid and enforceable term which so far as possible achieves the same purpose, object or effect as the invalid, void, voidable or otherwise unenforceable term was intended to achieve and does not cause any substantial reduction in the benefits of either Party or material re-allocation of risks between the Parties.
- (b) The Parties must act reasonably and in good faith in seeking an agreement under this **clause 35.14** as to a replacement term.
- (c) If the Parties cannot agree upon a replacement term, this Agreement is continued in accordance with **clauses 35.14(a)(i)** and **35.14(a)(ii)**.

35.15 Rights cumulative

Subject to any express provision in this Agreement to the contrary, the rights of any Party under this Agreement are cumulative and are in addition to any other rights of that Party.

35.16 Approvals and consents

Subject to any express provision in this Agreement to the contrary, a Party may conditionally or unconditionally give or withhold any consent to be given under this Agreement.

35.17 Third Party Land

The End User acknowledges that:

- (a) the land specified in **item 4 of schedule 3 (Third Party Land)** is not owned or controlled by Aurizon Network; and
- (b) entry onto that Third Party Land is not included within the definition of Access,

and agrees that in respect of that Third Party Land:

- (c) the End User will comply with the requirements of the person that owns or controls that Third Party Land (**Landowner**) in relation to that Third Party Land as notified to the End User by Aurizon Network from time to time;
- (d) if, after the Commencement Date, there is a change in the costs incurred by Aurizon Network due to the requirements of the Landowner in respect of that Third Party Land, then that change is deemed to be a Material Change; and
- (e) if Aurizon Network's rights in respect of that Third Party Land are terminated for any reason other than the default of Aurizon Network of any agreement that affects Aurizon Network's use of that Third Party Land or other than by agreement with the Landowner, then Aurizon Network may, by notice to the End User, suspend and/or terminate the Access Rights

insofar as they relate to that part of the Nominated Network which is situated on that Third Party Land.

35.18 Implementation of agreement

Each Party must promptly execute all documents and do all such acts and things as are necessary or desirable to implement and give full effect to the provisions of this Agreement.

35.19 Governing law and jurisdiction

- (a) This Agreement is governed by, and is to be construed in accordance with, the law in force in Queensland.
- (b) Each Party irrevocably and unconditionally submits to the non-exclusive jurisdiction of the courts exercising jurisdiction in Queensland, and any courts which have jurisdiction to hear appeals from any of those courts, and waives any right to object to any proceedings being brought in those courts.

35.20 PPS Act

- (a) If a Party (**first party**) reasonably determines that this Agreement contains a "Security Interest" for the purposes of the PPS Act (**Security Interest**), the other Party (**second party**) agrees to do anything (such as obtaining consents, signing and producing documents, getting documents completed and signed and supplying information) which the first party (after consultation with the second party) reasonably asks and considers necessary for the purposes of:
 - (i) ensuring that the Security Interest is enforceable, perfected and otherwise effective;
 - (ii) enabling the first party to apply for any registration, or give any notification, in connection with the Security Interest so that the Security Interest has the priority required by the first party; or
 - (iii) enabling the first party to exercise rights in connection with the Security Interest.
- (b) A Party is not required to give any notice under the PPS Act to the other Party or any other person and each Party waives the right to receive any such notice (including a notice of Verification Statement) unless the notice is required by the PPS Act and that obligation cannot be excluded.
- (c) To the extent that this Agreement gives rise to a Security Interest, the Parties agree that for the purposes of section 115 of the PPS Act, the following sections of the PPS Act will not apply to any Relevant Collateral:
 - (i) section 95 (notice by Secured Party of removal of Accession);
 - (ii) section 121(4) (notice by Secured Party of enforcement of Security Interest in liquid assets);
 - (iii) section 125 (obligation of Secured Party to dispose of or retain Collateral after seizure);
 - (iv) section 130, to the extent that it requires a party to give any notice to the other party (notice by Secured Party of disposal of Collateral);
 - (v) section 132(3)(d) (obligation of Secured Party to show amounts

- paid to other Secured Parties in statement of account);
- (vi) section 132(4) (statement of account by Secured Party if it does not dispose of Collateral within prescribed period);
- (vii) section 135 (notice by Secured Party of retention of Collateral);
- (viii) section 142 (redemption of Collateral); and
- (ix) section 143 (reinstatement of Security Agreement).

36 Most favoured nation status

36.1 Notice of contravention of price differentiation limitations

If the End User believes on reasonable grounds that:

- (a) Aurizon Network has entered into an Access Agreement with another Access Holder for a Network Train Service that transports the same specified commodity in the same specified geographic area as a Train Service operated using the Access Rights granted under this Agreement (**Like Train Service**); and
- (b) the charge for Access applicable to the Like Train Service has been developed in contravention of the limits on price differentiation set out in the Access Undertaking (including the value of the access charge, take or pay terms and terms of payment),

then the End User may provide written notification to Aurizon Network which must include the reasons why the End User considers this to be the case.

36.2 Aurizon Network's response

Within 20 Business Days after receipt of such notification, Aurizon Network must advise the End User:

- (a) whether or not Aurizon Network agrees that the Access Agreement with the other Access Holder is for a Like Train Service and, if not, the reasons why Aurizon Network considers this to be the case;
- (b) if Aurizon Network agrees that the Access Agreement with the other Access Holder is for a Like Train Service, whether or not Aurizon Network agrees that the access charge applicable to the Like Train Service has been developed in contravention of the limits on price differentiation set out in the Access Undertaking and, if not, the reasons why Aurizon Network considers that the access charge applicable to the Like Train Service has not been developed in contravention of the limits on price differentiation; and
- (c) if Aurizon Network agrees that the access charge applicable to the Like Train Service has been developed in contravention of the limits on price differentiation, then within 40 Business Days after the advice provided under this **clause 36.2**, Aurizon Network must advise the End User:
 - (i) whether or not Aurizon Network has been able to vary the access charge applicable to the Like Train Service such that it no longer contravenes the limits on price differentiation set out in the Access Undertaking; or
 - (ii) if Aurizon Network has not been able to vary the access charge

applicable to the Like Train Service, that Aurizon Network agrees to the reduction of the Access Charges payable by the End User, including the amount of the proposed reduced Access Charges.

36.3 Disputes

If the End User does not agree with Aurizon Network's response to the End User's notification under **clause 36.1**, the dispute must be referred to an Expert for resolution in accordance with **clause 24.3**.

36.4 Interaction with other Access Holders

If:

- (a) another Access Holder provides Aurizon Network with notification that it believes that some or all of the End User's Train Services are a "Like Train Service" as defined in the other Access Holder's Access Agreement to a Network Train Service operated by the other Access Holder, and that the Access Charge has been developed in contravention of the limits on price differentiation set out in the Access Undertaking; and
- (b) Aurizon Network agrees that this Agreement is for a Like Train Service and that any Access Charge under this Agreement has been developed in contravention of the limits on price differentiation set out in the Access Undertaking,

then Aurizon Network has the right by notice to the End User to vary the Access Charge such that it no longer contravenes the limits on price differentiation set out in the Access Undertaking.

37 [JV Participants and liability

[Drafting note: Optional clause to be included if the End User is a Joint Venture.]

37.1 Applicability

This **clause 37** only applies if **item 5 of schedule 1** states that it applies.

37.2 Warranty

The End User warrants that it enters into this Agreement as agent for the JV Participants in their respective percentage interests in the Joint Venture from time to time.

37.3 JV Participants and percentage interests

- (a) The percentage interest of the JV Participants in the Joint Venture will be as notified in writing by the End User to Aurizon Network from time to time.
- (b) As at the date of this Agreement, the respective percentage interests of the JV Participants in the Joint Venture are as specified in **item 7 of schedule 1**.

37.4 Liability of JV Participants

- (a) The liability of each JV Participant under this Agreement will, subject to **clause 37.4(c)**, be several in respect of Financial Obligations in proportion to their respective percentage interests.

- (b) Each JV Participant will be jointly and severally liable in respect of the performance of any obligations under this Agreement that are not Financial Obligations.
- (c) If a JV Participant is in default of a Financial Obligation, and the End User has not given notice to Aurizon Network identifying the defaulting JV Participant within five Business Days after the date of Aurizon Network giving a notice to the End User identifying the default, all JV Participants will be jointly and severally liable for the performance of the Financial Obligation.
- (d) Any notice given by the End User under **clause 37.4(c)** is conclusive evidence that the JV Participant specified in the notice is the JV Participant that is in default and the notice binds all JV Participants.

37.5 Termination and Suspension

For the avoidance of doubt, where a Suspension Event or Termination Event is attributable to or relates to an act or omission of one or more (but not all) of the JV Participants, Aurizon Network will be entitled to suspend or terminate (as applicable) this Agreement under **clauses 26 and 28** (as applicable) despite the Suspension Event or Termination Event (as applicable) not being attributable to or relating to an act or omission of all of the JV Participants.]

Execution

Executed as an agreement

Executed by Aurizon Network Pty Ltd)
ACN 132 181 116:)
)

.....
Company Secretary/Director

.....
Director

.....
Name of Company Secretary/Director
(print)

.....
Name of Director (print)

Date

Executed by [the End User] ACN)
[insert]:)
)

.....
Company Secretary/Director

.....
Director

.....
Name of Company Secretary/Director
(print)

.....
Name of Director (print)

Date

Schedule 1

Reference schedule

Item	Description	Details
End User details		
1	End User	Name: [insert] ABN: [insert]
Particulars for Notices		
2	Address for Notices	Aurizon Network Address: [insert] Facsimile: [insert] Email: [insert] Attention: [insert] End User Address: [insert] Facsimile: [insert] Email: [insert] Attention: [insert]
Security details		
3	Does clause 5.1 apply?	[yes/no]
4	Security Amount	The Security Amount (if applicable), at a time, will be an amount equivalent to the maximum amount of aggregate TOP Charges (ATPY) for all Train Service Types under this Agreement that could potentially be payable during the applicable Year assuming: (a) all of the Train Services were not operated for the End User during that Year; and (b) the reason that the Train Services are not operated is not as a result of Aurizon Network Cause.
[Joint Venture]		
5	Does clause 37 apply?	[yes/no]
6	Name of Joint Venture	[insert name of Joint Venture or "Not Applicable" if no Joint Venture]
7	JV Participants and percentage interests	Name of JV Participant Percentage Interest [insert name]: [insert interest]%

Item	Description	Details
		[insert name]: [insert interest]%
		[insert name]: [insert interest]%

Schedule 2

Train Service Descriptions

Part A – Matters applicable to specific Train Service Types

1 Train Service Type #1

1.1 Key characteristics of Train Service Type

Details of dates	
Train Service Compliance Date	[insert]
Train Service Commitment Date	[insert]
Train Service Expiry Date	[insert]
General details	
Commodity	Coal
Coal System	[insert]
Reference Train Service	[yes /no]
Details of route and facilities	
Origin	[insert]
Destination	[insert]
Loaded distance from Origin to Destination (km)	[insert]
Empty distance from Destination to Origin (km)	[insert]
Loading Facility	[insert]
Unloading Facility	[insert]
Depot	[insert]
Though-Running Train Service Type	[yes /no]
Details of maximum dwell times	
Maximum Time at Loading Facility (hours)	[insert]
Maximum Time at Unloading Facility (hours)	[insert]
Maximum Time at Depot (hours)	[insert]
Maximum Other Dwell Times (hours)	[insert]

Maximum Sectional Running Times	
Maximum Sectional Running Times	The Maximum Sectional Running Time for a Section for the Train Service Type are set out in appendix A to this schedule 2 .
Nominated Monthly Train Services	
Nominated Monthly Train Services	The Nominated Monthly Train Services for the Train Service Type is set out in appendix B to this schedule 2 .
Maximum Payload	
Maximum Payload	The Maximum Payload for the Train Service Type is set out in appendix B to this schedule 2 .
Reference Tariff Type	
Reference Tariff Type	[insert name of applicable type of Reference Tariff]
Conditional Access Rights	
Does clause 7 apply?	[yes/no] [If yes, insert description of Expansion]
Operator(s)	
Name:	[insert]
Address:	[insert]
Facsimile:	[insert]
Email:	[insert]
Attention:	[insert]

1.2 Special operating restrictions

Without limiting the special operating restrictions which are specified in **item 1.2** of **Part B** of **schedule 2** as being applicable to all Train Service Types, in scheduling Train Services for the Train Service Type in accordance with the Network Management Principles, Aurizon Network will comply with the following special operating restrictions (if any):

Item	Special operating restriction
1	[insert]
2	[insert]

1.3 Cycle description

Subject to:

- (a) any Train Control Direction given to the Operator in respect of a Train

Service;

- (b) any exceptions which are specified in **part B** of this **schedule 2** as being applicable to all Train Service Types; and
- (c) any exceptions specified in the table below,

the Operator must operate Train Services for the Train Services Type over the most direct route on the Nominated Network between the Origin and Destination and Origin (as applicable).

Item	Exceptions
1	[insert]
2	[insert]

Where there is duplicated Track or multiple roads (eg yards), Aurizon Network will have the ability to schedule the Train Service over any of the Tracks or roads.

1.4 Permitted Train Movements on the Nominated Network

Item	Permitted Movements
1	[Insert any permitted Train Movements by the Operator on the Nominated Network other than direct corridor travel of the Train Service in accordance with the specified Sectional Running Times and Dwell Times.]
2	[insert]

Part B – Matters applicable to all Train Service Types

1 Matters applicable to all Train Service Types

1.1 Overview

The matters set out in this **part B** of **schedule 2** are applicable to all Train Service Types and form part of the Train Service Description for all Train Service Types.

1.2 Special operating restrictions

Without limiting the special operating restrictions for a Train Service Type which are specified in **item 1.2** of **Part A** of **schedule 2** (if any), in scheduling Train Services in accordance with the Network Management Principles, Aurizon Network will comply with the following special operating restrictions:

Item	Special operating restriction
1	[insert]
2	[insert]

1.3 Cycle description

Subject to the exceptions set out in the table below, Train Services Cycle description is the most direct route over the Nominated Network between the Origin and Destination and Destination and Origin (as applicable).

Item	Exceptions
1	[insert]
2	[insert]

1.4 Stowage

Item	Stowage requirements
1	[Insert short term Stowage requirements additional to that provided in the relevant Reference Tariff Provisions.]
2	[insert]

Appendix A to Schedule 2

Sectional Running Times

1 Train Services that are Reference Train Services

[Drafting note: This item will set out the Maximum Sectional Running Times for Train Services that a Reference Train Services.]

Maximum Section Running Times: Reference Train Services

Location From	Location To	Empty (mins)	Loaded (mins)

Standard Section Running Times: Reference Train Services

		Empty (mins)			Loaded (mins)		
Location From	Location To	Pass to Stop	Start to Pass	Start to Stop	Pass to Stop	Start to Pass	Start to Stop

2 Train Services that are not Reference Train Services

[Drafting note: If a Train Service for a Train Service Type is a not a Reference Train Service, the Maximum Sectional Running Times for Train Services for that Train Service Type for each Section will be specifically set out in this item.]

Maximum Section Running Times: Non- Reference Train Services

Location From	Location To	Empty (mins)	Loaded (mins)

Standard Section Running Times: Non-Reference Train Services

		Empty (mins)			Loaded (mins)		
Location From	Location To	Pass to Stop	Start to Pass	Start to Stop	Pass to Stop	Start to Pass	Start to Stop

Appendix B to Schedule 2

Nominated Monthly Train Services

1 Train Service Type #1

Nominated Monthly Train Services (for a 30 day Month)	[insert]
Maximum Payload	[insert] tonnes
Nominal Payload	[insert] tonnes
Indicative Tonnage (for a 30 day Month)	[insert] tonnes

Note for information purposes only: The Nominated Monthly Train Services (for a 30 day Month) for a Train Service Type is the number of Train Services calculated in accordance with the following formula:

$$\text{NMTS} = 2 \times \text{Loaded Train Services}$$

where:

NMTS = the Nominated Monthly Train Services (for a 30 day Month) for the Train Service Type

Loaded Train Services = IT/AAP (rounded to the nearest whole Train Service on the basis that where the first decimal place is greater than three, the number of Train Services is to be rounded up to the nearest number of whole Train Services and, where the first decimal place is three or less, the number of Train Services is to be rounded down to the nearest number of whole Train Services)

IT = the Indicative Tonnage (for a 30 day Month) for the Train Service Type

AAP = the Nominal Payload for the Train Service Type as specified in the relevant Notice of Intention to Increase Nominal Payload

Appendix C to Schedule 2

Conditional Access Rights

1 Train Service Type #1

Details of Expansion	
Details of Expansion	[insert]
Details of Segments	
Details of Segment #1	Description: [insert] Initial Available Capacity: [insert]
Details of Segment #2	Description: [insert] Initial Available Capacity: [insert]
Details of Segment # [#]	Description: [insert] Initial Available Capacity: [insert]

Schedule 3

Nominated Network

1 Nominated Network

The Nominated Network is that part of the Infrastructure described by reference to the diagrams and/or tables set out below, but does not include any freight terminals, railway stations, passenger facilities, workshops or maintenance depots (including provisioning facilities).

[Insert line diagram(s) depicting the Nominated Network]

2 Parts of Nominated Network subject to clause 25.4

For the purpose of **clause 25.4**, the specified parts of the Nominated Network are those parts of the Nominated Network described by reference the diagrams and/or tables set out below:

[Insert line diagram(s) depicting the Nominated Network]

[Drafting note: Aurizon Network may specify parts of the Nominated Network for the purpose of **clause 25.4** which are life expired, obsolete and/or only used by a single user.]

3 Train Control centres and signal cabins

The movement of an Operator's Trains while on the Nominated Network will be controlled by the Train Control centres and signal cabins at locations to be notified by Aurizon Network from time to time.

4 Third Party Land

[Insert diagram(s)/table(s) (if applicable)]

5 Weighbridges and Overload Detectors

5.1 Weighbridges

Location	Party responsible for Weighbridge	Tolerance
[insert]	[insert]	[The tolerances required to achieve verification under the <i>National Measurement Act 1960</i> (Cth)]

5.2 Overload Detectors

Location	Party responsible for	Tolerance
----------	-----------------------	-----------

	Overload Detector	
[insert]	[insert]	+/- [insert] %

Schedule 4

Access Charges

1 Definitions

1.1 Definitions

In this **schedule 4**:

Access Charge Rates for a Train Service Type means the rates specified in **item 2** of this **schedule 4** for the Train Service Type.

Access Charges:

- (a) for a Billing Period means the amount calculated in accordance with **item 3.1** of this **schedule 4** for the Billing Period; and
- (b) for a Train Service Type for a Billing Period means the amount calculated in accordance with **item 3.2** of this **schedule 4** for the Train Service Type and Billing Period.

Access Holder Access Agreement has the meaning given in the Access Undertaking.

Adjustment Charge for a Billing Period means the amount calculated in accordance with **item 3.10** of this **schedule 4** for the Billing Period.

Advice Date in respect of a Change in Reference Tariff Provisions means the date on which the QCA's decision making or approving the Change in Reference Tariff Provisions is first published by the QCA.

Allocated Tariff 1 Charge for a Train Service Type for a Billing Period means the amount calculated in accordance with **item 3.5** of this **schedule 4** for the Train Service Type and Billing Period.

Allocated Tariff 2 Charge for a Train Service Type for a Billing Period means the amount calculated in accordance with **item 3.6** of this **schedule 4** for the Train Service Type and Billing Period.

Change in Reference Tariff Provisions means any change (including variation, repeal or replacement) of:

- (a) the Reference Tariff Provisions; or
- (b) the Reference Tariffs (including the creation of a new Reference Tariff), made or approved by the QCA from time to time.

Corresponding Train Service for a Train Service Type means a Network Train Service which:

- (a) has an origin and destination which is the same as the Origin and Destination for the Train Service Type;
- (b) has the same End User for the Train Service Type; and

- (c) is subject to the same type of Reference Tariff as the Reference Tariff Type for that Train Service Type, and operated under an Access Agreement.

[Electric Energy Charge for a Train Service Type for a Billing Period means the amount calculated in accordance with **item 3.8** of this **schedule 4** for the Train Service Type and Billing Period.] **[Note: The definition of “Electric Energy Charge” may be deleted if the End User is only paying TOP Charges.]**

[Electric Tariff Charge for a Train Service Type for a Billing Period means the amount calculated in accordance with **item 3.7** of this **schedule 4** for the Train Service Type and Billing Period.] **[Note: The definition of “Electric Tariff Charge” may be deleted if the End User is only paying TOP Charges.]**

End User means in respect of Network Train Services operated in relation to an origin to destination, the person who is either the “Customer” (as defined under the Access Undertaking) for those Network Train Services or the Access Holder for those Network Train Services (but who has no “Customer” (as defined under the Access Undertaking)) under an Access Agreement.

Escalation Date means each 1 July.

Gross Tonnes for a Train Service (whether loaded or empty) operated for a Train Service Type means the amount which is the sum of:

- (a) for each locomotive comprised in the Train Service, the Maximum Gross Mass for that locomotive;
- (b) for each loaded or partly loaded Wagon comprised in the Train Service:
 - (i) if there is a functioning Weighbridge located en route between the Origin and Destination for the Train Service Type, the mass of the Wagon as determined at such Weighbridge (provided that if there is more than one functioning Weighbridge located en route between the Origin and Destination for the Train Service Type, the mass will be determined by the Weighbridge that is located closest to the Origin for the Train Service Type); and
 - (ii) if there is no functioning Weighbridge located en route between the Origin and Destination for the Train Service Type, the amount (expressed in tonnes rounded to two decimal places) calculated in accordance with the following formula for each loaded or partly loaded Wagon comprising the Train Service:

$$(MGM - TW) \times LEF + TW$$

where:

MGM = the Maximum Gross Mass for the Wagon
 TW = the Tare Weight for the Wagon
 LEF = the Loading Efficiency Factor for the Train Service

- (c) for each empty Wagon comprised in the Train Service, the Tare Weight for the Wagon; and
- (d) for all other Rollingstock comprised in the Train Service, the Maximum Gross Mass for the Rollingstock.

[Gtk for an operated Train Service (whether loaded or empty) for a Train Service Type means the amount which is the Gross Tonnes for the Train Service for the Train Service Type multiplied by:

- (a) if the Train Service was operated from the Origin to Destination for the Train Service Type, the number of kilometres of the loaded distance from Origin to Destination for the Train Service Type as specified in the Train Service Description for that Train Service Type; or
- (b) if the Train Service was operated from the Destination to Origin for the Train Service Type, the number of kilometres of the empty distance from the Destination to Origin for the Train Service Type as specified in the Train Service Description for that Train Service Type.] **[Note: The definition of “Gtk” may be deleted if the End User is only paying TOP Charges.]**

Gtk Forecast has the meaning given in the Access Undertaking.

Incremental Capacity Charge for a Train Service Type for a Billing Period means the amount calculated in accordance with **item 3.4** of this **schedule 4** for the Train Service Type and Billing Period.

[Incremental Maintenance Charge for a Train Service Type for a Billing Period is the amount calculated in accordance with **item 3.3** of this **schedule 4** for the Train Service Type and Billing Period.] **[Note: This definition of “Incremental Maintenance Charge” may be deleted if the End User is only paying TOP Charges.]**

Load Variation Table means a table published by Aurizon Network with respect to the relevant Reference Train Service or Train Service Type identifying allowable overloads for Wagons and bogies and specifying relevant Operational Constraints and additional charges, where applicable, for such overloads.

Loading Efficiency Factor for a loaded Train Service means:

- (a) if a loading efficiency factor is not specified in Aurizon Network’s Access Undertaking, 98%; or
- (b) if a loading efficiency factor (however described) is specified in Aurizon Network’s Access Undertaking, the loading efficiency factor specified in Aurizon Network’s Access Undertaking (expressed as a percentage).

Net Tonnes for a Train Service (whether loaded or empty) operated for a Train Service Type means:

- (a) the Gross Tonnes for the Train Service; less
- (b) the sum of:
 - (i) for each locomotive comprised in the Train Service, the Maximum Gross Mass for the locomotive;
 - (ii) for each Wagon (whether loaded or empty) comprised in the Train Service, the Tare Weight for the Wagon; and
 - (iii) for all other Rollingstock (whether loaded or empty) comprised in the Train Service, the Tare Weight for the Rollingstock.

Nominal Train Payload has the meaning given in the Access Undertaking.

Ntk for a Train Service (whether loaded or empty) operated for a Train Service

Type means the amount which is the Net Tonnes for the Train Service multiplied by:

- (a) if the Train Service was operated from the Origin to Destination for the Train Service Type, the number of kilometres of the loaded distance from Origin to Destination for the Train Service Type as specified in the Train Service Description for that Train Service Type; or
- (b) if the Train Service was operated from the Destination to Origin for the Train Service Type, the number of kilometres of the empty distance from the Destination to Origin for the Train Service Type as specified in the Train Service Description for that Train Service Type.

Operator Access Agreement has the meaning given in the Access Undertaking.

*[QCA Levy Charge for a Train Service Type for a Billing Period means the amount calculated in accordance with **item 3.9** of this **schedule 4** for the Train Service Type and Billing Period.] [Note: The definition of "QCA Levy Charge" may be deleted if the End User is only paying TOP Charges.]*

Reference Train Path or **RTP** has the meaning given to the term "rtp" in the Access Undertaking.

Review Date in respect of a Change in Reference Tariff Provisions means the first day of the Month during which the Change in Reference Tariff Provisions takes effect.

Schedule 4 Variation Notice has the meaning given in **item 5.2(a)** of this **schedule 4**.

Tariff Gtk in respect of a Train Service Type means the aggregate of the "gtk" (as defined in the Access Undertaking) for all coal carrying Network Train Services that are subject to the same type of Reference Tariff as the Reference Tariff Type for that Train Service Type.

TOP Charge:

- (a) for a Year means the amount which is the sum of the "TOP Charge" (as defined in **paragraph (b)** of this definition) for each Train Service Type for the Year; and
- (b) for a Train Service Type for a Year means the amount calculated in accordance with **item 4** of this **schedule 4** for the Train Service Type and Year.

Train Operations Agreement has the meaning given in the Access Undertaking.

1.2 Access Charge Rates definitions

In this **schedule 4**, a reference to any Access Charge Rate for a Train Service Type means the Access Charge Rate as varied or escalated from time to time in accordance with this Agreement.

1.3 Final Year of Agreement

In this **schedule 4**, the final **Year** of this Agreement will be the 12 month period commencing on the 1 July occurring before the date of the expiration or termination of this Agreement and ending on the 30 June occurring after the

date of the expiration or termination of this Agreement.

2 Access Charge Rates

[Where the End User is only paying TOP Charges, delete rows for AT1, AT5, EC and QL]

Description of Access Charge Rate	Definition	Access Charge Rate (ex GST)	
		\$	Unit
Train Service Type # [insert]			
Incremental Maintenance Tariff	AT ₁	[insert]	\$ / '000 Gtk
Incremental Capacity Tariff	AT ₂	[insert]	\$ / RTP
Allocated Tariff 1	AT ₃	[insert]	\$ / '000 Ntk
Allocated Tariff 2	AT ₄	[insert]	\$ / Net Tonne
Electric Tariff	AT ₅	[insert]	\$ / '000 Gtk
Electric Energy Charge	EC	[insert]	\$ / '000 Gtk
QCA Levy	QL	[insert]	\$ / Net Tonne
Train Service Type # [insert]			
Incremental Maintenance Tariff	AT ₁	[insert]	\$ / '000 Gtk
Incremental Capacity Tariff	AT ₂	[insert]	\$ / RTP
Allocated Tariff 1	AT ₃	[insert]	\$ / '000 Ntk
Allocated Tariff 2	AT ₄	[insert]	\$ / Net Tonne
Electric Tariff	AT ₅	[insert]	\$ / '000 Gtk
Electric Energy Charge	EC	[insert]	\$ / '000 Gtk
QCA Levy	QL	[insert]	\$ / Net Tonne

[Drafting note: If a Train Service Type has a cross system component to it, this table will be populated in accordance with the cross system pricing rules in Schedule F of the Access Undertaking, and in particular for clarity note that the access charge is based on a cross system reference tariff. Where there is an 'Expansion Tariff' (as defined in the Access Undertaking), this table will be populated in accordance with Schedule F of the Access Undertaking for the correct expansion tariff.]

3 Calculation of Access Charges

3.1 Calculation of Access Charges for Billing Period

The Access Charges for a Billing Period is the sum of each of the following for Billing Period:

- (a) the Access Charge for each Train Service Type for the Billing Period (as calculated in accordance with **item 3.2** of this **schedule 4** for each Train Service Type for the Billing Period); and

(b) the Adjustment Charge (if any) applicable to the Billing Period.

3.2 Calculation of Access Charges for Train Service Type and Billing Period

[Where the End User is only paying TOP Charges, delete (a), (e), (f), (g) and (i)]

The Access Charges for a Train Service Type for a Billing Period is the sum of each of the following for the Train Service Type and Billing Period:

- (a) the Incremental Maintenance Charge;
- (b) the Incremental Capacity Charge;
- (c) the Allocated Tariff 1 Charge;
- (d) the Allocated Tariff 2 Charge;
- (e) the Electric Tariff Charge;
- (f) the Electric Energy Charge;
- (g) the QCA Levy Charge; and
- (h) if the Billing Period is a Billing Period ending on 30 June, the TOP Charge for the Train Service Type for the Year in which that 30 June occurs.

3.3 Calculation of Incremental Maintenance Charge

[This item 3.3 (Calculation of Incremental Maintenance Charge) may be deleted if the End User is only paying TOP Charges.]

The Incremental Maintenance Charge for a Train Service Type for a Billing Period is the amount (expressed in dollars) calculated in accordance with the following formula:

$$IMC = (AT_1 \times GTK) / 1000$$

where:

- IMC = the Incremental Maintenance Charge for the relevant Train Service Type and Billing Period
- AT₁ = AT₁ for the relevant Train Service Type
- GTK = the amount which is the sum of the G_{tk} for all Train Services for the relevant Train Service Type operated during the relevant Billing Period

3.4 Calculation of Incremental Capacity Charge

The Incremental Capacity Charge for a Train Service Type for a Billing Period is the amount (expressed in dollars) calculated in accordance with the following formula:

$$ICC = AT_2 \times RTP$$

where:

- ICC = the Incremental Capacity Charge for the relevant Train Service Type and Billing Period
- AT₂ = AT₂ for the relevant Train Service Type
- RTP = the sum of number of Reference Train Paths used by an individual Train Service for that Train Service Type operated

during the relevant Billing Period

3.5 Calculation of Allocated Tariff 1 Charge

The Allocated Tariff 1 Charge for a Train Service Type for a Billing Period is the amount (expressed in dollars) calculated in accordance with the following formula:

$$ALT1 = (AT_3 \times NTK) / 1000$$

where:

- ALT1 = the Allocated Tariff 1 Charge for the relevant Train Service Type and Billing Period
- AT₃ = AT₃ for the relevant Train Service Type
- NTK = the amount which is the sum of the Ntk for all Train Services (loaded and empty) for the relevant Train Service Type operated during the relevant Billing Period

3.6 Calculation of Allocated Tariff 2 Charge

The Allocated Tariff 2 Charge for a Train Service Type for a Billing Period is the amount (expressed in dollars) calculated in accordance with the following formula:

$$ALT2 = AT_4 \times NT$$

where:

- ALT2 = the Allocated Tariff 2 Charge for the relevant Train Service Type and Billing Period
- AT₄ = AT₄ for the relevant Train Service Type
- NT = the amount which is the sum of the Net Tonnes for all Train Services (loaded and empty) for the relevant Train Service Type operated during the relevant Billing Period

3.7 Calculation of Electric Tariff Charge

[This item 3.7 (Calculation of Electric Tariff Charge) may be deleted if the End User is only paying TOP Charges.]

The Electric Tariff Charge for a Train Service Type for a Billing Period is the amount (expressed in dollars) calculated in accordance with the following formula:

$$ET = (AT_5 \times eGTK) / 1000$$

where:

- ET = the Electric Tariff Charge for the relevant Train Service Type and Billing Period
- AT₅ = AT₅ for the relevant Train Service Type
- eGTK = the amount which is the sum of the Gtk for all electric locomotive hauled Train Services (loaded and empty) for the relevant Train Service Type operated during the

relevant Billing Period

3.8 Calculation of the Electric Energy Charge

[This item 3.8 (Calculation of the Electric Energy Charge) may be deleted if the End User is only paying TOP Charges.]

The Electric Energy Charge for a Train Service Type for a Billing Period is the amount (expressed in dollars) calculated in accordance with the following formula:]

$$EEC = (EC \times eGTK) / 1000$$

where:

- EEC = the Electric Energy Charge for the relevant Train Service Type and Billing Period
- EC = EC for the relevant Train Service Type
- eGTK = the amount which is the sum of the GtK for all electric locomotive hauled Train Services (loaded and empty) for the relevant Train Service Type operated during the relevant Billing Period

3.9 Calculation of QCA Levy Charge

[This item 3.9 (Calculation of QCA Levy Charge) may be deleted if the End User is only paying Take or Pay charges]

The QCA Levy Charge for a Train Service Type for a Billing Period is the amount (expressed in dollars) calculated in accordance with the following formula:

$$QLC = QL \times NT$$

where:

- QLC = the QCA Levy Charge for the relevant Train Service Type and Billing Period
- QL = QL for the relevant Train Service Type
- NT = the amount which is the sum of the Net Tonnes for all Train Services (loaded and empty) for the relevant Train Service Type operated during the Billing Period

3.10 Calculation of Adjustment Charge

Adjustment Charges (if any) for a Billing Period will be calculated and approved in accordance with the Access Undertaking.

4 Calculation of TOP Charge

4.1 Variables used in formulas in this item 4

If a variable (for example, "ATPY" and "NTSY") used in a formula in this **item 4** of **schedule 4** is defined for that formula, unless provided otherwise, that variable has the same meaning in each other formula in which it is used in this

item 4 of schedule 4.

4.2 System test

- (a) This **item 4.2** of **schedule 4** only applies to a Train Service Type which has a Reference Tariff Type which is a 'System Reference Tariff' (as defined in the Access Undertaking).
- (b) Subject to **item 4.2(a)** of this **schedule 4**, the TOP Charge for a Train Service Type for a Year will be zero if:

$$TGtkY > (FGtkY - NGtkY)$$

where:

- TGtkY = the Tariff Gtk for that Train Service Type for the relevant Year
- FGtkY = the Gtk Forecast for the relevant Year
- NGtkY = the "gtk" (as defined in the Access Undertaking) not achieved due to the non-operation of Network Train Services (that are subject to the same type of Reference Tariff as the Reference Tariff Type for that Train Service Type) for Aurizon Network Cause for the relevant Year

4.3 Calculation of TOP Charge

Subject to **item 4.2** of this **schedule 4** (if **item 4.2** of this **schedule 4** applies), the TOP Charge for a Train Service Type for a Year is the amount (expressed in dollars) calculated in accordance with the following formula (provided that, if the amount calculated in accordance with the following formula is less than zero, the TOP Charge for the Train Service Type for the Year will be zero):

$$ATP = ATPY - ORA - AHRA - SXRA$$

where:

- ATP = the TOP Charge for the relevant Train Service Type and Year
- ATPY = ATPY for the relevant Train Service Type and Year calculated in accordance with **item 4.4** of this **schedule 4**
- ORA = ORA for the relevant Train Service Type and Year calculated in accordance with **item 4.5** of this **schedule 4**
- AHRA = The sum of AHRA for each relevant Operator for the relevant Train Service Type and Year calculated in accordance with **item 4.6** of this **schedule 4**
- SXRA = SXRA for the relevant Train Service Type and Year calculated in accordance with **item 4.7** of this **schedule 4**

4.4 Calculation of ATPY

ATPY for a Train Service Type for a Year is the amount calculated in accordance with the following formula:

$$ATPY = AT_2 * RTP * (CNTSY - NNTSY - NTSY) + AT_3 *$$

$$(CNTKY - NNTKY - NTKY) / 1000 + AT_4 * (CNTY - NNTY - NTY)$$

where:

- AT₂ = AT₂ for the relevant Train Service Type
- RTP = the Reference Train Path for the relevant Train Service Type
- CNTSY = the number of Train Services for the relevant Train Service Type that the Operator was entitled to operate during the relevant Year
- NNTSY = the number of Train Services for the relevant Train Service Type that were not able to be operated during the relevant Year solely as a result of Aurizon Network Cause
- NTSY = the number of Train Services (loaded and empty) for the relevant Train Service Type that were operated during the relevant Year
- AT₃ = AT₃ for the relevant Train Service Type
- CNTKY = the sum of the Ntk that would have been determined for the relevant Year had all of the Train Services for the relevant Train Service Type that the Operator was entitled to operate during the relevant Year been operated, where Ntk is determined by multiplying the applicable Nominal Train Payload for the relevant Train Service Type by the CNTSY for loaded Train Services for the relevant Train Service Type by the distance from Origin to Destination specified in the Train Service Description for the relevant Train Service Type
- NNTKY = the sum of the Ntk of the Train Services for the relevant Train Service Type that were not able to be operated during the relevant Year solely as a result of Aurizon Network Cause, where Ntk is determined by multiplying the applicable Nominal Train Payload for the relevant Train Service Type by the NNTSY for loaded Train Services for the relevant Train Service Type by the distance from Origin to Destination specified in the Train Service Description for the relevant Train Service Type
- NTKY = the sum of the Ntk for all Train Services for the relevant Train Service Type operated during the relevant Year, where Ntk is determined by multiplying the applicable Nominal Train Payload for the relevant Train Service Type by the NTSY for loaded Train Services for the relevant Train Service Type by the distance from Origin to Destination specified in the Train Service Description for the relevant Train Service Type
- AT₄ = AT₄ for the relevant Train Service Type
- CNTY = the sum of the Nt that would have been determined for the relevant Year had all of the Train Services for the relevant

Train Service Type that the Operator was entitled to operate during the relevant Year been operated, where N_t is determined by multiplying the applicable Nominal Train Payload for the relevant Train Service Type by the CNTSY for loaded Train Services for the relevant Train Service Type

- NNTY = the sum of the N_t of the Train Services for the relevant Train Service Type that were not able to be operated during the relevant Year solely as a result of Aurizon Network Cause, where N_t is determined by multiplying the applicable Nominal Train Payload for the relevant Train Service Type by the NNTSY for loaded Train Services for the relevant Train Service Type
- NTY = the sum of the N_t for all Train Services for the relevant Train Service Type operated during the relevant Year, where N_t is determined by multiplying the applicable Nominal Train Payload for the relevant Train Service Type by the NTSY for loaded Train Services for the relevant Train Service Type

4.5 Calculation of ORA – the ‘mine cap’

ORA for a Train Service Type for a Year is the amount calculated in accordance with the following formula (if the amount calculated in accordance with the following formula is less than zero, the ORA for the Train Service Type for the Year will be zero):

$$ORA = XORA \times \frac{(ICCCNTSY_m + ALT1CNTSY_m + ALT2CNTSY_m)}{\sum_o^n (ICCCNTSY_o + ALT1CNTSY_o + ALT2CNTSY_o)}$$

where:

- XORA = for a Train Service Type for a Year is the amount which is the lesser of:
- (a) the ATPY for the relevant Train Service Type for the relevant Year; and
 - (b) the sum of the ICC_{CTS} , $ALT1_{CTS}$ and $ALT2_{CTS}$ earned by Aurizon Network for Corresponding Train Services for the Train Service Type operated by, or for, a different Access Holder which exceed the number of Corresponding Train Services which that Access Holder was entitled to operate, or have operated for it, during the relevant Year (provided that such amount earned by Aurizon Network has not already been taken into account, or will not be taken into account, in the calculation of “ORA” under a corresponding provision of another Access Agreement)
- $ALT1_{CTS}$ = in respect of a Corresponding Train Service, that part of the access charges payable to Aurizon Network in

- respect of the operation of that Corresponding Train Service which is calculated by reference to the “Base Access Charge” or “Access Charge Rate” (however described) referred to as “AT₃”
- ALT2_{CTS} = in respect of a Corresponding Train Service, that part of the access charges payable to Aurizon Network in respect of the operation of that Corresponding Train Service which is calculated by reference to the “Base Access Charge” or “Access Charge Rate” (however described) referred to as “AT₄”
- ICC_{CTS} = in respect of a Corresponding Train Service, that part of the access charges payable to Aurizon Network in respect of the operation of that Corresponding Train Service which is calculated by reference to the “Base Access Charge” or “Access Charge Rate” (however described) referred to as “AT₂”
- ALT1CNTSY = in respect of a Corresponding Train Service, that part of the access charges that would have been payable had the operator of the Corresponding Train Service operated all Train Services it was entitled to operate during the relevant Year which is calculated by reference to the “Base Access Charge” or “Access Charge Rate” (however described) referred to as “AT₃”
- ALT2CNTSY = in respect of a Corresponding Train Service, that part of the access charges that would have been payable had the operator of the Corresponding Train Service operated all Train Services it was entitled to operate during the relevant Year which is calculated by reference to the “Base Access Charge” or “Access Charge Rate” (however described) referred to as “AT₄”
- ICC_{CNTSY} = in respect of a Corresponding Train Service, that part of the access charges that would have been payable had the operator of the Corresponding Train Service operated all Train Services it was entitled to operate during the relevant Year which is calculated by reference to the “Base Access Charge” or “Access Charge Rate” (however described) referred to as “AT₂”
- m = the relevant Train Service Type in this Agreement in respect of a Corresponding Train Service where NTSY is less than CNTSY
- o = all Corresponding Train Services in other Access Agreements where NTSY is less than CNTSY
- CNTSY = as defined in **item 4.4** of this **schedule 4**
- NTSY = as defined in **item 4.4** of this **schedule 4**

4.6 Calculation of AHRA – the ‘operator cap’ for Access Holders

AHRA for each Operator for the relevant Train Service Type for a Year is the

amount calculated in accordance with the following formula (provided that:

- (a) if the amount calculated in accordance with the following formula is less than zero, the AHRA for the Train Service Type for the Year will be zero; and
- (b) if AHRA for the Train Service Type for the Year exceeds ATPY – ORA for the Train Service Type for the Year, AHRA for the Train Service Type for the Year will equal ATPY – ORA for the Train Service Type for the Year):

$$AHRA_j = (XRVAH_i - AHORA) \times \frac{(ATPY_j - ORA_j)}{\sum_i^n (ATPY_i - ORA_i)}$$

where:

- Relevant Network Train Services = Network Train Services (that are subject to the same type of Reference Tariff as the Reference Tariff Type for the relevant Train Service Type) that the Operator is entitled to operate during the relevant Year under an Operator Access Agreement, a Train Operations Agreement or an Access Holder Access Agreement of which the Operator is a party, in each case, executed after 1 October 2010
- XRVAH = the sum of the ICC_i, ALT1_i and ALT2_i earned by Aurizon Network for Relevant Network Train Services operated by the Operator which exceeds the number of Relevant Network Train Services
- AHORA = the sum of any ORA amounts calculated under this Agreement or another Access Agreement which are attributable to Corresponding Train Services
- ATPY = ATPY for the relevant Train Service Type and Year calculated in accordance with **item 4.4** of this **schedule 4**
- ORA = ORA for the relevant Train Service Type and Year calculated in accordance with **item 4.5** of this **schedule 4**
- ICC_i = the part of the access charges payable to Aurizon Network in respect of the operation of Network Train Service in grouping i which are calculated by reference to the “Base Access Charge” or “Access Charge Rate” (however described) referred to as “AT₂”
- ALT1_i = the part of the access charges payable to Aurizon Network in respect of the operation of Network Train Service in grouping i which are calculated by reference to the “Base Access Charge” or “Access Charge Rate” (however described) referred to as “AT₃”
- ALT2_i = the part of the access charges payable to Aurizon Network in respect of the operation of Network Train Service in grouping i which are calculated by reference to the “Base Access Charge” or “Access Charge Rate” (however described) referred to as “AT₄”

- i = either:
- (a) subject to **item 4.8** of this **schedule 4**, the Relevant Network Train Services in a relevant group as nominated in writing by the Operator to Aurizon Network for the purposes of this **item 4.6** of **schedule 4** by 31 May of the relevant Year; or
 - (b) the group of the remaining Relevant Network Train Services not nominated by the Operator under **paragraph (a)**
- j = For each Operator, the relevant Train Services Type for the relevant Year in grouping i

4.7 Calculation of SXRA – the ‘tariff cap’

SXRA for a Train Service Type for a Year is the amount calculated in accordance with the following formula (if the amount calculated in accordance with the following formula is less than zero, the SXRA for the Train Service Type for the Year will be zero):

$$SXRA_k = (TR - AR) \times \frac{(ATPY_k - ORA_k - AHRA_k)}{\sum_p^n (ATPY_p - ORA_p - AHRA_p)}$$

where:

- TR = the sum of the following amounts for the relevant Reference Tariff Type for the relevant Year:
- (a) the sum of the access charges Aurizon Network is entitled to earn from “AT₂₋₄” (as defined in the Access Undertaking) under this Agreement or other Access Agreements for coal carrying Network Train Services which were subject to the relevant Reference Tariff Type and operated in the relevant Year;
 - (b) the sum of any “Transfer Fees” or “Relinquishment Fees” (each as defined under the Access Undertaking) applicable to the relevant Reference Tariff Type that Aurizon Network is entitled to earn and which will be included in the calculation of the “Revenue Adjustment Amounts” for “AT₂₋₄” (each as defined under the Access Undertaking) for the relevant Year;
 - (c) the amount for “Take or Pay charges” (as defined under the Access Undertaking) for coal carrying Network Train Services that Aurizon Network is entitled to earn under an Access Agreement executed before 30 June 2006 in accordance with those Access Agreements for the relevant Year; and
 - (d) ATPY (as defined in this formula below),
less
 - (e) the sum of ORA and AHRA (each as defined in this

formula below).

- AR = the "Allowable Revenue" for "AT₂₋₄" (each as defined in the Access Undertaking) for the relevant Reference Tariff Type for the relevant Year
- ATPY = the amount of "ATPY" that Aurizon Network was entitled to earn in relation to coal carrying Network Train Services under this Agreement or other Access Agreements renewed or executed on or after 30 June 2006 for the relevant Year (where "ATPY" is calculated in accordance with the Standard Access Agreement approved as at the date this Agreement or the relevant Access Agreement was renewed or executed)
- ORA = the amount of ORA that is calculated under this Agreement and other Access Agreement for coal carrying Network Train Services renewed or executed on or after 1 October 2010 for the relevant Year (where "ORA" is calculated in accordance with the Standard Access Agreement approved at the date that this Agreement or the relevant Access Agreement was renewed or executed)
- AHRA = the amount of AHRA that is calculated under this Agreement and other Access Agreements for coal carrying Network Train Services renewed or executed on or after 1 October 2010 for the relevant Year (where "AHRA" is calculated in accordance with the Standard Access Agreement approved at the date that this Agreement or the relevant Access Agreement was renewed or executed)
- p = this Agreement and other Access Agreements executed or renewed after 30 June 2006
- k = the relevant Train Services Type for the relevant Year

4.8 End User support for relevant groups

- (a) For the purposes of determining the relevant group "i" in **item 4.6** of this **schedule 4**, the Operator must have, in accordance with item 4.2 of schedule 4 of its Train Operations Agreement:
- (i) at the time it nominates the relevant group, confirm to Aurizon Network that the Operator has the End User's support for the nomination of the relevant group; and
 - (ii) if requested by Aurizon Network, provide such evidence as reasonably required by Aurizon Network to verify the End User's support for the nomination of the relevant group.
- (b) If the Operator fails to comply with the matters set out in **item 4.8(a)(i)** or **4.8(a)(ii)** of this **schedule 4**, the Operator is deemed not to have made the relevant nomination for the purposes of **paragraph (a)** in determining the relevant group "i" in **item 4.6** of this **schedule 4**.

4.9 Entitlement to operate

Without limiting **clause 1.3**, for the purpose of any calculations under this

schedule 4, an Operator is taken to be entitled to operate all Train Services for a Train Service Type on and from the Train Service Commitment Date for that Train Service Date, even if:

- (a) the End User has not nominated an Operator to utilise Access Rights relevant to all or any Train Services for that Train Service Type;
- (b) the End User must ensure an Operator does not operate, or Aurizon Network suspends the right of the End User to have an Operator operate, all or any Train Service for that Train Service Type; or
- (c) under a Train Operations Agreement, the relevant Operator must not operate, or Aurizon Network suspends the right of the relevant Operator to operate, all or any Train Service for that Train Service Type unless, and to the extent that:
 - (i) the reason why the Operator must not operate any Train Services for that Train Service Type is due to the Operator's failure to comply with clause 10.2(a) of the relevant Train Operations Agreement; and
 - (ii) the Operator's failure to comply with clause 10.2(a) of the relevant Train Operations Agreement is due to Aurizon Network's breach of clause 10.2(b) of the relevant Train Operations Agreement.

5 Review of schedule 4

5.1 Acknowledgment

The Parties agree that **items 2 to 4** of this **schedule 4** were determined by reference to the Reference Tariff Provisions as at:

- (a) if the Train Service Type was a Train Service Type as at the Commencement Date – the Commencement Date; or
- (b) if **schedule 2** was varied to include the Train Service Type – the date **schedule 2** was varied to include the Train Service Type.

5.2 Review of schedule 4

- (a) Within 20 Business Days after the Advice Date for a Change in Reference Tariff Provisions, Aurizon Network may give the End User a notice (**Schedule 4 Variation Notice**) specifying variations to:
 - (i) the Access Charge Rates for any Train Service Type;
 - (ii) the TOP Methodology; and
 - (iii) any other aspect of this **schedule 4**.
- (b) In considering any variations to this **schedule 4** under **item 5.2(a)** of this **schedule 4** as a result of a Change in Reference Tariff Provisions, Aurizon Network must have regard to, amongst any other relevant matters:
 - (i) any pre-existing differences between the Access Charge Rates and the Reference Tariffs;
 - (ii) any increased costs or risk to be incurred by Aurizon Network as a result of the Change in Reference Tariff Provisions;
 - (iii) any change to Reference Tariffs (including new Reference Tariffs);

- (iv) any change to the methodology for calculating take or pay charges under the Access Undertaking;
- (v) any change to the characteristics of the Reference Train Service;
- (vi) any differences between the Train Service Description for a Train Service Type and the characteristics of the Reference Train Service;
- (vii) any change to RTP for the Train Service Type or its calculation;
- (viii) other related factors in the Reference Tariff Provisions; and
- (ix) the Access Undertaking.

5.3 Dispute

- (a) If Aurizon Network gives the End User a Schedule 4 Variation Notice in respect of a Change in Reference Tariff Provisions, the End User may, within 10 Business Days after Aurizon Network gives the Schedule 4 Variation Notice to the End User, give Aurizon Network a Dispute Notice which Disputes the variations specified in the Schedule 4 Variation Notice in accordance with **clause 24**.
- (b) If the End User gives Aurizon Network a Dispute Notice referred to in **item 5.3(a)** of this **schedule 4**, then, at the meeting referred to in **clause 24.2**, the chief executive officers (or their nominees) must negotiate in good faith to attempt to resolve the Dispute.
- (c) If a Dispute referred to in **item 5.3(a)** of this **schedule 4** is not resolved in accordance with **clause 24.2**, then the Parties must refer the Dispute to an Expert to determine the Dispute in accordance with **clause 24.3** and **item 5.4** of this **schedule 4**.
- (d) If the End User does not give Aurizon Network a Dispute Notice referred to in **item 5.3(a)** of this **schedule 4** within the time referred to in **item 5.3(a)** of this **schedule 4**, then:
 - (i) the variations specified in the Schedule 4 Variation Notice will take effect on the Review Date for relevant the Change in Reference Tariff Provisions;
 - (ii) the End User must not give Aurizon Network a Dispute Notice Disputing the variations specified in the Schedule 4 Variation Notice;
 - (iii) any such Dispute Notice which is given by the End User will be of no effect; and
 - (iv) the End User must not make any Claim against Aurizon Network in respect of that Dispute.

5.4 Expert determination

If a Dispute referred in **item 5.3(a)** of this **schedule 4** is referred to an Expert, then:

- (a) promptly after the date the Dispute is referred to the Expert, Aurizon Network must provide the Expert with documentation to support the variations specified in the Schedule 4 Variation Notice;
- (b) the Expert must:

- (i) undertake to keep confidential all matters coming to its knowledge by reason of the Expert's appointment and performance of its duties, other than that already in the public domain; and
 - (ii) not include such information in its reasons for reaching the determination;
- (c) the Expert must review the documentation provided by Aurizon Network under **item 5.4(a)** of this **schedule 4** and determine whether or not the variations specified in the Schedule 4 Variation Notice are reasonable as a result of the relevant Change in Reference Tariff Provisions;
- (d) if the Expert determines that the variations specified in the Schedule 4 Variation Notice are reasonable as a result of the relevant Change in Reference Tariff Provisions, the variations will take effect on the Review Date for the relevant Change in Reference Tariff Provisions;
- (e) if the Expert determines that the variations specified in the Schedule 4 Variation Notice are not reasonable as a result of the relevant Change in Reference Tariff Provisions, then:
- (i) the Expert must use reasonable endeavours to attempt to reach agreement with Aurizon Network as to, and failing such agreement must determine, the variations to this **schedule 4** which are reasonable as a result of the relevant Change in Reference Tariff Provisions, having regard to:
 - (A) the matters specified in **item 5.2(b)** of this **schedule 4**; and
 - (B) any other matters which a Party submits that the Expert should have regard to in determining the Dispute.
 - (ii) the variations agreed between the Expert and Aurizon Network, or determined by the Expert, in accordance with **item 5.4(e)(i)** of this **schedule 4** will take effect on the Review Date for the relevant Change in Reference Tariff Provisions.
- (f) Despite **clause 24.3(i)**, the costs of the Expert (and the costs of any advisers to the Expert) will be borne by:
- (i) the End User if the Expert determines that the variations specified in the Schedule 4 Variation Notice are reasonable as a result of the relevant Change in Reference Tariff Provisions;
 - (ii) Aurizon Network if the Expert determines that the variations specified in the Schedule 4 Variation Notice are not reasonable as a result of the relevant Change in Reference Tariff Provisions; or
 - (iii) in such other proportion as the Expert may otherwise determine.

6 Escalation of Access Charge Rates

6.1 Escalation

- (a) Subject to **item 6.1(b)** of this **schedule 4**, the Access Charge Rates (except for QL) and any other charges under this Agreement will be varied on each Escalation Date, in accordance with the following formula:

$$ACR_n = ACR_{n-1} * CPI_n / CPI_{n-1}$$

where:

ACR_n means the varied value of the relevant Access Charge Rate or other charge;

ACR_{n-1} means the value of the relevant Access Charge Rate or other charge immediately prior to the relevant Escalation Date;

CPI_n means the Consumer Price Index Brisbane (Australian Bureau of Statistics Publication No.6401.0), as first published, for the Quarter the midpoint of which is six months prior to the midpoint of the Quarter commencing on the relevant Escalation Date for which the variable ACR_n is being determined; and

CPI_{n-1} means the Consumer Price Index Brisbane (Australian Bureau of Statistics Publication No.6401.0), as first published, for the Quarter the midpoint of which is 18 months prior to the midpoint of the Quarter commencing on the relevant Escalation Date for which the variable ACR_n is being determined.

- (b) An Access Charge Rate will not be varied on an Escalation Date under **item 6.1(a)** of this **schedule 4** if, within the 12 months prior to the relevant Escalation Date, the Reference Tariff(s) for the 12 months commencing on the Escalation Date which are applicable to the Access Charge Rate have been escalated to take account of the annual change in the consumer price index and/or any other applicable price index.

6.2 Review of index

- (a) If a Party is of the reasonable opinion that the index used in the formula in **item 6.1** of this **schedule 4** is no longer suitable because:
- (i) it ceases to be published; or
 - (ii) it ceases to be published at sufficiently regular intervals, or is likely to cease to be published at sufficiently regular intervals, for the purpose of the formula in **item 6.1** of this **schedule 4**; or
 - (iii) the method of calculation of the index changes in a material way from the method applicable as at the Commencement Date (or the date the index was last varied under this **item 6.2** of this **schedule 4**),

then that Party may notify the other Party of its opinion that the index is no longer suitable.

- (b) If a Party gives a notice to the other Party under **item 6.2** of this **schedule 4**, the Parties must negotiate in good faith to attempt to agree to vary the application of the index or to adopt an alternative index and failing agreement within 30 Business Days of such notice being given, then the matter must be referred to an Expert to determine a variation to the application of the index or an alternative index in accordance with **clause 24.3**.
- (c) If the dispute is resolved after the next Escalation Date, the Parties agree to retrospectively adjust any Access Charges invoiced since that date to be consistent with the outcome of the dispute resolution.

Schedule 5

Insurance

1 Workers compensation insurance

The End User must effect and maintain insurance covering such liability as may arise at common law or by virtue of any relevant Workers Compensation legislation in respect of any End User's Staff.

Schedule 6

Suspension Events and Termination Events

Item	Suspension Event	Termination Event
1	The End User fails to pay by the due date any amount payable under this Agreement, and such default continues for at least 10 Business Days after Aurizon Network gives the End User notice of the default.	The End User fails to pay by the due date any amount payable under this Agreement, and such default continues for at least 20 Business Days after Aurizon Network gives the End User notice of the default.
2	An Insolvency Event occurs in respect of the End User.	An Insolvency Event occurs in respect of the End User and continues for a period of at least 40 Business Days.
3	The End User fails to: (a) effect or maintain the insurances required under clause 19.2 ; or (b) provide evidence of the insurances required under clause 19.2 having been effected and maintained, and such default continues for at least five Business Days after Aurizon Network gives the End User notice of the default.	The End User fails to: (a) effect or maintain the insurances required under clause 19.2 ; or (b) provide evidence of the insurances required under clause 19.2 having been effected and maintained, and such default continues for at least 20 Business Days after Aurizon Network gives the End User notice of the default.
4	The End User fails to establish, maintain or replace the Security as required under this Agreement, and such default continues for at least five Business Days after Aurizon Network gives the End User notice of the default.	The End User fails to establish, maintain or replace the Security as required under this Agreement, and such default continues for at least 20 Business Days after Aurizon Network gives the End User notice of the default.
5	The End User purports to Assign any of its rights or interests in this Agreement other than as permitted in this Agreement.	The End User purports to Assign any of its rights or interests in this Agreement other than as permitted by this Agreement.
6	The End User fails to comply with any obligation under this Agreement (other than any obligation which, if not complied with by the End User, may (either of itself or if other requirements are satisfied) result in any other Suspension Event occurring), and such default continues for at least 20 Business Days after Aurizon Network gives the End User notice of the	The End User fails to comply with any obligation under this Agreement (other than any obligation which, if not complied with by the End User, may (either of itself or if other requirements are satisfied) result in any other Termination Event occurring), and such default continues for at least 40 Business Days after Aurizon Network gives the End User notice of the

Item	Suspension Event	Termination Event
	default.	default.

Schedule 7

Pro forma Train Operations Agreement

[Insert Standard Train Operations Agreement as approved for the purposes of the Aurizon Network Access Undertaking at the time of execution of the End User Access Agreement.]