

itm8 Group

Commercial Terms

Professional Services

These terms ("Commercial Terms") apply to itm8 Group's provision of Professional Services, unless otherwise provided in a Specific Agreement between itm8 Group and the Customer.

In the following, the term "Professional Services" is used for any hourly service that may be provided by itm8 Group, regardless of the employee's professional profile and job description.

All amounts mentioned in the Commercial Terms are exclusive of VAT.

1 Payment terms

Payment terms are 30 days net.

2 Invoicing

Professional Services provided on a time and material basis (T/M) (included estimate under SEK 100,000) are invoiced monthly in arrears based on actual consumption.

For tasks (based on estimates or fixed price), with an estimate over 100 hours or with a fixed price over SEK 100,000, Supplier will have the right to charge customer a downpayment of not less than 30% of the estimated or the fixed price. Addition payments are subject to the following principles;

- In the case of an estimated price, the customer is invoiced monthly in arrears based on actual consumption, where prepayment of the 30% is offset against the finalized invoice.
- If a fixed price is used, the customer is invoiced based on an agreed payment plan. If there is no payment plan, itm8 is entitled to instalment payments based on consumption and settlement monthly in arrears, but so that 10% of the invoice amount is not due for payment until the customer has access to the deliveries. The prepayment of 30% is offset against the final invoice.

If the parties have agreed on a payment plan for a task, this replaces the above principles.

3 Billing period

In connection with the provision of consultation services, any inquiry that necessitates the initiation of a consulting task will be subject to a minimum billing period of thirty minutes for digital/telephone inquiries and two hours in connection with on-site assistance. In both cases per case/task created at itm8.

These minimum billing periods are applicable to all customer interactions, including but not limited to phone calls, emails, video conferences, and in-person meetings related to the delivery of Professional Services.

The intent of this clause is to ensure a fair compensation structure for the relevant employee(s) administration of all enquiries, including preparation time etc.

4 Working Hours

Working hours are Monday-Friday AM 08:00 to PM 05:00, excluding public holidays. ("Working Hours")

Hourly agreed rates are applicable to Professional Services ordered to be delivered within normal working hours. If Professional Services are provided outside normal working hours, including in connection with planned overtime, within;

- AM 06.00 to 08.00 and PM 05.00 to 08.00. 50% will be added to the hourly rates.

- PM 08.00 to AM 06.00 and on weekends (i.e. Friday PM 05.00 – Monday AM 08:00) and/or on public holidays, 100% will be added to the hourly agreed rates.

If the customer purchases full consultancy days, one consultancy day is a maximum of 8 hours of effective working hours excluding transport or travel time, which shall be invoiced separately. Time spent in excess of 8 hours is invoiced on a T/M basis, which is invoiced monthly in arrears.

5 Transport time and external/internal expenses and cost

Time spent on transportation shall be chargeable at a rate corresponding to fifty (50) percent of the applicable hourly billing rate of the relevant resource, excluding VAT. As a general rule, the Supplier will staff on-site tasks with consultants from the nearest location but reserves the right to use resources from other locations if the urgency of the task or the need for competences so requires. The customer will be informed of this before the assignment is initiated, if possible.

External expenses, such as mileage, hotel, flight and parking fees, are charged according to the following guidelines;

- Mileage: The Swedish Government's highest mileage reimbursement rate per kilometer driven.
- Hotel, bridge, flight, parking, ferry and similar: According to invoice.

Unless otherwise specified in the Agreement, an estimate or a fixed price is including the costs to standard personal tools such as laptops with the software necessary for supplier's employees to perform their duties in connection with a Service, unless such tools are described as the customer's responsibility in an Agreement.

6 Cancellation Fee

In case a scheduled task is cancelled (or rescheduled) by the Customer less than five (5) working days before scheduled execution, itm8 reserves the right to invoice the customer a fee equal to 75% of the agreed/estimated fee. If no fixed fee has been agreed or an estimate has been given, the customer will be invoiced an amount of SEK 4,000 per resource that was reserved for the execution of the task.

7 Special conditions for Consultant Account

The Consultant Account is subject to the principles set out below;

- **Purchase and validity:** Prepaid amounts must be used within a period of 36 months from the date of purchase.
- **Usage:** Prepaid amounts can only be used for the delivery of hours and the delivery is also subject to the Commercial Terms.
- **Non-Refundable:** Unused portions of the prepaid amount cannot be refunded or transferred by agreement for later use.

The Consultant Account is automatically renewed when the Supplier determines that consumption in a given calendar month exceeds the remaining balance on the Consultant Account. The renewal is made at a value corresponding to the most recent payment to the Consultant Account, and the customer receives a separate invoice for the renewal amount.

If the customer does not wish to renew the Consultant Account through automatic renewal, the Supplier must be notified in writing no later than 5 Working Days after receipt of the invoice for the renewal amount. In such case, hours already delivered that cannot be accommodated within the Consultant Account will be invoiced at list prices without any discount.

8 Regulation of hourly rates

The supplier may adjust the agreed hourly rates annually based on the annual adjustment as shown in;

- The standardized Labor Cost Index for tjänstemän (LCI tjm) preliminärt index, SNI 2007 kod J (Informations- och kommunikationsföretag) as published by the Statistics Authority SCB the month before the annual renewal date for customers resident in Sweden; however, with a minimum of 2,5 %.

Or

- The standardized wage index for the supplier's industry published by Statistics Denmark on the month before the annual renewal date for customers resident in Denmark; however, with a minimum of 2,5 %.

If the customer resides in another country, the supplier is entitled, without limitation, to adjust the prices annually on the basis of a corresponding index. If the index in this clause is omitted, the regulation must take place on the basis on a corresponding index.

9 Standby time

If the customer has a resource on standby, this resource is invoiced per hour started at the agreed hourly rate for the resource, including surcharges in accordance with clause 4.

10 Other terms - Personnel

The parties undertake not during the Agreement period and for 12 months thereafter, directly or indirectly, without the other party's written approval, to actively work to recruit or employ consultant(s) who have performed services, work, service or the like, with the aim of fulfilling the other party's contractual obligations according to this Agreement.

The parties agree that breach of the above commitment constitutes a material breach of contract which entails the right to rescind and a fine of one hundred (100) percent of the respective consultant's monthly salary multiplied by nine (9) months. The fine shall be deemed to compensate the affected party for training and recruitment costs.

11 Clarification regarding the Temporary Employment Act

Act (2012:854) on Temporary Employment of Workers

Background

The so-called 24-month rule was introduced on 1 October 2022. Briefly, the 24-month rule means that a hired consultant who has through an staffing agency worked for a total of more than 24 months during a 36-month period must be offered employment with the relevant Client Company.

Supplier's clarification

The Supplier's resources are not employed by the Supplier for the purpose of being hired out for work under the Customer's control. By Customer's control is meant that the Customer would in such a case have full responsibility for the management of the Supplier's resources. The Supplier would like to clarify that this type of delivery is not compatible with the Supplier's Service Offering. Unless otherwise agreed in writing, the Supplier shall always be ultimately responsible for the management of its own resources.

The supplier shall therefore not be perceived or act as a staffing agency or its equivalent.

Act (2012:854) on temporary employment of workers is not applicable to deliveries within this agreement.

12 Profiles and hourly rates

itm8 Group's hourly rates are to be found at [Legal & Compliance at itm8](#).

Within itm8 Group, the Supplier is entitled to select resources based on their specific competencies, experience, and affiliation.

The Supplier is entitled to apply different hourly rates for the different resource profiles used under this agreement. These hourly rates may vary depending on the individual resource's level of competence, experience and the division or company within the group in which they are employed. The Supplier undertakes to disclose the relevant hourly rates for the specific resources used prior to the commencement of the work.

The Supplier shall ensure full transparency in the use of resource profiles and the related hourly rates. The Customer has the right to request and receive detailed information on the qualifications of the resources used and the related hourly rates prior to the commencement of the work. The Customer reserves the right to approve or reject specific resource selections based on the information provided.