



Advisory and Other Services

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1 General

Application

1.1 These General Terms apply to engagements concerning accounting, advisory and other review services which do not constitute statutory audit or statutory supplementary engagements (“the Engagement”) which the contractor (“the Contractor”) undertakes to perform on behalf of the client (“the Client”).

Engagement Contract

1.2 These General Terms, together with the engagement letter (“the Engagement Letter”) or other written agreement, constitute the engagement contract (“the Engagement Contract”) between the Contractor and the Client (jointly “the Parties”).

Order of Precedence

1.3 In the event of a conflict between the Engagement Letter or other written agreement on the one hand and these General Terms on the other, the Engagement Letter or other written agreement shall take precedence.

2 Scope and Execution of the Engagement

Engagement Letter

2.1 The detailed scope, objective and applicable standard, where appropriate, of the Engagement are governed by the Engagement Letter or other written agreement.

Amendments and Supplements

2.2 Amendments and supplements to an existing Engagement Contract are valid only if they have been confirmed in writing by the Parties.

3 Undertakings of the Parties

The Contractor’s Undertaking

3.1 The Contractor shall execute the Engagement with such proficiency and care as follows from applicable laws, ordinances and regulations and from generally accepted standards in the industry.

3.2 The Contractor is not liable for conclusions or recommendations based on incorrect or deficient information from the Client or a third party engaged by the Client. If there are evident rea-

sons for the Contractor to assume that the information provided is incorrect or deficient, the Client shall be promptly informed thereof.

The Client’s Undertaking

3.3 An overriding precondition for execution of the Engagement is that the Client has the necessary resources to be able to make commercially valid decisions and to take responsibility for use of the result of the Engagement. The Client is thus responsible for the Client’s decisions being made on the basis of adequate scope and quality and for the assessment of the result of the Engagement being suitable for the Client’s purposes. It is also the responsibility of the Client that the Client’s business is pursued in accordance with applicable laws and provisions.

3.4 The Client shall, at the request of the Contractor, without delay provide such complete and correct information as is needed for the Engagement to be carried out. If the Client, or a third party engaged by the Client, is slow in providing information and material or fails to take action required for the Engagement to be executed, this may cause delays and increased costs. The Contractor is not liable for such delays and increased costs, irrespective of whether they are increased fee costs or other costs.

3.5 Unless the Client and the Contractor have specifically agreed otherwise in the Engagement Contract, the Engagement is based on the information and material provided by the Client.

3.6 If the Engagement is not to result in assurance in accordance with a specifically stated assurance standard, the Contractor assumes that the information and material are correct and complete, which means that the Contractor does not independently verify the information and material supplied.

3.7 During execution of the Engagement, the Client shall ensure that the Contractor is regularly and promptly informed of any changes in the conditions for the Engagement.

3.8 To enable the Contractor to execute the Engagement within the specified time limits or otherwise within a reasonable time and with no loss of quality, the Client shall ensure that the Client’s personnel are available to lend the Contractor such assistance as the Contractor may reasonably request.

3.9 If the Contractor requires access to the Client's premises in order to be able to execute the Engagement, the Client shall provide the premises and other resources which the Contractor may reasonably request. The Contractor undertakes, after receiving written instructions from the Client, to follow the security rules applicable to the use of the Client's computer equipment and for gaining access to computer networks and/or premises.

3.10 The Client shall immediately inform the Contractor if there is a change of ownership resulting in the Client receiving a new owner, becoming an associate or a related entity as defined in applicable accounting regulations.

4 Actions under the Money Laundering and Terrorist Financing Act

4.1 Under the Act on Measures against Money Laundering and Terrorist Financing (2017:630), the Contractor is obliged, prior to accepting the Engagement, to identify the Client's representative(s) and each physical person who, directly or indirectly, owns more than 25 per cent of the Client or for other reason has control over the Client ("beneficial owner") and collect and retain relevant documentation concerning this. The Client shall, without delay, supply the information requested by the Contractor and inform the Contractor of the changes which take place with regard to the Client's representative(s) and beneficial owner in relation to the information which has been supplied to the Contractor prior to acceptance of the Engagement.

4.2 The Contractor shall, in accordance with law, to the extent justified in consideration of identified risks of money laundering and terrorist financing, check and document that the transactions which are carried out agree with the knowledge the Contractor has of the Client, its business and risk profile and, if necessary, the origin of its financial resources. If money laundering or terrorist financing is suspected, the Contractor is obliged to report such suspicions to the police authority. The Contractor cannot be held liable for any damage caused to the Client, directly or indirectly, as a consequence of the Contractor fulfilling his or her statutory duty.

5 Processing of Personal Data

5.1 Prior to the acceptance of and as a consequence of the Engagement, the Contractor, any network firms or others engaged by the Contractor may collect, use, transfer, store or in some other way process information which may relate to an identified or identifiable physical person ("Personal Data") in the jurisdictions in which they operate. The Contractor undertakes to process the Personal Data in accordance with the requirements that follow from applicable law.

6 Reporting etc.

Reporting

6.1 If the Engagement includes delivery of documents, the Contractor fulfils the Engagement by delivering final documents (on paper and/or electronically) to the Client in accordance with what has been agreed in the Engagement Contract. These documents may comprise advice and recommendations in reports, minutes of meetings, correspondence, statements and documents prepared at the Client's request.

Verbal Advice

6.2 During performance of the Engagement and at the request of the Client, the Contractor may verbally (by telephone or at meetings) or more informally respond to direct questions or otherwise submit comments. As this may imply provision of a brief comment upon a complex problem regarding which the Contractor does not have access to complete and correct information, the Contractor is not liable until the response or comment has been confirmed in writing.

Drafts of Documents

6.3 Drafts of documents which the Contractor supplies to the Client do not constitute the Contractor's final position. The Contractor is not liable for any damage which may arise as a result of the Client in any respect having relied upon a draft.

7 Assignment of Personnel to the Engagement

Own Personnel

7.1 The Contractor undertakes to assign personnel to work with the Engagement in such a manner that the undertaking in paragraph 3.1 and 3.2 is fulfilled. If the Parties to the Engagement Contract have agreed on the personnel to be included in the Engagement Team, the Contractor may change personnel if this does not adversely affect the Contractor's undertaking in accordance with paragraph 3.1, increase the costs to the Client or mean that any timetable is materially disrupted.

Sub-consultants

7.2 The Contractor has the right to appoint sub-consultants provided that these fulfil the Contractor's undertaking in paragraph 3.1. The Contractor is responsible for the work of the sub-consultant as its own and is entitled to remuneration for work performed by the sub-consultant. The Contractor also undertakes to be responsible for the sub-consultant following the guidelines and undertakings in other respects applicable to the Contractor in relation to the Client.

8 Recruitment

8.1 The Parties undertake, during the time when the Engagement is in progress and for six (6) months after its termination, to refrain – either directly or indirectly through anyone else – from endeavouring to employ anyone at the Party concerned who has been involved in the Engagement.

9 Fees, Disbursements etc.

General

9.1 Unless specifically agreed in the Engagement Contract, the following shall apply to fees, disbursements and expenses, additional taxes and charges etc.

Calculation of Fees

9.2 The fee for the Engagement will be charged according to the bases of calculation stated in the Engagement Contract. In the absence of such bases of calculation, the Contractor will charge a reasonable fee and in so doing will consider, among other things, the resources employed, including specialist knowledge, the complexity of the Engagement, research and know-how which has been developed by the Contractor, use of

technology and structural capital. Account will also be taken of whether the Engagement has been so urgent that the work has been required to be executed after normal working hours, at weekends or during holiday periods.

9.3 If the Engagement Contract states an estimated fee, the Contractor shall inform the Client if the estimated fee will be materially exceeded.

9.4 The Contractor's work resulting from applicable EU-directives and applicable law on reportable cross-border arrangements to Swedish and/or other authorities is an integrated part of the Engagement. An increased work load resulting therefrom may cause additional fees not included in the estimated fee.

9.5 Increased work load which is a consequence of the Client having breached its undertakings, for example by providing incomplete or inadequate information or incomplete or inadequate material or having provided the information or material too late is not included in the estimated fee.

Price Adjustment, Disbursements and Taxes

9.6 The Contractor has the right, as regards ongoing engagements, to make such price adjustments as can be attributed to general changes in prices or costs.

9.7 In addition to a fee, the Contractor is entitled to compensation for disbursements and expenses in connection with the Engagement such as application and registration charges and disbursements for travel and board and lodging.

9.8 The Client shall pay to the Contractor the value-added tax or other tax paid arising from the Engagement.

10 Invoicing and Terms of Payment, etc.

Invoicing and Terms of Payment

10.1 The following shall apply, unless otherwise agreed in the Engagement Letter or other written agreement. The Contractor shall invoice the Client on an on-going basis, for the work performed and expenses incurred. Alternatively, the Contractor may invoice the Client on account, monthly or quarterly, according to the estimated fee for the Engagement. The Client shall provide payment not later than ten (10) days from date of invoice. In the event of delay in payment, penalty interest shall be payable in accordance with the Interest Act (1975:635).

10.2 The Contractor shall always inform the Client of any changes to the invoicing terms.

Delayed Payment

10.3 If the Client fails to pay an invoiced amount on time, the Contractor is entitled to immediately discontinue the Engagement until the outstanding amount has been paid in full, and the Contractor will then be free of liability for any delay or other damage which may result from the discontinuation. The Contractor is entitled to terminate the Engagement Contract with immediate effect if the Client has not paid an amount due and more than thirty (30) days have passed since a payment reminder. The same applies if the Client fails to pay on time for any other engagement performed by the Contractor.

11 Confidentiality

Confidentiality of the Parties

11.1 Each Party undertakes to refrain from disclosing confidential information on the Engagement to external parties or information on the activities and affairs of the other Party without the written consent of the other Party, with the exceptions set out in paragraphs 11.3–11.5. The Contractor is, however, entitled to disclose confidential information to the extent required for execution of the Engagement. The Contractor is responsible for any sub-consultants being bound by this duty of confidentiality.

Confidential Information

11.2 Confidential information is understood as meaning any advice or disclosure, in verbal or written form, of a technical, financial or commercial nature, which has been exchanged between the Parties in connection with the Engagement or of which either of the Parties in some other way acquires knowledge as a result of the Engagement, with the exception of such advice and disclosures as

- are generally known or become generally known in some way other than through breach of confidentiality above, or
- a Party has received from a third party which is not bound by the confidentiality undertaking above which the receiving Party has independently produced or is already aware of.

Exceptions to Confidentiality

11.3 The Parties have the right, and in certain cases an obligation, to disclose confidential information to a third party if this follows from law, or arises as a consequence of a professional obligation or the decision of an authority.

11.4 The Contractor is entitled to divulge confidential information to

- FAR or others appointed by FAR in connection with disciplinary matters and quality controls which do not follow from statutory instrument,
- any network firms or others appointed by the Contractor or network firms to carry out the Engagement,
- its insurance companies or legal advisers prior to, or in connection with, a legal procedure, insofar as is required for the Contractor to be able to safeguard its legal interests,
- any network firms or others engaged by the Contractor for the purpose of assessing any requirements of the Contractor or network firms as regards impartiality and independence and in order to perform quality control reviews and other risk management procedures, and
- any network firms or others engaged by the Contractor or networks firms for administrative purposes (such as internal accounting, financial reporting and utilisation of IT-services and/or to perform administrative support services).

11.5 If the Engagement consists of advisory services that result in a tax benefit through a cross-border arrangement, the Client may give information to another advisor, the Swedish Tax Agency or a foreign tax authority about how a tax benefit can be obtained through the arrangement. The Client is obliged to inform the Contractor if another advisor has gained access to the content of such advice and to, with the exception of the Swedish Tax Agency or foreign tax authority, inform all persons that have had access to the content of the advice that they must not rely on it without first having received a written consent of the Contractor.

12 Right of Utilisation and Intellectual Property Rights

Right of Utilisation of Results

12.1 The Client does not have the right to disseminate to third parties, or allow third parties to make use of or rely upon, material which is supplied by the Contractor under the Engagement, for example final and interim reports, but also other material produced during the Engagement (“the Result”), to an extent in excess of what follows from the Engagement Contract.

12.2 The Contractor may, without limitation in time and space, re-use or utilise the contents of the Result of the Engagement in other engagements, provided that the undertakings in clause 11 are not disregarded.

12.3 Paragraph 12.1 and 12.2 do not apply when the Result constitutes accounting information.

Intellectual Property Rights

12.4 The Contractor retains the right of ownership of all intellectual property rights, both held prior to the Engagement and developed during the Engagement. The Client may, however, make use of intellectual property rights owned or developed by the Contractor in order to be able to benefit from the Result of the Engagement, provided that this does not occur to a greater extent than follows from paragraph 12.1–12.3.

12.5 If the Engagement covers or affects intellectual property rights which are held by the Client, and which are modified or developed during the course of the Engagement through the efforts of the Contractor, the Client retains full ownership of these rights. The Contractor may, however – unless otherwise agreed in the Engagement Contract – re-use or utilise the knowledge and know-how supplied by the Contractor to the Client through its efforts, provided that the undertakings in clause 11 are not disregarded.

12.6 Neither Party may use the trademarks, logos or other marks of the other Party without explicit and written consent.

13 Conflicts of Interest

13.1 The Parties undertake, both before the Engagement Contract has been entered into and during the contract period, to take reasonable measures to check that the Engagement does not lead to a conflict of interest which may jeopardise the fulfilment of the Engagement. Each Party

undertakes to inform the other Party of changed circumstances. The Contractor must be afforded the possibility of complying with any mandatory rules and other standards in the auditing and advisory services industries, such as the IESBA’s Code of Ethics for Professional Accountants. The Parties are agreed that it is not possible to identify and predict all the conflicts of interest which might exist when the Engagement Contract is entered into or which, in the view of either Party, arise thereafter. The Client is aware that the Contractor is bound by confidentiality regarding engagements for other clients and that, consequently, the background to a conflict of interest cannot, in certain circumstances, be disclosed. When either (or both) of the Parties consider(s) there to be a conflict of interest the Parties shall, however, attempt, to the best of their ability, to find means of resolving the issue so that the Engagement can continue to be executed.

14 Period of Validity and Termination

Period of Validity of the Engagement Contract

14.1 The Engagement Contract starts to apply from the date stated in the Engagement Contract or from the date on which the Engagement comes into effect if no start date is specified. Unless otherwise agreed, the Engagement Contract applies until the Engagement has been completed. A Party may, unless otherwise agreed, terminate by written notification an Engagement Contract which applies for an indefinite period with a period of notice of three (3) months.

Termination – Breach of Contract

14.2 A Party may, by notification in writing, terminate the Engagement Contract with immediate effect if the other Party breaches the terms of the Engagement Contract, such deviation is of material significance and a possible correction has not been made within thirty (30) days after the Party has requested correction in writing.

14.3 The Contractor may also terminate the Engagement Contract with immediate effect, by notification in writing, if the Client fails to fulfil its undertakings under paragraph 3.3–3.9 or in some other way does not contribute to the Engagement being executed in accordance with the Engagement Contract and correction has not been made within thirty (30) days after the Contractor has requested correction in writing. No request for correction need, however, be pre-

sented if it may reasonably be assumed that the Client will not make correction at the request of the Contractor.

A change of ownership, as stated in paragraph 3.10, gives the Contractor the right to terminate the Engagement Contract with a notice period of one (1) month. A change of ownership may also result in the Contractor being entitled to terminate the Engagement Contract as stipulated in paragraph 14.5.

Termination – Insolvency etc.

14.4 A Party may, by written notification, terminate the Engagement Contract with immediate effect if the other Party is unable to pay its debts or a bankruptcy administrator, company reorganiser or liquidator has been appointed or if there is reason to assume that something of this nature will occur.

Termination – Impartiality or Independence

14.5 A Party may, by notification in writing, terminate the Engagement Contract with immediate effect if it is found that the Engagement may pose a threat to the impartiality or independence of the Contractor in the capacity of auditor for the Client or any other audit client and the threat cannot be reduced to an acceptable level through other measures.

Termination – Accounting Engagements (According to the REKO Standard)

14.6 The Contractor may, through written notification, give notice to terminate an Engagement Contract which relates to accounting engagements with immediate effect if it is found that the accounting records may be assumed to contain material errors, deficiencies or irregularities and correction has not been made within thirty (30) days after the Contractor has requested correction in writing. No request for correction need, however, be presented if the accounting records contain irregularities or it may reasonably be assumed that the Client will not make correction at the request of the Contractor.

Termination – Fees

14.7 In the event of termination of the Engagement Contract, the Client shall pay to the Contractor fees, disbursements, costs of sub-consultants and other expenses in accordance with the Engagement Contract to which the Contractor under the Engagement Contract is enti-

tled up to the time of termination. If the termination is not made in accordance with paragraph 14.4 or 14.5 or if it is made by the Client and is not based on a material breach of contract on the part of the Contractor, the Client shall also compensate the Contractor for other reasonable costs which have arisen in connection with the Engagement. Such costs are regarded as including specific investments occasioned by the Engagement and specific close-down costs as a consequence of the Engagement Contract having been prematurely terminated. The Contractor shall take reasonable measures as far as possible to limit such costs.

15 Liability

Force Majeure

15.1 The Contractor is not liable for damage resulting from Swedish or foreign law or from action of an authority, act of war, terrorism, IT attack, strike, blockade, boycott, lockout, fire or other accident, natural disaster or disruption to IT, telecommunications or electricity distribution or any other similar circumstance which could not have been predicted. With regard to strike, blockade, boycott and lockout, the reservation also applies if the Contractor is itself the object of or takes such conflict action.

Amendments of Laws etc.

15.2 The Contractor carries out the Engagement in accordance with applicable rules and on the basis of the understanding of applicable interpretation of statutes and court rulings at the time at which the Engagement, or part of the Engagement, is executed. The Contractor does not have any liability for the consequences of changes to statutes or re-interpretations made after the date on which the Contractor has reported on the Engagement or a relevant part of the Engagement.

Third-party Claims

15.3 Unless otherwise agreed in the Engagement Contract, the result of the Engagement is intended to be used solely by the Client, and the Contractor therefore does not accept any liability towards third parties or any external party which attempts to utilise, derive benefit from or rely upon the work which the Contractor has performed in the Engagement.

15.4 The Contractor shall be indemnified by the Client against any form of claim for compensation which third parties address to the Contractor – including the Contractor’s own expenses on the basis of third-party claims – as a consequence of the Client having made the Result of the Engagement, or any part thereof, available to third parties. The Client is not, however, liable for third-party claims, if it can be shown that the damage concerned has arisen as a result of the Contractor having wilfully acted incorrectly or been grossly negligent.

Limitation of Liability

15.5 Damage in cases other than those referred to in clauses 15.1 and 15.2 shall be compensated for by the Contractor only if the Contractor has acted negligently. The Contractor is in no case liable for loss of production, lost profit or any other indirect damage or consequential harm of any kind. Neither is the Contractor liable under the circumstances described under clauses 6.2 and 6.3.

Maximum Amount of Compensation

15.6 The Contractor’s liability for all damage, losses, costs and expenditure in the Engagement is limited to the higher of either two (2) times the agreed fee for the Engagement under the Engagement Contract or ten (10) times the price base amount according to the Social Insurance Code (2010:110) which applied when the Engagement Contract was entered into. For Engagements which have been running for a longer period than twelve (12) months, the agreed fee for the Engagement shall be constituted by the average annual fee. The average annual fee is the total fee paid for the services during the engagement period, divided by the number of months which have elapsed during the engagement period, multiplied by twelve. The engagement period is the time from the start of the Engagement to the time of the circumstance upon which the Client bases its legal action. The limitation does not, however, apply if it is shown that the Contractor has caused the damage through wilful or gross negligence.

Complaints

15.7 The Client shall promptly lodge a written complaint with the Contractor for such faults or deficiencies in execution of the Engagement or part of the Engagement as the Client discovers or

ought to have discovered. The complaint shall contain clear information on the nature and extent of the fault or deficiency. After a complaint or adverse observation has been made, the Contractor shall be granted an opportunity to remedy the fault or deficiency within reasonable time – if possible – prior to the Client demanding compensation. The right of the Client to damages or other compensation is forfeited if the complaint is not made within a reasonable time.

15.8 For it to be possible for a claim for damages to be lodged against the Contractor, the Client shall first make a complaint and shall then present such claims for damages in writing not later than twelve (12) months after the complaint.

Insurance

15.9 The Contractor shall hold professional liability insurance adapted for his or her business.

16 Engagement Documentation, Notifications and Electronic Communication

Engagement Documentation

16.1 The Contractor shall retain the Engagement documentation for at least ten (10) years after an Engagement is completed and shall store it in such a manner that it is not accessible to unauthorised persons.

Notifications

16.2 Complaints, terminations and other notifications regarding application of the Engagement Contract and changes of address shall be sent by messenger, registered letter or e-mail to the most recently indicated addresses of the Parties.

Electronic Communication

16.3 Electronic transfer of information between the Parties cannot be guaranteed to be secure or free of viruses or errors, and such information may therefore be improperly intercepted, distorted, lost, destroyed, delayed, arrive in incomplete form, be damaged in some other way or incur risk in being used for some other reason. The Parties are aware that systems and routines cannot guarantee that transfers will not be subject to risks, but both Parties consent to using commercially reasonable methods for virus checking or secrecy prior to information being sent electronically. The Parties accept these risks and approve electronic communication between them.



17 Complete Contract, Partial Invalidity

17.1 The Engagement Contract constitutes the whole agreement between the Parties relating to the Engagement. It replaces and supersedes any previous draft, correspondence, agreement or other communication, in writing and verbal.

17.2 If any provision of the Engagement Contract is found to be invalid, this shall not mean that the Engagement Contract in its entirety is invalid. Insofar as invalidity affects the rights or obligations of a Party, reasonable adjustment shall be made instead.

18 Applicable Law

18.1 Swedish law, with the exception of the rules on choice of law, shall be applicable to the Engagement.

19 Disputes

19.1 Disputes arising from the Engagement shall be subject to the exclusive jurisdiction of the Swedish Courts.