

**SAP PartnerEdge**  
**Terms and Conditions for**  
**VAR Delivered Support for SAP Business One**  
(together with the SAP Business One VAR Delivered Support Schedule and all documents referenced therein  
"Business One VAR Delivered Support Model")

## Definitions and Interpretation

### 1. Definitions

"**Delivery**" is defined in Article 4 (Delivery of Software) of the Sell On Premise Model.

"**Incident**" means a support event starting with a malfunction or functional impairment of the Supported Software which – with reasonable probability – is based on a defect of the Supported Software as reported to SAP's or Partner's support organization via the official communication channel.

"**Incident Root Cause Analysis**" means the analysis and classification of an Incident as a hardware problem, handling issue, data quality issue, software defect, etc. Treatment and routing of such Incident is dependent on the result of the Incident classification.

"**Index**" means the index used to determine the discretionary applicable change which is the index of mean monthly salaries of fulltime employees in Germany in the information technology services sector ("Index der durchschnittlichen Bruttomonatsverdienste der vollzeitbeschäftigten Arbeitnehmer in Deutschland für den Wirtschaftszweig Erbringung von Dienstleistungen der Informationstechnologie", currently published by the German Federal Statistics Office in quarterly figures at "Fachserie 16, Reihe 2.4, Gruppe J 62"). If publication of that index is discontinued, the applicable index for determination of the discretionary applicable change will be the index published by the Federal Statistics Office that most closely reflects changes in the mean monthly salaries of the sector named above.

"**Maintenance Services**" with regard to this Business One VAR Delivered Support Model means VAR Delivered Support.

"**Ongoing Partner Requirements**" means the ongoing partner requirements set out in Part 1 - Article 3 no. 2.

"**SAP Service Marketplace**" means SAP's web-based information repository for customers, end users and partners which is made available on <http://service.sap.com> and any successor website published by SAP.

"**Sell On Premise Model**" means the "SAP PartnerEdge – Sell On Premise Specific Terms and Conditions" that SAP and Partner have agreed on by signing the Sell On Premise Schedule under which Partner is granted, inter alia, the right to market and distribute certain Software.

"**Sell On Premise Schedule**" means the "SAP PartnerEdge – Sell On Premise Schedule" that SAP and Partner signed and that refers to the "SAP PartnerEdge – Sell On Premise Specific Terms and Conditions".

"**Supported End User**" means any End User for which Partner and SAP concluded a SAP Support Sales Order Form which has not been terminated.

"**Supported Software**" with regard to this Business One VAR Delivered Support Model means SAP Business One.

"**VAR Delivered Support**" with regard to this Business One VAR Delivered Support Model means support for the Supported Software as set out in detail in this Business One VAR Delivered Support Model.

2. Any terms not defined in this Business One VAR Delivered Support Model will have the meaning ascribed to them in any other part of the Agreement (as defined in the Master Partner Agreement) or the Sell On Premise Model.

3. The headings in this Business One VAR Delivered Support Model are for convenience only and are to be ignored in construing this Business One VAR Delivered Support Model.

4. For clarification: Any reference in this Business One VAR Delivered Support Model to a defined document is a reference to that defined document as amended, varied, novated or supplemented from time to time, in line with Part 1 Article 12 (Change to Terms) of the SAP PartnerEdge GTCs..

5. Where the context so admits, the singular includes the plural and vice versa.

6. Any defined document referenced in this Business One VAR Delivered Support Model will be provided by SAP upon request.

## PART 1 – General Terms and Conditions

### Article 1 Engagement Model

1. Subject to the terms and conditions set out in this Business One VAR Delivered Support Model and only as long as Partner is authorized to market and distribute Software under the Sell On Premise Model and has achieved and continues to uphold the Ongoing Partner Requirements, SAP hereby grants to Partner the right to market, sell and provide VAR Delivered Support for the Supported Software distributed under the Sell On Premise Model in its own name, at its own risk, and for its own account to End Users located in the Territory (as defined in the Sell On Premise Schedule).

2. Partner will use its best efforts to market, sell and provide VAR Delivered Support for the Supported Software distributed under the Sell On Premise Model.

3. SAP provides VAR Delivered Support to the Partner solely on the basis set out in this Business One VAR Delivered Support Model and the Price List.

### Article 2 Introduction to VAR Delivered Support

1. Under this Business One VAR Delivered Support Model, Partner will be the primary support provider for the Supported Software. In a nutshell, this means that Partner will receive Incidents from Supported End Users and will be obliged to provide Support Level 1 and Support Level 2 (as further defined and explained in Part 2 - Article 5 (Support Levels and Priorities) no. 1a) and b).

2. SAP will be the subsequent support provider for the Supported Software and will, after Partner provided Support Level 1 and Support Level 2, receive Incidents from Partner and perform Support Level 3 (as further defined and explained in Part 2 - Article 5 (Support Levels and Priorities) no. 1c).

3. Partner will explain to each End User interested in receiving VAR Delivered Support the scope and values of SAP's support offering.

4. The exact scope of VAR Delivered Support is set out in Part 2 - Article 2 (VAR Delivered Support for Supported End Users).

### Article 3 Prerequisites for VAR Delivered Support

In order to be authorized to market, sell and provide VAR Delivered Support for the Supported Software, Partner needs to fulfill all of the following prerequisites:

**SAP Confidential**

**SAP PartnerEdge Terms and Conditions for VAR Delivered Support for SAP Business One enDE.v.10-2016**

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#### 1. Sell On Premise Model

Partner and SAP must have concluded a Sell On Premise Schedule and Partner must be authorized to market and distribute Software thereunder.

#### 2. Ongoing Partner Requirements

Partner must ensure that at least the minimum number of its employees has the required certifications or qualifications as further set out in detail on the relevant section of the SAP partner-dedicated website; information is available from SAP upon request. Further technical prerequisites are set out in Part 2 - Article 6 no. 2a) (Initial Setup).

#### 3. SAP Support Sales Order

Partner and SAP must have concluded an Order Form for SAP Support (herein also "SAP Support Sales Order"), as defined below, for each Supported Software Order Form agreed for an End User for which Partner wants to provide VAR Delivered Support.

#### **Article 4 Conclusion of SAP Support Sales Order**

1. Partner and SAP enter into an Order Form for VAR Delivered Support together with each Supported Software Order Form agreed for an End User who wants to receive VAR Delivered Support from Partner (both may be included in one order form). Partner will use and fill out completely such forms and minimum order requirements as SAP may prescribe from time to time and must comply with any then-current order process for VAR Delivered Support. Where available, Partner agrees to use the electronic means provided by SAP for placing orders and executing Order Forms.

2. Order Forms for VAR Delivered Support are binding, non-cancellable, non-revocable, and non-transferable, except as stated otherwise in the Agreement.

3. Every Order Form for VAR Delivered Support is defined as an "**SAP Support Sales Order**".

4. For any additional Supported Software that Supported End User has acquired and is subject to VAR Delivered Support, Partner must conclude a separate SAP Support Sales Order.

5. Any order forms for VAR delivered support between SAP and Partner that were concluded or continued under or in connection with the old "PartnerEdge Channel Agreement VAR" for VAR Delivered Support (as defined therein) relating to SAP Business One will continue as SAP Support Sales Orders under this Business One VAR Delivered Support Model if they were still valid at the Effective Date stated in the Sell On Premise Schedule. With regard to these, the terms and conditions of this Business One VAR Delivered Support Model apply.

6. Any order forms for VAR delivered support between SAP and Partner that were concluded under or in connection with an old SMB reseller agreement or other former SAP partner resale agreement for that Partner provided support relating to SAP Business One will continue as SAP Support Sales Orders under this Business One VAR Delivered Support Model if they were still valid at the Effective Date stated in the Sell On Premise Schedule. With regard to these, the terms and conditions of this Business One VAR Delivered Support Model apply.

#### **Article 5 Fee for VAR Delivered Support**

##### 1. Payment and invoicing of fees

- a) The general calculation basis for VAR Delivered Support is described in the Price List and will be specified in each SAP Support Sales Order.
- b) The fee for each SAP Support Sales Order as originally set out in the SAP Support Sales Order or as increased according to this Business One VAR Delivered Support Model must be paid by Partner annually in advance.
- c) For the Initial Term (as defined in Part 1 - Article 8 no. 1 (Term) a), SAP will send a first invoice for the fee as set out in the SAP Support Sales Order for the period starting on the first day of the month following the Delivery of the Supported Software until December 31st of the current year and a second invoice for the period starting on January 1st and ending on December 31st of the next calendar year.
- d) For each Renewal Term (as defined in Part 1 - Article 8 no. 1 (Term) b), fees as originally set out in the SAP Support Sales Order or as increased according to this Business One VAR Delivered Support Model are invoiced for the period of the Renewal Term.
- e) SAP recommends that the Partner should offer VAR Delivered Support to End Users according to SAP's recommended prices.

##### 2. Fee Increase

- a) SAP agrees that the fee for VAR Delivered Support will remain unchanged for the Initial Term and the 1st Renewal Term (as defined in Part 1 - Article 8 no. 1 (Term)).
- b) Thereafter, SAP reserves the right to increase the fee for each SAP Support Sales Order once during a calendar year upon two months' prior notice to Partner ("**Fee Increase**"). In case of a Fee Increase, Partner may terminate all SAP Support Sales Orders concerning a Supported End User by giving one month's prior notice to the effective date of the Fee Increase. SAP will draw attention to this in the Fee Increase Notice.
- c) The Fee Increase must not exceed the change in the Index ("discretionary applicable change"). For the first Fee Increase for a particular SAP Support Sales Order, the discretionary applicable change is the change from the Index published at the date of the execution of the SAP Support Sales Order to the Index that has most recently been published when the Fee Increase notice is given. If the fee has already been adjusted in the past, the discretionary applicable change is the change from the Index that had been most recently published when the previous Fee Increase notice was given to the Index that has most recently been published when the new Fee Increase notice is given.
- d) Not raising fees in any given year is not a waiver of SAP's right to do so.
- e) SAP recommends that the terms and conditions set out in this Article 5 no. 2 (Fee Increase) are reflected by Partner in its support and maintenance agreements with Supported End Users.

3. The provisions of this Article 5 no. 2 (Fee Increase) will not apply to any orders for VAR delivered support between SAP and Partner that were concluded or continued under or in connection with the old "PartnerEdge Channel Agreement VAR" for VAR Delivered Support (as defined therein), an old SMB reseller agreement or similar former SAP partner resale agreement for that Partner provided support in each case relating to SAP Business One that continue as SAP Support Sales Orders under this Business One VAR Delivered Support Model as set out in Article 4 (Conclusion of SAP Support Sales Order) no. 5 and 6.

##### 4. Fee per Incident

- a) Under this Business One VAR Delivered Support Model, Partner is responsible for providing Support Level 1 and Support Level 2. If an Incident is forwarded by a Supported End User or Partner to SAP for which Partner failed to fulfill any of its Support Level 1 and/or Support Level 2 duties and if such Incident has been processed by SAP's support organization, Partner must pay to SAP a fee per Incident as further outlined in the Price List ("Payment for non-standard and/or other maintenance services").

SAP will not invoice Partner if the number of Incidents eligible for invoicing is five or fewer Incidents per quarter. SAP will issue invoices to Partner on a quarterly basis. Such invoices will comprise a list of Incidents processed by SAP's support organization. Invoices will only include Incidents that are closed (with status "Confirmed" by Partner/Supported End User or with status "Confirmed Automatically" by SAP).

- b) Partner must ensure that the remote support platform for SAP Business One (“RSP”) is used for the resolution of such Incidents that require the usage of RSP. Information on which Incidents are subject to the usage of RSP is published on the partner-dedicated website (e.g. the SAP PartnerEdge Portal) under the SAP Business One Section, currently under Support/Remote Support Platform. If an Incident requires the usage of RSP for its resolution but such Incident is forwarded to SAP by Partner without the usage of RSP, Partner must pay to SAP a fee per Incident as further outlined in the Price List (“Payment for non-standard and/or other maintenance services”). SAP will issue invoices to Partner on a quarterly basis.

#### **Article 6 Tax**

1. Each Party will be responsible for the payment of its own taxes.
2. All taxes based on income that are imposed, or may be imposed, by any federal, state or local government entities for payments received under or in connection with any part of this Agreement will be borne by the recipient of the payment (“**Recipient**”).
3. If the Party making such payments (“**Payer**”) is required by law to withhold income or corporation tax or a similar tax (“**Withholding Tax**”) from any gross payment to the Recipient under or in connection with any part of this Agreement, Payer will be entitled to withhold or deduct such tax from the gross amount to be paid if and to the extent that the Recipient may offset the withholding income and corporate tax liabilities according to the law the country of residence of the Recipient against its income or corporate tax liabilities. However, Payer must use all endeavours to reduce any such withholding payable to the lowest possible rate subject to compliance with all applicable laws and double taxation treaties. Recipient will cooperate with Payer to the extent that is necessary to apply for such reduction, especially by, but not limited to, providing necessary forms to Payer or the relevant tax authority. Otherwise, Payer is entitled to withhold tax at standard rates according to the relevant laws. The Payer will in the case of any withholding of any Withholding Tax provide to the Recipient a receipt from the relevant tax authority to which such Withholding Tax has been paid. In case the Recipient under or in connection with any part of this Agreement is not entitled to offset the withholding income and corporate tax liability according to the law of the country of residence, Recipient and Payer will mutually agree in writing whether the Payer will be entitled to withhold taxes on account of the Recipient from the contractually agreed payments. The fact that such offset is not possible (or not possible in a specific year) must be notified by Recipient to the Payer.
4. All other taxes or charges of any kind (including but not limited to, customs duties, tariffs, excise, gross receipts, sales and use and value added tax) except income tax or corporation tax (or similar taxes) will be borne by the Payer. Partner must communicate to SAP its VAT or GST identification number(s) attributed by the country where Partner has established its business. SAP shall consider the support for the Supported Software provided under or in connection with this Business One VAR Delivered Support Model to be for Partner's business operations and provided to the location(s) of the Partner in accordance with the provided VAT or GST identification number(s). If any such tax or duty has to be withheld or deducted from any payment under or in connection with any part of this Agreement, Payer must increase payment under or in connection with any part of this Agreement by such amount to ensure that after such withholding or deduction, Recipient has received an amount equal to the payment otherwise required. Any applicable direct pay permits or valid tax-exempt certificates must be provided to SAP prior to the execution of the Sell On Premise Schedule.

#### **Article 7 Continuous Support**

1. Every Supported End User must always have all of its Supported Software installations covered by VAR Delivered Support. If this is not the case, Partner must terminate its support and maintenance agreements relating to VAR Delivered Support with such Supported End User in their entirety. A partial termination is not permitted.
2. If Partner does not order VAR Delivered Support for an End User immediately after the order of the Supported Software for the End User, but orders it later e.g. to obtain a new Software release, or VAR Delivered Support is otherwise terminated e.g. pursuant to Article 8 (Term and Termination of SAP Support Sales Orders) no. 2, or declined for some period of time and is subsequently requested or reinstated, Partner can obtain VAR Delivered Support for such End User only upon payment of the fee for VAR Delivered Support that it would (pursuant to the Price List) have had to pay had it agreed to take VAR Delivered Support immediately after the order of the Supported Software. In such case, SAP will invoice Partner such accrued fee for VAR Delivered Support. Payment of the accrued fee is immediately due and payable in full. The same applies, if this Business One VAR Delivered Support Model was rescinded, terminated according to Article 9 (Term and Termination of this Business One VAR Delivered Support Model) or otherwise terminated and re-activated or concluded anew.
3. For the avoidance of any doubt: Article 7 (Continuous Support) no. 2 will also apply to:
  - a) any orders for VAR delivered support between SAP and Partner that were originally concluded or continued under or in connection with the old “PartnerEdge Channel Agreement VAR” for VAR Delivered Support (as defined therein) relating to SAP Business One but that were later terminated under the old “PartnerEdge Channel Agreement VAR” and are now subsequently requested, concluded anew or reinstated under this Business One VAR Delivered Support Model; and
  - b) any orders for VAR delivered support between SAP and Partner that were concluded under or in connection with an old SMB reseller agreement or other former SAP partner resale agreement for that Partner provided support relating to SAP Business One but that were later terminated under the old SMB reseller agreement or other former SAP partner resale agreement and are now subsequently requested, concluded anew or reinstated under this Business One VAR Delivered Support Model.

#### **Article 8 Term and Termination of SAP Support Sales Orders**

1. Term
  - a) VAR Delivered Support for a SAP Support Sales Order will commence and the initial term for an SAP Support Sales Order will start as of the first day of the month following the Delivery of the Supported Software and will end on December, 31st of the next full calendar year (except if the first day of the month following the Delivery of the Supported Software falls on January, 1st of a respective calendar year, in which case the initial term will run until December, 31st of the respective calendar year) (“**Initial Term**”).
  - b) After the Initial Term and subject to this Business One VAR Delivered Support Model each SAP Support Sales Order will automatically renew for subsequent periods of one year (each a “**Renewal Term**”), whereby the first one year period immediately following the Initial Term will be defined as “**1st Renewal Term**”.
2. Termination
  - a) Partner may terminate all SAP Support Sales Orders concerning a Supported End User by giving three months' prior written notice to the end of the Initial Term or any Renewal Term. For the avoidance of any doubt: termination by Partner strictly applies to all SAP Support Sales Orders of a Supported End User; any partial termination or termination of some of the SAP Support Sales Orders concerning a Supported End User is not permitted.
  - b) When Partner terminates any SAP Support Sales Orders, Partner will provide SAP with the name and customer identification number of the relevant Supported End User to which the SAP Support Sales Orders pertained, the reason for termination, the effective date of termination and a copy of the termination notice relating to the support and maintenance agreement between the Supported End User and the Partner.
  - c) SAP may terminate SAP Support Sales Orders by giving three months' prior written notice to the end of the Initial Term or any Renewal Term. If Partner does not pay on the due date any amount payable to SAP under or in connection with a SAP Support Sales Order at the place at and in the currency in which it is expressed to be payable, SAP will be entitled to terminate the relevant SAP Support Sales Order for good cause unless payment is made within thirty days of the due date.

- d) If SAP Support Sales Orders are terminated, SAP will endeavor to transfer all affected SAP Support Sales Orders to another SAP partner who is authorized to provide VAR Delivered Support. Partner agrees to actively support the transfer of the affected SAP Support Sales Orders to another SAP partner who is authorized to provide VAR Delivered Support. Partner authorizes SAP to disclose the fee (maintenance percentage and maintenance base and thereby the software partner buy price) for each SAP Support Sales Order to the relevant SAP partner to whom the SAP Support Sales Orders will be transferred. Partner must ensure in its support and maintenance agreements with each Supported End User that SAP may contact the affected End Users immediately after receipt or sending of the termination notice concerning SAP Support Sales Orders.
  - e) Upon termination of a SAP Support Sales Order or termination of this Business One VAR Delivered Support Model, Partner shall return to each affected Supported End User all information provided to Partner which is relevant for the provision of support for the Supported Software.
3. SAP recommends that the terms and conditions set out in this Article 8 (Term and Termination of SAP Support Sales Orders) are reflected by Partner in its support and maintenance agreements with Supported End Users.

**Article 9 Term and Termination of this Business One VAR Delivered Support Model**

1. Term. This Business One VAR Delivered Support Model comes into effect as of the Effective Date defined in the Business One VAR Delivered Support Schedule and remains in full force and effect unless terminated as set out herein.
2. Termination for convenience. Termination for convenience of this Business One VAR Delivered Support Model is excluded.
3. Automatic termination.
- a) When the Sell On Premise Model is terminated, rescinded or ends in any other way this Business One VAR Delivered Support Model is automatically terminated at the same time.
  - b) When this Business One VAR Delivered Support Model is terminated, rescinded or ends in any other way, Partner's right to market and sell SAP Business One software under the Sell On Premise Model (Sell Authorization for Business One) is automatically terminated at the same time.
  - c) If the Sell Authorization for Business One Software is Partner's only Sell Authorization for the "On Premise" Product Family, the Sell On Premise Model is automatically terminated at the same time.
4. Termination for good cause: Besides the termination reasons set out in Article 10 (Termination for good cause) of Part 1 of the PartnerEdge GTCs, SAP may terminate this Business One VAR Delivered Support Model immediately upon written notice to the Partner:
- d) if SAP has reasonable grounds to believe that Partner's conduct in providing Business One VAR Delivered Support to End Users negatively affects SAP's legitimate interests. This includes cases where SAP's brand reputation is put at risk by the Partner deviating from SAP's then-current quality standards for Business One VAR Delivered Support; and
  - e) if Partner (i) markets or sells maintenance services of third parties for the SAP Product(s) or (ii) allows that third parties directly or indirectly provide maintenances services for the SAP Product(s) in both cases provided that SAP has reasonable grounds to believe that this conduct constitutes a risk to SAP's Intellectual Property Rights or SAP's Confidential Information.
- f) Extraordinary termination rights and the right to termination for just cause remain unaffected.
5. Consequences of Termination.
- a) If this Business One VAR Delivered Support Model is terminated, rescinded or ends in any other way, Partner's right to market, sell and provide VAR Delivered Support to any End User under this Business One VAR Delivered Support Model as set out in Article 1 (Engagement Model) immediately ends.
  - b) If this Business One VAR Delivered Support Model is terminated, rescinded or ends in any other way, SAP will endeavor to transfer all affected SAP Support Sales Orders to another SAP partner who is authorized to provide VAR Delivered Support. Partner agrees to actively support the transfer of all SAP Support Sales Orders to another SAP partner who is authorized to provide VAR Delivered Support. Partner authorizes SAP to disclose the fee (maintenance percentage and maintenance base and thereby the software partner buy price) for each SAP Support Sales Order to the relevant SAP partner to whom the SAP Support Sales Order will be transferred. Partner must ensure in its support and maintenance agreements with each Supported End User that SAP may contact such Supported End Users immediately after receipt or sending of a termination notice concerning this Business One VAR Delivered Support Model.
6. SAP recommends that the terms and conditions set out in this Article 9 (Term and Termination of this Business One VAR Delivered Support Model) are reflected by Partner in its support and maintenance agreements with Supported End Users.

**Article 10 Defects as to Quality, Defects in Title, Other Faults, Liability**

The provisions on Defects as to Quality, Defects in Title, Other Faults and Liability in the SAP PartnerEdge Sell On Premise Model apply analogously, subject to the following changes: The right to terminate SAP Support Sales Orders for just cause replaces the right to rescind the Order Form. Any right to reduction of remuneration applies to remuneration under the SAP Support Sales Order.

**PART 2 – Support Services**

**Article 1 Supported Software**

1. Subject to the Life Cycle of the Software and in accordance with the SAP release strategy posted on SAP's online information platform, VAR Delivered Support will be provided by SAP for the most recent Supported Software currently being shipped and – where applicable – for older Supported Software.
2. SAP will not provide VAR Delivered Support for any problem:
- a) that arises (i) because Partner, Supported End User or any third party has altered the Supported Software or (ii) from the use of the Supported Software in breach of license provisions, or (iii) from the use of the Supported Software on a hardware environment or in connection with a software environment other than as described in the pertinent documentation. SAP does not provide VAR Delivered Support and shall not be required to provide VAR Delivered Support for any databases, on which SQL-queries were executed manually or via triggers, which modify datasets or data structures within a Supported Software database. These queries include update-, delete- and drop-statements.
  - b) that arises in connection with the use of software that was not distributed by SAP as part of the Supported Software, even if such products are delivered together with the Supported Software.
  - c) that results from inappropriate installation, unsatisfactory Supported End User training, lack of or incorrect business design, incorrect operation, or faulty hardware.

**Article 2 VAR Delivered Support for Supported End Users**

1. VAR Delivered Support currently includes:

- a) Continuous improvement (correction packages - support packages and patches, upgrades to new Supported Software releases, change management);
- b) Problem Resolution as set out in the Support Level description under Article 5 (Support Levels and Priorities) no. 1;
- c) Quality Management (monitoring tools, Proactive Remote Services – remote support platform for SAP Business One as described in the Services Operational Guide); and
- d) Knowledge Transfer (SAP Marketplace).

2. SAP will make the most recent releases (incl. new versions, updates and upgrades) and correction packages of the Supported Software available to Partner to such degree as SAP makes such services for the Supported Software generally available in the relevant Territory. SAP continuously develops the quality and updates the technology of the Supported Software, eliminates defects, and provides the resulting work to customers in new Supported Software releases. Minor functional enhancements are included. Alternatively, SAP may introduce extended capabilities as new software products. However, Partner has no right to have any particular additional functions adopted in the Supported Software, and SAP will determine the scope and content of the most recent releases of the Supported Software at its own discretion. The most recent releases of the Supported Software are usually made available by electronic means (electronic delivery) but can be supplied by mail if an administration charge is paid.

3. SAP will make correction packages (in the form of support packages or patches) available to Partner. Correction Packages contain improvements to the Supported Software and are supplied independently of releases and outside the release cycle. Correction packages will be made available as downloads via the password-protected support areas in the SAP Service Marketplace or by other electronic means.

4. SAP will grant Partner access to the password-protected SAP Service Marketplace, in turn giving access to the technical notes ("**SAP Notes**") database, incident-processing system, and support communication area, as a means of supporting the operation of Partner's own Supported End User hotline. SAP will determine the scope and content of the SAP Notes database at its own discretion. Supported End Users and Partner may at any time contribute comments and remarks, as well as submit suggestions for improvement. Partner must therefore review all information for plausibility before using it in live operation and instruct its Supported End Users accordingly. SAP may modify the content of this Business One VAR Delivered Support Model, especially the scope of the VAR Delivered Support from time to time at its own discretion in accordance with Article 12 (Changes to Terms) in Part 1 of the PartnerEdge GTCs.

5. The channel for VAR Delivered Support provided by SAP will be the SAP Service Marketplace. The access to the SAP Service Marketplace will allow Partner to submit Incidents to SAP and to communicate with SAP regarding Incidents. Where available, VAR Delivered Support will be rendered to Partner in local language. Outside local business hours or where such local language support is not available, maintenance services will be rendered in English. Details about Incidents and Support Levels are stipulated below in Article 5 (Support Levels and Priorities). SAP will use the SAP Service Marketplace to provide Partner with updates regarding the progress of the Incident resolution process. Partner can call up the status of the Incident resolution process at any time in the SAP Service Marketplace.

6. SAP targets initial response (without providing the solution for an Incident) of one hour for Incidents with priority "very high" as defined in Article 5 no. 2 (Incident priorities) a) and twenty-four hours for all other priorities defined in Article 5 no. 2 (Incident priorities) b) to d).

7. SAP offers the following support model for VAR Delivered Support.

- Partner shall provide Support Levels 1 and Support Level 2 for the Supported Software; and
- SAP will provide Support Level 3 for the Supported Software.

### **Article 3 SAP Partner Support**

1. SAP's partner support line is available to Partner in response to Incidents on workdays from 9 A.M. to 6 P.M. local time. SAP may – at SAP's sole discretion – support Partner outside of these hours upon reasonable request of Partner if such support is required for the Incident remedy.

2. Communication between Partner and SAP must be made by using the support infrastructure provided by SAP and the current SAP Notes in the SAP Service Marketplace.

3. SAP cannot support third party operating systems, databases or other middleware components which are no longer supported by their manufacturers. SAP is only able to support those third party operating systems, databases or other middleware components if and to the extent to which the relevant manufacturer offers maintenance and support for its product. Partner is obliged to inform Supported End Users that an upgrade to a newer version of the third party operating systems, databases or other middleware components may be necessary. SAP's fulfillment of its duties for Third Party Software under the VAR Delivered Support Model can require the use of support services provided by the vendor in question. If the vendor does not provide the support services required by SAP, SAP has the right to give reasonable notice of at least three months effective at the end of a calendar quarter of extraordinary and partial termination on the contractual relationship for VAR Delivered Support for the Third Party Software concerned and all relevant SAP Support Sales orders. SAP recommends that Partner include comparable provisions in its maintenance agreements with its Supported End Users. SAP recommends that Partner must include comparable provisions in its maintenance agreements with its Supported End Users.

### **Article 4 Partner's general obligations**

1. Partner must make available all new releases (incl. new versions, updates and upgrades) and correction packages it receives from SAP to its Supported End Users without undue delay. Partner must operate its own Supported End User hotline on workdays from 9.00 A.M. to 6.00 P.M. local time at Partner's office in the Supported End User's official national language.

2. SAP and Partner will log all relevant information in the SAP Service Marketplace. Partner and SAP are responsible to monitor the SAP Service Marketplace for Incidents to meet their agreed response times. Furthermore, Partner shall ensure that it is at all times capable to access and monitor the SAP Service Marketplace.

3. Within the SAP Service Marketplace, SAP has created designated SAP product components ("**Queues**") for all products under SAP maintenance. Partner shall forward all Incidents to SAP via a corresponding Queue, and Partner will respond to SAP and to the Supported End User by using the SAP Service Marketplace. Partner shall monitor any Queue regularly and assure, for the Incidents attributed to that Queue, the availability of technical support agreed on between both parties under this Business One VAR Delivered Support Model.

4. Partner shall check the partner-dedicated website (e.g. the SAP PartnerEdge Portal) for SAP Hotnews published by SAP regarding the Supported Software. SAP recommends that such checks are conducted on a daily basis.

5. Partner will run test systems to simulate and analyze problems for all releases of the Supported Software.

6. Partner will deploy SAP's remote support platform for the Supported Software to its Supported End Users (provided free of charge by SAP) and will ensure that it is implemented and used by its Supported End Users.

7. Partner must deploy the troubleshooting utilities that are suitable to remedy faults in the Supported Software and that SAP makes available to Partner as part of this Business One VAR Delivered Support Model, at its own site and on its Supported End Users' systems, in accordance with the current SAP Notes in the SAP Service Marketplace. To use these utilities, it is necessary to have a functioning telecommunications connection between the Supported End User and Partner or, if Support Levels are provided by SAP, between the Supported End User and SAP.

8. Partner must, when providing VAR Delivered Support, take due care and must ensure all required information is properly documented via the incident-processing system before forwarding an Incident to SAP.

9. After completion of the implementation of the Supported Software at Supported End User's site Partner must hand over the Supported End User system data required by SAP to support Partner in the form made available by SAP in the SAP Service Marketplace and maintain the Supported End User system data and where necessary must update this data in the SAP Service Marketplace, at the latest at the time support is to be provided by SAP.

10. Partner must, as a provision in its Supported End User software maintenance agreements, obtain appropriate written data protection consents from its Supported End Users. Furthermore, Partner must ensure in its Supported End User agreements that SAP is entitled to access the Supported End User systems in order to render any VAR Delivered Support services, especially Support Level 2, as described hereunder.

11. For satisfactory remote support, Partner must ensure that the Supported End User sets up and maintains an internet connection which meets SAP's technical specifications for remote support for the Supported Software and has obtained a separate license for a web browsing software that allows the proper rendering of the VAR Delivered Support. Furthermore, Partner must ensure that Partner's and Supported End Users' hardware and software installation always meet the requirements published on the SAP Service Market Place updated from time to time. Such installation shall include but are not limited to remote connection software and database analyzing tools.

12. Upon SAP's request, Partner shall report to SAP the total number of Incidents received (Incidents related to Supported Software) from Supported End Users during a given period of time regardless of the communication channel through which the Incident was received. However, such period of time shall not exceed a maximum of twelve months prior to the date of SAP's request. Partner shall provide this information to SAP latest thirty days after receipt of such request.

13. Partner shall make available to SAP's support organization a backup of End User's productive SAP Business One database whenever the processing of an Incident requires in-house investigation. Partner is responsible to obtain End User's consent to a hand over and End User is likewise responsible to obtain consent to a hand over from individuals whose personal data is stored in such database.

## **Article 5 Support Levels and Priorities**

### **1. Support Levels**

VAR Delivered Support for End Users shall comply with the following levels of support ("**Support Levels**"):

#### **a) Support Level 1**

Support Level 1 includes the following tasks ("**Support Level 1**"):

- i. Collect and document in the Incident report the complete name and contact details of the person reporting the Incident;
- ii. Check if Incident report from Supported End User is complete, including Supported End User's customer number and, if necessary, obtain missing data and information from Supported End User. Such data shall include a meaningful Incident header, technical information on the Incident context (e.g. log files) and technical information on the technical system related to the Incident (system ID, system type, system name, installation number, product version (release) and correction packages) of each involved product, software development kit, add-ons, customizations, database and database server data, application server data, operating system, graphical user interface or browser version, localization and language settings etc.;
- iii. Prepare a comprehensive description of the problem which is the basis of the Incident, which shall include all steps that led to occurrence of the Incident, full syntax of the Incident and surrounding factors (recent upgrades or other);
- iv. Check priority of Incidents based on the definitions set out in this Article 5 (Support Levels and Priorities) no. 2 below;
- v. Assignment of an Incident to a specific Queue in SAP's support system;
- vi. Search for available SAP Notes and assign them to the Incident;
- vii. Search for available documentation on the partner-dedicated website (e.g. the SAP PartnerEdge Portal) regarding possible solutions and assign them to the Incident;
- viii. Check other knowledge sources such as SAP Business One forums on SAP customer network;
- ix. Ensure a working internet connection at Supported End User's site for remote support; and
- x. Summarize status when forwarding the Incident to Support Level 2.

#### **b) Support Level 2**

Support Level 2 is sub-sequent to Support Level 1 and includes the following tasks ("**Support Level 2**"):

- i. Search for errors using the data provided by Supported End User;
- ii. Analyze the Incident-specific technical data and document the progress of the Incident;
- iii. Access Supported End User system, if necessary;
- iv. Reproduce and isolate the Incident in:
  - a) Supported End User's productive system (with the current release family and latest minor release and latest patch installed); and
  - b) a demo database (with the current release family and latest minor release and latest patch installed);
- v. Reproduce and isolate the Incident in Partner's own test environment (if it can still be reproduced) including:
  - a) a copy of Supported End User's productive system (with software upgraded to the latest release and its most appropriate patch. Installing the latest patch might solve the issue due to new functionalities); and
  - b) a demo database (with the latest release and its most appropriate patch. Installing the latest patch might solve the issue due to new functionalities);
- vi. Enable and coordinate seamless access for SAP Business One Support to the required data in order to analyze the issue;
- vii. Propose appropriate system configuration or workaround for Supported Software if the Incident cannot be attributed to a defect of the Supported Software;
- viii. Forward Incident to Support Level 3 if the Incident can be attributed to a defect of the Supported Software and if no SAP Note is available to solve the Incident; and
- ix. Summarize current status of the investigations and listing the actions taken to troubleshoot the Incident, before forwarding the Incident to Support Level 3.

#### **c) Support Level 3 (development support)**

Support Level 3 is subsequent to Support Level 2 and includes the following tasks ("**Support Level 3**"):

- i. Analyze in detail all Incident related data;
  - ii. Analyze and reproduce the reported Incident;
  - iii. Perform any or all of the following, with Partner's assistance:
    - a) access Supported End User system for analysis of the reported Incident;
    - b) request a copy of Supported End User's productive database, if deemed necessary; and
    - c) access the Supported End User's system in order to perform the required and applicable incident remedy by using workaround recommendations, or fixes, if available and deemed necessary;
  - iv. Assist Supported End User in order to perform the required and applicable Incident remedy by using workaround recommendations or fixes if available and deemed necessary;
  - v. Determine the planned defect correction time line and delivery;
  - vi. Recommend workarounds, change coding and provide fixes, if available and if deemed necessary and applicable;
  - vii. Recommend workarounds, if available and deemed necessary; and
  - viii. Create new or modify existing SAP Notes, or other related documentation resources, if relevant.
- d) Partner must continually update the Supported End User on the progress of the Incident and notify the Supported End User whenever an Incident is forwarded to the next Support Level.

## 2. Incident priorities

### a) Very high:

An Incident is categorized with the priority "very high" if the problem has very serious consequences for business transactions, resulting in serious losses with high business impact. This is generally caused by the following circumstances:

- i. Absolute loss of a system;
- ii. Malfunctions of central SAP system functions in Supported End User's productive system; or
- iii. Delays to a production startup or upgrade that is planned within the next three workdays.

### b) High:

An Incident is categorized with the priority "high" if business transactions are seriously affected and necessary tasks cannot be performed. This is caused by incorrect or inoperable functions in the SAP software that are necessary for business transactions and tasks in the actual situation.

The Incident requires immediate processing because the malfunction can seriously disrupt parts of the productive business flow.

### c) Medium:

An Incident is categorized with the priority "medium" if normal business transactions are affected. The problem is caused by incorrect or inoperable functions in the SAP system.

### d) Low:

An Incident is categorized with the priority "low" if the problem causes few or no effects on normal business transactions. The problem is caused by incorrect or inoperable functions in the SAP system that are not required daily, or which are rarely used.

### e) After consultation with Partner and affected End User, SAP is entitled to change the priority of an Incident.

## 3. Escalations

a) In case of a critical situation in which an Incident may result in a major negative business impact for an Supported End User and in which SAP determines that such Incident cannot be solved in time with the SAP and Partner support procedures as set out in this document ("**Escalated Case**"), SAP and Partner will jointly endeavor to solve the issue.

b) The escalation process may be initiated by the Supported End User, Partner or SAP. SAP reserves the right to decide whether such escalation process is justified and will be processed. Escalated Cases are processed according to their priority as per definitions this Article 5 (Support Levels and Priorities) no. 2 above.

c) SAP decides whether an Escalated Case remains classified as such depending on whether the Incident is reasonably solved or the Supported End User situation reasonably no longer requires special attention. The Escalated Case is closed by the Supported End User. SAP and Partner agree to initially bear their own costs that might arise from the Escalated Case.

## Article 6 Partner Support

### 1. Partner Responsibilities

In addition to Partner's general obligations set out in Article 4 (Partner's general obligations), Partner shall assume the following responsibilities:

- a) Partner will receive the Incidents from the End User.
- b) If an Incident Root Cause Analysis at Support Level 2 indicates that the problem is attributable to the Supported Software, Partner shall forward the Incident to SAP via the SAP Service Marketplace.
- c) If after transfer of an Incident to SAP it is detected that the problem is in fact attributable to software code which has been programmed either by Partner, Supported End User or any third party and not by SAP or any other member of the SAP Group, or to other customizations and not to the Supported Software, SAP shall notify Partner. Partner shall then notify the Supported End User that such problem is not attributable to the Supported Software. In such case, Partner shall follow up such problem itself or with the third party and shall close the Incident in the SAP Service Marketplace. SAP shall not have any further obligations with regard to such Incident. SAP may, however, offer Partner to resolve such Incident in accordance with SAP's then current terms and conditions for consulting services.

### 2. Technical Prerequisites

Partner may only provide VAR Delivered Support after having fulfilled the following technical prerequisites:

#### a) Initial Setup

- i. Partner shall set-up a hotline and Incident logging functions for each Supported End User.
- ii. Partner shall provide at least remote support and update connections between its hotline and each Supported End User's hotline as follows:
  - telephone system with call forwarding feature or preferably with automatic call distribution (ACD), voice mail, e-mail and a fax machine;

- one call center agent to operate the Supported End User hotline as set forth in Article 4 (Partner's general obligations);
- test system for testing and reproduction of Supported End User's Incidents;
- communication connections and internet connections with sufficient response times as set out as technical minimum requirements on the SAP Service Marketplace; and
- a suitable application sharing tool for the provision of reasonable Supported End User remote support.

b) Support Evaluation

At SAP's request, Partner shall provide all information reasonably requested by SAP which enables SAP to verify that Partner's maintenance and support structure and processes meet the requirements set forth in Article 6 no. 1a) (Initial Setup) above. Partner agrees to compensate SAP for all costs reasonably incurred by SAP in connection with such verification process and to implement SAP's reasonable recommendations following such assessment if this is necessary to meet the requirements set forth in Article 6 no. 1a) (Initial Setup) above.

c) Operations

- i. At SAP's own discretion, SAP may review Partner's performance in the provision of VAR Delivered Support services.
- ii. Partner shall deploy procedures, methods and tools provided by SAP which are suitable for the proactive detection and correction of typical errors in the Supported Software and shall ensure that they are implemented and used by Supported End Users. Partner shall ensure that the remote support platform for the Supported Software is used at least monthly at Supported End Users' installations.

3. Support Level to be provided by Partner

Partner must comply with the Initial Response Times and Maximum Processing Times, when communicating with the Supported End User and any member of the SAP Group.

a) Initial Response Time

Partner must confirm receipt of an Incident and provide Supported End User with an initial qualified response within the Initial Response Time set out in the table below.

b) Maximum Processing Time

Partner must provide a solution or a workaround within the Maximum Processing Time set out in the table below.

In case the Incident Root Cause Analysis indicates a problem in the SAP source code, Partner must forward an Incident to SAP's Support Level 3 support within the Maximum Processing Time set out in the table below.

c) Time measurement

If an Incident is categorized with the priority "very high", the Initial Response Time and the Maximum Processing Time set out in the table below is measured in real time irrespective of Partner's regular office hours starting with receipt of an Incident.

If an Incident is categorized with another priority than "very high", the Initial Response Time and the Maximum Processing Time set out in the table below is measured in business hours that fall in Partner's regular office hours starting with receipt of an Incident.

Priority	Severity	Initial Response Time	Maximum Processing Time
Very high	Emergency	60 minutes (real time)	8 hours (real time)
High	Critical	4 business hours	2 business days
Medium	Non-critical	8 business hours	4 business days
Low	Minor	16 business hours	8 business days

4. SAP Responsibilities

After receipt of an Incident from Partner and only after Partner provided Support Level 1 and Support Level 2, will SAP provide Support Level 3 for the Supported Software via the SAP Service Marketplace.

**Article 7 System Measurements**

Partner undertakes to carry out system measurements of any or all of its Supported End Users' systems at SAP's request in order to measure the utilization of the Software by the Supported End User and to make the logs available to SAP. SAP will make the necessary tools for such system measurements available to Partner. In addition, SAP or any third party authorized by SAP will be entitled to carry out system measurements at the systems of Partner's Supported End Users, directly. If the consent of a third party is needed Partner shall ensure that such consent is given. In all other respects, the Audit and System Measurement provisions of the Sell On Premise Model apply.