SAP PartnerEdge

VAR Delivered Support Specific Terms and Conditions

("**VAR Delivered Support Model**")

Definitions and Interpretation

1.   Definitions

"**Custom Code**" means software code which has been programmed either by Partner,Supported End User or any third party and not by SAP.

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

"**Go-Live**" marks the point in time from when, after implementation of the Supported Software or an upgrade of the Supported Software, the Supported Software can be used by Supported End User for processing of real data in live operation mode and for running Supported End User's internal business operations in accordance with the applicable license terms (e.g. the EULA).

"**Incident**" means the earliest of SAP's or Partner's support organization being informed about a support event starting with a malfunction or functional impairment of the Supported Software which – with reasonable probability – is based on a defect or error of the Supported Software.

"**Incident Remedy**" means the remedy for an Incident taking the form of eliminating the defect, providing a new program version, or demonstrating how to avoid the effects of the defect with reasonable effort. Incident Remedy corresponds to error corrections, patches, bug fixes, workarounds, replacement deliveries, or any other type of Software or Documentation corrections or Modifications.

"**Local Office Time**" means the regular working hours as observed by SAP's local registered office during regular working days, in accordance with the applicable public holidays, as observed by SAP's local registered office. Local Office Time shall consist of at least 8 consecutive hours each working day (e.g. 9:00 am to 17:00 pm). Both parties can mutually agree upon a different registered office of one of SAP's affiliates to apply and serve as reference for the Local Office Time.

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

"**Priority 1 Incident**" means an Incident with the Priority "Very High" as defined in Part 2 - Section B. Article 2 no.1a) (SLA for Initial Response Time).

"**Price List**" with regard to this VAR Delivered Support Model means the "SAP List of Prices and Conditions (indirect sales)" consisting of the "SAP Pricing & Licensing Principles", "SUR" and "SAP Price List for PartnerEdge Channel Partners" for the Sell On Premise Model applicable to the country in which End User is located which is published on SAP's partner-dedicated website or directly provided to Partner by SAP.

"**Product Family**" means an SAP product family which may comprise one or several SAP software products or services as further set out in the applicable RSPI.

"**Production System**" means a live SAP system used for running Supported End User`s internal business operations and where Supported End User's data is recorded.

"**SAP Delivered Support**" means SAP's support offering to directly provide support to End Users subject to the terms and conditions set out in an "SAP Delivered Support Agreement" which will in such case be directly concluded between SAP and End User.

"**SAP EarlyWatch Alert**" means a tool provided by SAP that monitors the essential administrative areas of SAP components and updates the user on their performance and stability which is described in more detail under https://support.sap.com/ewa.

"**SAP Enterprise Support**" means SAP's enterprise support offering called "SAP Enterprise Support" as set out in detail in this VAR Delivered Support Model and the Technical Support Guide.

"**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.

"**SAP Software Solution**" means a group of one or multiple Production Systems running Supported Software and focusing on a specific functional aspect of the Supported End User's business. Details and examples can be found on the SAP Service Marketplace (as specified in SAP Note 1324027 or any future SAP Note which replaces SAP Note 1324027).

"**SAP Solution Manager**" means a support application which is made available to Supported End User and/or Partner for VAR Delivered Support whereby the scope of usage depends on whether SAP Standard Support or SAP Enterprise Support was ordered. Further details are outlined on the SAP Service Marketplace under http://support.sap.com/solutionmanager.

"**SAP Standard Support**" means SAP's standard support offering called "SAP Standard Support" as set out in detail in this VAR Delivered Support Model and the Technical Support Guide.

"**SAP Support Network**" means SAP's global service and support backbone for managing end-to-end Incident management and software updates/life-cycle management consisting of SAP Technical Support Database, SAP Solution Manager and SAP Service Marketplace.

"**SAP Support Organization**" means SAP Group's support organization.

"**SAP Technical Support Database**" means a technical information database provided and maintained by SAP in which SAP posts technical support-related information, which are currently posted in the form of SAP Notes, SAP TopNotes, SAP Legal Change Notes, SAP Security Notes, SAP Knowledge Base Articles and SAP Hot News.

"**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".

"**Support Authorization**" is defined in the Technical Support Guide.

"**Support Delivery Model**" means either SAP Delivered Support or VAR Delivered Support or any other delivery method of maintenance services offered by SAP in future.

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

"**Supported Software**" with regard to this VAR Delivered Support Model means any Software that is distributed under the Sell On Premise Model except for SAP Business One.

"**Template**" means a qualified software solution – based on Software - created by Partner in accordance with the solution qualification guidelines for Software. For details contact your Partner Service Advisor.

"**Top-Issue**" means issues and/or failures identified and prioritized jointly by SAP and Partner in accordance with SAP standards which (i) endanger Go-Live of a pre-production system or (ii) have a significant business impact on a Production System.

"**Unrestricted Shipment**" means the phase of delivery during which a Software release is generally available to all Supported End Users.

"**VAR Delivered Support**" with regard to this VAR Delivered Support Model means support for the Supported Software in the form of either SAP Enterprise Support or SAP Standard Support, whichever is applicable, as set out in detail in this VAR Delivered Support Model.

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

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

4. Any reference in this 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.

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

<p style="text-align:center">**PART 1 – General Terms and Conditions**</p>

Article 1   Engagement Model

1. Subject to the terms and conditions set out in this 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 Support Authorization, SAP hereby grants to Partner and Partner hereby accepts from SAP the right to market, sell and provide VAR Delivered Support for the Software distributed under the Sell On Premise Model other than SAP Business One in its own name, at its own risk, and for its own account to End Users located in the Territory (as defined in the VAR Delivered Support Schedule).

2. Partner will use its best efforts to market and position SAP Delivered Support or to market, sell and provide VAR Delivered Support for the Software distributed under the Sell On Premise Model other than SAP Business One.

3. Partner acknowledges that SAP provides VAR Delivered Support to the Partner solely on the basis set out in this VAR Delivered Support Model, the Technical Support Guide and the Price List. Partner acknowledges that there are some Software products for which VAR Delivered Support is not available.

Article 2   Introduction to VAR Delivered Support

1. Under this 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 perform its Partner Support Duties (as further defined and explained in Part 2 – Section C. Article 5 (Partner Support Duties)).

2. SAP will be the subsequent support provider for the Supported Software and will, after Partner performed its Partner Support Duties, receive Incidents from Partner and perform Development Support (as further defined and explained in Part 2 – Section B. Article 1 (SAP's support tasks)).

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

4. The exact scope of VAR Delivered Support as well as the differences between SAP Enterprise Support and SAP Standard Support are set out in Part 2 - Section A. (Standard Services under VAR Delivered Support).

5. This VAR Delivered Support Model does not apply to SAP Business One. The prerequisites for VAR Delivered Support for SAP Business One are set out in the "SAP PartnerEdge - Terms and Conditions for VAR Delivered Support for SAP Business One" which are made available on http://www.sap.com/company/legal.

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:

1. Sell On Premise Model

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

2. Support Authorization

Partner must have achieved and continue to uphold Support Authorization as set out in Article 5 (Support Authorization).

3. SAP Support Sales Order

Partner and SAP must have concluded a SAP Support Sales Order (as defined below) for each Software order placed for an End User for which Partner wants to provide VAR Delivered Support.

Article 4   Conclusion of SAP Support Sales Order

1. Partner must place an order with SAP for either SAP Enterprise Support or SAP Standard Support together with each Software order placed for an End User who wants to receive VAR Delivered Support from Partner (both orders 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 SAP Enterprise Support or SAP Standard Support. Where available, Partner agrees to use the electronic means provided by SAP for placing orders.

2. Orders by Partner for SAP Enterprise Support and for SAP Standard Support are binding, non-cancellable, non-revocable, and non-transferable. All orders by Partner are subject to SAP's acceptance which SAP will give via the order process, through the Delivery of the relevant Software or by sending an invoice concerning Partner's order for SAP Enterprise Support or SAP Standard Support, whichever occurs first.

3. Every accepted order for SAP Enterprise Support or SAP Standard Support for a specific End User represents a separate contract between SAP and Partner (each a "**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. In case Supported End User has more than one Support Delivery Model (SAP Delivered Support and VAR Delivered Support) within one solution area, Partner must ensure in its Supported End User maintenance agreements that the Supported End User installs and runs Software covered under a different Support Delivery Model on a separate technical installation from the one(s) already in place for an existing Support Delivery Model, including, without limitation, installs and runs any Software for which SAP Delivered Support is delivered directly by SAP on a separate technical installation from Software that is supported by a Partner via VAR Delivered Support.

6. Any orders for SAP enterprise support or SAP standard 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) but excluding any orders relating to SAP Business One will continue as SAP Support Sales Orders under this VAR Delivered Support Model if they were still valid at the Effective Date stated in the VAR Delivered Support Schedule. With regard to these, the terms and conditions of this VAR Delivered Support Model apply.

7. Any orders for SAP enterprise support or SAP standard 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 but excluding any orders relating to SAP Business One will continue as SAP Support Sales Orders under this VAR Delivered Support Model if they were still valid at the Effective Date stated in the VAR Delivered Support Schedule. With regard to these, the terms and conditions of this VAR Delivered Support Model apply.

Article 5   Support Authorization

1. Achievement of Support Authorization

In order to be authorized to market, sell and provide VAR Delivered Support, Partner must, inter alia, have achieved and continue to uphold Support Authorization. The Technical Support Guide explains in detail, what Partner needs to do to achieve and continue to uphold Support Authorization.

2. Consequences of losing Support Authorization

a) If Partner loses or otherwise does not continue to uphold Support Authorization ("**Loss Of Support Authorization**"):

    i. Partner will no longer be authorized to market and sell VAR Delivered Support to any End User;

    ii. Partner will remain entitled to provide VAR Delivered Support for those Supported End Users' SAP Support Sales Orders which were still valid and for that Partner was authorized to provide VAR Delivered Support at the point in time the Loss Of Support Authorization occurred but only as long as SAP offers VAR Delivered Support for a Software product; and

    iii. SAP will start billing the Partner at the SAP Delivered Support rate (including any prior fee increases) for those SAP Support Sales Orders for which Partner remains entitled to provide VAR Delivered Support as set out in this Article 5 no. 2 a)ii. above from and including the first day after the Loss Of Support Authorization. From that point in time, Partner may also direct all requests for Partner Support Duties (as further described and defined in the Part 2 – Section C. Article 5 (Partner Support Duties)) for such Supported End Users' SAP Support Sales Orders directly to SAP. Partner must ensure in its Supported End User maintenance agreements that in such case SAP may contact each Supported End User directly. Any additional maintenance services agreed to by Partner with its End Users, which are supplementary to those offered under this VAR Delivered Support Model, will not be delivered by SAP. Partner will solely remain liable towards its End Users, including, without limitation, to deliver any VAR Delivered Support services as well as any additional maintenance services Partner has agreed to under its End User maintenance agreement.

b) If Partner provided VAR Delivered Support (as defined in the "PartnerEdge Channel Agreement VAR") under or in connection with the old "PartnerEdge Channel Agreement VAR" but lost or otherwise did not continue to uphold Support Authorization (as defined in the "PartnerEdge Channel Agreement VAR"), this Article 5 no. 2a) i., ii. and iii. will apply analogously.

c) If Partner provided support under a SMB reseller agreement or other former SAP partner resale agreement with SAP that originally did not require any "Partner Center Of Expertise" certification for Partner to be allowed to provide VAR Delivered Support and Partner:

    i. has not achieved Support Authorization; or

    ii. did achieve Support Authorization but did not continue to uphold it,

this Article 5 no. 2a) i., ii. and iii. will apply analogously.

d) If Partner actively provided partner support under a reselling agreement with a company that was acquired by a member of the SAP Group and has not achieved Support Authorization this Article 5 no. 2a) i., ii. and iii. will apply analogously.

3. Other Consequences

If Partner does not provide or ceases to provide VAR Delivered Support to a Supported End User or Partner loses or otherwise does not continue to uphold Support Authorization or both and SAP is approached directly by a Supported End User of such Partner, SAP will have the right (depending on Supported End User's choice) to:

a) directly enter into a SAP Delivered Support agreement with the Supported End User and provide SAP Delivered Support; or

b) recommend to the Supported End User other partners or third parties for the provision of VAR Delivered Support.

Article 6   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 VAR Delivered Support Model must be paid by Partner annually in advance.

c) For the Initial Term (but excluding the Initial Term for VAR Delivered Support for SAP Business Objects solutions only) as set out in Article 8 no. 1 (Term) a) i., 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 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 the Initial Term for VAR Delivered Support for SAP Business Objects solutions only as set out in Article 8 no. 1 (Term) a) ii., the fee as set out in the SAP Support Sales Order is invoiced for the period of the Initial Term.

e) For each Renewal Term, fees as originally set out in the SAP Support Sales Order or as increased according to this VAR Delivered Support Model are invoiced for the period of the Renewal Term.

f) SAP recommends that the Partner should offer SAP Enterprise Support and SAP Standard Support to End Users according to SAP's recommended prices.

2. Fee Increase

a) SAP agrees that the fee for SAP Standard Support will remain unchanged for the Initial Term and the 1st Renewal Term.

b) SAP agrees that the fee for SAP Enterprise Support will remain unchanged until December 31, 2020.

c) After the applicable periods mentioned in this Article 6 no. 2a) and b) above, SAP reserves the right to increase the fee for each SAP Support Sales Order once during a calendar year upon three 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.

d) The first Fee Increase must not exceed the percentage by which the Index as defined in Part 2 – Article 9 (Index) of the PartnerEdge GTCS has increased (calculated on a cumulative year-over-year basis) compared to the value of the Index as of the start date of the Initial Term of an SAP Support Sales Order. Any subsequent Fee Increase will be limited to the percentage by which the Index has increased (calculated on a cumulative year-over-year basis) compared to the value of the Index that was used as the basis for the last prior fee increase for a SAP Support Sales Order. If the Index ceases to be existent, SAP may choose to replace the Index by applying a reasonably equivalent price index as published by any governmental agency or non-partner agency ("**Replacement Index**"). SAP will inform Partner of a change to a Replacement Index in writing. 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 a Fee Increase based on a Replacement Index.

e) Not raising fees in any given year is not a waiver of SAP's right to do so.

f) The limitations in this Article 6 no. 2b), c) and d) will not apply to the following notices and orders:

i. notices to Partner for price increases provided to Partner prior to January 1st, 2010 (even if the price increase will become effective at one or multiple times after January 1st, 2010);

ii. notices to Partner that modify other notices provided prior to January 1st, 2010 to the advantage of Partner (e.g. by delaying or slowing down an already announced price increase); and

iii. any notices to Partner regarding any SAP Support Sales Orders for SAP Enterprise Support that had not been priced at 22% of the Partner's software buy price but these will be capped at 22% of the Partner's software buy price until December 31, 2020.

SAP recommends that the terms and conditions set out in this Article 6 no. 2 (Fee Increase) are reflected by Partner in its support and maintenance agreements with Supported End Users.

3. Fee per Incident. Under this VAR Delivered Support Model, Partner is responsible for solving Incidents that do not require Development Support. If an Incident is forwarded by a Supported End User or Partner to SAP, and it does not meet the criteria below in a), b) and c), 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:

a) for Incidents that were processed by SAP Development Support (as set out in Part 2 - Section B. Article 1 (SAP's support tasks));

b) for Priority 1 Incidents for Supported End Users that have purchased SAP Enterprise Support; or

c) 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 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).

Article 7   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 Agreement 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 VAR Delivered Support Schedule.

Article 8   Term and Termination of SAP Support Sales Orders

1. Term

a) The initial term for SAP Support Sales Orders will be as follows ("**Initial Term**"):

i. for each SAP Support Sales Order relating to (i) Supported Software except for SAP BusinessObjects solutions only and (ii) joint transactions (sale of VAR Delivered Support for SAP BusinessObjects solutions together with VAR Delivered Support for one or more Supported Software products that are not SAP Business Objects solutions in one order), VAR Delivered Support will commence and the initial term will start as of the first day of the month following the Delivery of the 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 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); or

ii. for each SAP Support Sales Order relating only to SAP BusinessObjects solutions, VAR Delivered Support will commence and the initial term will start as of the day of Delivery of the Software and will end twelve months later (but excluding the date having the same day and month as the day of Delivery of the Software).

b) After the Initial Term and subject to this VAR Delivered Support Model each SAP Support Sales Order will automatically renew for subsequent twelve months periods:

i. for each SAP Support Sales Order relating to (i) Supported Software except for SAP BusinessObjects solutions only and (ii) joint transactions (sale of VAR Delivered Support for SAP BusinessObjects solutions together with VAR Delivered Support for one or more Supported Software products that are not SAP BusinessObjects solutions in one order), on January 1st of each calendar year; or

ii. for each SAP Support Sales Order relating only to SAP BusinessObjects solutions, on each date having the same day and month as the day of Delivery of the Software.

(each a "**Renewal Term**"), whereby the first twelve months 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 of 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 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 SAP or another SAP partner who has Support Authorization, depending on each Supported End User's choice. Partner agrees to actively support the transfer of the affected SAP Support Sales Orders to SAP or another SAP partner who has Support Authorization, depending on Supported End User's choice. In case a Supported End User would like to receive VAR Delivered Support from another SAP partner who has Support Authorization, 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 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   Change of Support Offering

1. Change of Support Offering from SAP Enterprise Support to SAP Standard Support

a) Notwithstanding Partner's right under Article 8 (Term and Termination of SAP Support Sales Orders) no. 2 and provided Partner is not in default of any obligations with regard to the affected Supported End User, Partner may select SAP Standard Support instead of SAP Enterprise Support for the Supported End User under the following condition:

i. Partner's first, still active SAP Support Sales Order for SAP Enterprise Support for the affected End User must have completed the Initial Term; and

ii. Partner must provide SAP with three months' prior written notice:

α) if all SAP Support Sales Orders for the affected Supported End User are solely on a calendar year renewal basis (renewing on January 1st of each calendar year) or if some of the SAP Support Sales Orders for the affected Supported End User are on a calendar year renewal basis and others on an anniversary renewal basis, to December 31st in any calendar year; or

β) if all SAP Support Sales Orders for the affected Supported End User are solely on an anniversary renewal basis (renewing every twelve months after the day on that Delivery of the Software occurred), to the day before the anniversary date of the SAP Support Sales Order that is the first one to come up for renewal in any calendar year. As an example: Partner concluded three SAP Support Sales Order with SAP on the following dates: 30th June 2011, 2nd February 2012 and 13th March 2013. In such case, the first one to come up for renewal in any calendar year would be the one dated 2nd February 2012. Thus, 1st February of any calendar year would be the day before the anniversary date.

b) Such selection shall be stated by Partner in the notice letter and shall terminate SAP Enterprise Support effective with the commencement of SAP Standard Support. Any selection of SAP Standard Support will apply to all Supported Software solutions currently under SAP Enterprise Support of the affected Supported End User and will be on SAP's then-current terms and conditions for SAP Standard Support, including without limitation pricing. SAP may require Partner to execute one or multiple new SAP Support Sales Orders for the selection of SAP Standard Support as well as an amendment or other document memorializing Partner's selection and SAP's then-current terms and conditions. A new Initial Term will start with the commencement of SAP Standard Support.

c) For the avoidance of any doubt: termination of SAP Enterprise Support and selection of SAP Standard Support instead of SAP Enterprise Support by Partner strictly applies to all SAP Support Sales Orders of a Supported End User; any partial termination of SAP Enterprise Support or partial selection of SAP Standard Support for certain SAP Support Sales Orders concerning a Supported End User is not permitted.

d) If Partner selects SAP Standard Support instead of SAP Enterprise Support for a Supported End User Article 6 (Fee for VAR Delivered Support) applies, but the period will start on the date that the new Initial Term starts as set out in this Article 9 no.1b).

2. Change of Support Offering from SAP Standard Support to SAP Enterprise Support

a) Notwithstanding Partner's right under Article 8 (Term and Termination of SAP Support Sales Orders) no. 2 and provided Partner is not in default of any obligations with regard to the affected Supported End User, Partner may select SAP Enterprise Support instead of SAP Standard Support for the Supported End User with three months' prior written notice to SAP to the first day of any calendar month.

b) Such selection shall be stated by Partner in the notice letter and shall terminate SAP Standard Support effective with the commencement of SAP Enterprise Support. Any selection of SAP Enterprise Support will apply to all Supported Software solutions currently under SAP Standard Support of the affected Supported End User and will be on SAP's then-current terms and conditions for SAP Enterprise Support, including without limitation pricing. SAP may require Partner to execute one or multiple new SAP Support Sales Orders for the selection of SAP Enterprise Support as well as an amendment or other document memorializing Partner's selection and SAP's then-current terms and conditions. A new Initial Term will start with the commencement of SAP Enterprise Support.

c) For the avoidance of any doubt: termination of SAP Standard Support and selection of SAP Enterprise Support instead of SAP Standard Support by Partner strictly applies to all SAP Support Sales Orders of a Supported End User; any partial termination of SAP Standard Support or partial selection of SAP Enterprise Support for certain SAP Support Sales Orders concerning a Supported End User is not permitted.

d) If Partner selects SAP Enterprise Support instead of SAP Standard Support for a Supported End User Article 6 (Fee for VAR Delivered Support) applies, but the period will start on the date that the new Initial Term starts as set out in this Article 9 no. 2a).

Article 10   Continuous Support

1. Every Supported End User must always have all of its Software installations covered by one type of VAR Delivered Support meaning either SAP Enterprise Support or SAP Standard Support. Partner must neither market, nor sell, nor provide SAP Enterprise Support to a Supported End User if such Supported End User operates its Software installations under SAP Standard Support, and vice versa, this includes instances where the support offering was changed from e.g. SAP Standard Support to SAP Enterprise 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. Partner is not permitted to deliver SAP Enterprise Support if that Supported End User operates Software installations under SAP Standard Support, and vice versa. In such case, Partner is required to change the support offering for the Supported End User in accordance with Article 9 (Change of Support Offering).

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 plus a reinstatement fee. Payment of the accrued fee and the reinstatement fee is immediately due and payable in full. The same applies, if this VAR Delivered Support Model was rescinded, terminated according to Article 13 (Term and Termination of this VAR Delivered Support Model) or otherwise terminated and re-activated or concluded anew.

3. For the avoidance of any doubt: Article 10 (Continuous Support) no. 2 will also apply to:

a) any orders for SAP enterprise support or SAP standard 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), but excluding any orders relating to SAP Business One that were later terminated under the old "PartnerEdge Channel Agreement VAR" and are now subsequently requested, concluded anew or reinstated under this VAR Delivered Support Model; and

b) any orders for SAP enterprise support or SAP standard 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 which Partner provided support, but excluding any orders relating to SAP Business One 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 VAR Delivered Support Model.

4. If Partner wants to provide VAR Delivered Support to End Users who currently receive SAP Delivered Support but wish to order VAR Delivered Support from Partner instead without buying any new Supported Software, Partner must maintain a certain minimum annual revenue as defined in the RSPI.

Article 11   Maintenance Phases

1. VAR Delivered Support is provided in accordance with the then applicable maintenance phases per Software release as stated on the SAP Service Marketplace at http://support.sap.com/releasestrategy.

2. The scope of services for VAR Delivered Support (as outlined in Part 2 – Section A. (Standard Services under VAR Delivered Support)) depends on the respective maintenance phase for the Software release. SAP will only provide the full scope of VAR Delivered Support during the first maintenance phase, so called "Mainstream Maintenance". After expiration of "Mainstream Maintenance", SAP may offer different services. For up-to-date release planning information and further information on services, please have a look at the product availability matrix (PAM) made available at http://support.sap.com/pam.

3. Partner acknowledges that 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.

Article 12   Limitations

1. SAP will only support Supported Software distributed directly or via Partner to Supported End User for which SAP Enterprise Support or SAP Standard Support was ordered and will not provide support for any Incident that arises because Partner or Supported End User has altered the Supported Software without authorization by SAP or is in breach of the license provisions, or for any problem that arises in connection with the use of software that was not distributed by SAP as part of the Supported Software.

2. SAP will not provide any support services for third-party software that was not distributed by SAP as part of the Supported Software.

3. SAP will not provide any support services for Incidents that are in Partner's or Supported End User's area of responsibility and result, for example, from inappropriate installation, unsatisfactory Supported End User training, lack of or incorrect business design, incorrect operation or faulty hardware.

4. The scope of VAR Delivered Support only aims at the resolution of Incidents and problems caused by the Supported Software and does not include usage and operational questions, which is at Partner's discretion to provide.

5. SAP Enterprise Support or SAP Standard Support is only provided for Supported Software ordered for a Supported End User by the Partner and in accordance with the then current and applicable Price List and the maintenance phase per Software Release as currently outlined under http://support.sap.com/releasestrategy.

6. SAP will provide VAR Delivered Support on Third Party Software that SAP distributes directly or via Partner to Supported End User under the Sell On Premise Model only to the degree that the third party owning the Third Party Software makes such support available to SAP. SAP does not support operating systems, databases and other third-party components, which have run out of support by their suppliers/vendors. In order to receive VAR Delivered Support for such Third Party Software, Supported End Users may have to upgrade to more recent combinations of operating system, databases and other third-party components. SAP will only be able to support operating systems, databases and other third-party components if the respective suppliers/vendor offers an extension of support for its product. If this extension is defined as chargeable by the vendor, SAP may offer a chargeable extension of support for products of these vendors if licensed via SAP. Pricing is available upon request (details on vendor/supplier offerings will be published on SAP Service Marketplace at http://support.sap.com/maintenance).

7. Failure to use the maintenance services provided by SAP or Partner such as Remote Services, SAP Technical Quality Checks, SAP EarlyWatch Alert, and/or Remote Connection for Supported End Users can result in a situation where SAP is unable to identify potential problems and provide support in eliminating those problems. This, in turn, might result in unsatisfactory software performance for which SAP accepts no responsibility.

8. Partner shall not subcontract any or all parts of VAR Delivered Support to third parties without prior written approval by SAP. If SAP approved subcontracting by Partner, Partner shall remain solely responsible towards SAP for fulfillment of Partner's obligation stipulated in this VAR Delivered Support Model.

9. SAP does not provide any functional training concerning Third Party Software.

Article 13   Term and Termination of this VAR Delivered Support Model

1.   Term. This VAR Delivered Support Model comes into effect as of the Effective Date defined in the VAR Delivered Support Schedule and remains in full force and effect until and including 31 December of the same year. Thereafter, its term is automatically extended for subsequent periods of one year.

2.   Termination for convenience. Either Party may terminate this VAR Delivered Support Model for convenience with three months' prior written notice to 31 December of each year.

3.   Automatic termination. When the Sell On Premise Model is terminated, rescinded or ends in any other way this VAR Delivered Support Model is automatically terminated at the same time.

4.   Termination for material breach: Besides the termination reasons set out in Article 10 (Termination for material breach) of Part 1 of the PartnerEdge GTCS, SAP may terminate this VAR Delivered Support Model immediately upon written notice to the Partner:

a)   if SAP has reasonable grounds to believe that Partner's conduct in providing 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 VAR Delivered Support; and

b)   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.

5.   Consequences of Termination.

a)   If this 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 VAR Delivered Support Model as set out in Article 1 (Engagement Model) immediately ends. Neither Article 5 (Support Authorization) nor Article 8 (Term and Termination of SAP Support Sales Order) apply in such case.

b)   If this 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 SAP or another SAP partner who has Support Authorization, depending on each Supported End User's choice. Partner agrees to actively support the transfer of all SAP Support Sales Orders to SAP or another SAP partner who has Support Authorization, depending on Supported End User's choice. In case a Supported End User would like to receive VAR Delivered Support from another SAP partner who has Support Authorization, 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 VAR Delivered Support Model.

For clarification: A Loss of Support Authorization does not automatically lead to a termination of this VAR Delivered Support Model and to a loss of the right to provide VAR Delivered Support. If Partner loses Support Authorization but this VAR Delivered Support Model is not terminated, Article 5 (Support Authorization) applies.

6.   SAP recommends that the terms and conditions set out in this Article 13 (Term and Termination of the VAR Delivered Support Model) are reflected by Partner in its support and maintenance agreements with Supported End Users.

<div align="center">PART 2 – Support Services</div>

Under VAR Delivered Support, the Supported End User should receive at least the services set out below. Partner may provide additional services in addition to the services offered under this VAR Delivered Support Model.

All of the rights and obligations are between SAP and Partner. This VAR Delivered Support Model is not an agreement to the benefit of a specific End User and does not give any End User the right to sue SAP.

A.   Standard Services under VAR Delivered Support

This Section A. (Standard Services under VAR Delivered Support) describes the standard services that Partner may request and SAP will provide to such degree as SAP makes such services generally available in the Territory to partners and that Supported End Users should receive from the Partner under VAR Delivered Support. The exact scope depends on the kind of VAR Delivered Support chosen by the Supported End User, the maintenance phase (please see Part 1 - Article 11 (Maintenance Phases) for further explanation) and the supported Product Family.

In general, the major difference between SAP Enterprise Support and SAP Standard Support lies in the scope of what is provided by SAP, whereas the Partner's duties to the End User and SAP are generally similar in both cases (see Section C. (Partner's duties towards SAP and Supported End User)).

Article 1   Scope of SAP Enterprise Support

The following scope listed under this Article 1 (Scope of SAP Enterprise Support) applies to SAP Enterprise Support and will be provided by SAP for each SAP Support Sales Order for SAP Enterprise Support:

Continuous Improvement and Innovation
- New software releases of the licensed Supported Software, as well as tools and procedures for upgrades. SAP supports upgrades to new Supported Software releases in "Mainstream Maintenance". SAP does not support upgrades to new Supported Software releases in extended or customer-specific maintenance, unless this is necessary as one step in a multi-step upgrade to a target Supported Software release in "Mainstream Maintenance". For maintenance phases see Part 1 – Article 11 (Maintenance Phases).
- Support packages - correction packages to reduce the effort of implementing single corrections. Support packages may also contain corrections to adapt existing functionality to changed legal and regulatory requirements.
- For releases of SAP Business Suite 7 core applications (starting with SAP ERP 6.0 and with releases of SAP CRM 7.0, SAP SCM 7.0, SAP SRM 7.0 and SAP PLM 7.0 shipped in 2008), SAP may provide enhanced functionality and/or innovation through enhancement packages or by other means as available. During mainstream maintenance for an SAP core application release, SAP's current practice is to provide one enhancement package or other update per calendar year.
- Technology updates to support third-party operating systems and databases. Available ABAP source code for SAP software applications and additionally released and supported function modules.
- Software change management, such as changed configuration settings or Supported Software upgrades, is supported for example with content and information material, tools for client copy and entity copy, and tools for comparing customization.
- Configuration guidelines and content for Supported Software are usually shipped via SAP Solution Manager.
- Best practices for SAP System Administration and SAP Solution Operations for the Supported Software are provided. Details are outlined on the SAP Service Marketplace.
- SAP configuration and operation content is supported as integral part of the Supported Software.
- Content, tools and process descriptions for SAP Application Lifecycle Management are part of the SAP Solution Manager, the Supported Software and/or the applicable Documentation for the Supported Software.

Global Support Backbone
- SAP Service Marketplace - SAP's knowledge database and SAP's extranet for knowledge transfer on which SAP makes available content and services to customers, end users and partners of SAP only.
- SAP Notes on the SAP Service Marketplace document software malfunctions and contain information on how to remedy, avoid and bypass errors. SAP Notes may contain coding corrections that Supported End Users can implement into their SAP system. SAP Notes also document related issues, questions from customers, end users and partners and recommended solutions (e.g. customizing settings).
- SAP Note Assistant - a tool to install specific corrections and improvements to SAP components.
- SAP Solution Manager - as described in Section B. Article 3 (SAP Solution Manager).

Technical Quality Checks
- In case of vital alerts reported by SAP EarlyWatch Alert or in case of Top Issues Partner may request for a specific Supported End User technical quality checks to be delivered by SAP as further described in the Technical Support Guide ("**Technical Quality Check**" or "**TQC"**). Upon such a request, SAP will analyze the Supported End Users situation and will deliver a Technical Quality Check if it is needed to handle the vital alert or Top Issue or to de-escalate a critical situation at Supported End User's site.
- The TQC might consist of one or more manual, self-service or automatic remote service sessions. At the end of each Technical Quality Check, SAP will provide Partner or Supported End User with an action plan or written recommendations or both. Technical Quality Check sessions may be delivered by SAP or a certified SAP partner acting as SAP's subcontractor or both based on SAP standards and methodology.
- SAP cannot deliver a TQC for Third Party Software.
- TQC can be re-scheduled only once. Re-scheduling must take place at least twenty working days before the planned delivery date. Otherwise, SAP is not obliged to deliver the TQC.
- Technical Quality Checks may only be requested by Partner for a specific Supported End User. Partner is responsible for ensuring that Supported End User has met all the technical prerequisites for the service as further set out in the Technical Support Guide.
- Partner may request other SAP services (part of the TQC portfolio or beyond) (for details see https://support.sap.com/support-programs-services.html) for a specific Supported End User, based on the then applicable Price List.

Other Components, Methodologies, Content and Community Participation
- Monitoring components and agents for systems to monitor available resources and collect system status information of the Supported Software (e.g. SAP EarlyWatch® Alert).
- Pre-configured test templates and test cases are usually delivered via the SAP Solution Manager. In addition the SAP Solution Manager assists Supported End User's testing activities with functionalities that currently include:
  - Test administration for Supported Software by using the functionality provided as part of the SAP Solution Manager
  - Quality Management for management of „Quality-Gates"
  - SAP-provided tools for automatic testing
  - SAP-provided tools to assist with optimizing regression test scope. Such tools support identifying the business processes that are affected by a planned SAP Software Solutions change and make recommendations for the test scope as well as generating test plans (for details see http://support.sap.com/solutionmanager).
- Content and supplementary tools designed to help increase efficiency, which may include implementation methodologies and standard procedures, an Implementation Guide (IMG) and Business Configuration (BC) Sets.
- Access to guidelines via SAP Service Marketplace, which may include implementation and operations best practices, processes and content designed to help reduce costs and risks. Such content currently includes:
  - End-to-End Solution Operations: Assists Supported End User with the optimization of the end-to-end operations of Supported End User's SAP Software Solution.
  - Run SAP Methodology: Assists Supported End User with application management, business process operations, and administration of the SAP NetWeaver technology platform, and currently includes:
    - The SAP standards for solution operations
    - The roadmap of Run SAP to implement end-to-end solution operations
    - Tools, including the SAP Solution Manager application management solution. For more information on the Run SAP methodology, refer to https://support.sap.com/support-programs-services/methodologies.html.
- Participation in SAP's customer and partner community (via SAP Service Marketplace), which provides information about best business practices, service offerings, etc.

Mission Critical Support
SAP will support Partner by providing Mission Critical Support as set out below:
- When Partner reports Incidents, SAP supports Partner by providing information on how to remedy, avoid or bypass errors. The main channel for such support will be the support infrastructure provided by SAP. Partner may send an Incident at any time. All persons involved in the Incident solving process can access the status of the Incident at any time. For further details on definition of Incident priorities see SAP Note 67739.
- In case of Priority 1 Incidents or Top Issues, Partner may also contact SAP by telephone. For such contact (and as otherwise provided) SAP requires that Partner provides remote access as specified in Section C. Article 2 (Requirements regarding Supported End User agreement).
- Global Incident handling by SAP for Priority 1 Incidents, including Service Level Agreements between SAP and Partner as set forth in Section B. Article 2 no. 1 (Service Level Agreement for SAP Enterprise Support).
- SAP will, in addition to Priority 1 Incidents, receive vital alerts reported by SAP EarlyWatch Alert and Top-Issues from Partner. SAP will examine vital alerts reported by SAP EarlyWatch Alert and work to resolve Top-Issues directly with the Supported End User and/or Partner.
- Global 24x7 Incident root cause analysis and escalation procedures in accordance with Section B. Article 2 (Service Level Agreement).
- Root Cause Analysis for Custom Code: For Custom Code built with the SAP development workbench, SAP provides mission-critical Incident root cause analysis, according to the Service Level Agreement for Initial Response Time stated in Section B. Article 2 (Service Level Agreement) for Priority 1 Incidents. If the Custom Code is documented according to SAP's then-current standards (for details see http://support.sap.com), SAP may provide guidance to assist Partner in Incident resolution).
- Partner gets access to the Partner Support Advisory Center as described in Section B. Article 5 (Partner Support Advisory Center).

Article 2   Scope of SAP Standard Support

The following scope listed under this Article 2 (Scope of SAP Standard Support) applies to SAP Standard Support and will be provided by SAP for each SAP Support Sales Order for SAP Standard Support:

Continuous Improvement and Innovation
- New software releases of the licensed Supported Software, as well as tools and procedures for upgrades. SAP supports upgrades to new Supported Software releases in "Mainstream Maintenance". SAP does not support upgrades to new Supported Software releases in extended

or customer-specific maintenance, unless this is necessary as one step in a multi-step upgrade to a target Supported Software release in "Mainstream Maintenance". For maintenance phases see Part 1 – Article 11 (Maintenance Phases).

- Support packages - correction packages to reduce the effort of implementing single corrections. Support packages may also contain corrections to adapt existing functionality to changed legal and regulatory requirements.
- For releases of the SAP Business Suite 7 core applications (starting with SAP ERP 6.0 and with releases of SAP CRM 7.0, SAP SCM 7.0, SAP SRM 7.0 and SAP PLM 7.0 shipped in 2008), SAP may provide enhanced functionality and/or innovation through enhancement packages or by other means as available. During mainstream maintenance for an SAP core application release, SAP's current practice is to provide one enhancement package or other update per calendar year.
- Technology updates to support third-party operating systems and databases. Available ABAP source code for SAP software applications and additionally released and supported function modules.
- Software change management, such as changed configuration settings or Supported Software upgrades is supported for example with content and information material, tools for client copy and entity copy, and tools for comparing customization.

Global Support Backbone

- SAP Service Marketplace - SAP's knowledge database and SAP's extranet for knowledge transfer on which SAP makes available content and services to customers, end users and partners of SAP only.
- SAP Notes on the SAP Service Marketplace document software malfunctions and contain information on how to remedy, avoid and bypass errors. SAP Notes may contain coding corrections that Supported End Users can implement into their SAP system. SAP Notes also document related issues, questions from customers, end users and partners and recommended solutions (e.g. customizing settings).
- SAP Note Assistant - a tool to install specific corrections and improvements to SAP components.
- SAP Solution Manager - as described in Section B. Article 3 (SAP Solution Manager).

Incident Handling

- When Partner reports Incidents, SAP supports Partner by providing information on how to remedy, avoid or bypass errors. The main channel for such support will be the support infrastructure provided by SAP. Partner may send an Incident at any time. All persons involved in the Incident resolution process can access the status of a submitted Incident at any time. For further details on definition of Incident priorities see SAP Note 67739.
- In case of Priority 1 Incidents or Top Issues, Partner may also contact SAP by telephone. For such contact (and as otherwise provided) SAP requires that Partner provides remote access as specified in Section C. Article 2 (Requirements regarding Supported End User Agreement).
- SAP will commence Incident handling on Priority 1 Incidents within 24 hours, 7 days a week provided that the following conditions are met:
  (i) The Incident must be reported in English; and
  (ii) Partner must have a suitably skilled English-speaking employee at hand so that Partner and SAP can communicate if SAP assigns the problem Incident to an overseas SAP support center.
  If either or both of these conditions are not fulfilled, SAP may not be able to start Incident handling or to continue Incident handling until these conditions are fulfilled and is therefore released from its duties under the Agreement.
- Global 24x7 escalation procedures.

Remote Services for Supported End Users under SAP Standard Support

- SAP Standard Support currently includes a limited selection of remote services. The available services are listed in the Technical Support Guide. A service can consist of one or more service sessions.
- In order to meet the requested delivery date for a remote service, the remote service must be ordered by Partner at least two months in advance of the desired remote service delivery date. The right to remote services only exists for a specific installation and is not transferable to other installations.

Other Components, Methodologies, Content and Community Participation

- Monitoring components and agents for systems to monitor available resources and collect system status information of the Supported Software (e.g. SAP EarlyWatch Alert).
- Administrative integration of distributed systems through SAP Solution Manager for the purposes of SAP EarlyWatch Alert.
- Content and supplementary tools designed to help increase efficiency, which may include implementation methodologies and standard procedures, an Implementation Guide (IMG), Business Configuration (BC) Sets.
- Access to guidelines via SAP Service Marketplace, which may include implementation and operations best practices, processes and content designed to help reduce costs and risks.
- Participation in SAP's customer and partner community (via SAP Service Marketplace), which provides information about best business practices, service offerings, etc.

B.   Services and benefits provided by SAP to Partner under this VAR Delivered Support Model

To support Partner in providing high quality support to their Supported End Users, SAP also provides the following services and benefits to Partner for each Support Sales Order.

Article 1   SAP's support tasks

SAP or a third party vendor (if the Incident is related to third party software) will fulfill the following support tasks listed below ("**Development Support**") but only if the Incident is caused by product defects of the Supported Software for which SAP has not already published solutions in the SAP Service Marketplace and only after Partner has fulfilled all of its Partner Support Duties as defined in Section C. (Partners' Duties towards SAP and Supported End Users):

- Analyzing in detail all recorded traces and Incidents forwarded by Partner concerning a Supported End User.
- Accessing Supported End User systems if necessary:
  o   To analyze the Supported End User's system regarding the Incident.
  o   To assist the Partner in performing the required and applicable Incident Remedy by using workaround recommendations or fixes.
  o   To change coding, provide fixes and create patches.
- Creating or modifying existing SAP Notes regarding:
  o   The identified cause of the Incident.
  o   Resolution of the issue with all relevant information and material (e.g. bug fixes, patches, description of workarounds).
- Specifying and communicating the expected time when patches, bug fixes or support packages will be provided to remedy specific defects in the Software.
- Recommending solutions or workarounds for Supported End User's Incident to Partner.

For Incidents with priority other than Priority 1, SAP will provide Development Support to Partner during Local Office Time. Priority 1 Incidents will be handled according to this Section B. Article 2 (Service Level Agreement).

Article 2   Service Level Agreement

1. Service Level Agreement for SAP Enterprise Support

The following Service Level Agreements ("**SLA**" or "**SLAs**") are offered by SAP to Partner solely for each SAP Support Sales Order for SAP Enterprise Support. They apply to all Incidents that SAP accepts as being Priority 1 Incidents and that fulfill the prerequisites specified herein.

Partner acknowledges that to the extent the Supported Software contains products and/or software components licensed or resold by SAP from a third party, SAP requires the support of such third party to meet the SLAs.

a) SLA for Initial Response Time

Priority 1 Incidents ("Very High"). SAP will respond to Incidents that SAP accepts as conforming to the definition of priority "Very High" as further set out in the SAP Note 67739 within one hour of SAP's receipt (twenty-four hours a day, seven days a week) of such priority "Very High" Incidents via the SAP Support Network. An Incident is assigned priority "Very High" if the problem has very serious consequences for normal business processes or IT processes related to core business processes and urgent, business critical work cannot be performed. For further details see SAP Note 67739 ("**Priority 1 Incident**").

b) SLA for Corrective Action

SAP will provide a solution, work around or action plan for resolution ("**Corrective Action**") of a Priority 1 Incident within four hours of SAP's receipt (twenty-four hours a day, seven days a week) of such Priority 1 Incident via the SAP Support Network ("**SLA for Corrective Action**"). In the event an action plan is submitted to Partner or Supported End User as a Corrective Action, such action plan will include:

i.   status of the resolution process;

ii. planned next steps, including identifying responsible SAP resources;

iii. required actions from Partner or Supported End User to support the resolution process;

iv. to the extent possible, planned dates for SAP's actions; and

v.   date and time for next status update from SAP. Subsequent status updates will include a summary of the actions undertaken so far; planned next steps; and date and time for next status update.

The SLA for Corrective Action only refers to that part of the processing time when the Incident is being processed at SAP ("**Processing Time**"). Processing Time does not include the time when the Incident is on status "Customer Action" "Solution Provided", "Sent to SAP Partner" or "Partner Customer Action", whereas

i.   the status Customer Action means the Incident was handed over to Partner or Supported End User; and

ii. the status Solution Provided means SAP has provided a Corrective Action as outlined herein.

The SLA for Corrective Action will be deemed met if within four hours of processing time: SAP proposes a solution, a workaround or an action plan; or if Partner or Supported End User agrees to reduce the priority level of the Incident.

c) Prerequisites

The SLAs will only apply when the following prerequisites are met for Incidents:

i.   in all cases except for root cause analysis for Custom Code (as described under Section A. Article 1 (Scope of SAP Enterprise Support, Mission Critical Support) Incidents are related to releases of Supported Software that are classified by SAP with the shipment status "unrestricted shipment";

ii. Incidents are submitted by Partner or Supported End User in English;

iii. Incidents are related to a product release of Supported Software that falls into Mainstream Maintenance or Extended Maintenance (please see Part 1 - Article 11 (Maintenance Phases) for further explanation).

iv. the support tools required by SAP for the analysis of certain types of Incidents and available for VAR Delivered Support (e.g. currently SAP Solution Manager Diagnostics for Java-related Incidents) are implemented by Partner and/or Supported End User. A list of the required support tools to be installed by the Partner and/or Supported End User is published on the SAP Service Marketplace.

v.   the issue and its business impact are described in detail sufficient to allow SAP to assess the issue;

vi. Partner makes available for communications with SAP, twenty-four hours a day, seven days a week, an English speaking contact person with training and knowledge sufficient to aid in the resolution of the Priority 1 Incident consistent with Partner's obligations hereunder; and

vii. a contact person is provided for opening a remote connection to the system and to provide necessary log-on data to SAP.

d) Exclusions

The following types of Priority 1 Incidents are excluded from the SLAs:

i.   Incident regarding a release, version and/or functionalities of Supported Software developed specifically for Supported End User (including without limitation those developed by SAP custom development and/or by SAP subsidiaries) except for Custom Code developed with the SAP development workbench;

ii. Incidents regarding country versions that are not part of the Supported Software and instead are realized as partner add-ons, enhancements or modifications are expressly excluded even if these country versions were created by SAP or an affiliate of SAP; and

iii. Incidents for which the root cause is not a malfunction, but a missing functionality ("development request") or the Incident is ascribed to a consulting request (as per SAP Note 83020).

2. Service Level Agreement for SAP Standard Support

No Service Level Agreement is offered for SAP Standard Support. However SAP will commence processing of Priority 1 Incidents within twenty-four hours, seven days a week after SAP`S receipt of such Priority 1 Incident via the SAP Support Network, provided that the Incident is reported in English and that Partner and Supported End User provide for a suitably skilled, English-speaking contact in order to ensure communication with SAP if SAP assigns the Incident to an overseas SAP Support Organization center.

Article 3   SAP Solution Manager

1. Price and Usage Rights granted by SAP to Partner

SAP provides usage rights for the SAP Solution Manager to Partner as set out below.

a) SAP will provide the usage rights for the SAP Solution Manager as further set out in this Article 3 (SAP Solution Manager) for use by Partner without additional charge.

b) SAP will not charge Partner for any integration cost arising inside the SAP corporate network for the integration of Partner's SAP Solution Manager with the SAP Support Network either. In addition SAP will not charge Partner for all SAP internal infrastructure and SAP corporate network cost in conjunction with the Incident transfer from Partner to SAP via SAP Solution Manager and vice versa.

c) Usage rights under SAP Enterprise Support:

For Supported End Users whose Supported Software is under SAP Enterprise Support, Partner may use the SAP Solution Manager solely for the following purposes:

i. delivery of SAP Enterprise Support and support services for the Supported Software, including delivery and installation of software and technology maintenance for Supported Software; and

ii. application lifecycle management for the Supported Software and for any other software components and IT assets licensed or otherwise obtained by Supported End User from third parties provided such third party software, software components and IT assets are operated in conjunction with the Supported Software and are required to complete Supported End User's business processes as documented in the solution documentation in SAP Solution Manager ("**Additional Supported Assets**"). Such application lifecycle management is limited solely to the following purposes:

- implementation, configuration, testing, operations, continuous improvement and diagnostics;

- Incident management (service desk), problem management and change request management as enabled using SAP CRM technology integrated in SAP Solution Manager; and

- administration, monitoring, reporting and business intelligence as enabled using SAP NetWeaver technology integrated in SAP Solution Manager. Business intelligence may also be performed provided the appropriate SAP BI software is licensed by Partner.

For application lifecycle management as outlined in this Article 3 (SAP Solution Manager) no. 1c) ii. above, SAP grants Partner all required package and named user licenses to Use the SAP Solution Manager.

d) Usage rights under SAP Standard Support:

For Supported End Users whose Supported Software is under SAP Standard Support, Partner may use the SAP Solution Manager solely for the following purposes:

i. delivery of SAP Standard Support and support services for the Supported Software, including delivery and installation, upgrade and maintenance for Supported Software;

ii. re-active support upon request from Supported End User, including without limitation application of break fixes (e.g. patches, notes, etc.) and root cause analysis for the Supported Software; and

iii. management of Supported Software using only those scenarios that are part of the functional baseline as defined on the SAP Service Marketplace http://support.sap.com/solutionmanager.

In cases where the Partner has purchased SAP Standard Support for a Supported End User, SAP Solution Manager must explicitly not be used for 3rd party applications not licensed directly via SAP or indirectly from SAP via Partner or any other components or IT assets operated in conjunction with the Supported Software.

e) SAP Solution Manager may not be used for purposes other than those stated above. Without limiting the foregoing restriction, Partner must not use SAP Solution Manager for (i) CRM scenarios such as service plans, contracts, service confirmation management, except as CRM scenarios are expressly stated in this Article 3 (SAP Solution Manager) no. 1c) ii.; (ii) SAP NetWeaver usage types other than those stated above or (iii) application life-cycle management and in particular Incident management (service desk) except for Supported End User's Supported Software and, if Supported End User's Supported Software is under SAP Enterprise Support, Additional Supported Assets and (iv) non-IT shared services capabilities, including without limitation HR, Finance or Procurement.

f) SAP – in its sole discretion – may update from time to time on the SAP Service Marketplace under http://support.sap.com/solutionmanager the use cases for SAP Solution Manager under this Article 3.

g) SAP Solution Manager shall only be used during the term of this VAR Delivered Support Model and exclusively for Partner's SAP-related support purposes in support of Supported End Users' internal business operations. The right to use any SAP Solution Manager capabilities under SAP Enterprise Support other than those listed under this Article 3 no. 1c) (Usage rights under SAP Enterprise Support) above is subject to a separate written agreement with SAP, even if such capabilities are accessible through or related to SAP Solution Manager. The right to use any SAP Solution Manager capabilities under SAP Standard Support other than those listed under this Article 3 no. 1d) (Usage rights under SAP Standard Support) above is subject to a separate written agreement with SAP, even if such capabilities are accessible through or related to SAP Solution Manager.

h) In the event, Partner selects SAP Standard Support for a Supported End User instead of SAP Enterprise Support in accordance with Part 1 - Article 9 (Change of Support Offering) no. 1, the usage rights for SAP Enterprise Support for the SAP Solution Manager with regard to such Supported End User's Supported Software as set out in Article 3 no. 1c) (Usage rights under SAP Enterprise Support) cease and the usage rights for SAP Standard Support for the SAP Solution Manager as set out in Article 3 no. 1d) (Usage rights under SAP Standard Support) will apply from the first day of the new Initial Term for SAP Standard Support. In the event, Partner selects SAP Enterprise Support for a Supported End User instead of SAP Standard Support in accordance with Part 1 - Article 9 (Change of Support Offering) no. 2, the usage rights for SAP Standard Support for the SAP Solution Manager with regard to such Supported End User's Supported Software as set out in Article 3 no. 1d) (Usage rights under SAP Standard Support) cease and the usage rights for SAP Enterprise Support for the SAP Solution Manager as set out in Article 3 no. 1c) (Usage rights under SAP Enterprise Support) will apply from the first day of the new Initial Term for SAP Enterprise Support.

i) Use of SAP Solution Manager may not be offered by Partner as a service to third parties even if such third parties have licensed Software and have licensed named users, other than Partner's Supported End Users.

j) The terms of this Article 3 (SAP Solution Manager) shall also apply to any successor of SAP Solution Manager.

2. Price and Usage Rights Partner may grant to Supported End User

a) If Supported End User wants to operate his own SAP Solution Manager, Partner is entitled to grant Supported End User all usage rights as outlined under this Article 3 no. 1 above provided, however, that:

i. Partner grants Supported End User the rights under this Article 3 no.1c) (Usage rights under SAP Enterprise Support) only, if and for as long as Supported End User's Supported Software is under SAP Enterprise Support and that Partner grants Supported End User the user rights under this Article 3 no. 1d) (Usage rights under SAP Standard Support) only, if and for as long as Supported End User's Supported Software is under SAP Standard Support;

ii.   Partner includes the same use restrictions as set out in Article 3 no. 1 (Price and Usage Rights granted by SAP to Partner) in its license agreements with its Supported End Users; and

iii.   Supported End User accepts such usage rights and restrictions before ordering or downloading the SAP Solution Manager.

b)   In addition, Partner must ensure that:

i.   Supported End User does not transfer the usage rights for the SAP Solution Manager to any third party;

ii.   the SAP Solution Manager is only used by named users licensed by the Supported End User subject to the licensed rights for the Supported Software and exclusively for Supported End User's SAP related support purposes in support of Supported End User's internal business operations; and

iii.   usage rights by Supported End User terminate upon the earlier of:

α)   termination of the VAR Delivered Support Model between SAP and Partner; or

β)   termination of the last SAP Support Sales Order between Partner and SAP concerning the Supported End User.

c)   SAP recommends that Partner does not charge Supported End User a fee for the use of Supported End User's SAP Solution Manager.

3.   Ordering and Operating SAP Solution Manager

a)   SAP Note 925690 contains important information about obtaining SAP Solution Manager. Further information, for example about operating SAP Solution Manager is available in SAP Service Marketplace at http://www.support.sap.com/solutionmanager.

b)   A direct connection from Partner to SAP using the SAP Support Network and remote access for SAP to the Supported End User system are prerequisites for implementation. Partner undertakes to procure for SAP the necessary consent to access Supported End User systems.

c)   Operation and maintenance of Partner's SAP Solution Manager and the technical integration with the SAP Support Network are Partner's responsibility.

Article 4   Partner Integration with the SAP Support Network and Use of SAP Support Network

1.   SAP Solution Manager is mandatory for Partners providing support for some Product Families, and highly recommended for other Product Families. For details, please see the Technical Support Guide. Where SAP Solution Manager is mandatory, the obligations set out below must be fulfilled through SAP Solution Manager otherwise through other systems approved by SAP (approval granted during PCOE certification process).

2.   If SAP Solution Manager is mandatory but subject to the use rights granted in Section B. Article 3 (SAP Solution Manager):

a)   Partner will implement and operate SAP Solution Manager and use it for providing support services under this VAR Delivered Support Model.

b)   Partner will use SAP Solution Manager to receive Incidents from Supported End Users and to provide Supported End Users with Incident Remedy.

c)   Partner will exchange Incidents with SAP exclusively by way of SAP Solution Manager.

3.   Partner can link SAP Solution Manager to its own support/call-tracking system by using the open interface provided by SAP. The use of the interface is free of charge for Partner. Partner will however bear the implementation costs.

4.   SAP is not responsible for the correct technical transmission and the corresponding transmission timeframes of the Incidents outside the SAP systems or for any infrastructure not owned by SAP.

5.   Partner will notify SAP in writing when Partner goes live with the SAP Solution Manager.

6.   Partner is solely responsible for training of Supported End Users and its employees on use of the support infrastructure.

7.   In addition to Partner's installation and operation of SAP Solution Manager within the SAP Support Network, Partner is advised to encourage Supported End Users to install and operate SAP Solution Manager and other support related IT components if available to exploit further Supported End User-specific functionalities as described on the SAP Service Marketplace under http://support.sap.com/solutionmanager.

8.   In case a Supported End User installs the SAP Solution Manager, Partner will use this SAP Solution Manager to remotely access the Supported Software within Supported End Users' environment for Incident Remedy subject to prior consent from Supported End Users. Supported End User's and Partner's usage of the SAP Solution Manager must not exceed the rights granted under this VAR Delivered Support Model, in particular in Section B. Article 3 (SAP Solution Manager).

Article 5   Partner Support Advisory Center

For Priority 1 Incidents and Top-Issues directly related to the Supported Software under SAP Enterprise Support, SAP will make available a global support unit within SAP's support organization for Partner for mission critical support related requests (the "**Partner Support Advisory Center**").

The Partner Support Advisory Center's function is different from that of the Partner Services Advisor. The Partner Service Advisor is a program benefit of the SAP PartnerEdge program and focuses mainly on enablement and operational support around the SAP PartnerEdge program (see the SAP PartnerEdge VAR Program Guide).

The Partner Support Advisory Center will perform the following mission critical support tasks:

i.   remote support for Top-Issues - the Partner Support Advisory Center will act as an escalation level, enabling 7x24 root cause analysis for problem identification, to be contacted by Partner in case of Top-Issues endangering the business of the relevant Supported End Users.

ii.   if required after Top-Issue notification, and after SAP's analysis of the situation, Technical Quality Check service delivery planning in collaboration with Partner for the relevant Supported End Users, including scheduling and delivery coordination,.

iii.   providing guidance in cases in which an action plan and/or written recommendations of SAP as a result of the SAP EarlyWatch Alert and/or Technical Quality Checks (as defined below) show a critical status of the Supported Software under SAP Enterprise Support.

The designated Partner Support Advisory Center will be English speaking and available for the Contact Person (as defined below) or its authorized representative twenty-four hours a day, seven days a week for Top-Issue related requests. The available local or global dial-in numbers are shown in SAP Note 1162164.

The Partner Support Advisory Center is only responsible for the above mentioned mission critical support related tasks to the extent these tasks are directly related to vital SAP EarlyWatch Alert or Top-Issues regarding Supported Software under SAP Enterprise Support.

In order for the Partner Support Advisory Center to be able to perform its mission critical support tasks, Partner must:

•   designate for interaction with the Partner Support Advisory Center a qualified English-speaking contact person with access to Supported End User details ("**Contact Person**"), such as – but not limited to – the engagement set-up structure, service and action planning data, service reporting, current Top-Issue data.

•   provide contact details (in particular a name, e-mail address and telephone number) by means of which the Contact Person or the authorized

representative of such Contact Person can be contacted at any time for Top-Issues and Priority 1 Incidents. The Contact Person must be Partner's authorized representative empowered to make the necessary decisions for the Partner or bring about such decisions without undue delay.

- as preparation for the SAP Enterprise Support engagement of Partner and Supported End User, especially for any SAP Technical Quality Check delivery through SAP Solution Manager perform one mandatory remote setup service per Supported End User ("**Initial Assessment**") for the Supported Software under SAP Enterprise Support. The Initial Assessment will be based on SAP standards and documentation. The data collected during the setup service session must be validated once every year by Partner.

- enter jointly with relevant Supported End Users into a continuous service and action planning process for the Supported Software under SAP Enterprise Support. This process should focus on the identification of special events (i.e. project planning, implementation, Go-Live, ongoing operations etc.) during the lifecycle of SAP Enterprise Support, with the goal to mitigate potential risk for such Supported End Users.

- provide regular service reporting for the Supported Software under SAP Enterprise Support, including but not limited to information on Top-Issues, current projects, implementation, operations, change analysis, Incident management and support service delivery information.

- inform SAP in a timely manner on Top-Issues or critical state of the Supported Software under SAP Enterprise Support by use of SAP Solution Manager or the SAP Support Network.

The results of the setup service, service and action planning and service reporting must be made available by Partner to the Partner Support Advisory Center for use in Top-Issue situations, if requested.

Article 6   Additional VAR Delivered Support services for Partner

1. SAP provides Partner with up to five days remote support services per calendar year from SAP solution architects:

- to assist Partner in evaluating the innovation capabilities of the latest SAP enhancement package and how it may be deployed for Supported End User's business process requirements.

- to give Partner guidance in form of knowledge transfer sessions, weighted one day, for defined SAP software/applications or Global Support Backbone components. Currently, content and session schedules are stated at http://support.sap.com/esacademy. Scheduling, availability and delivery methodology is at SAP's discretion.

See Technical Support Guide for more details.

2. SAP offers special remote checks delivered by SAP solution experts to analyze planned or existing modifications and identify possible conflicts between Custom Code in the Partner Templates and enhancement packages and other Supported Software updates. Each check is conducted for one specific modification in one of the core business process steps. Please note that some of these services may not be available for a selection of Supported Software products.

- Modification Justification ("**MJC**"): Based on Partner's provision of SAP required documentation regarding the scope and design of a planned or existing custom modification in SAP Solution Manager, SAP identifies standard functionality of Supported Software that may fulfill Partner's requirements.

- Custom Code Maintainability ("**CCMC**"): Based on Partner's provision of SAP required documentation regarding the scope and design of a planned or existing custom modification in SAP Solution Manager, SAP identifies which user exits and services may be available to separate Custom Code from SAP code.

3. Partner may request up to two remote service deliveries from the categories listed in this Article 6 no. 2 per calendar year per qualified Partner Template. Prerequisites for the service delivery are that: a) Partner Template qualification has taken place latest twenty-four months before the service is requested (for details on SAP Business All-In-One solution qualification guidelines, contact your Partner Service Advisor), b) Partner has completed solution documentation for Partner custom development(s) inside the SAP Solution Manager in accordance with SAP standards and c) Partner has deployed SAP Solution Manager as set forth in Section B. Article 3 (SAP Solution Manager) and Article 4 (Partner Integration with the SAP Support Network and Use of the SAP Support Network).

4. Alternatively Partner may request up to two of the following services per Partner system per calendar year, instead of MJC or CCMC:

- Technical quality check (TQC) for implementation
- SAP EarlyWatch Check

Partner may use their own service allowance to request services from the categories above to be performed on the production systems of Supported End Users with SAP Enterprise Support. This is limited to a total of two services per calendar year.

C.   Partner's duties towards SAP and Supported End User

Besides Partner's duties mentioned under Section A. Article 1 (Scope of SAP Enterprise Support) Mission Critical Support and Technical Quality Checks, the Partner has the following duties:

Article 1   Technical Requirements

1. Technical Requirements for Partner

Partner's hardware and software must at least meet the list of requirements published on SAP Service Marketplace.

In particular, the following requirements are mandatory:

- Software
  - o Partner must operate test systems to simulate and analyze problems for all Supported Software solutions supported under this VAR Delivered Support Model
  - o Remote connection software as required by SAP (SAP Note 35010)

- Telecommunications infrastructure
    - Fast internet connection (minimum ADSL, greater bandwidth recommended)
    - Hotline number
- Support infrastructure
    - Partner agrees to use procedures, methods, and tools provided by SAP in connection with VAR Delivered Support for proactively detecting and correcting typical problems in the Supported Software.
    - Partner acknowledges that SAP EarlyWatch Alert is mandatory for Partner providing support for some Product Families and highly recommended for other Product Families (see Technical Support Guide for details). In cases where SAP Solution Manager is mandatory, Partner is required to activate SAP EarlyWatch Alert for the Production Systems and transfer into own SAP Solution Manager. In these cases, SAP EarlyWatch Alert should be used weekly on Production System and must be checked by Partner not less frequently than four times per year. In case of vital SAP EarlyWatch Alerts for SAP Enterprise Support Partner must interact with SAP Support Organization as defined by SAP in the description published on the SAP Service Marketplace.
    - To leverage SAP Support Network, Partner must ensure that the communications connections between Partner and SAP as well as between Supported End Users and SAP, which are necessary for remote support to be provided efficiently, are operable at all times and allow satisfactory response times. This also covers the required communications connections to any third parties involved. Partner must bear the connection costs resulting from remote support. SAP recommends that Partner uses the technologies for remote support specified on SAP Service Marketplace.
    - SAP Solution Manager is mandatory for Partners providing support for some Product Families, and highly recommended for other Product Families (for details, please see the Technical Support Guide). Where SAP Solution Manager is mandatory, the obligations set out below must be fulfilled through SAP Solution Manager, otherwise through other systems approved by SAP (approval granted during PCOE certification process).
    - In the event that Partner fails to use SAP Solution Manager when it is mandatory, SAP will no longer be obligated to comply with the Service Level Agreements or to deliver Technical Quality Checks. Partner will operate SAP Solution Manager in accordance with Section B. Article 3 (SAP Solution Manager).
    - In cases where SAP Solution Manager is mandatory, Partner must have installed, configured and be using productively, an SAP Solution Manager system, with the latest patch levels for Basis and the latest or up to two preceding SAP Solution Manager support packages. The same applies to content updates (ST-ICO & ST SER).
    - In case of SAP Enterprise Support, Partner must ensure that Priority 1 Incidents are forwarded to SAP outside Local Office Times. This can be done by customizing the service desk in SAP Solution Manager.
    - In case of SAP Enterprise Support, Partner must document Custom Code according to SAP's then-current standards in the SAP Solution Manager (for details see http//support.sap.com. The SAP development workbench is to be used for Custom Code or Template development).

2. Technical Requirements regarding the Supported End User

In order to receive VAR Delivered Support as described in this VAR Delivered Support Model, Partner must ensure that each Supported End User fulfills the following requirements:

- For satisfactory remote support, Partner must ensure that Supported End User sets up an internet connection and obtains a separate license for the relevant software if appropriate and required.
- In cases where the use of SAP Solution Manager is mandatory for Partner:
    - Partner must ensure that (i) Supported End Users' solution landscapes and core business processes are maintained in SAP Solution Manager at least for all Production Systems and systems connected to the Production Systems and (ii) in case of SAP Enterprise Support, any implementation or upgrade projects are documented within the SAP Solution Manager. The detailed guidelines for this documentation can be found in the document "Solution Documentation" provided by SAP on the SAP Service Marketplace at http://support.sap.com/supportstandards.
    - SAP EarlyWatch Alert is activated at least for the Production Systems of Supported End Users and is transmitting data to the Partner's productive SAP Solution Manager.
- In case of SAP Enterprise Support, an Initial Assessment based on SAP standards and documentation as described in Section B. Article 5 (Partner Support Advisory Center) has been performed successfully by Partner and each Supported End User. Partner and each Supported End User must have correctly implemented all the recommendations of the setup service classified as mandatory.

Article 2   Requirements regarding Supported End User agreement

- The Incident processing system may automatically collect system data related to Incidents (for example transaction code, program ID, Support Package level, Incident number). In its Supported End User agreements Partner must ensure that each Supported End User gives all consents required by law for this purpose, in particular under data protection law.
- Partner must ensure that each Supported End User provides and maintains remote access via a technical standard procedure as defined by SAP and grants the Partner and SAP all necessary authorizations, in particular for problem root cause analysis as part of Incident handling. Such remote access must be granted by each Supported End User without restrictions regarding the nationality of the SAP employee(s) who process(es) the Incident or the country in which they are located. Partner acknowledges that failure to grant access may lead to delays in Incident handling and the provision of corrections, or may render SAP unable to provide help in an efficient manner. The necessary software components for receiving support services must be installed. For more details see SAP Note 91488.
- Furthermore, Partner must ensure in its Supported End User agreements that SAP is entitled to access the systems of each Supported End User in order to render VAR Delivered Support or any other services. If required by applicable law, Partner must obtain written data protection consents from Supported End Users.
- Partner must activate SAP EarlyWatch Alert as a mandatory part of SAP Enterprise Support. Partner must obtain confirmation by Supported End User regarding activation process of SAP EarlyWatch Alert.
- Partner should specify in its maintenance agreements with Supported End Users that the Supported End Users will not send any Incidents related to Supported Software directly to SAP but will first contact Partner's support.
- Partner must ensure that each Supported End User acknowledges and accepts the usage rights and limitation for the SAP Solution Manager Software as set out in Section B. Article 3 (SAP Solution Manager) before ordering or downloading the SAP Solution Manager.

- Partner must inform each Supported End User under SAP Enterprise Support in its maintenance agreements that Priority 1 Incidents related to Supported Software under SAP Enterprise Support that are forwarded directly to SAP must be submitted in English.

Article 3   Partner responsibilities regarding Incident Processing

- The Partner Support Duties are specified below in Section C. Article 5 (Partner Support Duties).
- Partner bears sole responsibility for the provision of VAR Delivered Support in relation to all inquiries from Supported End Users.
- When Incidents are reported, Partner will provide support to Supported End Users during Local Office Time in the official language(s) of the affected Supported End User. This applies to all type of Supported Software resold by Partner to a Supported End User: SAP Group Software and Third Party Software. Partner shall ensure that each Supported End User can send a support Incident at any time of day or night, every day of the week.
- Partner must fulfill all Partner Support Duties for the Supported Software (including Third Party Software) before forwarding Incidents to SAP (see Section C. Article 5 (Partner Support Duties)).
- Incidents forwarded by Partner to SAP must be in English.
- Partner shall simulate and analyze problems for all Supported Software releases under this VAR Delivered Support Model e.g. by leveraging SAP Solution Manager functionalities, and by running a suitable test environment reflecting the actual Production System.
- Partner must maintain all Supported End User data required for SAP Support Organization in the format made available by SAP within SAP Solution Manager or the SAP Service Marketplace, and update this data without delay.
- Partner will designate a contact person for SAP who will be responsible for managing the delivery of support to Supported End Users. This support manager and will ensure that Partner employees who receive and process Incidents or Top-Issues from Supported End Users forward such Incidents to SAP, if necessary, e.g. through SAP Solution Manager. These employees must be adequately qualified to provide support and certified by SAP in accordance with the requirements set out in the Technical Support Guide.
- In order to verify Partner's compliance with the terms of this VAR Delivered Support Model, Partner authorizes SAP to periodically monitor and/or audit (at least once annually and in accordance with SAP standard procedures): (i) the correctness of the information regarding Supported End Users provided by Partner and (ii) Partner's use of SAP Solution Manager in accordance with the rights and restrictions set out in Section B. Article 3 (SAP Solution Manager).
- Upon SAP's request, Partner must report to SAP the total number of Incidents received (support 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 will not exceed a maximum of twelve months prior to the date of SAP's request. Partner must provide this information to SAP latest thirty days after receipt of such request.

Article 4   Initial Response Times and Maximum Processing Times

Partner must comply with the Initial Response Time and the Maximum Processing Time regarding Incidents listed below when communicating with Supported End User and SAP:

For clarification purposes: For Supported End Users under SAP Enterprise Support concerning Priority 1 Incidents, SAP SLA for Initial Response Time and SAP SLA for Corrective Action applies as set forth in Section B. Article 2 (Service Level Agreement)

Initial Response Time:

- Priority 1 Incidents under SAP Standard Support: For Supported End Users under SAP Standard Support, Partner must confirm receipt of a Priority 1 Incident and provide each Supported End User with an initial qualified response within sixty minutes (real time).
- Priority 2 ("High") Incidents: Partner must confirm receipt of an Incident with the priority "High" (for definition of Incident priorities see SAP Note 67739) and provide each Supported End User with an initial qualified response within four working hours.

Maximum Processing Time:

- Priority 1 Incidents under SAP Standard Support: For Supported End Users under SAP Standard Support, Partner must provide a solution or workaround for Priority 1 Incidents within eight hours (real time) or forward the Incident to SAP within that time if the cause of the defect in the Incident indicates a previously unknown problem with the SAP coding.
- Priority 2 ("High") Incidents: Partner must provide a solution or workaround for Incidents with the priority "High" (for definition of Incident priorities see SAP Note 67739) within two working days or forward the Incident to SAP within that time if the cause of the defect in the Incident indicates a previously unknown problem with the SAP coding.

Times during which the Incident's status is "Customer Action" are not counted toward the Maximum Processing Time.

For Priority 1 Incidents, the time is measured in real time, regardless of Local Office Times. For Incidents with any other priority, the time is measured in working hours during Partner's Local Office Time.

Article 5   Partner Support Duties

Before forwarding an Incident to SAP, Partner must have performed all its Partner Support Duties to try to resolve the Incident using tools and resources indicated in this VAR Delivered Support Model. Below is a description of the scope of support tasks for which Partner is responsible ("**Partner Support Duties**"). These tasks can be referred to as first level and second level support, although in reality these duties are usually performed by the same support consultant or group.

Customer Communication

- Acknowledging receipt of the Incident to the Supported End User.
- Continually updating the Supported End User on the progress of the Incident and notifying the Supported End User whenever an Incident is forwarded to another person within the partner organization or to SAP Support Organization.
- Communicating the solution to Supported End User.

Incident Administration

- Documenting the progress of the investigation in the Incident.
- Translating: All Incidents forwarded by Supported End User/Partner to SAP must be written in English. If the Incident was originally sent by the Supported End User to the Partner in a language other than English, the Partner must write a technical handover summary in English before forwarding it to SAP.
- Assigning the Incident to the correct "SAP component" (queue) in SAP's support system.

- Specifying the Incident priority according to the definitions in SAP Note 67739.
- Describing the business impact of the problem.
- Splitting up Incidents that describe more than one problem into separate reports so that only one problem is described in each Incident.
- Following the appropriate defined process if the issue is a product enhancement request or configuration change request.
- Making sure that the remote connection to the SAP Support Network, including SAP Solution Manager where mandatory, is open and functional.
- Providing a comprehensive problem description, including:
  o Complete technical environment information of the system where the Incident occurred (e.g. operating system, database, support package level);
  o Step by step description of the workflow leading to the Incident;
  o Full syntax of the Incident;
  o Changes to the technical environment since last known functioning state;
  o Which SAP Notes or Knowledge Base Articles have been applied to try to resolve the issue; and
  o Any documents that provide additional information about the problem, e.g. log files or screenshots.
- Summarizing the current status of the investigation and listing the actions taken to troubleshoot the Incident, before forwarding the Incident to another person within the partner organization or to SAP Support Organization.

Technical Investigation

- Searching available SAP knowledge repositories for known issues and solutions/workarounds, e.g. SAP Notes, SAP Knowledge Base Articles, SAP Community Network.
- Checking the customizing settings.
- Connecting remotely to End User's system as part of the troubleshooting process.
- Using the tracing, monitoring, debugging and remote supportability tools made available by SAP, to analyze the issue.
- Reproducing and validating the problem.
- Isolating the problem to demonstrate the root cause.
- Deciding if the Incident is due to a product defect or not:
  o Proposing appropriate system configuration or workaround if the cause for the Incident is not a defect in the Supported Software; and
  o Forwarding the Incident to SAP Support if the cause for the Incident is a defect in the Supported Software and if no SAP Note or Support Package is available to solve the Incident.
- Testing the solution:
  o Testing, validating and accepting the solution before presenting it to the Supported End User;
  o Working with the end customer to implement the solution; and
  o Backing up all relevant data before the solution is installed (when possible).

Article 6   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.