

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 by Design 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 Base Fee Entitlements Package, plus Users. Users means individuals authorized to access the Cloud Service.
- 2.2. The Base Fee Entitlements Package is a fee per calendar month, and includes two Advanced Users and three Core Users. The Base Fee 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.
- 2.3. There are three categories of Users that may be purchased with a subscription to the Cloud Service. Pricing and functionality vary for each category.
 - a) **Advanced User** - Advanced Users can use the complete set of all available SAP Business ByDesign functionality.
 - b) **Core User** - Core Users are employees who need access to only one business area at a time and not to multiple business areas simultaneously – such as sales force automation, purchasing, project management or supply chain management – to do their jobs. They are allowed to use core functionality to fulfill their tasks end-to-end.
 - c) **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.
- 2.4. The Base Fee includes one production 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 test tenants that are described in the Documentation (each a "**Test Tenant**"). No more than fifty (50) Users for which Customer has a subscription may access each Test Tenant. The Usage Metric for Test Tenants is Tenants. A Tenant means a customer-specific instance of the Cloud Service.

3. SAP BUSINESS BY DESIGN, EXPRESS PACKAGE

- 3.1. The Usage Metric for SAP Business ByDesign, express package is Entitlements Package, plus Users. The fee includes five Users. Users means individuals authorized to access SAP Business ByDesign, express package. Customer may add additional Users on a per-User basis by subscribing to SAP Business ByDesign, express package, core user.
- 3.2. The fee for SAP Business ByDesign, express package includes one production tenant. The included test tenant is only available during the implementation phase of Business ByDesign, express package and as such is not permanent.
- 3.3. Add-ons (as defined below) are not available for SAP Business ByDesign, express package. Further, the SAP Cloud Application Studio and the Private Edition are not included in or available with SAP Business ByDesign, express package. As such, the use of Cloud Service APIs (except for APIs related to the included functional scope) is excluded.

4. GO-LIVE, SYSTEM ACCESS AND OTHER CUSTOMER OBLIGATIONS.

Customer's productive use of the Cloud Service will commence once Customer has activated the "**Confirm Go-Live**" activity in the business configuration of Customer's Cloud Service system. SAP's verification of readiness for productive use will take place when the activity "Request for Go-Live" is activated by Customer.

5. ADD-ONS FOR CLOUD SERVICE

- 5.1. SAP will incorporate into Customer's Cloud Service environment add-ons for SAP Business By Design ("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)").
- 5.2. SAP shall not be responsible for the support of any Add-on.
- 5.3. 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.
- 5.4. 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.
- 5.5. 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.
- 5.6. 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.
- 5.7. 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.
- 5.8. 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.

6. CLOUD APPLICATIONS STUDIO

Customer may subscribe to the optional SAP Cloud Applications Studio. Customer's use of the SAP Cloud Applications Studio is subject to the terms set forth in **Attachment 1** to this Supplement. Customer must subscribe to an additional Test Tenant with the SAP Cloud Application Studio for a term equal to the term of the subscription for the Cloud Application Studio.

7. PRIVATE EDITION

SAP Business by Design, Private Edition is an optional service and includes a dedicated multi-tenant system for single customer usage and customized maintenance windows. Customer may elect to have up to 10 production tenants on a Private Edition system. These additional production tenants do not replace Test Tenant requirements. A minimum subscription of 200 Core Users and/or Advanced Users is required for a subscription to SAP Business by Design, Private Edition.

Attachment 1

Supplemental Terms for use of SAP Cloud Applications Studio

1. USE RIGHTS

- 1.1. SAP grants to Customer a non-exclusive, limited license for Users to use the Cloud Applications Studio and its Documentation to develop and test the Customer Solution. The SAP Cloud Service may only be enhanced to create the Customer Solution using the Cloud Application Studio. The Customer Solution will not 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 the Customer Solution.

2. SAP OBLIGATIONS

- 2.1. SAP will allow Customer to incorporate the Customer Solution into Customer's Cloud Service environment.
- 2.2. Customer grants to SAP a non-exclusive license to operate and support the Customer Solution.
- 2.3. Except as expressly set forth in this Attachment 1, SAP is not responsible for the Customer Solution.

3. CUSTOMER OBLIGATIONS

- 3.1. Customer will ensure that the 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 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 the Customer Solution that it develops, excluding the Cloud Service, Cloud Materials, and SAP pre-existing materials and any derivative works thereto.

5. ADDITIONAL TERMS.

The Customer Solution must not: (i) unreasonably impair, degrade or reduce the performance or security of the SAP Cloud Service or the Cloud Applications Studio; (ii) enable the bypassing or circumventing of SAP license restrictions and/or provide users with access to the SAP Cloud Service or the Cloud Applications Studio 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 Cloud Applications Studio provided under this Agreement.
- 6.2. "Cloud Applications Studio" means the SAP development environment to which SAP grants Customer use rights for development of the Customer Solution.
- 6.3. "Customer Solution" means a solution developed or packaged by Customer using the Cloud Applications Studio that adds new and independent functionality beyond that provided by the SAP Cloud Solution or that connects via APIs.