

SCANIA (GREAT BRITAIN) LIMITED
MAINTENANCE RULES

1 DEFINITIONS

For the purpose of these rules the following words and phrases have the meanings detailed below:

- 1.1 **The Vehicle:** The truck, full details of which are set out in the Schedule to the Agreement, save for the Excluded items.
- 1.2 **The Company:**
Scania (Great Britain) Limited whose registered office is at Delaware Drive, Tongwell, Milton Keynes, Bucks MK15 8HB (Registered in England No. 831017)
- 1.3 **The Operator:** Includes any duly authorised agent/employee of the Operator
- 1.4 **Work:** Collectively being routine maintenance, adjustment and inspection of the Vehicle.
- 1.5 **Routine Maintenance:** The work or adjustments (not being repair work) specified in the Schedule of the Agreement. Such work or adjustments will be carried out in accordance with Scania recommendations.
- 1.6 **Repairs:** All work and parts (not being routine maintenance or adjustment work) necessary to remedy any defects to the vehicle.
- 1.7 **The Agreement:** A contract of which these rules form part.

2. OBLIGATIONS OF THE COMPANY

- 2.1 **Maintenance:** To arrange to have carried out in a proper manner routine maintenance of the vehicle. The Company shall not be obliged to carry out any further work other than the routine maintenance.
- 2.2 **Parts:** To use Manufacturers authorised parts unless the Operator shall have given consent in writing for the use of substitutes.

3. OBLIGATIONS OF THE OPERATOR

- 3.1 **Availability of the Vehicle for Maintenance:** To make the vehicle available to the Company at the proper times for routine maintenance inspection and the Test. Failure to provide the vehicle for maintenance or repair may result in the termination of this agreement.
- 3.2 **Repairs:** To arrange have carried out in a proper manner repairs to the vehicle.
- 3.3 **Operator Delay:** In the event of any delay between the advice of any work and the availability of the vehicle, the Operator is not to use the vehicle in any way in which, in the opinion of the Company would be detrimental to the condition of the vehicle.
- 3.4 **Work Authority:** To have any work affected only by the authorised Agents of the Company unless the same shall have been previously agreed by the Company.
- 3.5 **Defect Reporting:** To comply with any defect reporting procedure which may be introduced by the Company.
- 3.6 **Change of Location:** To advise the Company of any significant change of location of the vehicle.
- 3.7 **Delivery/Collection:** The Operator must ensure that he delivers the vehicle to and collects the vehicle from the point of work, unless otherwise stated in the agreement.

4. GENERAL TERMS

- 4.1 **Where Work to be Carried Out:** All work to the vehicle shall be carried out at the Scania workshop specified in the Schedule to the Agreement.
- 4.2 **Discretion of the Company:** It is at the discretion of the Company whether or not to arrange to have carried out any work to the vehicle other than routine maintenance.
- 4.3 **When Work is to be Done:** All work to the vehicle is to be carried out during NORMAL WORKING HOURS. No priority is given to the Operator in respect such work. Any additional costs incurred as a result of any request by the Operator that the work be done urgently are not covered by the Agreement and shall be a direct charge by the repairer to the Operator. Dates for routine maintenance are specified in the Schedule but may vary with the prior approval of the Company and the Operator.
- 4.4 **Termination Through Sale:** The Operator shall forthwith inform the Company of the sale, total failure, or loss of the Vehicle. The Agreement shall thereupon be terminated subject to settlement of any fees due from one party hereto to the other.
- 4.5 **Indemnity:** The Operator agrees to indemnify the Company against all claims demands, action proceedings, cost damages, and liabilities arising in or out of failure by the Operator to instruct any authorised Agents to carry out any work (and whether or not the same fall within the terms of the Agreement or these rules) recommended by the Company in respect of any defects caused by or resulting from accident damage, negligence of the Operator, or any Third Party.
- 4.6 **Consequential Loss:** The Company will not be liable to the Operator or to any Third Party for any consequential loss howsoever occasioned.
- 4.7 **Bring the Agreement to an End Involuntarily:** The Company may forthwith end the Agreement upon the occurrence of any one or more of the following:
 - 4.7.1 If the Operator commits any act of bankruptcy or compounds or makes any arrangements with his creditors or executes a Bill of sale on his goods or any of them or if any execution or distress is levied upon the goods of the Operator or a Receiver is appointed or he becomes insane or is any other way incapable of dealing with his affairs.
 - 4.7.2 If the Operator being a Company is wound up either compulsorily or voluntarily other than for the purposes of reconstruction or amalgamation or if a receiver of its assets is appointed.
 - 4.7.3 If the obligations imposed upon the Company under the Agreement becomes impracticable to perform insofar as delay or non performance shall be due to circumstances which in the discretion of the Company it believes to be beyond its control such circumstances by way of example but without limitation being inability to obtain parts, war, mobilisation, or call up, industrial conflict, Acts of God or conflagration.
 - 4.7.4 If the Operator fails to make any payment within 30 days of the due date.
- 4.8 **Arbitration:** In the event of any disagreement concerning the Agreement or its interpretation the disagreement shall be referred to a single Arbitrator to be agreed between the parties or in default of an agreement an Arbitrator appointed by the president for the time being in the Law Society and the decision of such an Arbitrator shall be final and binding upon the Parties.
- 4.9 **Bringing the Agreement to an End Voluntarily:** Subject to the ability of either Party hereto end the Agreement upon the expiry of two months written notice or by its termination by virtue of one or more of the matters herein before set out, the Agreement shall continue for the period or mileage in the Schedule to the Agreement.

5. **PAYMENT SCHEME**

5.1 **In consideration of the obligations of the Company hereinbefore contained the Operator will:**

5.1.1 **Annual Mileage:** At the inception of the Agreement use his best endeavours to accurately estimate the annual mileage of the vehicle.

5.1.2 **Payment:** Pay to the Company on the same day each month as set out in the schedule (whether an invoice is raised or not) one twelfth of the estimated annual cost set out in the Schedule. The First payment is to be paid on the signing of the Agreement.

5.1.3 **Interest on Late Payment:** Should the Operator default in making any payments due interest shall be charged on the amounts outstanding from the date the same becomes due until payment at the rate of 4% per annum above Barclays Bank Limited lending rate and such interest shall be a debt due and recoverable from the Operator.

5.2 **Substantial Error in Annual Mileage Estimate:** In the event that the estimate or annual mileage is found to be in error by more than 10% the Company may forthwith terminate the Agreement or adjust the annual cost to take account of the changed operating conditions.