



SCANIA

SCANIA GENERAL TERMS AND CONDITIONS FOR PURCHASE OF BODYWORK AND MOUNTING SERVICES FOR TRUCK, BUS AND COACH CHASSIS

GOVERNING TERMS

These Scania general terms and conditions for purchase of bodywork and mounting services for truck, bus and coach chassis (the **"General Terms"**) apply between Scania CV AB (publ), registered in Sweden under company registration number 556084-0976, (**"Scania"**) and you (the **"Supplier"**, jointly with Scania the **"Parties"**) in relation to any (i) supply of **"Delivery Item(s)"**, which means equipment that is permanently mounted onto the Scania bus chassis, bus modules, coach chassis, coach modules or Scania truck chassis (the **"Chassis"**) and which are needed for the vehicle to perform its function (**"Bodywork"**), trailers and additional components and material and (ii) performance of **"Service(s)"**, which means mounting and fitting of Delivery Items on the Chassis, adaptation of components and material provided by Scania on the Chassis, adaptation of the Chassis and electrical system to facilitate mounting of the Delivery Items, if applicable, quality assurance and calibration of the Delivery Items and other services that are to be performed by the Supplier, by the Supplier to Scania or any affiliate within the Scania group (**"Scania Affiliate"**) as well as other entities within the Scania authorised distribution system (**"Dealer"**). A Supplier may be either a supplier of Delivery Items and/or Services for bus or coach chassis (**"Bus Bodybuilder"**) or for truck chassis **"Truck Bodybuilder"**). Any Scania Affiliate and/or Dealer shall at all times during the term of the Parties' agreement (the **"Contract"**) be entitled to refer to the Contract when ordering Delivery Items and Services from the Supplier for such activities, and shall thus be entitled to order Delivery Items and Services from the Supplier on the terms and conditions stated therein. Whenever supplies are made to a Scania Affiliate or to a Dealer, any references herein to Scania shall automatically apply in the same way to all Scania Affiliates or Dealers. These General Terms form an integral part of the Contract.

1 PRICES

Prices for a Delivery Item and for Services will be subject to separate price negotiations and shall be specified and agreed in the Contract, or agreed separately in the respective orders. Unless otherwise agreed, prices are valid from the date stated in the Contract, or order and shall be firm and fixed.

2 PAYMENTS

2.1 Provided that Scania has received a verifiable and correct invoice in accordance with the Scania Invoice Directive, payment will be made within sixty (60) calendar days, unless otherwise agreed. The Supplier may not issue an invoice until delivery of the Delivery Items and Services has occurred. Payment shall be made by bank transfer.

2.2 The Supplier shall be entitled to receive interest on overdue payments in accordance with the Swedish Interests Act (1975:635). The Supplier shall not be entitled to charge for invoicing or any similar charges.

2.3 Scania shall be entitled, but not obliged, to set off any liability of the Supplier toward Scania against any liability of Scania toward the Supplier (arising out of the Contract or otherwise and, for the avoidance of doubt, irrespective of whether the liability is present or future and irrespective of the currency of its denomination) and Scania shall for this purpose be entitled to convert or exchange any currency. Any exercise by Scania of its rights under this Section 2.3 shall be without prejudice to any other rights or remedies available to Scania under the Contract or applicable law.

2.4 The Supplier may not assign its claims for payment for Delivery Items and Services to any third party without Scania's prior written consent.

2.5 If an advanced payment has been agreed between the Parties for the Delivery Items and/or Services, such agreement is

conditional upon the Supplier providing Scania with a guarantee from a financial institute approved by Scania and on terms and conditions acceptable to Scania before payment will be made by Scania.

3 SCANIA PROPERTY

3.1 Chassis, components and materials provided by Scania which shall be mounted to the Chassis and other material, equipment, goods or articles provided by Scania (the **"Scania Property"**) are delivered free the Supplier's production location address, unless otherwise agreed.

3.2 The Supplier shall at the receipt of the Scania Property, inspect the Scania Property for defects and shortages. The supplier shall without undue delay, however not more than two business days from the Supplier's receipt of the Scania Property, notify Scania in writing of visible defects or shortages in the Scania Property. The Supplier shall be liable for defects in the Delivery Items and/or the end product resulting from visible defects or shortages in the Scania Property which the Supplier was aware of or should have been aware of and which were not notified to Scania by the Supplier in accordance with above.

3.3 The beneficial ownership of the Scania Property shall remain vested with Scania at all times irrespective of whether the Delivery Items have been prepaid (whether in part or full) or not. The Supplier shall not under any circumstances whatsoever, without the prior written consent by Scania, disclose, sell or otherwise dispose of the Scania Property and the Scania Property shall solely be used for purposes specified by Scania or as otherwise instructed by Scania.

3.4 Scania' Property shall at all times be marked with Scania's name, in a way that clearly shows that Scania is the rightful owner.

3.5 Scania Property shall at all times be held by the Supplier in safe custody at the Supplier's own risk and maintained and kept in good condition by the Supplier until the delivery to Scania is completed (including off-loading and stacking).

3.6 Scania Property or parts thereof, which is removed from the Chassis by the Supplier, shall be delivered by the supplier free of charge to a location indicated by Scania, unless otherwise agreed.

3.7 The Supplier shall indemnify and keep Scania harmless from any loss, cost or damage claimed by or owed to third parties or incurred or suffered by Scania in connection with any of the Scania Property which is in the Supplier's possession or as a result of the Supplier's breach of this Section 3.

4 DELIVERY AND DELAY

4.1 Agreed delivery dates, deadlines, and time periods are binding.

4.2 Shipments are to be handled according to Scania's instructions. Unless otherwise agreed, FCA Supplier's workshop (INCOTERMS 2010) shall apply with respect to Truck Bodybuilders and EXWORK Supplier's workshop (INCOTERMS 2010) shall apply with respect to Bus Bodybuilders. Notwithstanding the chosen Incoterm, the risk of loss or damage to the Delivery Items shall pass to Scania at the time the Delivery Items have been loaded on the transport provided by Scania. Scania shall have the right to postpone the pick-up of the Delivery Items with up to a maximum of one week from the agreed delivery date.

4.3 The Supplier shall immediately notify Scania in writing in the event it appears probable that an agreed delivery date will not

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be met. The Supplier shall in such written notification state the reason for the delay and state the time at which delivery is expected to take place. Such notification shall not discharge the Supplier from its liabilities under the Contract, nor shall it prevent Scania from exercising any of its rights under the Contract or applicable law.

4.4 If a delay is due to a force majeure in accordance with Section 5 below, or it is the consequence of a delay caused by Scania, the delivery date may be extended by a period of time corresponding to the period of delay caused by the force majeure or the delay caused by Scania as the case may be.

4.5 Unless otherwise agreed, Scania shall be entitled to liquidated damages in the event of delay in delivery with more than fourteen (14) days from the date on which the delayed Delivery Items and Services should have been delivered ("**Agreed Delivery Date**"). Unless otherwise agreed, Scania shall be entitled to liquidated damages of 0.5% of the total value of the Order under which Delivery Items or Services are delayed (the "**Order Value**") for each commenced week of delay from Agreed Delivery Date, up to a maximum of EUR 600 per week. The total liquidated damages shall not exceed 5% of the Order Value. In the event that the Delivery Items or Services are delayed more than ten (10) weeks, Scania is entitled to terminate the Contract and/or orders, in whole or in part, with immediate effect.

4.6 Notwithstanding Section 4.5, in the event the Supplier is liable for delay in delivery, the Supplier shall defend, indemnify and hold Scania harmless from any direct loss (including but not limited to additional shipping charges, retrofitting costs, replacement purchases from third parties and, in case of delay in delivery of After Sales Products, Scania's compensation of its customers for rental costs for replacement vehicles and compensation for the loss of use as well as the cost of special handling) suffered or incurred by Scania and from any cost, loss and damage owed by Scania to third parties as a consequence of the Supplier's delay in delivery. This limitation of liability set out above shall not apply in cases of gross negligence or intent, in which case the Supplier shall compensate Scania for any cost, loss or damage incurred or suffered by Scania due to the delay.

5 FORCE MAJEURE

Force Majeure releases a Party from its obligations for the duration of the Force Majeure event to the extent of the impact thereof. Each Party is required to, without delay and within the time of what can be reasonably expected, notify the other Party in case of a Force Majeure event. The Parties shall in case a Party's fulfilment is affected by Force Majeure adjust their mutual obligations as appropriate in accordance with the principle of good faith and fair dealings. "**Force Majeure**" shall mean war, natural catastrophe, national strikes, walkouts or other labour disturbances initiated by a labour union of national scope, order of any government, court or regulatory body having jurisdiction, blockade, embargo, riot, civil disorder, or any similar cause beyond the reasonable control of a Party who is obligated to render performance (but excluding financial inability to perform).

6 QUALITY, CERTIFICATIONS AND DOCUMENTATION

6.1 The Supplier shall ensure that the Delivery Items are delivered and the Services are performed in accordance with any and all laws, regulations and other provisions applicable from time to time. The Supplier shall also ensure that the Delivery Items are in compliance with all laws and regulations in the end user's

operating country in order to ensure the certification of the end product in such country. Further, the Supplier shall in good time before the delivery obtain all necessary certificates, permits and approvals in relation to the certification of the Delivery Items, including but not limited to certifications, permits and approvals stated in the Truck Bodywork Manual (only applicable with respect to Truck Bodybuilders), the Scania's Bus Builders Manual (only applicable with respect to Bus Bodybuilders) or in specifications and documentation for the Whole Vehicle Type Approval of the Delivery Item(s) and their interface/connection to the Chassis.

6.2 The Delivery Items shall be fitted with the prescribed safety equipment and fulfil applicable legal requirements, and shall otherwise offer adequate protection against physical harm and accidents. All safety instructions shall be in the language of the end user's operating country, unless otherwise agreed.

6.3 This Section 6.3 is only applicable with respect to supplies of Delivery Items from or performance of Services by Truck Bodybuilders. For its deliveries, the Supplier shall at all times conform to and apply the Scania Standard 3901 ("**STD3901**") or alternatively Scania standards 4321 ("**STD4321**") which shall apply in the event Scania has the total responsibility for maintenance, repair and spare parts throughout the service life of the vehicle, the Truck Bodywork Manual and any other standards or manuals referred to in the Contract, the STD3901 or STD4321 (as applicable), orders placed by Scania or in any separate instructions from Scania as applicable from time to time on TruckBodyBuilder.scania.com, or in any additional reasonable instruction by Scania and further adhere to the agreed technical specifications. Modifications of the Delivery Items or their production processes require Scania's prior written consent. In the event STD4321 is applicable, such written consent may only be effected in accordance with the Scania Supplier Change Request procedure as set out in STD4321. Modifications of the Delivery Items or their production processes shall not result in changes to the agreed price or delivery date. The Delivery Items shall always be constructed in a way enabling services and inspection to be easily performed.

6.4 This Section 6.4 is only applicable with respect to supplies of Delivery Items from or performance of Services by Bus Bodybuilders. For its deliveries, the Supplier shall at all times conform to and apply the Scania Standard 3901 ("**STD3901**") as applicable from time to time on TruckBodyBuilder.scania.com, the Scania's Bus Builders Manual and any other standards or manuals referred to in the Contract, orders placed by Scania or in any separate instructions from Scania as applicable from time to time, or in any additional reasonable instruction by Scania and further adhere to the agreed technical specifications. Modifications of the Delivery Items or their production processes require Scania's prior written consent. Modifications of the Delivery Items or their production processes shall not result in changes to the agreed price or delivery date. The Delivery Items shall always be constructed in a way enabling services and inspection to be easily performed.

6.5 The Supplier must at all times be certified in accordance with the certification requirements set forth in STD4321 and STD3901 (as applicable) with respect to Truck Bodybuilders and ISO 9000 with respect to Bus Bodybuilders (or certified as otherwise accepted from time to time by Scania as confirmed by Scania in writing), and apply the rules and procedures

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- stipulated for such certification. The Supplier undertakes to immediately inform Scania in writing should the Supplier lose its mandatory certification and Scania shall be entitled to terminate the Contract (and/or any individual orders under the Contract) with immediate effect. The Supplier shall furthermore at all times comply with the EU legislation Registration, Evaluation, Authorization and regulation of Chemicals (REACH) (EC) 1907/2006.
- 6.6 The Supplier acknowledges that, standards, manuals and instructions referred to in Section 6.3 and 6.4 are based on the features of the Chassis which Scania is able to calculate in advance without knowledge of specific features and designs of Delivery Items and/or Services and do accordingly not take into account any specific features or designs of any Delivery Items provided by the Supplier. The Supplier shall always be responsible for ensuring that the Delivery Items, the Services and features of the end product, to the extent these are affected by the Delivery items or Services, are in accordance with the requirements under this Contract and applicable laws and regulations. If the application of any part of Scania's standards, manuals or instructions would not be appropriate or recommended for the Delivery Items, the Services or the features of the end product to the extent these are affected by the Delivery Items or Services, the Supplier shall without undue delay notify Scania in writing and the Parties shall discuss in good faith how to proceed.
- 6.7 The Supplier shall deliver the Documentation, no later than on delivery of the Delivery Items. Documentation means (i) all drawings, models, specifications, instruction, manuals, user guides and other technical documentation, which describe the features and design of the Delivery Items and/or are necessary in order for Scania and/or the end users to carry out assembly, start-up, operation and maintenance (including ongoing repairs) of any parts of the Delivery items; (ii) certificates, permits and approvals referred to in Section 6.1, (iii) testing certificates and other prescribed documentation related to relevant legal requirements; and (iv) safety instructions, no later than on delivery of the Delivery Items. The Documentation shall clearly describe the features and design of the Delivery Items and shall be sufficiently clear and comprehensive to allow Scania and end users to carry out assembly, start-up, operation and maintenance (including ongoing repairs) of all parts of the Delivery items. For the avoidance of doubt, delivery of Documentation is included in the agreed purchase price and Section 4 above shall apply in the event of any delays of Documentation. The Documentation shall be in English unless otherwise agreed. Notwithstanding the aforementioned, safety instructions shall be in the language of the end user's operating country unless otherwise agreed.
- 6.8 Drawings and documentation furnished by the Supplier to Scania may not be copied or reproduced by Scania beyond as reasonable for the purpose of inspecting the Delivery Items or part thereof, for carrying out assembly, start-up, operation, use and maintenance (including ongoing repairs) of the Delivery Items.
- 6.9 Scania may itself or through a third party, at any time enter the Supplier's or sub-contractor's premises or other facilities where the Delivery Items are manufactured, stored or handled and where the Services are performed, to audit, inspect, carry out tests or make other necessary examinations in order to monitor the quality of the design, the manufacturing process, the control procedures, the Supplier's testing, handling and storage of the Delivery Items, Scania Property and Scania Material and to monitor the performance of the Services.
- 6.10 Should any public agency with authority regarding vehicle safety, emissions standards, or the like wish to verify certain requirements by examining Scania's production processes and its testing and inspection documentation, the Supplier agrees that, at Scania's request, it will accord such agencies the same rights with respect to the Supplier as such agencies have with respect to Scania, and will give such agencies all reasonable support.
- ## 7 SCANIA MATERIAL
- Drawings, models, tools, samples, equipment, technical documentation, specifications, instructions and any other documentation or material in any type of media, provided by Scania to the Supplier to be used in the fulfilment of the Supplier's obligations under the Contract ("Scania Material"), shall always remain the exclusive property of Scania and shall not, without Scania's written approval, be used, copied or reproduced by the Supplier for any purpose other than for internal use in conjunction with a quotation or delivery of the Delivery Items and/or the provision of Services to Scania. The Supplier undertakes to maintain in absolute confidence all and any Scania Material and not to disclose or make available Scania Material to a third party. Furthermore, Scania Material shall at all times be held by the Supplier in safe custody at the Supplier's own risk and maintained and kept in good condition by the Supplier until returned to Scania and shall not be disposed of other than in accordance with Scania's written instructions. Upon Scania's request, the Supplier shall with respect to Scania Material execute such confidentiality undertakings reasonably required by Scania.
- ## 8 DELIVERY INSPECTIONS
- 8.1 Scania shall be entitled to perform pre-delivery inspections of the Delivery Items and Services. The Supplier shall inform Scania in writing about when the Delivery Items are expected to be available for inspection. Such notification shall be made in due time before the pre-delivery inspections in order to allow Scania to make necessary preparations.
- 8.2 If during the inspections, the Delivery Items and/or Services are found to be defective or otherwise are not in compliance with the Contract, the Supplier shall, at its own cost rectify such defects or non-compliances immediately in order to ensure that the Delivery Items and/or Services are in accordance with the Contract prior to delivery.
- 8.3 If the Supplier is a Bus Bodybuilder, a Bus Builders Manual Quality Assurance ("BBM-QA") shall be carried out before delivery of the end product from the Supplier, according to the process set forth in the "Agreement to allow the carrying out of Scania Busbuilders Manual Quality Assurance".
- 8.4 Prior to delivery, the Supplier shall also carry out, by itself or a third party, a documented final inspection and a delivery inspection.
- 8.5 The Supplier shall provide all documentation attributable to the Delivery Items or Services and necessary for the inspections, including but not limited to Pre-delivery Inspection documentation.
- 8.6 Inspection, testing and acceptance by Scania or the end user shall not discharge the Supplier's from its liabilities under the Contract, nor shall it prevent Scania from exercising any of its rights under the Contract or applicable law.

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9 TRAINING AND SALES SUPPORT

The Supplier shall provide training for sales, services and parts personnel of Scania, Scania Affiliates and Dealers as may be required from time to time. Such training shall be free of charge and held at locations as agreed between the Parties from time to time. Travel and accommodation expenses for personnel shall be paid by Scania, its Affiliates or Dealers, as applicable.

10 WARRANTY

10.1 The Supplier warrants that on delivery and during the warranty period as set forth in Section 10.7 any Delivery Item supplied and/or Services performed by the Supplier shall be in accordance with agreed specifications and in addition in accordance with the Contract, free from defects and non-conformities in design, material, workmanship or otherwise, and fit for use in the intended applications.

10.2 With regard to any defects in the Delivery Items or Services, existing on delivery or occurring during the warranty period stated in Section 10.7, Scania may, at its own discretion, either: (i) require that the Supplier shall remedy the defective Delivery Item or Service immediately; (ii) remedy the defects itself or have a third party to do so, in which case the resulting costs shall be paid by the Supplier; (iii) require that the Supplier replaces the Delivery Items without delay; or (iv) reduce the purchase price for the defective Delivery Item and/or Service.

10.3 If the Supplier is unable to remedy defects or replace the defective Delivery Item or fails to do so within reasonable time, Scania may terminate the Contract or order, in whole or in part, with immediate effect.

10.4 If Scania is entitled to request remedy in accordance with Section 10.2, the Supplier shall also defend, indemnify and hold Scania harmless from any direct loss (including but not limited to reimbursement for necessary associated costs for transportation, material and operating supplies, electrical power and labour costs related to dismantling, re-installation, support and administration (including overtime compensation and travel expenses) suffered or incurred by Scania and from any cost, loss and damage owed by Scania to third parties as a consequence of a defective Delivery Item or Service.

10.5 Upon request, Scania shall within reasonable time, and at the Supplier's expense, place at the Suppliers disposal the defective Delivery Items which the Supplier is obliged to replace. Scania reserves the right to, in its sole discretion, deny a request if fulfilment thereof would be burdensome, including but not limited to requests concerning multiple defective Delivery Items or Delivery Items that are not easily accessible by Scania. Scania is entitled to dispose of a defective Delivery Item should a request by the Supplier not have been presented to Scania in writing within two (2) weeks from the notification of the defect.

10.6 Scania shall notify the Supplier in writing of any defects in Delivery Items within reasonable time after the approximated costs of remedying said defects are established by Scania. To this extent, the Supplier waives its right to claim that notice of the defect has been delivered too late.

10.7 Unless otherwise agreed, the period for the Supplier's liability under the warranty set out in this Section 10 shall expire twenty-four (24) months from the date of delivery to the end user of the Scania end product or installation of a Delivery Item as a spare part, as the case may be. The warranty period shall be prolonged by the period of time the Delivery Item remains

unusable as a result of a defect in accordance with this Section 10. If the Delivery Item is remedied or replaced in accordance with Section 10.2, the warranty period stated above shall commence on the date of delivery of such new Delivery Item (if it has been exchanged) or if the Delivery Item has been remedied, at the date the remedial work was completed.

10.8 Where defective Delivery Items are delivered, the provisions of this Section 10 are without prejudice to any claims that Scania may have under product liability or tort law or under the theory of conduct of business on another's behalf without his authority (*negotiorum gestio*).

10.9 Save as specifically stated in the Contract, Scania shall have no further claims for damages or reimbursement of expenses by reason of delivery of defective Delivery Items. For the avoidance of doubt, this limitation of liability (i) is without prejudice to any right of Scania to terminate the Contract, or part thereof (including an individual order), for which these General Terms apply and (ii) shall not apply in cases of intent or gross negligence, in which case the Supplier shall compensate Scania for any cost, loss or damage incurred or suffered by Scania due to the defect.

11 PRODUCT LIABILITY

11.1 The Supplier agrees to indemnify and hold Scania, Scania Affiliates, Dealers and companies that market Scania's products harmless from any and all cost, loss or damage (including reasonable attorney's fees), claimed by, or owed to, third parties, or incurred or suffered by Scania, a Scania Affiliate or a company that market Scania's products, to the extent the same arise out of third party claims relating to any actual or threatened injury or damage to any person or property caused, or alleged to be caused, by a Delivery Item or Service. Without prejudice to Scania's foregoing rights, either Party shall forthwith inform the other Party if a claim due to injury or damage to person or property is lodged by a third party against either of the Parties. The Supplier's obligation to indemnify remains for the entire period during which product liability claims can legally be raised against Scania.

11.2 Scania shall have the right to control the defence of any third party claim, suit or proceeding directed against Scania, and upon Scania's request, the Supplier shall actively provide to Scania all assistance necessary in such defence. If Scania deems it necessary or appropriate, the Supplier undertakes to, upon Scania's request, intervene as a party to any claim, suit or proceeding brought against Scania.

11.3 Scania will fully inform and consult with the Supplier within reasonable time in the event it intends to assert claims based on the provisions contained in this Section 11.

12 SERIAL DEFECTS AND CAMPAIGNS

In the event of serial defects and/or if Scania initiates any recall campaigns, technical campaigns or other campaigns ("**Campaigns**") during the term of the Contract or thereafter, the Supplier shall compensate Scania for any measures taken and any costs or losses incurred or suffered by Scania due to the serial defects and/or Campaigns including (without limitation) the purchase price and average labour costs for repair and/or replacement of the defective Delivery Items, landing costs of the replacement Delivery Items, and any additional damages that Scania might claim compensation for. Further, the Supplier shall provide Scania with reasonable assistance in relation to a Campaign and/or measures taken due to serial defects.

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13 LIMITATIONS ON CLAIMS

The Supplier shall not be liable for defective Delivery Items to the extent the defect is due to circumstances attributable to materials, design information or technical specifications provided by Scania, Scania's violation of operating, maintenance, and installation instructions, unsuitable or improper usage, improper or negligent handling, natural wear and tear, or faulty repair. However, this Section 13 shall not apply if the Supplier is aware of any special requirements regarding operation, maintenance, or installation regarding Delivery Items, or if it would have been reasonable that the Supplier identified any defect in material, design or technical information provided by Scania, and has failed to inform Scania thereof in writing.

14 INSURANCE

The Supplier shall, at its own expense, maintain a valid General and Products Liability insurance on an annual basis, with worldwide coverage which is appropriate considering the Delivery Items supplied and the Services performed which shall reflect the Supplier's liabilities under the Contract. The Supplier shall present a valid insurance certificate issued by the insurer upon Scania's request showing the Supplier's compliance with this Section 14.

15 INTELLECTUAL PROPERTY RIGHTS

15.1 Where design work results included in the Delivery Items have been created by the Parties jointly, the Intellectual Property Rights (as defined below) in such design work results shall belong to the Parties jointly, unless otherwise agreed between the Parties in a separate development contract or otherwise. Both Parties shall have the right to commercialize such rights subject to written agreement between the Parties. "**Intellectual Property Rights**" means any intellectual property right, including but not limited to inventions, patents, design rights, utility designs, trademarks, copyrights (including software), rights in databases, know-how, as well as registrations and applications for registration of the foregoing.

15.2 Upon Scania's request, the Supplier shall inform Scania of any Intellectual Property Rights, whether published or unpublished, owned or licensed, registered, unregistered or applied for registration, that are used by the Supplier for the development, manufacturing or supply of the Delivery Items or performance of the Services.

15.3 The Supplier warrants that (i) Scania, Scania Affiliates, Dealer and/or Scania's customers may sell, distribute, import, export, market and otherwise use the Delivery Items throughout the world without the foregoing constituting an infringement of any third party Intellectual Property Rights, and (ii) the Supplier's development, manufacturing and supply of the Delivery Items or the performance of the Services do not constitute an infringement of any Intellectual Property Rights.

15.4 The Supplier shall indemnify Scania, any Scania Affiliate, any Dealer and any Scania customer from any and all damage, costs and expenses (including legal fees) incurred as a result of any claim, suit or proceeding based on the allegation that the Delivery Items or use thereof or the Services constitute infringement of any third party Intellectual Property Rights.

15.5 In the event of a claim, suit or proceeding as set out in Section 15.4 above, the Supplier shall promptly, at its own expense and at its option, either (i) procure for Scania, any Scania Affiliate, Dealer or Scania customer, as applicable, the

right to continue the use of the Delivery Item, (ii) replace the Delivery Item with a non-infringing product of equivalent function, performance and fitness for purpose, or (iii) modify the Delivery Item so that it becomes non-infringing without detracting from function, performance or fitness for purpose.

15.6 Each Party undertakes to inform the other Party, without delay, of any potential risk that the Delivery Items or the use thereof or the Services, constitutes an infringement of any Intellectual Property Rights, or of any third party claim of such infringement, that comes to a Party's attention. Scania shall have the right to control the defence of any infringement claim, suit or proceeding directed against Scania, any Scania Affiliate, Dealer or Scania customer and upon Scania's request the Supplier shall actively provide to Scania (or any Scania Affiliate, Dealer or Scania customer, as applicable) all assistance necessary in such defence. If Scania deems it necessary or appropriate, the Supplier undertakes to, upon Scania's request, intervene as a party to any claim, suit or proceeding brought against Scania, any Scania Affiliate, Dealer or Scania customer.

15.7 The Supplier shall not be responsible for intellectual property infringement claims based on a Delivery Item to the extent that i) the Delivery Item was manufactured pursuant to design work or specifications provided by Scania and ii) the Delivery Item is infringing specifically by virtue of such design work or specifications, and provided always also that iii) the Delivery Item would have been non-infringing absent such design work or specifications provided by Scania, iv) the Supplier did not know or should have known that the Delivery Item would be infringing and v) there was no reasonable alternative way in which such design work or specifications provided by Scania could be translated into the Delivery Item in question without infringement occurring.

16 AFTER SALES PRODUCTS

16.1 With regard to Delivery Items, the Supplier in addition agrees to ensure the supply of After Sales Products. After Sales Products are required to satisfy the need for Delivery Item replacements when vehicle parts or components are replaced. "**After Sales Products**" means any spare parts (on all break-down levels and whether or not included in a Scania end product), exchange parts, and accessories for the Scania aftermarket. The Supplier shall also supply relevant instructions and manuals for the After Sales Products.

16.2 The Supplier is required to ensure the supply of After Sales Products during a period equivalent to the life time of the Delivery Items concerned (the "Period for After-market"), unless otherwise agreed by the Parties by means of a separate agreement. The Period for After-market may be prolonged or shortened as per mutual agreement thereto in writing by the Parties.

16.3 Unless otherwise agreed, all After Sales Products shall be packed in accordance with (i) the Scania Identity Manual for Spare Parts Packing, and (ii) any and all other agreed packing instructions.

16.4 If an After Sales Product include any Intellectual Property Right owned or controlled by Scania, such After Sales Product, and its packing, delivered from the Supplier to Scania, shall be marked with Scania trademarks and logotypes in accordance with applicable drawings and instructions from Scania. If delivered to any third party (after Scania's approval), neither the After Sales Products nor its packing may without the prior

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	written consent from Scania be marked with any such trademark or logotype.	19.2	The Supplier shall in no way have any connection or any type of interaction with parties listed in any type of Denied Party List issued from an applicable authority. The Supplier shall have in place procedures and processes as adequate for detecting whether such connection or interaction exists and shall immediately inform Scania in writing if it becomes aware of or if it suspect any such connection or interaction.
16.5	The Supplier shall, where possible and subject to separate agreement by the Parties in regard of the further terms and conditions therefore, provide Scania also with service exchange parts.		
16.6	These General Terms shall apply in relation to the delivery of After Sales Products.	19.3	The Supplier shall inform Scania of direct or indirect changes in the control of the Supplier which could have an impact on the applicable export control legislation and/or sanction/embargos regulations. For the purpose of this Section 17.3, "control" shall mean ownership of at least 50% of the voting rights or interest in the issued share capital. Further, the Supplier shall inform Scania of circumstances (e.g. citizenship or an individual becoming a US green card holder) with respect to an individual which, directly or indirectly, is controlling the Supplier, a member of the board of directors of the Supplier or an individual which otherwise has a controlling influence of the Supplier, which could have an impact on the applicable export control legislation and/or sanctions/embargoes regulations.
17	CODE OF CONDUCT AND BUSINESS ETHICS		
17.1	The Supplier accepts and undertakes to comply with at least all requirements in the Scania Supplier Code of Conduct, including conforming to, and applying, the United Nations Global Compact. If stricter requirements are applicable pursuant to laws or regulations in the jurisdictions where the Supplier is operating, the Supplier also undertakes to comply with such stricter requirements. The Supplier agrees to implement a corresponding undertaking with its suppliers.		
17.2	The Parties undertake to not do (and warrants that in relation to the Contract they have not done) any of the following:		
17.3	offer, give or agree to give to any representative of the other Party any gift or consideration of any kind which go beyond commonly accepted business practices or is in conflict with the applicable legislation as an inducement or reward for: (i) doing or not doing (or having done or not having done) any act in relation to the obtaining or execution of this Contract or any other contract with the other Party, or (ii) showing or not showing favour or disfavour to any person in relation to this Contract or any other contract with the other Party.	19.4	The Supplier shall ensure that all and any relevant export approvals from applicable authorities are in place well in advance of delivery of Delivery Items and/or Services which include classified items (hardware, software, technology or services).
	enter into this Contract or any other contract with the other Party in connection with which commission has been paid or has been agreed to be paid by a Party or on a Party's behalf, or to a Party's knowledge to the other Party.	19.5	The Supplier shall inform Scania of the applicable Export Control Code ("ECC") and any restriction according to the export approval for Delivery Items and/or Services, at the earlier of (i) the date set forth in Scania's request for quotation; or (ii) at the time of delivery of the Delivery Items and/or Services. The Supplier shall also provide, unless restricted under applicable law to do so, a copy of the export approval, no later than at the time of delivery of the Delivery Items and/or Services. The Supplier shall promptly inform Scania of any changes of the ECC and/or export approval during the life cycle of the Delivery Item or during the time of the providence of the Services.
17.4	The Supplier agrees to implement a corresponding undertaking with its suppliers.		
17.5	A breach of any of the undertakings of this Section 17 and/or the Scania Supplier Code of Conduct by the Supplier, any relevant Supplier Affiliate or subcontractor shall be considered a breach of material importance under the Contract.	19.6	The Supplier shall inform Scania whether Delivery Items and/or Services include any US content. If US content is included, the Supplier shall provide the ECC for the US content. If the Supplier has used De-Minimis calculation, the Supplier shall inform Scania of the percentage of the US content.
18	TRADEMARK, MARKETING, ANNOUNCEMENTS	19.7	Scania agrees to inform the Supplier of valid ECC and restrictions according to export approval for classified items (hardware, software, technology or services) which are provided by Scania to the Supplier.
18.1	Nothing in the Contract is intended, nor shall be construed, as conferring any right of a Party to use any name, trademark or other designation of the other Party, including any contraction, abbreviation or simulation of any of the foregoing in advertising, publicity or marketing activities, unless the other Party has agreed thereto in writing.	19.8	Each Party agrees to, upon request from the other Party, reasonably assist the other Party in obtaining a relevant export approval.
18.2	All press releases, public announcements, public relation activities and communications with regard to the Contract shall be mutually approved by the Parties in advance of such release, announcement, activity or communication.	19.9	Scania may terminate this Contract (and/or any individual Orders hereunder) with immediate effect if the Supplier is in breach of, or if Scania reasonably suspects that the Supplier is in breach of, Section 19.1 or 19.2.
19	EXPORT	20	CONFIDENTIALITY
19.1	The Supplier shall comply with all applicable export control legislation and/or sanctions/embargoes regulations and shall, without undue delay, inform Scania of any changes to such applicable export control legislation and/or sanctions/embargo regulations which may have any impact on the export, re-export or use of the Delivery Items and/or Services or an end product in which the Delivery Items and/or Services are included.	20.1	Each Party hereby undertakes to maintain in absolute confidence any Confidential Information and not to disclose or make available any Confidential Information to a third party or use Confidential Information for any other purpose than fulfilling its obligations under the Contract. " Confidential Information " means any and all information or items (whether oral written or

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any other form), including without limitation the existence and contents of the Contract, including any Local Agreement, financial information, trade secrets, know-how, drawings, models, jigs and templates, sample parts or similar property, customer information, and other information attributable or belonging to a Party, Scania Affiliates, Dealers, affiliates of the Supplier or their respective businesses.

20.2 The confidentiality undertaking in Section 20.1 does not apply to Confidential Information: (i) which is or becomes known to the general public other than through a breach of this Section 20 or another undertaking of confidentiality towards either Party; (ii) which the receiving Party can show was in its lawful possession before receiving such information from the other Party; (iii) which a Party has received or receives from a third party without any lawful restraints as to the disclosure thereof; or (iv) a Party is legally obliged to disclose by law or pursuant to order of court or competent authority or tribunal or required by any applicable stock exchange regulations, all provided however that a Party so bound to disclose shall first to the extent possible notify the other Party in writing before disclosure.

20.3 Notwithstanding what is stated in this Section 20, Scania may disclose Confidential Information to (i) Volkswagen AG and any legal entity which is directly or indirectly controlled by Volkswagen AG (the "Volkswagen Group") (which shall include Global Truck & Bus Procurement, LLC and HINO & TRATON Global Procurement GmbH (the "Procurement JV:s")), (ii) Navistar Inc. and its affiliates ("Navistar") and (iii) Hino Motors, Ltd. and its affiliates ("Hino"). Confidential Information may, however, only be disclosed to Navistar or Hino (i) for purposes of facilitating negotiations by Scania, its affiliated companies (including members of the Volkswagen Group) and the respective Procurement JV of a potential supply relationship with the Supplier; or in the course of a potential supply relationship with Navistar or Hino, or (ii) if such Confidential Information consists of drawings, models, specifications, instruction, manuals, user guides and other technical documentation or information and disclosure is made as reasonably necessary and after the Supplier has been nominated by Scania and Navistar or by Scania and Hino for a development project or for supplies. Scania hereby warrants that any legal entity to which confidential information is disclosed has entered into confidentiality undertakings which prevent disclosure to third parties.

20.4 The Supplier agrees to implement a corresponding confidentiality undertaking with its sub-suppliers, sub-contractor or other third party engaged by the Supplier.

20.5 The terms set out in this Section 20 shall remain in full effect for five (5) years after performance in full by each Party of its obligations under the contract.

21 GENERAL PROVISIONS

21.1 Should any provision of the Contract be or become invalid, this circumstance shall not affect the validity of any other provisions. The Parties are required to replace the invalid provision with a provision that as closely as possible approximates the economic effect of the invalid provision.

21.2 The Supplier is liable for the acts and omissions of, and claims from any sub-supplier, sub-contractor or other third party engaged by the Supplier.

21.3 Subject to the approval of the relevant authorities, Scania reserves the right to credit itself and any Scania Affiliate with

the full value of the Contract for its own or any Scania Affiliate's use against present or future indirect barter deals in the country of origin of the relevant Delivery Item. In addition, Scania shall have the right to exchange the value of the Delivery Items or any other goods and/or services supplied under the Contract, or transfer them to a third party of Scania's choice, as settlement of such third party's barter understanding.

21.4 Neither Party may assign or pledge the Contract, a Local Agreement or an order, or its rights and obligations hereunder, without the prior written consent of the other Party.

21.5 No modification, amendment, or other change may be made to the Contract, a Local Agreement or order, or any part thereof, unless made in writing and executed by authorised representatives of both Parties.

21.6 The Contract shall supersede all and any other agreements and understandings, whether written or oral, between the Parties in the subject matters hereof.

22 GOVERNING LAW AND DISPUTE RESOLUTION

22.1 Unless otherwise agreed, the Contract shall be governed by and construed in accordance with the laws of Sweden.

22.2 Any dispute, controversy or claim arising out of or in connection with the Contract, or the breach, termination or invalidity thereof, shall be finally settled by arbitration in accordance with the Arbitration Rules of the Arbitration Institute of the Stockholm Chamber of Commerce. The arbitral tribunal shall be composed of three arbitrators. The seat of arbitration shall be Stockholm. The language to be used in the arbitral proceedings shall be English.

22.3 The Parties undertake and agree that all arbitral proceedings conducted with reference to this arbitration clause and all information arising therefrom will be kept strictly confidential. Notwithstanding the foregoing, a Party shall not be prevented from disclosing such information in order to safeguard its rights in connection with the dispute, or if obliged to do so by law or pursuant to any order of court or other competent authority or tribunal or required by any applicable stock exchange regulations.

22.4 In case the Contract, or any part thereof, is assigned or transferred to a third party, such party shall automatically be bound by this arbitration clause.