

[under translation]

Adjustment, early termination and renewal of contracts

- Amendment and renewal of contracts

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For example, changed contract length, new monthly cost and how environmental premiums are handled.

Agreements that do not change during the contract period do not need to be handled at all, - the system automatically discards the agreement on the specified end date and the only thing you need to do is archive the agreement, so you do not have to keep it among your active agreements.

But agreements that somehow change need to be managed, and for that there are three simple functions that handle the whole change smoothly.

Justera avtalet

Avsluta avtalet i förtid

Förläng / omvärdera avtalet

⊕ Extra amortering

1.) Early termination of the contract

- Enter date (select the last month, as the system always executes based on the last day of the month) and click "Save".

The agreement is cancelled as of the date stated and the difference between asset and liability is recognised as "other operating income" in the earnings report.

2.) Extend/re-evaluate the agreement

- Set dates (the system always counts per the first of the month)
- Enter how many months from the date you specified above that the contract is to run. The function can of course be used both if the agreement is to be shortened, extended or just adjusted with the same number of months left as in the original version.
- Enter the accounting depreciation period (this figure will automatically be the same as the number of months but can be adjusted manually).

- Enter new lease/rental fee
- Enter any new residual value (only in the case of financial leasing)
- Indicate if there is any discount in the new version (most common for real estate contracts)
- Click "Save"

The system now takes with it any debt and asset from the previous version of the agreement and creates a new version called "The Agreement (Extended)".

Important aspects for this function:

1. In the case of financial leasing, new residual value must be calculated and stated so that the interest rate does not go wrong
2. If the contract length and fees change, the agreement will be revalued and the revaluation amount will be added to the cost (does not apply to financial leasing).
3. For example, in the case of green car premiums, this function is used as above in operating leasing and at IFRS where discounted rents are used for asset calculation. The reduced monthly fee will reassess the agreement's liability and assets. For contracts where the price is used as the asset value, for example, financial leasing, the function "Additional amortization" is used, - see below.

3.) Additional amortization

- Set dates (the system always counts per the first of the month)
- Describe what is meant - for example "Green car premium"
- Specify amounts to be deducted from liabilities and assets
- Click "Save"

The system will now calculate a new monthly cost based on previous debt, amortization amount and remaining time. Other settings are the same based on the agreement such as interest, residual value, depreciation rate, etc.

Below are examples of what it may look like in the contract calculations when extra amortization has been made - note that the lease fee has been adjusted, among other things.