SAP Business ByDesign
Supplemental Terms and Conditions

This Supplement is part of an Agreement for SAP Cloud Services between SAP and Customer and applies only to the SAP Business ByDesign services to which Customer is subscribed ("Cloud Service"). Any documents referenced in this Supplement are available upon request.

1. CLOUD SERVICE

The Cloud Service is a cloud ERP solution designed for mid-market businesses.

2. FEES

2.1. The Usage Metrics for the Cloud Service are Entitlements Package, plus Users. Users means individuals authorized to access the Cloud Service.

2.2. Public Edition

2.2.1. The Public Version Entitlements Package is a fee per calendar month, and includes two Advanced Users and three Core Users. The Public Edition includes three country-specific versions. If Customer requires more than three country-specific versions, Customer must purchase one subscription for each additional country-specific version.

2.2.2. The Public Edition includes one productive tenant and one test tenant. The included test tenant is only available during the implementation phase of the Cloud Service and for testing the effects of release changes to the Cloud Service and as such is not permanent. Customer may purchase subscriptions to additional Cloud Service test tenants or additional Cloud Service productive tenants.

2.3. Private Edition

2.3.1. The Private Edition is an optional service and includes a dedicated multi-tenant system for single customer usage and customized maintenance windows. The Private Edition includes fifty (50) Advanced Users and three country-specific versions. If Customer requires more than three (3) country-specific versions, Customer must purchase one (1) subscription for each additional country-specific version.

2.3.2. Customer may elect to have up to ten (10) production tenants on a Private Edition system. Each productive tenant comes with a test tenant. These included test tenants are only available during the implementation phase of the referring productive tenant and are for testing the effects of release changes to the Cloud Service and as such are not permanent. Customer may purchase subscriptions to additional Cloud Service test tenants or additional Cloud Service productive tenants.

2.4. There are three (3) categories of Users that may be purchased with a subscription to the Cloud Service. Pricing and functionality vary for each category.

2.4.1. **Advanced User** - Advanced Users can use the complete set of all available SAP Business ByDesign functionality, which includes all available Work Centers.

2.4.2. **Core User** - A Core User can fulfill daily business tasks all over. Starting from master data creation to proceeding all covered Business Process Procedures steps. Besides this, all approval tasks, independent in which application area, can be processed by a Core User.

2.4.3. **Self-Service User** - Self-service Users are employees who do not use core functionality, but access self-service functions incidental to their work – such as purchasing, travel and expense, and human resources.

2.5. The Cloud Service test tenant provides Customer a permanent test tenant for which Customer has a subscription and the use of the SAP Business ByDesign development environment (the "SAP Cloud Applications Studio" as outlined in Section 5. below). The Usage Metric for test tenants is "Tenant(s)". A "Tenant" means a customer-specific instance of the Cloud Service.

2.6. The additional Cloud Service productive tenant allows for use additional Advanced or Core Users. A minimum of five (5) User must be subscribed per additional Cloud Service productive tenant if Customer has not subscribed a minimum of five (5) User already subscribed on top of the Public Edition. The additional Cloud Service productive tenant includes one (1) test tenant, which is only available during the implementation phase of the Cloud Service and for testing the effects of release changes to the Cloud Service and is therefore not a permanent tenant.

3.   ADD-ONS FOR CLOUD SERVICE

3.1.   SAP will incorporate into Customer´s Cloud Service environment add-ons for SAP Business ByDesign ("Add-on(s)") which Customer has licensed from authorized SAP partners, or which Customer has developed, or which have been developed by an authorized SAP partner specifically for use by Customer only (the latter two called "Customer-specific Add-on(s)").

3.2.   SAP shall not be responsible for the support of any Add-on.

3.3.   SAP will activate or de-activate a partner Add-on upon notification by the respective authorized SAP partner. SAP is not responsible for uploading a Customer-specific Add-on into Customer´s Cloud Service environment.

3.4.   SAP reserves the right to refuse to incorporate an Add-On into Customer´s Cloud Service system, or to temporarily or permanently deactivate an Add-On at any time if (i) SAP reasonably believes such Add-On may have a negative impact on Customer´s Cloud Service system (ii), such Add-On fails to meet SAP quality standards for Add-ons made available by SAP, or (iii) Customer is in breach of any term or condition of its Agreement with SAP.

3.5.   Use of an Add-On is at Customer's sole risk and SAP shall not be responsible for any changes or modifications of Customer Data by or through an Add-On. SAP incorporates Add-Ons into Customer´s Cloud Service environment "AS IS" and without any warranty, express or implied. SAP does not warrant that an Add-On is or will be available without interruption, including, without limitation, during any standard maintenance windows for Cloud Service.

3.6.   SAP shall not be responsible for any negative impact of an Add-On on the availability, functionality or performance of Customer´s Cloud Service system.

3.7.   Customer shall be solely responsible (i) for verifying that the Cloud Service meets Customer's compliance requirements and (ii) for adapting existing functionality to legal and regulatory requirements relevant for Customer. Statutory and tax reporting functionalities in an unsupported country will not be provided by the Cloud Service. In addition, the Cloud Service will not support local taxes for sales orders, purchase orders or financial posting outside the supported countries.

3.8.   SAP may provide Customer additional functionality for the Cloud Service by offering SAP Add-Ons made available through a dedicated webpage. These SAP Add-ons may only be licensed through an electronic contracting process and Customer expressly accepts the validity and enforceability of any contract accepted by Customer and SAP through such electronic contracting process.

4.   DEVELOPMENT ENVIRONMENT

Use of the SAP Business ByDesign development environment (SAP Cloud Applications Studio) is subject to the terms set forth in **Attachment 1** to this Supplement.

Attachment 1

1. USE RIGHTS

1.1. SAP grants to Customer a non-exclusive, limited license for Users to develop and test a Customer Solution with the SAP Business ByDesign development environment. The SAP Business ByDesign development environment may only be used to create a Customer Solution using the SAP Cloud Applications Studio. A Customer Solution cannot be further distributed or licensed.

1.2. SAP and its Affiliates are permitted to independently develop and modify the Cloud Service in any way, and create new products and services, including those that are similar or comparable to a Customer Solution.

2. SAP OBLIGATIONS

2.1. SAP will allow Customer to incorporate a Customer Solution into Customer's Cloud Service environment.

2.2. Customer grants to SAP a non-exclusive license to operate and support a Customer Solution.

2.3. Except as expressly set forth in this Attachment 1, SAP is not responsible for a Customer Solution.

3. CUSTOMER OBLIGATIONS

3.1. Customer will ensure that a Customer Solution remains compatible and interoperable with the Cloud Service.

3.2. Customer will defend SAP against claims brought against SAP, SAP SE, its Affiliates and subcontractors by any third party related to a Customer Solution. Customer will indemnify SAP against all damages finally awarded against SAP, SAP SE, its Affiliates and subcontractors (or the amount of any settlement Customer enters into) with respect to these claims.

4. INTELLECTUAL PROPERTY RIGHTS

Customer owns the intellectual property rights to the portions of a Customer Solution that it develops, excluding the Cloud Service, Cloud Materials, and SAP pre-existing materials and any derivative works thereto.

5. ADDITIONAL TERMS

A Customer Solution must not: (i) unreasonably impair, degrade or reduce the performance or security of the SAP Cloud Service or the with the SAP Business ByDesign development environment; (ii) enable the bypassing or circumventing of SAP license restrictions and/or provide users with access to the SAP Cloud Service or the with the SAP Business ByDesign development environment to which such users are not properly licensed; or (iii) render or provide, without written consent from SAP, any information concerning SAP products.

6. DEFINITIONS

6.1. "APIs" means SAP's application programming interfaces, as well as other commands or instructions provided under this Agreement, that allow other software products to communicate with or call on the Cloud Service or the with the SAP Business ByDesign development environment provided under this Agreement.

6.2. "Customer Solution" means a solution developed or packaged by Customer using the with the SAP Business ByDesign development environment that adds new and independent functionality beyond that provided by the SAP Cloud Solution or that connects via APIs.