



## Scania Specific IT Terms & Conditions for Consultancy Services

These Specific IT Terms & Conditions for Consultancy Services (hereinafter also referred to as "STC-C") apply to the performance of consultancy services on "time and materials" basis ordered by Scania. The Supplier shall perform consultancy services in accordance with these STC-C which form an integrated part of Negotiation Protocols, Frame Agreements, IT Contracts and Purchase Orders together with Scania General Terms & Conditions for IT Purchase.

### 1 DEFINITIONS

Unless the context or circumstances clearly suggest otherwise, the following capitalized terms shall have the meanings stated below:

**"Consultancy Service(s)"** means the consultancy services that is to be performed by the Supplier under the Contract".

**"Contract"** means Frame Agreement, IT Contract and/or Purchase Order between Scania and the Supplier.

**"Open Source"** means computer software with its source code made available to the public by the copyright holder with a license that regulates the rights to study, change, and distribute the software to anyone and for any purpose.

**"Service(s)"** means the Consultancy Services and other services that are to be performed by the Supplier under the Contract".

Definitions governing this STC-C is also found in Scania General Terms & Conditions for IT Purchase.

### 2 PERFORMANCE OF THE SERVICE

2.1 The Supplier shall provide Consultancy Services in accordance with Purchase Order and the provisions of the Contract.

2.2 The Consultancy Service shall be provided to Scania on Agreed Delivery Date and the Supplier shall then place persons stated in the Purchase Order or the Contract at disposal for Scania.

2.3 The Supplier undertakes to perform the Consultancy Service with due skill, care and in a professional manner, and in accordance with the instructions provided by Scania. Moreover, the Supplier shall perform the Consultancy Service using personnel who are appropriate, suitable and with a qualification profile in accordance with the Purchase Order and the Specification.

2.4 During the period when Consultancy Services are performed, the Supplier undertakes not to use the personnel conducting the Consultancy Services for assignments for companies that in any way compete with Scania.

2.5 The Supplier undertakes, during the term of the contract and for a period of six (6) months thereafter, not to directly or indirectly attempt to solicit personnel who is or has been employed by Scania and that has been directly involved in the Consultancy Service.

### 3 PERSONNEL

3.1 Scania shall have the right to conduct personal interviews with persons proposed to perform the Consultancy Services.

3.2 The Supplier shall replace any stated person(s) who by Scania is considered not to have sufficient and/or correct competence for performing the Consultancy Service or with whom Scania finds it difficult to cooperate with.

3.3 Replacement of persons listed in the Contract may only be made by the Supplier after agreement with Scania, unless otherwise stipulated in Clause 3.4. The Supplier shall be responsible for any time consumed and all costs associated with the replacement of the personnel including knowledge transfer.

3.4 If the Supplier's personnel (because of e.g. illness, leave of absence, dismissal) no longer are available for performing the Consultancy Services, the Supplier shall give immediate notice thereof to Scania and propose appropriate measures to avoid delays or other inconvenience to Scania.

3.5 The Supplier shall provide replacement personnel who shall meet the requirements set out in Clause 2.3 above and the Supplier shall be liable for any extra costs, time consumed or delays (including knowledge transfer) caused by such circumstances.

3.6 The Parties estimate that a two (2) week knowledge transfer period, typically is required for new personnel, and agree that the Supplier shall not be entitled to any compensation during such knowledge transfer period.

3.7 If the Supplier's personnel perform any work in Scania's premises, such personnel shall comply with any instructions, including safety regulations, procedures and working regulations applicable to Scania's personnel.

3.8 The Supplier shall obtain all mandatory permits for all Suppliers' personnel of foreign nationality and manage all administrative and practical issues in connection with the immigration.

3.9 To the extent the Consultancy Service is to be performed on Scania's premises, Scania will be responsible for operational management and for compliance with applicable laws and statutes with respect to the working conditions.

3.10 Working hours are governed by instructions issued by Scania and the Supplier is responsible for ensuring that personnel providing Consultancy Services observe the prevailing regulations and agreements on hours of work.

3.11 A Supplier registered in Sweden undertakes to either (i) have a Swedish central collective bargaining agreement in place; or (ii) otherwise ensure employment conditions for its personnel which are equal to the conditions under a Swedish central collective bargaining agreement according to the Swedish act on staffing agencies (Sw. lag 2012:854 om uthyrning av arbetstagare)

3.12 If the Supplier's personnel are not employed by the Supplier under Swedish law, but are performing the Consultancy Services at Scania's premises in Sweden, the Supplier shall ensure compliance with the Posting of workers Act (Sw. lag 1999:678 om utstationering av arbetstagare) including report the posting as well as a contact person to the Swedish Work Environment Authority (Sw. Arbetsmiljöverket).

3.13 The Supplier undertakes not to in any way hinder its personnel from taking up an employment with Scania.

### 4 TRAINING

4.1 Supplier's personnel shall before entering into an assignment at Scania attend Scania's mandatory introduction training on Scania's workplace equipment, applications and security etc. The training will be provided by Scania free of charge and the Supplier shall not be entitled to any compensation for personnel attending the training.

4.2 The Supplier undertakes to keep the personnel's competence and knowledge up to date with relevant training activities. The Supplier shall not be entitled to any compensation for Consultancy Services or training fees when Supplier's personnel attend such training activities.

4.3 Scania may request that Supplier's personnel attend Scania specific training programs required for the performance of the Consultancy Service. The training will be provided by Scania free of charge and the Supplier shall not be entitled to any compensation for personnel attending the training.

## **5 COOPERATION, COMMUNICATION AND CONTACT PERSONS**

5.1 The Parties shall cooperate and consult with each other in conjunction with performance of the Consultancy Service. Moreover, the Parties shall inform each other of any and all relevant circumstances and events or matters which may be of significance for provision of the Consultancy Service.

5.2 The Supplier shall inform Scania immediately if there is a risk that the Supplier cannot fulfil its obligations and shall take all reasonable actions to fulfil such obligations.

5.3 The Supplier is obliged in the course of performing the Consultancy Services to collaborate with any other suppliers designated by Scania.

5.4 The Supplier may not receive or obtain directive for the performance of the Consultancy Services from any other party than Scania. The Supplier shall also in all respect protect and represent Scania's interests.

5.5 The Parties shall have designated Contact Persons, as set forth in the Contract, with relevant qualifications for exchange of information pursuant to this provision.

## **6 SPECIAL REQUIREMENTS REGARDING PERSONNEL**

6.1 At the request of Scania, the Supplier shall be able to demonstrate that none of the personnel engaged for the Consultancy Services are listed in the Swedish Criminal Records or in any corresponding record abroad, with the exception of less serious crimes, e.g. traffic offences.

6.2 At the request of Scania, the Supplier shall ensure that all personnel engaged for the Consultancy Services are cooperating in undergoing drug tests to the extent such tests are performed by future and existing Scania employees.

6.3 In the event the Supplier's personnel, in the manner described in Clause 6.1 and Clause 6.2 respectively, are listed in the Swedish Criminal Records, or any corresponding record abroad, or do not cooperate in performing drug tests, Scania shall have the right to refrain from using such personnel or, with immediate effect, terminate ongoing Services without right for the Supplier to request compensation from Scania. The Supplier shall be responsible for time consumed and costs associated with the replacement of personnel due to mentioned circumstances.

6.4 Such Supplier's personnel who are to work in assembly shall fulfil the demand for medical examination as stated in AFS 1996:4 and AFS 2000:28, Thermoset Plastics.

## **7 SUBCONTRACTORS**

The Supplier may only use its own personnel for the Consultancy Services and may not engage subcontractors unless agreed in writing with Scania. If Supplier, following approval by Scania, engages the services of a subcontractor, the Supplier is responsible for the work performed by the subcontractor in the same way as for its own work.

## **8 DELIVERY TIME AND CHANGES**

8.1 The Supplier undertakes to deliver and make available ordered Consultancy Services, included in the Contract, to Scania on Agreed Delivery Date, in accordance with Purchase Order and the provisions of the Contract.

8.2 Scania may request changes or amendments to ordered Consultancy Services by sending a Purchase order to the Supplier. The Supplier shall be deemed to have accepted the Purchase order, including changes and amendments, ten (10) working days following receipt thereof, unless the Supplier informs Scania otherwise within such period. The Supplier shall accept Scania's request for changes or amendments to the Purchase orders unless the request is unreasonable.

## **9 COMPENSATION**

9.1 The Supplier is entitled to compensation for providing Consultancy Services in accordance with the Purchase Order and other applicable terms in the Contract.

9.2 The hourly fee for Consultancy Services shall be the only compensation for the Consultancy Services. The compensation shall include Supplier's cost for; wages, payroll overhead, overtime, shift duties, stand-by duties, inconvenient working hours, taxes and social security contributions, holiday pay, daily allowances, travel expenses related to travel to the location where the Consultancy Service shall be performed, expenses for administration and accounting of the Consultancy Service etc.

9.3 Compensation can also be specified as a fixed daily fee based on the hourly fee and Scania's local regulations and agreements on working hours per day.

9.4 For Consultancy Services Scania may in the Purchase Order or the Contract state a cap on compensation beyond which the Supplier shall not be entitled exceed. The cap on compensation shall include all compensation to the Supplier in accordance with this Clause 9.

9.5 For Consultancy Services performed Scania shall be entitled but not obligated to call-off the total cap amount stated in the Purchase Order or the Contract.

9.6 Terms and conditions governing compensation, currency, invoicing and payment etc. are regulated in Clause 4-6 in Scania General Terms and Conditions for IT Purchase and in appendix to the Contract.

## **10 ORDERED OVERTIME**

If Supplier's personnel are performing Consultancy Services on overtime, expressly ordered by Scania, extra compensation for Level 1 overtime will be payable by ten (10) percent and Level 2 overtime by twenty-five (25) percent of the agreed hourly fee. Level 1 overtime means business days between 06.00 and 20.00 after eight (8) hour of work. Level 2 overtime means all other time.

## **11 TRAVEL EXPENSES**

11.1 Daily allowances and compensation for travel expenses for travel to any other location than the location where the Consultancy Services shall be performed will be payable provided the travel has been approved in advance in writing by Scania. Compensation in this regard is payable in accordance with Scania's guidelines applicable from time to time. Compensation is payable also for verified and reasonable costs and daily allowances, in connection with approved travel, however not for time wastage or overtime.

11.2 Compensation for travel time will be payable, (by Scania) approved travel, with fifty (50) percent of the applicable hourly fee for the consultant. For the avoidance of doubt, this compensation will replace the normal hourly fee, i.e. will not be paid in addition to the hourly rate.

## **12 PAYMENT**

12.1 The Consultancy Services shall be invoiced on a monthly basis in arrears for accumulated fees, unless otherwise stated in the Purchase Order, determined payment plan or other agreement between the Parties.

12.2 All invoices issued by the Supplier shall include at least the following details.

- (i) Reference to the Contract number and Purchase Order number;
- (ii) Supplier company name and address;
- (iii) Supplier VAT-number and Supplier company registration number;
- (iv) Scania's invoice address (as shown in the Purchase order);
- (v) Scania Requestor and Requesting Department;
- (vi) The number of hours worked (hours/days) together with the fee for each and every one of the Supplier's personnel participating in the performance of the Consultancy Service.

12.3 The Supplier shall keep true and accurate books and records of all financial matters, including accounting of hours worked, in relation to invoicing under the Contract, detailing time used and expenses incurred in connection with performance of the Consultancy Services.

## **13 WORKPLACE EQUIPMENT**

13.1 The Parties can from time to time agree in writing that Scania shall be responsible for providing Supplier's personnel with suitable workplace equipment.

13.2 If Scania provides the Supplier with equipment such as tools, hardware, software or documentation for performing the Consultancy Services, these may only be used for the Consultancy Services, and shall be returned to Scania immediately after completion of the Consultancy Services, or upon termination of the Contract, irrespective of reason. The Supplier shall attach or allow Scania to attach any label or marking to such equipment in a way that clearly shows that Scania is the rightful owner of such equipment.

## 14 DEFECTS AND SHORTCOMINGS

14.1 The Supplier warrants that the Consultancy Service are performed in accordance with the Contract. The Consultancy Services shall be deemed defective if they (i) in any respect deviate from Specification, Purchase Order or Contract or (ii) otherwise deviate from what Scania reasonably could have expected.

14.2 Defects or shortcomings, not caused by Scania, shall, if reported to the Supplier by Scania's within 180 days of acceptance of relevant Service, be immediately corrected or remedied free of charge by Supplier if requested by Scania. If such correction or remedy is not made immediately, or is deemed impossible, Scania is entitled to a reduction of the agreed fee to an amount equivalent to the defect or shortcoming. If the defect or shortcoming is material to Scania, Scania is entitled to with immediate effect terminate the Purchase Order or Contract in its entirety or the part attributable to the defect or shortcoming, and/or claim compensation for the damages, cost or loss incurred by Scania as a result of the defect or shortcoming.

## 15 INTELLECTUAL PROPERTY RIGHTS

15.1 The Supplier hereby transfers to Scania the ownership of the Deliverables of the Consultancy Services, including the ownership of any and all intellectual property rights and know-how. The Supplier warrants that it at the time of transfer owns all rights to such Deliverables as well as that it is entitled to transfer such rights to Scania. By way of clarification, this Clause does not apply to intellectual property rights or know-how owned or licensed by the Supplier prior to the commencement of the Consultancy Services, or which the Supplier can demonstrate were developed entirely independently of the Consultancy Services.

15.2 The transfer of rights to Scania is exclusive, worldwide, perpetual and complete and covers the right to use, transfer and publish Deliverables in any form, for any purpose and to any medium, as well as to modify and alter the Deliverables. In addition, hereto, Scania is also without restriction entitled to transfer or license, wholly or partially, all rights to the Deliverables to third parties. The right to any patent resulting from the Consultancy Services accrues to Scania.

15.3 In light of the purpose of Scania's acquisition of the rights to the Deliverables of the Consultancy Services – which must be possible to alter and modify in order to be used in different contexts – the Supplier warrants that the respective originators of the Deliverables have waived their right to oppose changes in the Deliverables and their right to be mentioned as originators with regard to use of or modification and alteration of the Deliverables in accordance with the provisions of the Contract.

15.4 The Supplier warrants that the rights to the whole or parts of the Deliverables of the Consultancy Services have not been granted to any third party and that Scania will not infringe any third party's right if the Deliverables are used in accordance with the provisions of the Contract.

15.5 The Supplier warrants to indemnify Scania in the event Scania's use of the Deliverables of the Consultancy Services in accordance with the Contract should be found to constitute or be alleged to constitute an infringement in the rights of a third party. Moreover, The Supplier undertakes, at its own expense, and at the request of Scania, to acquire from third parties the rights necessary in order for Scania to be able to use the Deliverables in accordance with the provisions of the Contract.

15.6 Scania also acquires the ownership of the originals of the Deliverables in the form of prototypes, forms, manuscripts, photographic negatives, image creations or the like, in analog and/or digital form and the Supplier undertakes, at the request of Scania, to hand over any and all such originals to Scania.

15.7 The Supplier undertakes, in return for reasonable compensation, to assist Scania in the drafting and signing of documents which are necessary for Scania to be able to register rights relating to the Deliverables of the Consultancy Services.

## 16 OPEN SOURCE

16.1 The Supplier shall not include and/or use any Open Source in the Consultancy Services without collecting Scania's written approval in advance. If such approval is received, the Supplier undertakes to only use Open Source in accordance with Scania's policy for Open Source and take full responsibility towards Scania for any use deviating from Scania's policy for Open Source.

16.2 The Supplier shall, if using Open Source without collecting Scania's written approval in advance immediately replace the Open Source with equivalent proprietary software and compensate Scania for any damages, cost or loss incurred as a result of the use of Open Source. The Supplier shall also compensate Scania for any third part damages and related cost due to the use of Open Source without Scania's written approval.

## 17 INSURANCE

The Supplier shall at its own expense take out and maintain general liability insurance for a satisfactory amount with regard to the Consultancy Service (however for a minimum of SEK 10 million (10,000,000) for the calendar year during which the Consultancy Service is performed). In addition, the Supplier shall take out property insurance covering all documents, tools, equipment etc. provided by Scania and in the Supplier's

possession. The Supplier shall upon Scania's request be able to present a copy of a valid insurance policy.

## 18 TAX CERTIFICATE

The Supplier shall hold a valid tax certificate (Swedish: F-skattebevis).

## 19 PREMATURE TERMINATION

19.1 In addition to what is set forth in other parts of the Contract regarding premature termination the following shall apply. The Contract may be prematurely terminated by Scania, in whole or in part,

- (i) with immediate effect in the event that an important change in the ownership of the Supplier, directly or indirectly, occurs; or
- (ii) with one (1) month prior written notice, without Scania providing reasons therefore, as regards unperformed parts.

19.2 In case of premature termination according to (ii) above, Scania shall be entitled to allocate persons involved in the Consultancy Services for other similar work during the period of notice if Scania so wishes. In the event of the Supplier being able to provide personnel whom has been given notice work with other customers, Scania shall only make payment for that time during which the Supplier has been without occupation as a result of the notice given.

## 20 EFFECTS OF TERMINATION

In addition to what is set forth in other parts of the Contract regarding effects of termination the following shall apply. In case of termination of the Contract under the provisions governing term and termination and premature termination, on the day of termination:

- (i) all work shall cease;
- (ii) no further payment of compensation shall be due or be reserved, save with respect to work-in-progress performed by the Supplier; and
- (iii) the Consultant shall forthwith furnish to Scania all Deliverables in its possession, or that of any subcontractor, in the form and state of preparation then existing upon the day on which the Agreement ceases. The Supplier is entitled to compensation for work performed up until the day of termination. As an alternative, Scania may request the payments made to be repaid to Scania. Scania shall in such case return received materials and is not after the termination entitled to use the Deliverables of the Consultancy Services.