

Agenda

AGENDA

- Introduction
- Volumes
- Yields
- Protocols
- Revenues
- Findings

The revenue shares from the protocols have been adjusted to allow for changes in journey times and distances

- Revenue and cost sharing protocols were agreed in draft form in 1993
 - originally negotiated regarding HSL as far as Rotterdam
- The basis of the revenue share is the share of track length in each country which was based on an agreed route between Antwerp and Rotterdam (along existing conventional track)
 - any change to the route north of Rotterdam to Amsterdam does not influence the revenue share related to track length
- Since the negotiations, the route selected between Rotterdam and Antwerp has changed (to follow E19 road)
 - the original protocol shares were adjusted to take into account the changed share of track km
- The protocols also allow for the revenue shares to be modified when journey time savings are made to the extent of 1/6% for each minute saving
 - construction of the section from Amsterdam to Rotterdam will provide a journey time saving of 32 minutes thereby generating an increase in revenue share
 - however the increase in share should be based on a journey time saving of 17 minutes * since a saving of 15 minutes due to conventional rail is assumed within the original revenue shares

Our understanding of the basis of the protocols has improved since the IA resulting in a revision of methodology for modelling the protocols, and resulting in a reduction in revenue accruing to the Dutch partner in international operations

	Initial Assessment (percent)	Revised (percent)
Amsterdam Schiphol - Antwerp	87.0	79.8
Amsterdam Schiphol - Paris	32.5	28.6
Amsterdam Schiphol - Brussel	69.8	63.4
Rotterdam - Antwerp	71.9	57.2
Rotterdam - Paris	19.5	12.3
Rotterdam - Brussel	50.1	38.0
Rotterdam - London/UK	19.5	12.3
Amsterdam - London/UK	32.5	28.5

However some issues remain with regard to the protocols

- **It is not yet clear what assumptions regarding the section between Amsterdam and Rotterdam have been used in the protocols**
 - **does the journey time assumption include the RAIL21 investments in conventional track and associated journey time improvements ?**
 - **should the distance between Amsterdam and Rotterdam be set at 82 km (as used by OC&C) or 86 km?**

- **The Amsterdam terminal has not been defined in the protocols**
 - **a decision to terminate at Amsterdam Zuid/WTC may result in a increase in the Dutch share of the protocols due to a reduction in journey time**

- **Uncertainty in the status of the protocols and the position with respect to terminals may offer potential for negotiations**

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- d) ~~les coûts de développements ou d'amélioration d'un système commun de réservation et d'optimisation commerciale, ainsi que les autres coûts éventuels non couverts par les sommes perçues en vertu de l'article 3.9.~~
- e) ~~[Rédaction SNCF : les coûts de réservation définies au point 1.2.1.]~~

~~1.2) COUT DES SYSTEMES DE RESERVATION ET D'OPTIMISATION COMMERCIALE~~

~~[Rédaction SNCF : Si un système commun de réservation et d'optimisation commerciale est mis en place, il sera inclus aux réseaux émetteurs pour l'ensemble des points de vente qu'ils offrent (cartes et agences de voyages), par l'Unité Commune de Gestion, une somme forfaitaire par personne et par segment réservé.]~~

4 PARTAGE DE BASE DES RECETTES

verté prisen
 et beleged v/s 4.1)
 it van prisen
 volume
 - inclure f
 - reserveij kosten
 - BTW

Des prix de marché seront fixés sur certaines relations sélectionnées en fonction de leur volume, y compris frais de réservation et TVA éventuelle, notamment sur les relations directes entre Paris, Bruxelles, Amsterdam, Köln ou Frankfurt. L'annexe 1 donne à titre indicatif une liste de telles relations, au-delà du polygone Paris-Amsterdam-Köln-Frankfurt. Elles seront l'objet d'un examen périodique et seront décidées d'un commun accord. Pour les autres relations, on additionnera à l'une de ces relations des parcours terminaux.

4.2) Les recettes à partager, appelées "recettes nettes", sont les recettes payées par les voyageurs après déduction :

le "recettes =

les Recettes Brutes
 - v/s v/s v/s
 - Tunnel vers
 67 England

a) par le réseau émetteur, du pourcentage au titre des frais de vente définis en 3.6 ;

b) sur les relations avec la Grande-Bretagne, pour le passage dans le tunnel sous la Manche, d'une somme forfaitaire de 7,59 £ plus 21,4 I.R.F aux conditions moyennes de 1989, prélevée par SNCF et BR, qui sont conjointement et solidairement responsables vis-à-vis d'Eurotunnel. Les deux éléments de cette somme seront indexés respectivement sur le Retail Price Index, base 1987, avec pour référence l'indice 113,2 et sur l'indice mensuel des prix à la consommation des ménages, série France entière ensemble, base 1980, avec pour référence l'indice 178,0.

OPBRENGST-VERDELING VAN NETTO-RECHTEN:

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4.3) La recette nette définie en 4.2 sera partagée pour chaque relation, comme indiqué en 4.4, 4.5, 4.6 et 4.7 ci-dessous. Les pourcentages indiqués en 4.4 sont applicables à condition que :

de accord of
afhandeling

a) les temps de parcours, définis comme la moyenne des horaires publiés de circulation de tous les trains à grande vitesse, après déduction des pertes de temps résultant des arrêts intermédiaires, dans la mesure où l'intérêt commercial commun de ces arrêts aura été reconnu par les réseaux concernés, soient les suivants :

- Paris-Nord - frontière belge.....	57 mn
- Frontière française - Bruxelles-Midi.....	26 mn
- Bruxelles-Midi - frontière néerlandaise.....	52 mn jusqu'en 1997 et 43 mn à partir de 1998
- Frontière néerlandaise - Amsterdam.....	89 mn jusqu'en 1997 et 66 mn à partir de 1998
- Bruxelles-Midi - frontière allemande.....	93 mn jusqu'en 1997 et 62 mn à partir de 1998
- Frontière allemande - Köln.....	37 mn
- Frontière allemande - Frankfurt.....	97 mn à partir de 1998.

sinon les dispositions de l'article 4.7 seront appliquées.

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et volden:
penalties.

b) la qualité du service offert pour les trains à grande vitesse intercapitales soit suffisante, notamment en matière de ponctualité et de suppression éventuelle de trains. Le non-respect de cette qualité sera l'objet de pénalités à définir dans le cadre d'un accord particulier. Pour la ponctualité, cet accord sera établi sur la base d'une comparaison entre l'heure théorique et l'heure réelle de passage de chaque train, notamment aux points-frontières.

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4.4) Pour les relations ci-après, dites "dans le polygone", les parts de la recette nette déduite en 4.2 attribuées à chaque réseau sont les suivantes jusqu'en 1997 :

	DB	NS	SNCF	BNCF
Paris-Bruxelles			29,1 %	70,8 %
Paris-Liège			48,0 %	53,4 %
Paris-Aachen	4,8 %		48,4 %	47,3 %
Paris-Köln	18,7 %		42,1 %	41,2 %
Paris-Antwerpen			38,5 %	61,5 %
Paris-Rotterdam		18,2 %	33,5 %	48,3 %
Paris-Amsterdam		30,2 %	29,0 %	41,0 %
Bruxelles-Aachen	13,0 %		67,0 %	
Bruxelles-Köln	40,0 %		60,0 %	
Bruxelles-Frankfurt	72,6 %		27,4 %	
Bruxelles-Rotterdam		67,0 %	43,0 %	
Bruxelles-Amsterdam		71,5 %	28,5 %	
Liège-Aachen	30,0 %		70,0 %	
Liège-Köln	66,7 %		33,3 %	
Liège-Frankfurt	88,1 %		11,9 %	
Antwerpen-Rotterdam		73,6 %	26,4 %	
Antwerpen-Amsterdam		84,4 %	15,6 %	
Lille-Bruxelles			82,1 %	17,9 %
Lille-Liège			80,9 %	8,1 %
Lille-Aachen	7,7 %		85,0 %	7,3 %
Lille-Köln	27,2 %		67,1 %	6,7 %
Lille-Antwerpen			87,6 %	12,4 %
Lille-Rotterdam		33,0 %	59,5 %	7,5 %
Lille-Amsterdam		48,7 %	48,6 %	5,7 %

Si deux réseaux sont d'accord pour modifier leurs parts relatives, la part du troisième réseau restant inchangée, les parts ci-dessus seront modifiées dès notification par les deux premiers réseaux au troisième d'une telle révision.

MINISTRE DE PROTONS ET DE LA COMMUNICATION

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4.5) Pour les relations ci-après, dites "dans le polygone", les parts de la recette nette définie en 4.2 attribuées à chaque réseau sont les suivantes à partir de 1998 :

	DB	NS	SNCB	SNCF
Paris-Bruxelles			29,1 %	70,9 %
Paris-Liège			40,0 %	60,0 %
Paris-Aachen	1,5 %		51,2 %	47,3 %
Paris-Köln	14,2 %		44,8 %	41,2 %
Paris-Anvers			38,5 %	61,5 %
Paris-Rotterdam		14,3 %	37,4 %	48,3 %
Paris-Amsterdam		27,3 %	31,7 %	41,0 %
Bruxelles-Aachen	4,5 %		85,5 %	
Bruxelles-Köln	33,9 %		65,1 %	
Bruxelles-Frankfurt	66,8 %		33,4 %	
Bruxelles-Rotterdam		44,0 %	55,1 %	
Bruxelles-Amsterdam		64,6 %	35,4 %	
Liège-Aachen	13,0 %		87,0 %	
Liège-Köln	62,1 %		37,9 %	
Liège-Frankfurt	86,4 %		13,6 %	
Anvers-Rotterdam		66,7 %	33,3 %	
Anvers-Amsterdam		81,8 %	18,2 %	
Lille-Bruxelles			82,1 %	17,9 %
Lille-Liège			90,9 %	9,1 %
Lille-Aachen	2,7 %		90,0 %	7,3 %
Lille-Köln	23,1 %		71,2 %	5,7 %
Lille-Anvers			87,8 %	12,4 %
Lille-Rotterdam		28,0 %	68,5 %	7,5 %
Lille-Amsterdam		44,0 %	50,3 %	5,7 %

Si deux réseaux sont d'accord pour modifier leurs parts relatives, la part du troisième réseau restant inchangée, les parts ci-dessus seront modifiées dès notification par les deux premiers réseaux au troisième d'une telle révision.

4.6) Pour les autres relations figurant à l'annexe 1, la recette nette définie en 4.2 sera d'abord répartie en une recette "dans le polygone" et une recette "hors du polygone", au prorata des distances ferroviaires pondérées par l'indice de qualité défini en annexe 1. La recette "dans le polygone" sera ensuite répartie comme en 4.4, 4.5 et 4.7.

4.7) Si l'un des réseaux améliore (ou dégrade) un temps de parcours indiqué en 4.3, sans modification des temps de parcours des autres réseaux, la clef de répartition relative à ce réseau indiquée en 4.4 ou en 4.5 sera augmentée (ou diminuée) de 1/6 de point par minute (le pourcentage de la recette attribués aux deux autres réseaux restant dans le même rapport et modifiés de manière à conserver un total égal à 100).

PROTÈGE DE PROTOCOLE D'ENTENTE ENTRE D.B., N.S., S.N.C.B. ET S.N.C.F. (01 juillet 1982).

Staf
1/6 point
per minute
des!

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Si plusieurs réseaux modifient leurs temps de parcours, la règle précédente sera appliquée successivement plusieurs fois, dans l'ordre des notifications des modifications aux autres réseaux.

4.8) PENALITES

Si la ligne nouvelle entre la frontière franco-belge et LEMBEEK n'est pas en service le 1er juillet 1996, une pénalité de 1/3 de point par minute au lieu de 1/6 de point par minute sera utilisée pour l'application de l'article 4.7 à partir de cette date jusqu'à la mise en service de la ligne nouvelle.

Si cette ligne nouvelle devait être abandonnée ou repoussée au-delà de l'année 2000, la SNCB devrait rembourser le supplément de recette perçu jusqu'au 1er juillet 1996 par rapport à la pénalité de 1/3 point par minute.

5 - PART TEMPORAIRE

5.1) PRINCIPLE

Afin d'accélérer la construction des lignes nouvelles peu rentables au Nord et à l'Est de Bruxelles, les réseaux acceptent de mettre en place des dispositions temporaires assurant la retrocession vers la SNCB, et vers les NS, des avantages que les autres réseaux retirent de cette construction.

Une part de la recette, appelée part temporaire, sera entièrement affectée au(x) réseau(x) investisseur(s). Le montant et la durée d'application de cette part temporaire sont définis ci-après. A l'issue de la période d'application, elle sera partagée selon les mêmes modalités que le reste des recettes.

5.2) APPLICATION A L'AXE PARIS-BRUXELLES-KÖLN-FRANKFORT

En cas de construction de lignes nouvelles entre Louvain et la frontière allemande, permettant de réaliser le temps de parcours, indiqué en 4.3, de 62 mn entre Bruxelles-Midi et la frontière allemande, une part temporaire sera affectée à la SNCB, fixée à -- % des recettes "dans le polygone" nettes (R.P.N.) définies en 4.2. et 4.6, perçues des voyageurs empruntant ces lignes nouvelles entre Louvain et la frontière allemande, en partie ou en totalité.

- PROJET DE PROTOCOLE D'ACCORD ENTRE D.B., N.S., SNCB, ET S.N.C.F. DU 14/04/1995.

SNCB - Coûts unitaires des trains classiques.Einheitskosten für klassische Züge.

(principaux postes de coûts - Wichtigste Kostenposten).
(service international - International Verkehr)

1. Opérations du trafic voyageurs.
(Service international)

- . Publicité.
- . Agences Commerciales
- . Ventes de billets, réservations de places, informations, contentieux, comptabilisation des recettes.
- . Répartition des recettes, centralisation et décomptes avec les réseaux étrangers.
- . Police des chemins de fer
- . Frais généraux
 - . Gares
 - . Directions et Groupes
 - . Administration Centrale

2. Formation des trains

- . nettoyage des voitures
- . préchauffage des voitures
- . Visites et réparation des voitures dans les rames
- . locomotives de manoeuvres
- . agents et surveillants de manoeuvres
- . Frais généraux
 - . gares
 - . Directions et Groupes
 - . Administration centrale

1. Abfertigung der Reisenden.
(International Verkehr)

- . Reklame
- . Generalvertretung
- . Fahrkartenverkauf, Platzreservierung, Information, Streitsachen, Einnahmabuchung.
- . Einnahmearbeit, Zentralisierung und Abrechnung mit fremde Eisenbahnen.
- . Bahnpolizei
- . Gemeinkosten
 - . Bahnhöfe
 - . Direktion und Gruppen
 - . Zentrale Verwaltung

2. Zugbildung

- . Wagenreinigung
- . Vorheizung der Wagen
- . Untersuchungen und kleine Wiederherstellungen der Wagen in Züge.
- . Rangierlok
- . Rangierpersonal und Aufsichtspersonal für Rangierungen
- . Gemeinkosten
 - . Bahnhöfe
 - . Direktionen und Gruppen
 - . Zentrale Verwaltung

1. Traction.

- . Conduite locomotives
- . Accompagnement et contrôle dans les trains.
- . Mouvement et signalisation en gare et en ligne.
- . Régulation du trafic
- . Manoeuvre des installations fixes de traction électrique
- . Frais généraux
 - . gares
 - . Directions et Groupes
 - . Administration Centrale

4. Entretien des installations fixes.

- . voie
- . ouvrages d'art
- . bâtiments
- . installations de signalisation et passages à niveaux
- . télécommunications
- . installation fixes de traction électrique
- Frais généraux
 - . Directions et Groupes
 - . Administration Centrale

5. Entretien des véhicules.

- . Locomotive : total de la maintenance (locomotives polycourant)
- . Voitures : total de la maintenance sauf nettoyage, préchauffage, visite et petites réparations dans les rames (cfr. formation des trains)
- . Frais généraux.

3. Zugförderung.

- . Lokführung
- . Zugbegleitung und Kontrolle
- . Betrieb und Signalgebung in Bahnhöfen und auf Strecken.
- . Verkehrsaufsicht und Regulierung
- . Behandlung von feste ^{install.} Anlagen für elektrischen Betrieb
- . Gemeinkosten
 - . Bahnhöfe
 - . Direktionen und Gruppen
 - . Zentrale Verwaltung

4. Unterhaltung von Ortsfeste Anlagen.

- . Gleisen
- . Kunstbauwerken
- . Gebäude
- . Signalanlagen und Bahnübergängen
- . Fernmeldungsanlagen
- . Stromversorgungsanlagen für elektrischen Betrieb
- . Gemeinkosten
 - . Direktionen und Gruppen
 - . Zentrale Verwaltung

5. Unterhaltungskosten von Fahrzeugen

- . Lok : gesamte Unterhaltungskosten (Mehrstromlok)
- . Wagen : gesamte Unterhaltungskosten ausser genommen Reinigung, Vorheizung, untersuchen und kleine Wiederherstellungen in Zügen (Zugbildung)
- . Gemeinkosten.

HEADS OF AGREEMENT BETWEEN DB, NS, SNCB AND SNCF

1. SUBJECT

The purpose of this agreement is to define:

- a) the methods relating to the acquisition and distribution of capital charges (annual set off system) and maintenance charges for the quadri current trains which are the subject of the contract of January 1993.
- b) the methods relating to the distribution of capital charges (annual set off system) and maintenance charges for the TGV-R trains made available for the Paris-Brussels-Amsterdam/Liege service, on a temporary basis, by SNCF.
- c) the distribution of costs relating to the setting up, study and operations of the joint organisations.

The 4 networks mark their agreement to order quadri current TGV equipment (unique stock - version V.3.4 of 18.06.91 of the GEC Alstom Group), on the basis of 27 trains, with an option to reduce this number by 10 and an option to order another 10 trains in addition, in accordance with the programme defined in the contract between the manufacturing group and the purchasing networks.

This agreement will be supplemented by all the detailed agreements necessary to the implementation of high speed services between Paris, Brussels, Koln/Frankfurt and Amsterdam, in particular for the organisation of a joint structure (marketing, operation of trains and accounting), the distribution of revenues and operating costs, and maintenance.

The provisions of this agreement can be adapted if the networks are led, as a result of EEC decisions, to change the terms of co-operation and organisation within the PBKA project.

The same will apply if the networks jointly decide to put terms of co-operation and organisation into place within the PBKA which are based on principles which are different from those currently in use.

1. PURCHASE OF QUADRI CURRENT TRAINS

The 27 quadri current trains mentioned in article 1 above will be the subject of a joint SNCB/SNCF/NS order.

The ownership of these trains will be divided in the following way:

- SNCB 11 trains
- SNCF 9 trains
- NS 4 trains
- the ownership of the 3 trains financed by the DB is governed by a separate SNCB-DB agreement.

The financing of these 27 quadri current trains will be shared in the following way:

SNCB 11
SNCF 9
NS 4
DB 3

An NS/SNCB/SNCF agreement defines the management methods relating to the joint purchase contract for the quadri current trains.

DR's share in the financing of these trains is governed by a separate SNCB-DB agreement.

3. TEMPORARY USE OF TGV R TRAINS

The temporary use of TGV R trains on the Paris-Brussels-Amsterdam/Liege link is governed by the separate SNCF-SNCB-NS agreement dated 23.06.92, a copy of which is attached to this agreement for information.

The accounting and distribution of capital charges on TGV-R trains managed by the joint train management centre will be carried out in accordance with the terms indicated in article 4 below. If it becomes necessary to use other TGV-R trains on an irregular basis, the rules relating to the accounting and distribution of capital charges for these trains will be governed by a separate SNCF-SNCB agreement.

4. ACCOUNTING AND DISTRIBUTION OF CAPITAL CHARGES FOR THE TRAINS (annual set off system)

4.1 Term of application:

The provisions of this article apply:

- for the quadri current trains from the date they are put into service for a period of 20 years, estimated lifetime over which the annual capital charge payments are calculated. The networks will work together at the appropriate time, for example after 10 years, to try to extend these

provisions, if it appears that the lifetime of the trains will extend 10 years. If renovation or reinstatement works become necessary to extend the lifetime beyond 20 years, these works will be determined by mutual agreement. The total cost of such will be born by each network in proportion with its share in the quadri current stock.

- for the TGV-R trains during the period of application defined in article 3 of the separate SNCF-SNCB-NS agreement mentioned in article 3 below.

4.2 Definitions :

t(r) the total times spent annually on each network (r) by the quadri current trains and by the TGV-R trains referred to in article 3, in accordance with the periods of circulation in commercial service resulting from the current timetable documents, including stops in stations where the annual number of international travellers getting on or off PBKA trains is less than 500,000;

N PBKA (r) the number of quadri current trains financed by the network r;

N TGV-R the number of TGV-R trains used temporarily by the SNCF in accordance with article 3;

A $\frac{CI(1+D)^{n+1}}{(1+I)^n - 1}$ the annual capital charge of a quadri current train in which:

C average cost of a quadri current train (including fixed costs), recorded at the end of the contract and expressed in accordance with the economic conditions of the year (taking account of changes in the weighted average of the general consumer price indices in the 4 countries) for which the annual set off is calculated.

I real weighted rate (on the basis of the share of each network in the total stock), equal to the real yield (in other words nominal rate less rate of inflation) from German, Belgian, Dutch and French Government bonds of 5 years and more during the period of construction, without increase.

n economic lifetime of the trains used for the calculation of A (n = 20 years).

Note: the formula used for the calculation of annual charge A is based on the consideration that the average date of payment for the trains is one year before the average date of delivery of these trains.

Value A of a TGV-R train must be calculated in accordance with the tripartite agreement mentioned in article 3 with:

- the purchase price excluding fixed costs and studies indicated in point 4 a) of the tripartite agreement, plus 10%, as the average cost (C) of a non-modified TGV-R train (limited to Brussels),

- the same formula as that which is indicated above for quadri current trains as the formula for the calculation of the annual charge (A) of a non modified TGV-R train (limited to Brussels),

- the annual charge determined as indicated above for a non modified TGV-R, subject to an increase as indicated in point 4 b) of the tripartite agreement, as the annual charge (A) for a modified TGV-R
- the rate 'T' defined above as present value rate,,
- the value "n" defined above as the lifetime of a non-modified TGV-R train (*limited to Brussels*),.

4.3 Accounting and distribution:

The accounting and distribution of capital charges is carried out as follows:

- (a) Each Network has a credit equal to $N(r)*A$, in other words, to the number of trains of each type (quadri current and TGV-R) financed by it multiplied by the corresponding annual capital charge.
- (b) The total of the annual capital payments for the quadri current and TGV-R trains is then debited to each Network, in proportion with the time $t(r)$.
- (c) The credit/debit differences are the subject of a set off between Networks.

5. EXAMPLE

The following table provides an example of the accounting and distribution of capital charges on an annual basis.

For the accounting period concerned, the number of trains is assumed to be equal to 27 of which 9 TGV-Rs and 18 quadri current trains.

The annual capital payment for a quadri current train is estimated at 12 M FFR and that of a TGV-R train 10.8 M FFR.

calculation in M FFR	SNCF	SNCB	NS	DG	Total
t(r) (hours)	17260 h	22160 h	7880 h	6600 h	54000 hrs
N PBKA	1	10	4	3	18 trains
N TGV-R	9	-	-	-	9 trains
credit (M FFR)	109.2	120	48	36	313.2
debit (M FFR)	100.1	129.1	45.7	38.3	313.2
balance (M FFR)	-9.1	-9.1	-2.3	-2.3	0

6. DISTRIBUTION OF JOINT COSTS

In principle, several possibilities exist for the distribution of costs:

- a) in proportion with $t(r)$, *what is this*
- b) in proportion with net revenues inside the PBKA zone,
- c) in accordance with the temporary distribution of fixed costs of the order for quadri current trains, as shown in the SNCB/NS/SNCF agreement mentioned in article 2, ie:

SNCB	40%
SNCF	30%
NS	20%
DB	10%

- d) in accordance with the following distribution (this distribution being deemed to correspond to the distribution of probable net revenues inside the PBKA zone):

NS has high share of fixed costs (although only reduced 2 times)

SNCB	37%
SNCF	47%
NS	9%
DB	7%

> net of what? how does this compare with actual

The costs of joint resources shown below are distributed as follows:

Costs of the joint organisation	Principle of distribution
1. The joint train management centre	
- investment and set up costs	c
- operating costs	a
2. The Joint Organisation (CC) for joint commercial management and accounting as well as the cost of studies relating for example to the market, the definition of services - including ??* - the setting of rates and marketing :	
- costs of studies and set up costs	d
- operating costs	b
3. The joint reservation and commercial optimisation system:	
- development and improvement costs	d
- operating costs not covered by invoicing to issuers	b

* TRANSLATORS NOTE: This word is not legible on my copy

7. MAINTENANCE OF ROLLING STOCK

7.1. Maintenance principles:

The organisation of the maintenance of the quadri current trains (not including "In station servicing") is based on 4 levels of preventive operations.

- Level 1: in service inspections: inspections at short intervals of 2,500 km, to be specified.
- Level: 2 periodic inspections: all operations carried out at intervals of 9 days (monitoring of comfort, inspection of operating equipment) to 18 months (main overall inspection)
- Level 3: exchanges of parts: these parts exchanges are carried out within the context of level 2 operations: the parts exchanged are overhauled.
- Level 4: works on the bodies and structural equipment.

The level 1 operations are routinely carried out in Paris (Landy workshop) and Brussels (Forest workshop), depending on the operation and in station stabling; the works are carried out at night time preferably.

The level 2 and 3 works are carried out in the proprietary workshop in Paris or Brussels. The distribution of equipment between these 2 workshops is to be agreed between the 4 networks.

The distribution of works resulting from the overhauling of parts and level 4 operations will be determined at a later date.

Repairs are in principal carried out in the proprietary workshop in Paris or Brussels, except those which are essential to be able to return the train to rolling stock.

7.2 Specific agreements:

A detailed agreement on maintenance will be drawn up between the parties before the contractual date of delivery of the first quadri current train. The Networks undertake to ensure that maintenance is carried out on the trains on the basis of a jointly agreed schedule and maintenance instructions.

The maintenance of NS trains will be carried out by SNCB and SNCF in accordance with terms to be fixed in a bilateral agreement.

The maintenance of the trains required by DB for the joint service with other networks of PBKA links will be organised by SNCB.

7.3 Distribution of maintenance costs:

"In station servicing" is the responsibility of the network where it is carried out.

The maintenance costs of levels 1, 2 and 3, which result from the above provisions, are distributed between the networks:

- 50% in proportion with the time t(x)
- 50% in proportion with the distances travelled on each network.

The same bases for distribution are applied to the maintenance costs of the TGV-R trains mentioned in article 3.

8. DRIVERS AND TRAIN ATTENDANTS

The employment costs for drivers and train attendants will be shared in proportion with the period of circulation on each network in accordance with the current timetable documents, including stops in stations where the annual number of international travellers getting on or off the PBKA trains is less than 500,000. If the distribution above does not ensure an optimum efficiency, it may be modified by agreement between the parties, in return for:

- compensatory payments on the basis of a fixed joint rate to be agreed,
- or (non exclusive) compensations in kind on other services in accordance with terms to be defined by a specific agreement.

9. ACTIVITY OF NETWORKS AND CO-ORDINATION FOR THE TESTING OF TRAINS

Each network undertakes to take an active part in the following activities in accordance with a jointly drafted programme:

- all testing, monitoring, quality assurance, certification and standardisation operations,
- the testing campaign for trains on its network, prior to being put into commercial operation,
- the necessary activities for the delivery and receipt of trains.

Each network will bear the costs generated by it for the tests specified in the contract between the manufacturing group and the purchasing networks.

10. MANAGEMENT COMMITTEE

Representatives of the four networks appointed by the respective Managements of these networks form the Management Committee. The purpose of this committee is to supervise the overall performance of high speed services between Paris, Brussels, Koln/Frankfurt and Amsterdam. In particular, this committee ensures the consistency of the work carried out by the Management Group, instituted by the Agreement of 18th January 1993 between SNCB, SNCF and the NS for the definition of the terms of management of the joint purchase contract, the work carried out by

the joint structure as described in article 1 and all the detailed agreement to be concluded between the four partner networks. This Management Committee prepares any decisions to be taken jointly by the Managements of the four networks.

11. APPLICABLE LAW - SETTLEMENT OF DISPUTES

The French version of this document will be the original document and this agreement is subject to Belgian law.

Any dispute relating to the implementation, interpretation or non fulfilment of this agreement which has not been settled within a period of 30 days by the Management Committee described in article 10 above, will be transmitted to the respective Managements of the Networks which will have three (03) months to resolve this dispute.

Failing an agreement being reached between these Managements in the abovementioned period, the dispute will be finally settled by means of arbitration, in accordance with the rules contained in sheet K3 of the International Union of Railways. The seat of arbitration will be in Brussels.

However, if the dispute relates to the interpretation, performance or non fulfilment of the joint contract for the purchase of quadri current trains or the Agreement for the definition of the terms of management of the said joint purchase contract and these problems of interpretation, performance or non fulfilment have not been settled by the conciliation procedures described in the abovementioned agreements, the Brussels Commercial Court, notwithstanding the provisions of section 3 of this article, will have jurisdiction to rule on the dispute.

Signed in 4 original copies, 28th January 1993

For the NS

F. BAUD

For DB

D.VAGT

For SNCB

R. SOENEN

For SNCF

For SNCF

[.....]

4. BASIC DISTRIBUTION OF REVENUES

4.1) Market prices will be fixed on certain links selected on the basis of their volume, including any reservation costs and VAT, in particular on direct links between Paris, Brussels, Amsterdam, Koln or Frankfurt. For information, Appendix 1 gives a list of such links, beyond the Paris-Amsterdam-Koln-Frankfurt zone. They will be the subject of periodic examination and will be decided by mutual agreement. For the other links, terminal routes will be added to one of these links.

4.2) Revenues to be distributed, called '*net revenues*' are the revenues paid by passengers after deduction:

a) by the issuing network, of the percentage for sales costs defined in 3.6.

b) on the links with Great Britain, for travel through the Channel Tunnel, of a fixed sum of £7.59 plus 81.4 FFR under the average conditions of 1989, deducted by SNCF and BR, which are jointly and severally responsible vis-a-vis Eurotunnel. The two elements of this sum will be indexed respectively on the Retail Price Index, 1987, with 115.2 as the reference index, and on the monthly household consumption price index, for the whole of France, 1980, with 178.0 as the reference index.

- DRAFT HEADS OF AGREEMENT BETWEEN D.B., N.S., S.N.C.B, AND S.N.C.F

4.3) The net revenue defined in 4.2 will be shared for each link, as indicated in 4.4, 4.5, 4.6 and 4.7 below. The percentages indicated in 4.4 are applicable provided that:

a) the journey times, defined as the average of the published timetables of all the high speed trains, after deduction of time losses resulting from intermediate stops, insofar as the joint commercial interest of these stops has been recognised by the networks concerned, are as follows:

- Paris-Nord - Belgian border	57 min
- French border - Brussels-Midi	26 min
- Brussels-Midi - Dutch border	52 min until 1997 and 43 min from 1998
- Dutch border - Amsterdam	89 min until 1997 and 66 min from 1998
- Brussels-Midi - German border	93 min until 1997 and 62 min from 1998
- German border - Koln	37 min
- German border - Frankfurt	97 min from 1998

if not the provisions of article 4.7 will be applied.

b) the quality of the service offered for intercapital high speed trains is sufficient, in particular in relation to punctuality and cancellations of trains. Non respect of this quality will be the subject of penalties to be defined under a specific agreement. In relation to punctuality, this agreement will be established on the basis of a comparison between the theoretical time and the real time of passage of each train, in particular at border points.

4.4) For the links below, described as "*inside the zone*", the shares of net revenue defined in 4.2 allocated to each network are as follows until 1997:

[see original for table]

If two networks agree to modify their relative shares, the share of the third network remaining unchanged, the shares above will be modified subject to the first two networks notifying the third of such a revision.

4.5) For the links below, described as "*inside the zone*", the shares of net revenue defined in 4.2 allocated to each network are as follows from 1998:

[see original for table]

If networks agree to modify their relative shares, the share of the third network remaining unchanged, the shares above will be modified subject to the first two networks notifying the third of such a revision.

4.6) For the other links shown in appendix 1, the net revenue defined in 4.2 will first of all be divided into "*inside the zone*" revenues and "*outside the zone*" revenues, in proportion with the railway distances weighted by the quality index defined in appendix 1. The "*inside the zone*" revenue will then be distributed as in 4.4, 4.5 and 4.7.

4.7) If one of the networks improves (or downgrades) a journey time indicated in 4.3, without modification of the journey time of the other networks, the basis of distribution relating to this network indicated in 4.4 or in 4.5 will be increased (or reduced) by 1/6 of a point per minute (the percentages of revenue allocated to the two other networks remaining in the same ratio and modified in order to maintain a total of 100).

If several networks modify their journey times, the previous rules will be applied successively several times, in the order of the notifications of modifications to the other networks.

4.8) PENALTIES

If the new line between the French-Belgian border and LEMBEEK, is not in operation by 1st July 1996, a penalty of 1/3 of a point per minute instead of 1/6 of a point per minute will be used for application of article 4.6 from this date until the new line is put into operation.

If this new line is to be abandoned or postponed until after the year 2000, the SNCB will have to refund the additional revenue collected until 1st July 1996 at a penalty of 1/3 per minute.

SNCB - Unit Costs of classic trains**(main cost items - international service)****1 - Passenger traffic operations-
(International service)**

- Advertising
- Commercial agencies
- Tickets sales, seat reservations, information, disputes, accounting of revenue
- Distribution of revenue, centralisation and accounts with foreign networks
- Railway police
- General costs
 - Stations
 - Managements and Groups
 - Central Administration

2 - Formation of trains

- cleaning of cars
- preheating of cars
- inspections and repairs of cars in the trains
- manoeuvre locomotives
- agents and manoeuvre supervisors
- General costs
 - stations
 - Managements and Groups
 - Central administration

3. Traction

- Driving of locomotives
- Guards and supervision in trains
- Movement and signalling in stations and on lines
- Traffic control
- Manoeuvre of fixed electric traction installations
- General costs
 - stations
 - Managements and Groups
 - General administration

4. Maintenance of fixed installations

- track
- structures
- buildings
- signalling and level crossing installations
- telecommunications
- fixed electric traction installations
- General costs
 - Managements and Groups
 - General Administration

5. Maintenance of vehicles

- Locomotive : total maintenance
(multi system locomotives)
- Cars : total maintenance except for cleaning, preheating, inspections and minor repairs in the trains (cf formation of trains)
- General costs