



1. Introduction and application

- 1.1 The Swedish Association of Electronics Industries is a trade organisation for small and medium-sized electronics companies in Sweden that are primarily engaged in the business of developing, designing, manufacturing and servicing electronic equipment.
- 1.2 For the purpose of obtaining quality assurance in agreements for the sake of both members of The Swedish Association of Electronics Industries and of other suppliers in the industry (hereinafter the Supplier) and of their customers (hereinafter the Client) these terms for the provision of service shall apply to calls upon the Supplier's services (hereinafter Service) when the parties have so agreed.
- 1.3 Departures from these terms must be agreed in writing in order to be valid.
- 1.4 Separate agreements exist for the supply of electronic equipment (EL98) and for consultancy assignments for the development, and design of electronic products (ELK98).

2. Basis of order

- 2.1 Before Service is provided, the Client shall present the Supplier with a written Task Specification. The Task Specification shall include a specification of the Service and shall incorporate all the requirements the Client makes of the Service to be carried out.
- 2.2 It is the duty to of Client to provide in the Task Specification sufficient details of the performance of the task and otherwise to assist to the extent required during the course of the work.

3. Performance of the task

- 3.1 The Supplier shall provide the Service in accordance with the terms of the Task Specification. The Supplier shall ensure that the Service is provided in a professional manner in accordance with sound trade practice. For these purposes the Supplier is under a duty to have the necessary knowledge of the Service and its performance.
- 3.2 The Service shall be provided for the period on which the parties specifically agree. In the event of the parties not agreeing on a particular period, the agreement shall run for one (1) year from the time of signature. In the event that neither of the parties giving notices of termination no later than three (3) months before its expiry, the agreement shall be extended automatically by one year at a time.
- 3.3 Should the Supplier intend to engage sub-contractors as advisors or to perform a certain part of the task, the Client shall be informed of this unless the duties involved are of a routine nature or minor importance.

4. Documentation

- 4.1 The Client shall have title to copies of instructions for use, service instructions and other similar documents that are drawn up or handed over to the Client by the Supplier before or after commencement of the agreement.

- 4.2 Other documentation such as drawings, technical documents, models and computer programs relating to the task which has been made available by the one party to the other before or after the signature of this agreement remains entirely the property of the party making it available. Such documentation and technical information may not without written consent in any part or in any way be duplicated, copied or divulged to a third party or otherwise brought to his notice nor used for any purpose other than that for which it was made available.

5. Remuneration

- 5.1 In the absence of an agreement to the contrary between the parties, the Service shall be provided on a time and materials basis and shall be charged for in accordance with the Supplier's price list applicable from time to time.
- 5.2 Besides remuneration in accordance with the price list, the Supplier shall be entitled to recompense for travelling and subsistence expenses and for other expenses and disbursements on which the parties have agreed. Remuneration shall be payable in accordance with the principles normally applied by the supplier.

6. Payment

- 6.1 Payment shall be made by the Client in the manner and at the time agreed by the parties. Where the parties do not agree separately on payment, the Client shall make cash payment once a month against invoice for work carried out and accounted for. This shall apply irrespective of whether Service has been provided on a time and materials basis or at a fixed price.
- 6.2 The Supplier shall within three months of completion of Service send a final invoice and, on request, a statement of the Service provided.
- 6.3 If the Client does not pay on time, the Supplier is entitled to penalty interest from the due date under the Interest Act (1975: 635). If the Client is in arrears of payment by more than 30 days from the due date of the invoice, the Supplier shall be entitled to terminate Service with immediate effect by giving notice in writing.

7. Defects in Service

- 7.1 Should the Service not satisfy the requirements of the Task Description on the date of delivery, the Supplier shall rectify the defect. Should rectification of the defect prove technically impracticable or particularly costly, the Supplier is entitled instead to return payment received. The Supplier is in such cases entitled to credit him as a deduction from the payment returned with the value that has accrued to the Client. In such cases the Client is not entitled to damages under the provisions hereinafter.

8. Liability

- 8.1 The Supplier is liable, subject to the limitations set out below, for loss he has caused to the Client as a result of a defect or delay. However, the Supplier is in no event liable be it

indirect loss such as loss of production, loss of profit or consequential loss incurred by the Client. The Supplier shall in no event be liable to pay compensation exceeding the fees the Supplier has received during the last 12-month period taken from the date on which the Client presents the Supplier with a demand for compensation.

8.2 The Client is not entitled in the event of defect or delay on the part of the Supplier to enforce any sanction other than as explicitly stated herein or in clause 7 hereinabove. However, this limitation of the Supplier's liability shall not apply in cases where he is guilty of gross negligence.

8.3 The Supplier is liable to rectify defects or return payments received only if the Client has complained of the defect in writing to the Supplier immediately after he has discovered or ought to have discovered it. The complaint shall contain a brief description of the nature of the defect. However, the Supplier is liable only for defects of which the Client complains in writing no later than six (6) months after the Service that caused the defect was carried out.

9 Premature termination

9.1 In the event of Service provided not meeting the requirements of clause 7.1 above, the Client shall be entitled to give notice of termination of the Supplier's Service in so far as it does not relate to items already performed. In such event the Supplier shall receive recompense for work done, expenditure made and the loss he incurs by reason of the cessation of Service. The Supplier is under a duty to report on and hand over the results of work carried out no later than the time at which payment is made.

9.2 Each party is entitled to terminate the agreement henceforth if:
(i) The other party has become insolvent, is declared bankrupt or goes into receivership, suspends payments, makes application for a company reorganisation, enters into a composition with creditors or goes into liquidation.
(ii) The other party is in material breach of his undertakings under this agreement and has neglected to rectify matters – if this is possible - within thirty (30) days from being called on in writing to do so. The parties are agreed that performances already exchanged at the time of termination shall not be reversed and that termination shall be effective for the future.

10 Confidentiality

10.1 Neither of the parties shall be entitled without the written consent of the other party publish or divulge to a third party, either verbally or in writing, commercial, financial or other similar information concerning anything that that party has learned from working with the other party.

10.2 The above shall not apply to information that a party can show were generally known at the time of publication.

10.3 The parties shall ensure by means of confidentiality agreements with staff and other appropriate measures that they too observe confidentiality.

10.4 The duty of confidentiality shall apply for three years after the agreement has otherwise ceased to apply.

11 Copyright etc.

11.1 All copyrights and other intellectual property rights including proposals in documentary form such as instructions for use, drawings, models and other technical documentation and design and patent rights relating to the Service ordered shall accrue in their entirety to the Supplier. The Client thus may not replicate,

copy or reproduce the aforementioned material or use it in any other manner than as part of the Service ordered.

11.2 In the event of the Supplier having prepared at the Client's request drawings, models or other objects furnished by the Client, all intellectual property rights appertaining thereto, including design and patent rights shall be the property of the Client.

11.3 The Client shall be liable for any infringement of the intellectual property rights of third parties including registered designs and patents arising from Service ordered or from documents drawn up by or for the Client.

12 Entitlement to results

12.1 The Client shall receive a non-exclusive right to use the results of the Service for his own use.

13 Grounds for relief

13.1 Circumstances that have arisen since the agreement has been signed and which mean that performance of the agreement is prevented or rendered unreasonably burdensome and which could not reasonably have been anticipated by the party entering into the agreement shall be considered as grounds for relief, for example, labour dispute, lightning strike, conflagration, war, mobilisation or similar military call up of substantial extent, riot and insurrection, government confiscation, requisition, currency restrictions, scarcity of transport, general scarcity of supplies, restriction of supplies of fuel and faults or delays in deliveries from sub-contractors that which were not caused by the party and could not have been avoided by normal precaution. Grounds for relief shall exist for as long as the Circumstances under this Clause continue to prevent performance, subject, however, to a maximum of 6 months. Thereafter each party shall be entitled to renounce from the agreement without sanctions being enforceable by the other party. However, the Supplier shall always be entitled to remuneration for the work done.

13.2 Grounds for relief may not be alleged unless a party can show that he has taken all reasonable measures to limit the effect of the obstacle and after the obstacle ceased to exist tried to make up lost time. Nor may grounds for relief be alleged unless a party has without delay informed the other party in writing that such a circumstance has arisen and of the anticipated effect of the obstacle.

14 Disputes

14.1 Disputes relating to the formation, interpretation or application of this agreement and agreements and legal relationships flowing there from shall be settled by arbitration in accordance with the rules of the Arbitration Institute of the Stockholm Chamber of Commerce on simplified arbitration procedure. However, in cases where the amount claimed in the action exceeds SEK five million, the dispute shall be settled by arbitration in accordance with the rules of the Arbitration Institute of the Stockholm Chamber of Commerce.

14.2 Irrespective of what has been stipulated above, a party may, at a competent Swedish public court, bring action, which at the time the action is brought, clearly does not involve a sum exceeding ten times the base amount under the National Insurance Act (1962:381).

14.3 Swedish law shall apply to this agreement.