PROFESSIONAL SERVICES AGREEMENT

This Professional Services Agreement ("Agreement") is effective as of the Effective Date of the relevant SOW and is entered into by and between SAP and Customer.

RECITALS

WHEREAS, Customer licensed from SAP, or an SAP AG Affiliate, or an authorized reseller of the SAP Software, has the right to use SAP Software pursuant to a License Agreement. For purposes of this Agreement, Customer may alternately mean a legal entity that has a right under such License Agreement to use the SAP Software as an Affiliate or Subsidiary.

WHEREAS, SAP provides certain Services which Customer desires to obtain on the basis of certain Statements of Work executed by the parties which reference and incorporate this Agreement (each a "SOW"). The SOWs more fully describe the scope, duration, and fees for the Services.

NOW, THEREFORE, in consideration of the mutual promises and obligations in this Agreement, the sufficiency of which is hereby acknowledged, the parties, intending to be legally bound, agree as follows:

1. **Definitions**

   1.1. "Confidential Information" means, with respect to SAP, all information which SAP protects against unrestricted disclosure to others, including but not limited to: (a) the SAP Software, documentation, Work Product and other SAP materials, including without limitation the following information regarding the SAP software: (i) computer software (object and source codes), programming techniques and programming concepts, methods of processing, system designs embodied in the software; (ii) benchmark results, manuals, program listings, data structures, flow charts, logic diagrams, functional specifications, file formats; and (iii) discoveries, inventions, concepts, designs, flow charts, documentation, product specifications, application program interface specifications, techniques and processes relating to the software; (b) the research and development or investigations of SAP; (c) product offerings, content partners, product pricing, product availability, technical drawings, algorithms, processes, ideas, techniques, formulas, data, schematics, trade secrets, know-how, improvements, marketing plans, forecasts and strategies; and (d) any information about or concerning any third party (which information was provided to SAP subject to an applicable confidentiality obligation to such third party). With respect to Customer, "Confidential Information" means all information which Customer protects against unrestricted disclosure to others and which (i) if in tangible form, Customer clearly identifies as confidential or proprietary at the time of disclosure; and (ii) if in intangible form (including disclosure made orally or visually), Customer identifies as confidential at the time of disclosure, summarizes the Confidential Information in writing, and delivers such summary within thirty (30) calendar days of any such disclosure.

   1.2. "Consultants" means employees and third party contractors which SAP utilizes to provide Services to Customer.

   1.3. "Deliverables" mean such Work Products, if applicable, which are specific outputs that SAP provides to Customer, provided such output must be clearly and expressly labeled as a "Deliverable" in the applicable SOW.

   1.4. "Intellectual Property Rights" means patents of any type, design rights, utility models or other similar invention rights, copyrights, mask work rights, trade secret, know-how or confidentiality rights, trademarks, trade names and service marks and any other intangible property rights, including applications and registrations for any of the foregoing, in any country, arising under statutory or common law or by contract and whether or not perfected, now existing or hereafter filed, issued, or acquired.

   1.5. "License Agreement" means the agreement between SAP, or an SAP AG Affiliate, or an authorized reseller of the SAP software under which Customer procured the license rights to use SAP software.

   1.6. "SAP Software" means (i) any and all software products licensed to Customer under the License Agreement as specified in Software Order Forms (or other order forms, schedules or appendices as applicable) thereto; (ii) any new releases thereof made available through unrestricted shipment pursuant to the respective support agreement and (iii) any complete or partial copies of any of the foregoing.

   1.7. "Services" means professional services, provided by SAP to Customer under a SOW that references this Agreement.

   1.8. "Taxes" means state or local sales, VAT, foreign withholding, use, property, excise, service or similar taxes now or hereafter levied all of which shall be for Customer's account.

   1.9. "Work Product" means any work product or tangible results produced by or with SAP pursuant to this Agreement or any SOW, including, but not limited to, works created for or in cooperation with Customer.

2. **Provision of Services.**

   2.1. SAP will provide the Services in accordance with the SOW.

   2.2. SAP may utilize third party contractors to perform SAP's duties. SAP shall be responsible for the performance of the Services of such third party contractors to the same extent as SAP is liable for its own Consultants.

   2.3. If any Service, in whole or in part, cannot be provided by SAP due to a Customer issue and Customer fails to provide SAP with reasonable advance notice, the time agreed to be spent by SAP resources on such Service will be billed to Customer.

2.4. Notwithstanding the foregoing, any services and work products provided by SAP to Customer prior to the execution of this Agreement or a specific SOW or a Change Request are the sole property and Confidential Information of SAP and shall be governed by the terms of this Agreement, in particular Secs. 9 (Confidentiality) and 12 (Limitation of Liability). If no agreement is completed, all services, work products and deliverables must be returned or deleted and must not be used.

2.5. Acceptance

In case the SOW expressly states that such Deliverables are subject to acceptance procedures, the following provisions apply unless otherwise agreed upon in a SOW:

Upon delivery by SAP of a completed Deliverable, Customer shall have ten (10) calendar days to accept or reject ("Acceptance Period") the Deliverable, due to a material defect using reasonable discretion, based on the acceptance criteria set forth in the SOW for that Deliverable. A "material defect" means the Deliverable fails to substantially comply with the applicable and corresponding acceptance criteria for that Deliverable set forth in the SOW in case such criteria are set.

If the relevant Deliverable passes the agreed acceptance criteria set forth in the SOW, Customer will accept the Deliverable. Acceptance will not be unreasonably withheld by Customer. If Customer notifies SAP that it has rejected the Deliverable due to a material defect, Customer shall provide written notice, within such ten (10) day period, specifying the basis of the deficiency. SAP shall have a reasonable period to cure such deficiency and redeliver the Deliverable for an additional Acceptance Period. If Customer fails to reject any Deliverable within the Acceptance Period, in a written document specifying the deficiency, Customer shall be deemed to have accepted such Deliverable as of the 10th day of the Acceptance Period. Upon acceptance of a Deliverable, all Services associated with such Deliverable shall be deemed accepted.

All Deliverables and any other results of the Services shall be deemed to be accepted if used productively by the Customer. .

Where acceptance criteria are not specified in the SOW for a Deliverable, such Deliverable will be deemed complete and accepted by Customer the day after SAP performs it or delivers it.

3. Customer's General Responsibilities.

3.1. Customer is responsible for making the necessary arrangements to allow SAP to perform the Services.

3.2. Customer shall provide and make available all Customer personnel that SAP reasonably requires in connection with performance of the Services and as may be further addressed in an applicable SOW.

3.3. If the Services are performed at Customer's site, Customer agrees to provide necessary access to its site including, but not limited to, appropriate access to Customer premises, computer systems and other facilities.

3.4. Customer shall appoint a contact person to supply SAP with any necessary or relevant information and who shall have the authority to make decisions or obtain decisions from others expeditiously.

3.5. Before commencing live operation with any provided Service and/or Deliverable (including any Services provided to remedy a defect) Customer should test the provided work thoroughly for absence of defects and for suitability in the situation. Customer is responsible for appropriate precautions against the possibility that the works may have or cause faults and take precautions including, for example, data backups, error diagnosis, and regular results monitoring (including data quality). Except where otherwise expressly stated in writing in each individual case, SAP Consultants are always entitled to act on the assumption that all data with which they come into contact has met these precautions.

4. Change Request Procedures.

4.1. During the term of a SOW, either party can request changes to a SOW in accordance with the change request form attached to the applicable SOW ("Change Request"). Both parties agree to act in good faith to address and mutually agree to any requested Change Requests within a reasonable period of time.

4.2. If Customer makes a change request to SAP, SAP will inform Customer within ten (10) working days (which excludes weekends and applicable public holidays) whether the change is possible or not and what impact the change would have on the Agreement with particular reference to the timeline and remuneration. Customer must thereupon inform SAP in writing within five (5) working days whether the change request is to apply or whether the contract is to be continued on the existing terms. If the investigation of a change request itself requires substantial work, SAP is entitled to bill separately for that work. If SAP submits a change request, Customer must notify SAP in writing within ten (10) working days whether it accepts the change or not. Until there is a written agreement about the change between the parties, work will continue in accordance with the existing SOW.

5. Satisfaction with Personnel.

If at any time Customer or SAP is dissatisfied with the material performance of an assigned Consultant or a Customer project team member, the dissatisfied party shall promptly report such dissatisfaction to the other party in writing and may request a replacement. The other party shall use its reasonable discretion in accomplishing any such change.

6. **Compensation of SAP.**

6.1. All Services will be provided by SAP on a time and materials (plus expenses) basis unless otherwise agreed by the parties in the SOW.

6.2. Unless otherwise agreed in writing, the Services will be invoiced in accordance with the fees or rates listed in or referenced in the SOW, or Schedules and Exhibits thereto, as applicable.

6.3. SAP is entitled to require payment in advance if there are any grounds to doubt that Customer will render payment punctually including Customer's filing for bankruptcy or similar proceeding.

6.4. Fees and other charges described in this Agreement do not include Taxes. Any applicable direct pay permits or valid tax-exempt certificates must be provided to SAP prior to the execution of this Agreement. If SAP is required to pay Taxes, Customer shall reimburse SAP for such amounts. Customer hereby agrees to indemnify SAP for any Taxes and related costs, interest and penalties paid or payable by SAP. This Section shall not apply to taxes based on SAP's income.

7. **Term and Termination.**

7.1. Term of the Agreement. This Agreement shall be effective as of the Effective Date, specified above, and shall remain in effect unless terminated earlier by either party in accordance with this Section 7.

7.2. Term of a SOW. Each SOW shall be effective on the effective date set forth in that SOW, and shall remain in effect until completion of the Services or terminated earlier by either party in accordance with this Section 7.

7.3. Termination of a SOW for Convenience. Except as otherwise agreed in a SOW, each SOW (excluding fixed-price SOWs) may be terminated by either party upon thirty (30) days' prior written notice to the other party, notice period shall start to run on the day notice is received by the addressee.. If there is more than one SOW referencing this Agreement, a SOW may be terminated for convenience in accordance with the terms of this section without terminating this Agreement or the other SOWs.

7.4. Termination of Agreement and/or a SOW for Cause

Either party may terminate this Agreement and/or a SOW for cause:

7.4.1. upon thirty (30) days' prior written notice of the other party's material breach of any provision of the Agreement or SOW, as applicable, including more than thirty (30) days delinquency in Customer's payment of any money due hereunder or any SOW, termination shall become effective at the end of the 30 day period running from the day notice is received by the addressee, unless Customer has cured such breach during such thirty day period; or

7.4.2. immediately if the other party files for bankruptcy, becomes insolvent, or makes an assignment for the benefit of creditors, or otherwise breaches materially its obligations in Confidential Information or Assignment, termination shall become effective on the day notice is received by the addressee.

7.5. Effect of Termination. Customer shall be liable for all payments to SAP, including fees for all Services, including expenses, incurred in the performance of such Services up to the date on which any termination of a SOW or the Agreement takes effect. In the event of termination of a SOW or the Agreement, all Confidential Information of either party provided in connection with this Agreement or SOW, as applicable, in the possession of either party shall be returned to the other party or destroyed with certification of such destruction from an individual of authority to bind the respective party.

8. **Usage rights / Retention of Title**

8.1. The Work Products indicated in the SOW as „Customer Materials" and created according to the individual requirements of the Customer (e.g. interfaces, programs, documentation, etc.) shall form property of the Customer. However the know-how, methods and concepts acquired may be used by SAP without limitation and always with regard to the provisions on Confidentiality.

8.2. The rights related to SAP software, additional SAP software and any modification thereof shall be regulated exclusively by the relevant License Agreements.

8.3. Any proprietary works and other intellectual creations made by SAP prior to the execution of the related SOW or outside the framework of this Agreement, or already forming property of SAP or not indicated in the individual contracts as „Customer Materials" irrespective of the date of their creation shall remain in the property of SAP. The Customer shall receive a non-exclusive, non-transferable licence for use for all intellectual works licensed for use from SAP or its subcontractor and not indicated as „Customer Materials" for their internal use and exclusively for the purpose for which they were handed over, in order to run Customer's and its Affiliates' internal business operations, and otherwise to the same extent as Customer is granted a license to use the SAP Software.

8.4. All usage rights shall be granted to Customer upon payment of the relevant service fee in full. All deliverables shall remain in the ownership of SAP until full settlement of all payment claims outstanding against the Customer. This reservation of title shall also extend to eventual additional supplies and delivery. The Customer shall not pledge or assign as security the assets encumbered with a reserved title and it shall not grant any use or other right to any third party thereon. If the assets encumbered with reserved title are taken into use by any third party, the Customer shall warn such third party about the reserved title of SAP, and shall immediately notify SAP, too.

8.5. Customer must immediately notify SAP in writing if any third party gains unauthorized access to the property or information to or in which SAP retains title or rights and shall take all reasonable steps to stop such unauthorized access and also inform the third party of SAP's rights.

9. Confidentiality

9.1. Use of Confidential Information. Confidential Information shall not be reproduced in any form except as required by the receiving party to perform its obligations under this Agreement and/or a SOW. Any reproduction of any Confidential Information of the other shall remain the property of the disclosing party and shall contain any and all confidential or proprietary notices or legends which appear on the original. With respect to the Confidential Information of the other, each party : (a) shall take all Reasonable Steps (defined below) to keep all Confidential Information strictly confidential; and (b) shall not disclose any Confidential Information of the other to any person other than its bona fide individuals whose access is necessary to enable it to exercise its rights hereunder. As used herein "Reasonable Steps" means those steps the receiving party takes to protect its own similar proprietary and confidential information, which shall not be less than a reasonable standard of care. Confidential Information of either party disclosed prior to execution of this Agreement shall be subject to the protections afforded hereunder.

9.2. Exceptions. The above restrictions on the use or disclosure of the Confidential Information shall not apply to any Confidential Information that: (a) is independently developed by the receiving party without reference to the disclosing party's Confidential Information, or is lawfully received free of restriction from a third party having the right to furnish such Confidential Information; (b) has become generally available to the public without breach of this Agreement by the receiving party; (c) at the time of disclosure, was known to the receiving party free of restriction; or (d) the disclosing party agrees in writing is free of such restrictions.

9.3. Confidential Terms and Conditions; Publicity. The Parties shall not disclose the terms and conditions of this Agreement or the pricing contained therein to any third party. Neither party shall use the name of the other party in publicity, advertising, or similar activity, without the prior written consent of the other, except that Customer agrees that SAP may use Customer's name in customer listings and to analyze and leverage details from this Agreement and/or SOWs respectively (e.g., to forecast product demand), or, at times mutually agreeable to the parties, as part of SAP's marketing efforts (including without limitation reference calls and stories, press testimonials, site visits, SAPPHIRE participation). SAP will make reasonable efforts to avoid having the reference activities unreasonably interfere with Customer's business.

10. Warranty

10.1. Warranty

SAP warrants that the Services to be delivered shall meet the requirements defined in this Agreement, including the relevant SOW. SAP further warrants that its Services shall be performed in a professional workman-like manner and with the skills reasonably required for the Service. For functionality and performance results as well as for Customer needs and expectations not incorporated expressly into this Agreement SAP cannot be held responsible.

The Customer shall immediately report to SAP all errors in a transparent form and in writing.

The warranty shall not apply

a. if the Work Products are not used in accordance with the Documentation or

b. if the defect is caused by a modification to the Work Product, Customer or third-party software. SAP does not warrant that the Work Product will operate uninterrupted or that it will be free from minor defects or errors that do not materially affect such performance or that the applications contained in the Work Product are designed to meet all of Customer's business requirements.

c. to improper handling and to errors attributable to the system environment

d. to cases when the error is not communicated by the Customer according to paragraph 2 above.

10.2. Provided Customer notifies SAP in writing with a specific description of the Services warranty breach within the warranty period and SAP validates the existence of such warranty breach, SAP will, at its option:

10.2.1. re-perform the applicable Services ; or

10.2.2. refund the fee paid for the applicable Services

This is Customer's sole and exclusive remedy for a warranty breach.

10.3. The warranty period shall start to run as of delivery of the relevant Services by SAP to the Customer and the warranty period will last for the period as stipulated by the valid legal regulations of the Republic of Serbia.

11. Indemnification

11.1. SAP warrants that the rights acquired or exercised by the Customer legally and pursuant to this Agreement shall not violate the proprietary rights of a third party concerning intellectual property.

11.2. In case of any justified violation of rights under Section 11.1 the Customer may terminate this Agreement with immediate effect after the unsuccessful lapse of a reasonable deadline given in a written notice, except if SAP creates the right for the Customer for legal use without the violation of any rights expressively and exclusively in a written form individually for each Customer from time to time. The provisions of Article 12 shall govern liability.

11.3. SAP shall indemnify the Customer on its own cost against all claims raised by any third party against the Customer as a result of violation of third party's intellectual property rights by the supplies and deliveries of SAP, provided that the Customer does not approve such claims. The Customer undertakes to immediately inform SAP about any such claims. The Customer authorises SAP to independently pursue the dispute arising with such third party before or out of court; SAP shall indemnify the Customer against any claims written in any Agreement or validly ordered by the court, provided that such claims are not attributable to the actions or omissions of the Customer.

12. Limitation of Liabilities

12.1. ANYTHING TO THE CONTRARY HEREIN NOTWITHSTANDING, EXCEPT FOR DAMAGES RESULTING FROM UNAUTHORIZED USE OR DISCLOSURE OF CONFIDENTIAL INFORMATION AND SAP'S RIGHT TO COLLECT UNPAID FEES, UNDER NO CIRCUMSTANCES SHALL SAP, ITS CONSULTANTS OR CUSTOMER BE LIABLE TO EACH OTHER OR ANY OTHER PERSON OR ENTITY FOR AN AMOUNT OF DAMAGES IN EXCESS OF THE FEES PAID FOR THE APPLICABLE SERVICES UNDER THE RELEVANT SOW, AS APPLICABLE, DIRECTLY CAUSING THE DAMAGES OR BE LIABLE TO EACH OTHER OR ANY OTHER PERSON OR ENTITY IN ANY AMOUNT FOR SPECIAL, INCIDENTAL, CONSEQUENTIAL OR INDIRECT DAMAGES, LOSS OF GOOD WILL OR BUSINESS PROFITS, WORK STOPPAGE, DATA LOSS, COMPUTER FAILURE OR MALFUNCTION, ANY AND ALL OTHER COMMERCIAL DAMAGES OR LOSS, OR EXEMPLARY OR PUNITIVE DAMAGES. The provisions of this Agreement and the fees under a specific SOW allocate the risks between SAP and Customer.

13. Assignment

Customer may not, without SAP's prior written consent, assign, delegate, pledge, or otherwise transfer this Agreement, or any of its rights or obligations under this Agreement, or the Work Products and Deliverables or SAP Confidential Information, to any party, whether voluntarily or by operation of law, including by way of sale of assets, merger or consolidation. SAP may (i) assign this Agreement to any of the SAP AG affiliates or (ii) subcontract all or part of the work to be performed under this Agreement or a relevant SOW to a qualified third party.

14. General Provisions

14.1. Severability.

It is the intent of the parties that in case any one or more of the provisions contained in this Agreement shall be held to be invalid or unenforceable in any respect, such invalidity or unenforceability shall not affect the other provisions of this Agreement, and this Agreement shall be construed as if such invalid or unenforceable provision had never been contained herein.

14.2. No Waiver.

If either party should waive any breach of any provision of this Agreement, it shall not thereby be deemed to have waived any preceding or succeeding breach of the same or any other provision hereof.

14.3. Notice.

All notices or reports which are required or may be given pursuant to this Agreement shall be in writing and shall be deemed to be duly given when delivered to the respective executive offices of SAP and Customer at the addresses first set forth above. Where in this Section 14.3 or elsewhere in this Agreement written form is required, that requirement can be met by facsimile transmission, exchange of letters or other written form.

14.4. Independent Contractor.

The relationship of SAP and Customer established by this Agreement is that of an independent contractor and no employment, agency, trust, partnership or fiduciary relationship is created by this Agreement.

14.5. Force Majeure.

Any delay or nonperformance of any provision of this Agreement (other than for the payment of amounts due hereunder) caused by conditions beyond the reasonable control of the performing party shall not constitute a breach of this Agreement, and the time for performance of such provision, if any, shall be deemed to be extended for a period equal to the duration of the conditions preventing performance.

14.6. Governing Law.

This Agreement and any claims arising out of or relating to this Agreement and its subject matter shall be governed by and construed under the laws of the Republic of Serbia, without reference to its conflicts of law principles. In the event of any conflicts between foreign law, rules, and regulations, and Serbian law, rules, and regulations, Serbian law, rules, and regulations shall prevail and govern. The United Nations Convention on Contracts for the International Sale of Goods shall not apply to this Agreement. The Uniform Computer Information Transactions Act as enacted shall not apply. Customer must initiate a cause of action for any claim(s) arising out of or relating to this Agreement and its subject matter within one

(1) year from the date when Customer knew, or should have known after reasonable investigation, of the facts giving rise to the claim(s). .

14.7. Entire Agreement; Written Form; Hierarchy.

    14.7.1. This Agreement, including all applicable SOWs and Schedules thereto, constitutes the full and exclusive wording of the entire agreement between the parties with respect to the subject matter hereof and supersedes all prior agreements between the parties, whether written or oral, relating to the same subject matter.

    14.7.2. No modifications, amendments, or supplements to this Agreement shall be effective for any purpose unless in writing and signed by the authorized signatories of the parties. The foregoing provision also applies to any waiver of the written-form requirement. Where in this Section and elsewhere in this Agreement or a SOW written form is required, that requirement can be met by facsimile transmission, exchange of letters, or other written form (excluding emails).

    14.7.3. In the event of any inconsistencies between the Agreement and a SOW, the SOW shall take precedence over the Agreement.

    14.7.4. No conflicting or other conditions, including Customer's general terms and conditions, form any part of the Agreement or SOW, even where SAP has performed Services without expressly rejecting such conditions. Any purchase order or other document issued by Customer is for administrative convenience only. If, for reasons related to Customer's internal arrangements or otherwise, Customer's conditions of purchase or other standard terms are included by insertion, reference, enclosure, attachment or otherwise in Customer's acceptance of SAP's offer (for example, in Customer's purchase order), Customer cannot rely on those conditions or terms and they are not incorporated in and do not form any part of the Agreement or SOW, and failure to expressly exclude them does not imply their acceptance.

14.8. Regulatory Matters.

The SAP Confidential Information inclusive of all Work Product and Deliverables are subject to the export control laws of various countries, including without limit the laws of the Republic of Serbia. Unless otherwise regulated by mandatory law, Customer agrees that it will not submit the SAP Confidential Information to any government agency for licensing consideration or other regulatory approval without the prior written consent of SAP, and will not export the Confidential Information to countries, persons or entities prohibited by such laws. Customer shall also be responsible for complying with all applicable governmental regulations of the country where Customer is registered, and any foreign countries with respect to the use of the Confidential Information by Customer and/or its subsidiaries.

14.9. Survival.

Sections 7 (Term), 8 (Work Product), 9(Confidentiality), 12 (Limitation of Liabilities), 14.6 (Governing Law), and **Error! Reference source not found.** (Non-Solicitation) shall survive any termination of this Agreement.

15. System Security and Data Safeguards.

When SAP is given access to Customer's systems and data, SAP shall comply with Customer's reasonable administrative, technical, and physical safeguards to protect such data and guard against unauthorized access. In connection with such access, Customer shall be responsible for providing SAP Consultants with user authorizations and passwords to access its systems and revoking such authorizations and terminating such access, as Customer deems appropriate from time to time. Customer shall not grant SAP access to Customer systems or personal information (of Customer or any third party) unless such access is essential for the performance of Services under the Agreement. The parties agree that no breach of this provision shall be deemed to have occurred in the event of SAP non-conformance with the aforementioned safeguard but where no personal information has been compromised.