

SAP Ariba Cloud Services Supplemental Terms and Conditions Attachment 3 - Ariba Strategic Payables Terms

This Attachment 3 contains the product-specific terms and conditions for Ariba Strategic Payables and is incorporated into, and made part of, the Supplemental Terms and Conditions for Ariba Cloud Services. Any modifications to the Agreement made herein, apply solely to Ariba Strategic Payables and not to any other SAP Cloud Service.

1. COMPONENTS

Ariba Strategic Payables is a Cloud Service comprised of the following service elements (each a "**Component**"), including certain other features, provided by SAP to Customer on a subscription basis as a single package and described in the most current version of the Documentation:

- a) AribaPay (for use in the United States Territory) (referred to as "**AribaPay**");
- b) AribaPay (for use in Canada) (included in references to "**AribaPay**");
- c) Ariba Discount Professional; and
- d) Ariba Supply Chain Financing.

SAP may, through its regular updates, make additional services elements or features available to Customer as part of Ariba Strategic Payables, which Customer, may use subject to Customer's agreement to the then-current applicable product-specific terms and conditions for Ariba Strategic Payables and/or execution of terms and conditions with a third party service provider or payment processors (if applicable). SAP may remove a Component from Ariba Strategic Payables if SAP is not going to continue making such element commercially available (e.g. relationship with the third party service provider is discontinued and no alternate provider is reasonably available) and in such case SAP shall inform Customer at least six (6) months in advance of such change. If Customer establishes that removal of such Component materially reduces the Cloud Service as applicable to Customer, Customer may terminate its subscription to Ariba Strategic Payables by providing written notice to SAP within thirty days after receipt of SAP's informational notice, and, in case of such termination, Customer will be entitled to a pro-rata refund in the amount of the unused portion of prepaid fees for the terminated subscription calculated as of the effective date of termination, and a release from the obligation to pay fees due for periods after the effective date of termination.

2. ADDITIONAL DEFINITIONS

2.1 "AribaPay Supplier" means a supplier who

- (a) has a trading relationship on the Ariba Network with Customer; and
- (b) has enabled receipt of payments via AribaPay, whether or not such supplier has actually received a payment via AribaPay.

2.2 "Ariba-Side AribaPay Services" means the portion of AribaPay consisting of functionality provided by SAP to:

- (a) forward payment information from Customer to the AribaPay Processor for processing a payment to an AribaPay Supplier; and
- (b) return status information to the Customer regarding such payments.

2.3 "Ariba-Side SCF Services" means the portion of Ariba Supply Chain Financing consisting of functionality provided by SAP to:

- (a) forward approved invoice information from Customer to the SCF Processor to provide SCF Suppliers with the opportunity to finance the receivable;
- (b) send the updated payment proposal from the SCF Processor to the Customer ERP if an SCF Supplier traded the underlying invoice or if Customer sent a payment date that falls on a bank holiday or weekend; and
- (c) send the remittance details from the SCF Processor to the Customer ERP for allowing the Customer to clear open payables paid to an applicable SCF Supplier.

2.4 "Discount Professional Features" means the portion of Ariba Discount Professional consisting of electronic functionality accessible via the Internet and any related incidental software components.

2.5 "Discount Professional Services" means the portion of Ariba Discount Professional consisting of a set of pre-defined services provided by SAP to Customer on a subscription basis and designed to support Customer's early pay discount program initiative involving the use of Discount Professional Features.

2.6 "Master Services Agreement" means, collectively, an agreement between Customer and the SCF Processor for receipt of SCF Processing Services and any other terms between Customer and the SCF Processor related to the SCF Processing Services. SAP is not party to the Master Services Agreement nor is any SAP Affiliate.

2.7 "Participation Agreement" means, collectively, an agreement between Customer and the AribaPay Processor for participation in the AribaPay Processor's Payments Network, and any other terms between Customer and the AribaPay Processor related to the AribaPay Processing Services. SAP is not party to the Participation Agreement nor is any SAP Affiliate.

2.8 "AribaPay Processing Services" means the portion of AribaPay consisting of payment processing services to settle payments between Customer and AribaPay Suppliers, including every function of AribaPay related to the processing or transmission of payments or funds, the provision of any payment intermediary-related services, the debiting or crediting of bank accounts, holding funds, processing payments, holding account numbers, and/or otherwise acting as a payment processor, all of which are provided solely by the AribaPay Processor(s), its affiliates, and/or service providers pursuant to the Participation Agreement, and none of which are provided by SAP.

2.9 "AribaPay Processor" is DFS Services, LLC for AribaPay Processing Services in the United States Territory and Discover Financial Services (Canada) Inc. for AribaPay Processing Services in Canada.

2.10 "Spend" (abbreviation: "SPD") has different meanings depending upon the specific Cloud Service to which it is applied. For Ariba Strategic Payables, "Spend" means the total monetary amount of transactions processed by Customer through the Cloud Service in the applicable Subscription Period calculated by adding the total monetary amount of: (i) payment transactions executed during such Subscription Period between Customer and Customer's AribaPay Supplier(s) processed by Customer through AribaPay; plus (ii) the total spend targeted for payment terms analysis and discounting during such Subscription Period through the Ariba Discount Professional service that was not processed for payments during that Subscription Period; plus (iii) The total spend targeted for payment terms analysis for Supply Chain Financing during such Subscription Period through Ariba Supply Chain Financing that was not processed for payments or targeted for Ariba Discount Professional during that Subscription Period.

2.11 "SCF Processing Services" means the portion of Ariba Supply Chain Financing enabling Customer to use third-party financing for its SCF Suppliers through the Ariba Network to leverage the SCF Processor's platform. This third-party financing helps Customer (a) accelerate the payment of approved invoices so that Customer's SCF Suppliers can receive earlier payments to reduce their 'days sales outstanding' ("DSO"), and (b) extend its terms to increase its 'days payable outstanding' ("DPO").

2.12 "SCF Processor" is PrimeRevenue, Inc. for Supply Chain Financing Services in the SCF Standard Jurisdictions.

2.13 "SCF Standard Jurisdictions" means the European Economic Area, Switzerland, USA, Canada, Mexico, New Zealand, Australia, Singapore, Thailand, Hong Kong, Japan and South Africa. Other countries may be added to the SCF Standard Jurisdictions only upon a separate signed agreement between Customer, SAP, and SCF Processor.

2.14 "SCF Supplier" means a supplier who has:

- (a) a trading relationship on the Ariba Network with Customer; and
- (b) enabled Supply Chain Financing via the Ariba Network, whether or not such supplier has actually traded receivables via Ariba Supply Chain Financing.

2.15 "United States Territory" means the United States and Puerto Rico.

3. ARIBAPAY

3.1 Governing Contract Terms. AribaPay is provided, collectively, by Ariba, Inc. (pursuant to the Order Form with SAP or an authorized reseller) and by the AribaPay Processor (pursuant to the Participation Agreement).

- (a) In using AribaPay, Customer has a separate commercial relationship with SAP and the AribaPay Processors, pursuant to the Order Form and the Participation Agreement(s), respectively.
- (b) Access to and use of AribaPay, including receipt of the Ariba-Side AribaPay Services, is conditioned upon Customer's acceptance of the Participation Agreement with an AribaPay Processor. For clarity, SAP is not responsible for the operation of the systems underlying the AribaPay Processing Services and any use of such systems by Customer is governed under the Participation Agreement that Customer executes with an AribaPay Processor. Notwithstanding the foregoing, the warranty for the Cloud Service set forth in the GTC shall apply to Ariba Strategic Payables in its entirety, including the AribaPay Processing Services associated with AribaPay, subject to the terms, conditions and sole remedies set forth therein.

3.2 AribaPay Processing Services. SAP does not provide any portion of the AribaPay Processing Services. SAP points out that:

- (a) SAP is not responsible for the acts or omissions of an AribaPay Processor, its affiliates, or service providers, or any claims related to the AribaPay Processing Services except for the Cloud Service set forth in the GTC;
- (b) Any claim regarding an AribaPay Processor's acts or omissions and/or the AribaPay Processing Services may only be brought against such AribaPay Processor pursuant to the Participation Agreement, subject to any limitations contained therein; and
- (c) SAP shall not be liable for any damages resulting from incorrect payment instructions, data errors, or transaction data provided by Customer in a request to initiate a payment transaction through AribaPay.

3.3 Underlying Transactions. Neither AribaPay Processor nor SAP is obligated to resolve disputes between Customer and other customers of Ariba Strategic Payables, including AribaPay Suppliers, with respect to the transactions for which payments are initiated using AribaPay. Determining the rights, responsibilities and remedies regarding the transactions for which payments are initiated via the Cloud Service (including, for example, issues of offer, acceptance, passing of title, and examination of goods) or any other matters related to the sale or lease of goods or services is solely the responsibility of Customer and its AribaPay Suppliers.

3.4 Initiating AribaPay Transactions. It is solely Customer's responsibility to:

- (a) initiate payment transactions through AribaPay
- (b) implement appropriate security precautions regarding which Customer's Authorized Users have authority to initiate payment transactions
- (c) validate the AribaPay Suppliers to receive payment as required; and
- (d) determine if the Cloud Service will meet Customer's own particular internal, legal and regulatory requirements related to the submission and processing of payments in satisfaction of outstanding invoices.

3.5 Territorial Restrictions for AribaPay. AribaPay is only currently available in the United States Territory and Canada ("**Approved Territories**") and may be used with regard to transactions with a selling organization that has subscribed to the AribaPay Service for Suppliers in the applicable Approved Territory. Customer represents and warrants that Customer, and any Customer Affiliate allowed by Customer to use AribaPay on behalf of Customer in an Approved Territory: (i) is incorporated or organized in the Approved Territory and actively engaged in the sale or purchase of goods and/or services; (ii) will, for transactions in the United States Territory, only designate a U.S. Dollar (\$)

denominated settlement account maintained at a bank, credit union, or similar financial institution located in the United States Territory as the named settlement account under the Participation Agreement, for the purpose of AribaPay; and (iii) will, for transactions in Canada, only designate a Canadian Dollar (\$) denominated settlement account maintained at a bank, credit union, or similar financial institution located in Canada as the named settlement account under the Participation Agreement, for the purpose of AribaPay

3.6 Cross Border Transactions. The Cloud Service does not include payment from an Approved Territory to an AribaPay Supplier located in another jurisdiction, or vice versa.

3.7 Export Law. Customer agrees to not use Ariba Strategic Payables in any manner that may cause a violation by SAP or the AribaPay Processor of any (i) U.S. economic sanctions, laws, regulations or orders administered by OFAC or (ii) Canadian Sanctions Laws.

3.8 Tax Treatment. For purposes of clarity, with respect to the fees payable by Customer for use of Ariba Strategic Payables, Customer shall be treated as the Payor with respect to SAP for Tax purposes notwithstanding the AribaPay Processing Services provided by the AribaPay Processor

3.9 Consent to provide Data to AribaPay Processor and SAP Affiliates. As part of providing AribaPay, SAP, may disclose and transfer any information that Customer provides through AribaPay to: (i) any company within the SAP SE group of companies, its affiliates, agents, service providers or information providers in the performance of AribaPay; (ii) to the AribaPay Processor and to affiliates and service providers of the AribaPay Processor; (iii) to any other person or entity with Customer's consent; or (iv) if SAP has a right or duty to disclose or is permitted or compelled to so disclose such information by law. Customer consents to the transmission, transfer or processing of such information to, or through, any country in the world, as SAP deems necessary or appropriate. To the extent that Customer provides to SAP or authorizes SAP to collect any information about an identifiable individual ("Personal Information") (including Personal Information of Customer employees and representatives), Customer confirms that it has obtained the consent of each such individual to provide that Personal Information to SAP and for SAP to disclose and transfer that Personal Information as described above in this paragraph. Customer further confirms that Customer has obtained the consent of each such individual for SAP and the Payment Processor to collect, use, disclose and transfer that Personal Information for the purpose of providing and administering AribaPay, including by the Payment Processor in accordance with the Participation Agreement.

4. Ariba Discount Professional

4.1 SAP's provision of the Discount Pro Services is subject to, and conditioned upon, the assumptions and Customer's fulfillment of its responsibilities and obligations (including the Best Practice Requirements) set forth in the Documentation.

5. Ariba Supply Chain Financing

5.1 Governing Contract Terms. Ariba Supply Chain Financing is provided collectively by Ariba, Inc. (pursuant to the Order Form with SAP) and by the SCF Processor (pursuant to the Master Services Agreement between Customer and SCF Processor).

- (a) Access to and use of Ariba Supply Chain Financing, including receipt of the Ariba-Side SCF Services, is conditioned upon Customer establishing a separate commercial relationship with SAP and the SCF Processor by signing the Order Form with SAP and the Master Services Agreement with SCF Processor.
- (b) The SCF Processing Services are provided solely by the SCF Processor and its affiliates and not by SAP. SAP is not responsible for the operation of the SCF system underlying the SCF Processing Services and any use of such SCF system by Customer is governed under the Master Services Agreement that Customer executes with SCF Processor. Notwithstanding the foregoing, the warranty for the Cloud Service set forth in the GTC shall apply to Ariba Strategic Payables in its entirety, including the SCF Processing Services associated with

Ariba Supply Chain Financing, subject to the terms, conditions and sole remedies set forth therein.

5.2 SCF Processing Services. Customer agrees that:

- (a) SAP is not responsible for the acts or omissions of SCF Processor, its affiliates, or service providers, or any claims related to the SCF Processing Services except for the limited warranty for the Cloud Service set forth in the GTC;
- (b) Any claim regarding SCF Processor's acts or omissions and/or the SCF Services may only be brought against SCF Processor pursuant to the Master Services Agreement, subject to any limitations contained therein; and
- (c) SAP shall not be liable for any damages resulting from incorrect payment instructions, data errors, or transaction data provided by Customer in a request to initiate a payment transaction through Ariba Supply Chain Financing.

5.3 Underlying Transactions. Neither SCF Processor nor SAP is obligated to resolve disputes between Customer and other customers of Ariba Strategic Payables, including SCF Supplier(s), with respect to the transactions for which payments are initiated using Ariba Supply Chain Financing. Determining the rights, responsibilities and remedies regarding the transactions for which payments are initiated via the Cloud Service (including, for example, issues of offer, acceptance, passing of title, and examination of goods) or any other matters related to the sale or lease of goods or services is solely the responsibility of Customer and its SCF Supplier(s).

5.4 Initiating Ariba Supply Chain Financing Transactions. It is solely Customer's responsibility to:

- (a) send Customer-approved invoices eligible for processing through Ariba Supply Chain Financing that an SCF Supplier may or may not choose to process through SCF Supplier's use of Ariba Supply Chain Financing;
- (b) implement appropriate security precautions regarding which Customer's Authorized Users have authority to access and use Ariba Supply Chain Financing transactions;
- (c) validate the SCF Supplier(s) to receive payment as required; and
- (d) determine if the Cloud Service will meet Customer's own particular internal, legal and regulatory requirements.

5.5 Territorial Restrictions for Ariba Supply Chain Financing. Ariba Supply Chain Financing is only currently available in the SCF Standard Jurisdictions and may be used with regard to transactions with an SCF Supplier that has subscribed to the Supply Chain Finance Service for Suppliers in the SCF Standard Jurisdictions. Customer represents and warrants that Customer and any Customer Affiliate that accesses or uses Ariba Supply Chain Financing on behalf of Customer will do so only in the SCF Standard Jurisdictions, is incorporated or organized in the SCF Standard Jurisdictions and is actively engaged in the sale or purchase of goods and/or services in an SCF Standard Jurisdiction.

5.6 Cross Border Transactions. The Cloud Service does not include invoice financing to or from any country outside of the SCF Standard Jurisdictions.

5.7 Export Law. Customer agrees to not use Ariba Supply Chain Financing in any manner that may cause a violation by SAP or SCF Processor of any (i) U.S. economic sanctions, laws, regulations or orders administered by OFAC or (ii) any other laws, regulations, rules, or orders applicable to any country within the SCF Standard Jurisdictions.

5.8 Tax Treatment. For purposes of clarity, with respect to the fees payable by Customer for use of Ariba Strategic Payables, Customer shall be treated as the 'payer' with respect to SAP for Tax purposes notwithstanding the SCF Processing Services provided by the SCF Processor.

5.9 Consent to provide Data to SCF Processor and SAP Affiliates. As part of providing Ariba Supply Chain Financing, SAP, may disclose and transfer any information that Customer provides through Ariba Supply Chain Financing to: (i) any company within the SAP SE group of companies, its affiliates, agents, service providers or information providers in the performance of Ariba Supply Chain Financing; (ii) to the SCF Processor and to affiliates and service providers of the SCF Processor; (iii) to any other person or entity with Customer's consent; or (iv) if SAP has a right or duty to disclose or is permitted

or compelled to so disclose such information by law. Subject to applicable law, Customer consents to the transmission, transfer or processing of such information to, or through, any country in the world, as SAP deems necessary or appropriate. To the extent that Customer provides to SAP or authorizes SAP to collect any information about an identifiable individual ("**Personal Information**") (including Personal Information of Customer employees and representatives), Customer confirms that it has obtained the consent of each such individual to provide that Personal Information to SAP and for SAP to disclose and transfer that Personal Information as described above in this paragraph. Customer further confirms that Customer has obtained the consent of each such individual for SAP and the SCF Processor to collect, use, disclose and transfer that Personal Information for the purpose of providing and administering Ariba Supply Chain Financing, including by SCF Processor in accordance with the Master Services Agreement.

5.10 Use of Customer Data by SCF Processor. Customer understands and agrees that SCF Processor's use of Customer data shall be governed by the data use and data privacy policies of the SCF Processor, which Customer will have to agree to prior to receiving any SCF Services from such SCF Processor.

5.11 Third Party Claims. In addition to any and all other applicable restrictions and/or limitations set forth in the GTC, SAP's indemnification obligations related to Customer's or its Affiliates' use of Strategic Payables is further subject to the SCF Standard Jurisdiction restrictions set forth in this Attachment.