

FY19 Campaign Terms

CAMPAIGN AGREEMENT ("Campaign Agreement") FOR

CEE FY19H2 Office 365 Adoption Campaign - CSP Indirect Resellers and CSP Direct Partners
("**Program**")

OFFERED BY MS ROC ("**Microsoft**") and/or

OFFERED BY MS Subsidiary ("**Microsoft**")

1. **PROGRAM OVERVIEW**

Microsoft extends to eligible partners the opportunity to participate in the Program referenced above subject to these Program Terms & Conditions ("Program Terms"). Each entity participating in the Program is hereinafter referred to as a "**Participant**." Participation in the Program is voluntary.

The Program is governed by the Program Terms, which incorporate by reference the Microsoft Partner Network Agreement (as in effect between Microsoft and Participant, the "MPN Agreement"). Capitalized terms used but not defined in these Program Terms have the meanings assigned to them in the MPN Agreement. These Program Terms are subject to local requirements and may vary by jurisdiction, and Participant retains sole discretion to set pricing for sales of applicable products.

BY PARTICIPATING IN THE PROGRAM, SUBMITTING INFORMATION TO MICROSOFT IN CONNECTION WITH THE PROGRAM, OR ACCEPTING ANY PAYMENTS FROM MICROSOFT AS A RESULT OF THE PROGRAM, PARTICIPANT AGREES TO AND ACCEPTS THESE PROGRAM TERMS.

2. **TERM**

The Program term begins on February 1, 2019 and ends on June 30, 2019 ("**Term**"). Microsoft may update, change, cancel or terminate the Program or the Term or any portion of these Program Terms at any time.

3. **COMPANY ELIGIBILITY**

To be eligible for a Program and the associated incentives, Participant must:

- Have an active MPN membership.
- Remain in compliance with the Program Terms.
- Provide any required banking information, including account number(s), to Microsoft (or the third-party payment vendor authorized and designated by Microsoft) for the purpose of receiving Incentive Payments under this Program.
- Provide any required reporting set forth below directly to Microsoft (or its designated third party) by the stated deadline.
- If requested, provide acceptable proof of performance to Microsoft (or its designated third-party) by the stated deadline.
- Be eligible from the start date of the Program in order to participate except for CSP and Unmanaged Resellers who must be eligible by one month prior to Program end date.
- CSP Direct Partners and CSP Indirect Resellers already onboarded into global CSP Direct Partners and CSP Indirect Resellers incentive programs.

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- Territory CEE consists of the following countries: Albania, Armenia, Azerbaijan, Belarus, Bosnia and Herzegovina, Bulgaria, Croatia, Cyprus, Czech Republic, Estonia, Georgia, Greece, Hungary, Kazakhstan, Kosovo, Kyrgyzstan, Latvia, Lithuania, Macedonia (FYROM), Malta, Moldova, Mongolia, Montenegro, Poland, Romania, Serbia, Slovakia, Slovenia, Tajikistan, Turkmenistan, Ukraine, Uzbekistan.
- Territory EU EFTA consists of the following countries: Austria, Belgium, Bulgaria, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Latvia, Liechtenstein, Lithuania, Luxembourg, Malta, Monaco, Netherlands, Norway, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden, Switzerland, and United Kingdom.
- While participating partners in CEE and EU-EFTA are eligible, this program is designed to create business opportunities in CEE and is intended for partners and end customers based in CEE.

4. PAYMENTS

Rebate payments will be made to Participant by Microsoft as described below. Unless otherwise stated, any payment to Participant under this Program is independent of any other Microsoft Incentive program. Minimum pay-out to Participant is set at: \$200. If Participant accrues less than the minimum pay-out amount, Participant will forfeit the unpaid rebate amount. Maximum pay-out amount for Participant is capped at: \$20 000.

Microsoft Service Level Agreement for payouts is 90 days. Participant must report any errors, issues or disputes regarding the calculation and payment of Incentives to Microsoft in writing within 30 days of receipt of the applicable payment or report from Microsoft. If Microsoft has not received written notice from Participant within the 30-day period, Participant will be deemed to have accepted the calculation or payment. Microsoft reserves the right at any time to adjust the payment to a Participant, if Microsoft identifies any discrepancy, error or omission. Unclaimed payments that are outstanding for more than 90 days will be forfeited.

Credit note: The Rebate will be paid to the partner's SAP ID for:

- Partners transacting in the subsidiary with Microsoft signed contracts in the subsidiary: Payment will be made to the SAP ID in the agreement signed with the subsidiary.
- Partners transacting in the subsidiary with Microsoft signed contracts in the ROC (Regional Operating Center): Payments will be made to their SAP ID in the agreement signed with the ROC.

Wire transfer (for those partners whom we don't have a direct contractual relationship with.): The Rebate will be paid by a 3rd party payment company or by Microsoft and may be converted from US Dollars to local currency.

Any rate of conversion will be based on the closing daily FX rates by Microsoft at the end of the campaign end-date.

Participant may be invited by Microsoft to a secure site for submitting banking details. Valid banking details are required for Microsoft to pay the Rebate amount. Failure to submit or correct banking details after the 3rd notification will result in claim being cancelled and funds forfeited. The recipient nominated in the banking details must be a company. The company name must be the same as the name of the

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Participant making a claim under this Program. Registration with personal banking details instead of a company banking details will result in claims being rejected.

Participant must be 100% payment compliant for all non-disputed invoices at month end to qualify for incentive payments. Payment compliance means that Participant's open account with Microsoft is current at all times.

5. **PRIVACY**

The information submitted by Participant when participating in the Program may include phone numbers, email address, ID number and other personal information of Participant's employee(s) ("Personal Information"). Microsoft will only use Personal Information in accordance with applicable data protection laws and regulations and Microsoft's privacy policy referred to below, for the purposes of administering Participant participation in the Program. For more details on Microsoft's privacy policy, please see: <http://www.microsoft.com/privacystatement/enus/core/default.aspx?componentid=pspCommunicationModule&View=description>.

6. **LIMITATION OF LIABILITY**

To the maximum extent permitted by applicable law, in no event shall Microsoft or any of its affiliates be liable for any damages or losses whatsoever (including, but not limited to, damages for loss of profits, for business interruption, for loss of privacy, for failure to meet any duty including of good faith or of reasonable care, for negligence and for any other pecuniary or other loss whatsoever) arising out of or in any way related to a party's participation in the Program, even if Microsoft has been advised of such damages, and even in the event of fault, tort (including negligence) or strict or product liability or misrepresentation. Unless there is an event giving rise to additional liability under applicable law, Microsoft's and its affiliates' liability is limited to the total amount payable to the party via a credit memo, arising out of the specific Program out of which the claim arose.

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Additional Program Terms for CEE FY19H2 Office 365 Adoption Campaign - CSP Indirect Resellers and CSP Direct Partners

"Affiliate" means any legal entity that owns, is owned by, or that is under common ownership with Participant or Microsoft. Ownership means control of more than a 50% interest.

"Distributor" means a distributor who is authorised by Microsoft to sell Eligible Products pursuant to a Microsoft channel agreement.

"Customer" means any legal entity (other than Participant or its Affiliate(s)) within the Territory that acquires Licensed Offerings for use as an end user, and not for distribution or resale.

"Licensed Offerings" means Licensed Software, Hardware, Services, Documentation Components and Software Assurance collectively.

"Microsoft" means the applicable Microsoft entity determined in accordance with the MPN Agreement.

"Reseller" means an entity (other than Participant's Affiliate(s)) within the Territory that purchases Licensed Offerings for resale directly to Customers.

"Territory" as stated in the general offer terms.

Program Summary: Eligible CSP partners will receive rebates for sales to Net New CSP customers and for assigning units under eligible product families during the campaign period.

Rebates will vary depending on the eligible product family, which is being assigned.

Program Details and Purpose: Program details are outlined in the below table.

Detailed Eligibility Criteria:

Criteria	Eligibility	Details
Effective date	February 1, 2019 to June 30, 2019.	Campaign starts on February 1, 2019 and end on June 30, 2019.
Customer segment	All Customer Segments.	Customers from all customer segments are eligible.
Partner Types	CSP Indirect Resellers and CSP Direct Partners.	CSP Direct Partners and CSP Indirect Resellers already onboarded into global CSP Direct Partners and CSP Indirect Resellers incentive programs.
Licensing Programs, Order Types, Product	CSP (Cloud Solution Provider) Program.	Eligible products sold through the Cloud Solution Provider (CSP) Program.

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Sales Criteria	Sales to Eligible Net New customers purchasing CSP for the first time during the campaign period and Assignment of Eligible Product Units.	Partners will receive rebates for sales to Net New CSP customers provided the sold products are assigned within the campaign period. Net New CSP Customers are net new "Tenants" who have not transacted CSP licenses prior to February 1, 2019. A "tenant" is a dedicated instance of a cloud service that an organization receives and owns when it signs up for a Microsoft cloud service such as Office 365. Each tenant is distinct and separate from other tenants. Assigned units: The ordered quantity that has been assigned to a tenant. Assignment takes place when a license is assigned to a unique user. Assigned does not mean that the end user has started to use the subscription, only that the unit is allocated to a machine/end-user.
Incentive Award	Up to 56 USD per assigned unit depending on the product family.	Eligible Products: Partners will receive rebates for sales to Net New CSP customers provided the sold products are assigned within the campaign period. O365 Business - \$13; O365 Business Premium - \$20; O365 E3 - \$32; O365 E5 - \$56; EMS E3 - \$15; EMS E5 - \$22.
Payment	After the end of the campaign.	Payments will be issued 90 days after the end of the campaign period (1 October, 2019) via wire transfer.
Thresholds & Requirements	Minimum and Maximum Thresholds apply.	The minimum pay-out per participant will be \$200. The maximum pay-out Participant will receive is \$20 000 per campaign.

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ELIGIBLE PRODUCT LIST:

Product/ Incentive Rebate
<u>O365 Business:</u>
Office365 Business - \$13
<u>O365 Business Premium:</u>
Office365 Business Premium - \$20
<u>O365 E3:</u>
Office 365 E3 - \$32
<u>O365 E5:</u>
Office365 E5 - \$56
<u>EMS:</u>
EMS E3 - \$15
EMS E5 - \$22