

**SAP PartnerEdge Build
On Premise Specific Terms and Conditions
("SAP PartnerEdge Model")**

1. DEFINITIONS

Commonly used capitalized terms are defined in the Glossary at the end of the document. All capitalized terms not defined in this SAP PartnerEdge Model will have the meaning ascribed in the Agreement, including the Build Master Partner Agreement, any applicable SAP PartnerEdge Schedule, other applicable document, exhibit, appendix, annex, and/or Order Form, included in, attached to, or referenced to in the Agreement. With respect to the SAP PartnerEdge Model, references to the "GTC" in this SAP PartnerEdge Model, the Build Master Partner Agreement or elsewhere in the Agreement means the SAP PartnerEdge Build General Terms and Conditions.

2. ENGAGEMENT MODEL

2.1 Subject to Partner's compliance with all Program Requirements (including meeting the Application Readiness Check criteria) at all times during the term of this SAP PartnerEdge Model and subject to Partner's subscription to a Development License as set forth in the PartnerEdge Program Guide and execution of a Development Agreement, SAP grants to Partner the rights set forth in Section 2.2 below. Partner may hold itself out as an SAP PartnerEdge Partner in the Territory (as defined in the applicable SAP PartnerEdge Schedule that references this SAP PartnerEdge Model).

2.2 GRANT OF RIGHTS AND RESTRICTIONS

- (a)** Partner Development. This SAP PartnerEdge Model provides no license or subscription to any Development License to Use Software. Any use of Software by Partner for testing, development, and demonstration purposes is subject to the terms and conditions of a separate Development Agreement.
- (b)** On Premise Distribution License. SAP grants to Partner a non-exclusive and non-transferable license to reproduce, market, distribute and license the Software (including any Modification and Add-ons) and Documentation only as integrated and embedded in the Partner Products, to run the Customer's and its Affiliates' internal business operations (the "On-Premise Distribution License"). Permitted uses and restrictions of the Software also apply to Third Party Software excepted as stated in the Agreement.
- (c)** On-Premise Runtime Resell License. SAP grants to Partner a non-exclusive, non-transferable license to reproduce, market, distribute, license and resell the Software (including any Modification and Add-ons) and Documentation on a run-time basis only for use in conjunction with the Partner Product (the "On-Premise Runtime License", and together with the On-Premise Distribution License, the "On-Premise License").
- (d)** ASP License. SAP grants to Partner a non-exclusive and non-transferable license to use the Software and Documentation to provide ASP Services to Customers only as an integrated part of the Partner Product ("ASP License"). If any SAP client software is required to be used with the Software, SAP grants to Partner the right to reproduce, distribute and license such client software to the same extent as the Software under an On Premise Distribution License, provided that: (i) Customers will only be permitted to use the client software to access the ASP Services, and (ii) the Customer will not be granted general development rights to the Software.
- (e)** Distribution through Affiliates, Resellers and Distributors. SAP grants to Partner the non-exclusive and non-transferable right to authorize its Affiliates, distributors and/or resellers to further distribute and license the Bundled Products under an On-Premise License to the same extent and scope as that applied to Partner, provided that Partner will ensure that anyone it authorizes to distribute or resell the Software does so only in compliance with, and pursuant to written terms at least as protective of SAP as, the terms of the Agreement.

In case of an ASP License, the same applies as above, except that the Software may not be distributed by Partner to any of its resellers or distributors.

- (f) **Bundled Product Review.** The Bundled Product must be reviewed and approved by SAP in advance in accordance with SAP's standard practices (including meeting the Application Readiness Check criteria) before Partner may promote or make it available to its Customers or third parties. Partner agrees to provide such information about the Bundled Product as reasonably requested by SAP. SAP may deny or withhold approval in its sole discretion. SAP's approval of the Bundled Product is not, and will not be construed or represented by Partner to any third party to be a verification of the Bundled Product functionality or any support, preference, warranty or endorsement of such by SAP in any way.

2.3 Restricted License.

The Software may only be used with the Partner Product to enable its performance, with data access limited to data created by the Partner Product or data processed by the Partner Product that is necessary to enable the functionalities of the Partner Product (referred to as a "Restricted License"). Partner agrees that Partner Product must add significant and primary additional functionalities to the Software in order to qualify as Partner Product. Partner may only distribute or provide access to a Software release for as long as such Software release is under Mainstream Maintenance.

2.4 Minimum Terms.

Partner will contract with its Customers directly for the Bundled Product. The End User Agreement must be binding on Customers under applicable laws and regulations in the country in which Partner is providing access to the Bundled Product. The End User Agreement must contain terms not materially less protective of SAP than the Agreement including without limitation the terms required under this Section 2.4, the applicable SAP PartnerEdge Schedule, and the Use Terms (collectively, "Minimum Terms"). The Minimum Terms will include Partner's rights to perform audits on Customer's usage of the SAP Materials. Partner will not make any representations or warranties regarding the functionality or performance of the SAP Product that conflict with the Agreement.

2.5 Authorized Users.

- (a) Partner and Customers must be appropriately licensed as stated in the Use Terms for any individuals that Use the Software. Use may occur by way of an interface delivered with or as a part of the Software, a Partner, Customer or third-party interface, or another intermediary system. Customers may permit Business Partners to Use the Software only through screen access, solely in support of Customer's permitted Use, and not to run any of Business Partners' business operations.
- (b) For Software licensed to Customers under an On Premise License, Customer may permit service providers to access the Software only to assist Customer with its permitted Use of the Software. For Partner's Use of the Software under an ASP License, Partner may permit service providers to access the Software only to assist Partner with its permitted Use of the Software. Service providers must enter into a written agreement with Customer or Partner, as applicable, agreeing to comply with the terms of the Agreement. Service providers cannot Use the Software to run their own business, or operate or provide processing services to any third party. Partner or Customer, as applicable, is responsible for any breach of the Agreement caused by any individuals using the Software or SAP Materials or SAP Confidential Information.

2.6 Installation.

Except as permitted in Section 2.5(b) above, Partner may permit Customer to install the Software only on compatible hardware located at Customer's or its Affiliates' facilities and in their direct possession.

2.7 Acceptable Use Policy.

With respect to the Software and other SAP Materials, Partner will not:

- (a) disassemble, decompile, reverse-engineer, copy, translate, reverse engineer or make derivative works,
- (b) except as authorized under Sections 2.2 and 2.5, permit any Customer or third party to:
 - i. provide services to third parties (such as service bureau, business process outsourcing or training);
 - ii. lease, loan, resell, sublicense or otherwise distribute the Software or other SAP Materials; or
 - iii. distribute or publish Software keycodes.
- (c) use software components other than as intended and as specifically identified in the SAP PartnerEdge Schedule or Order Form, even if it is technically possible for Partner to otherwise access such components;
- (d) transmit any content or data that is unlawful or infringes any Intellectual Property Rights; or
- (e) circumvent or endanger the operation or security of the Software and other SAP Materials. Partner must not create or attempt to create the source code from the object code of the Software or other SAP Materials unless such action is indispensable in order to obtain information necessary to achieve interoperability of the Software with an independently created computer program and Customer has not been provided such information, despite a written request, within a reasonable period of time. Information obtained through such action may not be used for purposes other than to achieve interoperability, and may not be given to third parties, unless this is necessary to establish interoperability, in particular is not to be used for the development, creation or marketing of programs similar to the Software. If Partner wishes to exercise any right to reverse engineer to ensure interoperability in accordance with applicable law, Partner must first provide written notice to SAP and permit SAP, at its option, to make an offer to provide information and assistance reasonably required to ensure interoperability of the Software with other products for a fee to be mutually agreed upon (if any).

2.8 Third Party Software.

Agreement terms relative to "Software" apply to Third Party Software except:

- (a) Partner will not make Modifications and/or Add-ons to Third Party Software, and
- (b) as otherwise stated in the Use Terms.

2.9 SAP PartnerEdge Application Innovation Base Service.

SAP will provide Partner SAP PartnerEdge Application Innovation Base Service which currently encompasses access to partner service advisors with the necessary details including telephone and e-mail information. The partner service advisor may provide Partner with an enablement plan for partner organization, facilitate technical knowledge related to SAP products and solutions, new features, and may orchestrate access to other SAP Services ("**SAP Services**"), such as:

- Business enablement services
- Access to SAP community forums
- Technical enablement services:
 - Access to product documentation, online tutorials and other learning material
 - Online (remote) enablement sessions regarding SAP platform components & tools
 - Access to SAP technology and application roadmaps

SAP reserves the right to reassign an advisor without notice. SAP may adjust the description of the advisor's role, tasks and change add or stop SAP Services or elements thereof upon prior written notice to the Partner, e.g. via web-based publication of an applicable SAP PartnerEdge program guide which will be incorporated herein by reference. Access to SAP Services which are specific to an SAP Product require that Partner has subscribed to the corresponding Development License.

2.10 SAP App Center.

Partner may apply to become a participant of the SAP App Center. Use of the SAP App Center is subject to the terms and conditions of a separate participation agreement.

2.11 Delegation.

Partner may delegate the performance of the Partner's duties to suitably qualified personnel of an Affiliate. Notwithstanding such delegation by the Partner of its duties, Partner will remain directly accountable to SAP. Partner's Affiliate will not be entitled to hold itself out to be an authorized SAP partner or having any other direct relationship to SAP.

3. SUPPORT

3.1 Customer Support.

Partner will be solely responsible for providing support of the Software to all of its direct or indirect Customers in accordance with the OEM Support Schedule that is incorporated in the SAP PartnerEdge Build On Premise Schedule ("Build On Premise Schedule"). Training and qualification will be at Partner's expense and at SAP's then-current published rates.

3.2 SAP Support.

SAP will only provide SAP Support to Partner, provided that Partner has paid the applicable SAP Support fee. During the term of this SAP PartnerEdge Model and as part of SAP Support, SAP will make available to Partner New Releases, if and when such Releases are made generally available by SAP under SAP Support.

3.3 New Releases.

Partner shall not provide New Releases to any existing licensed Customer unless the applicable SAP Support fee for such Customer have been paid to SAP.

3.4 No Customer Support.

SAP has no obligations to provide any support or New Releases to Customers directly.

4. MODIFICATIONS AND ADD-ONS

4.1 Modifications.

Except for Add-ons, Partner may not Modify, adapt, enhance, localize, translate or make derivatives of the Software or SAP Materials. SAP retains all right, title, and interest to all parts of the Software and SAP Materials, and any derivatives thereof, that are included all Modifications and Add-Ons.

4.2 Add-ons.

- i.** Partner may make Add-ons to the Software in furtherance of its permitted use under this SAP PartnerEdge Model. Partner may distribute or sublicense Add-ons with the Software only to the same extent as that applied to Partner's grant of the Software set forth herein. All Add-ons developed by SAP or its Affiliates (either independently or jointly with Partner) and all rights associated therewith are the exclusive property of SAP and its Affiliates. Partner agrees to execute those documents reasonably necessary to secure SAP or its Affiliates' rights in the foregoing. All Add-ons developed by or on behalf of Partner without SAP or its Affiliates' participation ("Partner Add-on"), and all rights associated therewith, are the exclusive property of Partner subject to SAP's rights in and to the Software and SAP Materials.
- ii.** Any Add-on to the Software developed by Partner must not (and subject to other limitations set forth herein): enable the bypassing or circumventing any of the restrictions set forth in the Agreement and/or provide Customers with access to the Software to which Customers are not directly licensed; nor unreasonably impair, degrade or reduce the performance or security of the Software; nor disclose any SAP Confidential Information.

5. TERM AND TERMINATION

5.1 Term.

The term of this SAP PartnerEdge Model is as stated in the applicable SAP PartnerEdge Schedule. This SAP PartnerEdge Model may be terminated in accordance with the GTC.

5.2 Termination for convenience.

Either Party may terminate this SAP PartnerEdge Model for convenience with written notice three

months' prior to the end of the initial term set forth in the applicable SAP PartnerEdge Schedule or the then current renewal term.

5.3 Termination for non-compliance with Program Requirements.

SAP may terminate this SAP PartnerEdge Model with three months' prior written notice if Partner:

- (a) did not meet all of the Program Requirements for the first time within twelve months after the Effective Date defined in the applicable SAP PartnerEdge Schedule; or
- (b) does not comply with any of the Program Requirements excluding the Program Fee.

5.4 Consequence of Termination.

Upon termination or expiration of the Agreement or this SAP PartnerEdge Model, and in addition to other termination obligations set forth in the Agreement:

- (a) Partner will cease marketing, distributing or licensing the Software or SAP Materials to any third party, including renewing any subscription based license or service agreements with existing customers.
- (b) Partner's right to provide ASP Services to new customers will immediately terminate. Subject to Partner's continuing compliance with the terms of the Agreement, Partner may continue to use its perpetual ASP Licenses to provide ASP Services to its Customers that are contracted with Partner as of the termination date of this SAP PartnerEdge Model but may not renew any additional renewal periods after such termination.
- (c) any paid-up perpetual license to the Software previously granted to an Customer under an On-Premise License will survive according to the terms of such license; and
- (d) Partner's right to receive benefits under the SAP PartnerEdge Program immediately ends.
- (e) Partner may request to receive, and SAP may agree to provide for a limited time, support services for the Software after the termination of the Agreement upon mutual agreement in writing.

5.5 Survival.

Sections 1, 5.4 - 5.5 and 7 will survive the expiration or termination of the Agreement.

6. DELIVERY.

SAP will deliver the Software and SAP Support by making it available for electronic download through the SAP ServiceMarketplace (<http://service.sap.com/swdc>) to Partner. Risk of loss passes at the time of such electronic delivery. Partner agrees not to request any physical delivery of Software or SAP Support and should it occur that any such delivery will be rejected by Partner. Partner agrees and understands that the calculation of Taxes may be affected by the delivery method and delivery location of the Software and corresponding SAP Support.

7. PAYMENT REPORT.

Within twenty (20) days after the close of each calendar quarter or as otherwise specified in the Agreement, Partner will deliver to SAP a report which will provide all information reasonably required by SAP identifying each Customer by an unique customer number for computation, customer name (no abbreviations), customer address (street, city, postal code, country), group (if any), and/or confirmation of the fees, if any, due or credited to SAP for the period being reported, including without limitation: (i) license information (material code/software description, license quantity, license metric, license term for non-perpetual licenses, and associated license or subscription fee due Licensor), and (ii) support fees, support rate and indicating whether it is first year support or a renewal, and associated license fee. The payment report will be submitted to SAP even if no license and support fee is due. Partner will submit the payment report electronically via a reporting tool made available by SAP to Partner. SAP will inform in writing Partner in case of change to the reporting format and Partner shall submit its payment reports under such new reporting format for all future quarterly reporting periods. Any changes or corrections to the reports submitted to SAP can only be made within thirty (30) calendar days.

8. APPLICATION READINESS CHECK.

Partner agrees to develop the Bundled Product in accordance with Documentation and Application Readiness Check criteria published by SAP. Partner will be responsible for providing SAP with all necessary information on the Platform Applications required for SAP to enable Application Review.

Glossary

- 1.1** “**ASP Service**” means application services that are provided by Partner utilizing Software that allow Customers to remotely access, or otherwise receive the benefits of, the Bundled Product (via a private network or the Internet) that are installed in a Data Center.
- 1.2** “**Application Readiness Check**” means SAP’s standard procedure to review a Bundled Product required for go-to-market services offered by SAP under a separate agreement, based on the standard criteria as made available by SAP to Partner.
- 1.3** “**Build Authorization**” means that Partner needs to meet specific training and qualification requirements for the On Premise or Cloud Product Family as set out in detail in the PartnerEdge Program Guide.
- 1.4** “**Data Center(s)**” means the site at which the Software will be hosted, to enable Partner to provide ASP Services to its Customers. Such site or sites shall at all times be owned or controlled and operated by the Partner except as permitted under Section 2.5(b) of this SAP PartnerEdge Model.
- 1.5** “**Development License**” means a development license subscribed under a separate SAP Development Agreement.
- 1.6** “**Development Agreement**” means an SAP development agreement that provides for the terms and conditions of development use of the Software.
- 1.7** “**Mainstream Maintenance**” means the then current release strategy for Software releases as stated in <https://support.sap.com/release-upgrade-maintenance.html>.
- 1.8** “**Minimum Terms**” has the meaning as defined in Section 2.4.
- 1.9** “**Partner Product**” means, with respect to this SAP PartnerEdge Model, a proprietary Partner solution which integrates with and which can be used with Software.
- 1.10** “**Product Family**” means an SAP product family which may comprise of one or several Software as further set out in the applicable RSPI.
- 1.11** “**Program Requirements**” means that the Partner has to fulfill certain program entry requirements as well as ongoing program requirements, some of which are general PartnerEdge requirements, some of which are specific for the “Build Engagement”, including, without limitation payment of the Program Fee(s), successful conclusion of the Application Readiness Check for at least one Partner Product within twelve (12) months after the Effective Date of this SAP PartnerEdge Model, upholding a subscription to at least one Development License, and other requirements as set out in detail in the PartnerEdge Program Guide and the Region-Specific Program Information (“RSPI”).
- 1.12** “**SAP Product**” means, with respect to this SAP PartnerEdge Model, the SAP Materials, Software, and/or SAP Support.