

# Program Guide for Microsoft Cloud Solution Providers (Worldwide)

This Microsoft Program Guide for Microsoft Cloud Solution Providers (“Program Guide”) provides additional requirements and guidelines regarding the resale of Products to Customers in the Territory. All terms used but not defined herein will have the meaning given to them in the Microsoft Cloud Reseller Agreement and Microsoft Cloud Distributor Agreement (as applicable, the “Agreement”). In the case of a conflict between the terms and conditions of this Program Guide and the Agreement, where such conflict is not expressly resolved by the documents, the terms and conditions of the Agreement shall control.

## 1. General Obligations and Requirements

### 1.1 Criteria and Performance

Microsoft may set criteria and preconditions for Company's continued authorization to distribute Products under the Microsoft Cloud Solution Provider Program. Microsoft may require Company to maintain a minimum number of certified employees, minimum sales targets and a minimum number of active Subscriptions.

Company's failure to comply with or meet those criteria and preconditions may constitute a fundamental breach of the Agreement and will constitute grounds for termination of the Agreement.

#### 1.1.1 Sales Competency

Company is strongly encouraged to invest in any Microsoft certifications or competencies needed to effectively support the sale, deployment or service of specific Microsoft Products and to maintain such certifications or competencies throughout the course of business.

Company is encouraged to achieve Gold Certified status for the Cloud Competency in the Microsoft Partner Network for the Products they distribute. Information regarding the Cloud Competencies can be found at: <https://mspartner.microsoft.com/en/us/Pages/Solutions/cloud-is-our-core.aspx>

To service the needs of Customers deploying Microsoft Dynamics Online Services, it is strongly encouraged that Company maintain MPN Competency for Cloud Customer Relationship Management if it resells Microsoft Dynamics Online Services. Information about the Cloud Customer Relationship Management competency can be found at: <https://mspartner.microsoft.com/en/us/pages/membership/cloud-customer-relationship-management-competency.aspx>

#### 1.1.2 Sales Readiness

Company will ensure that its employees become familiar with the Portal and consult the Portal on a regular basis for communications and notices, including updates to this Program Guide, price lists, policies, processes and other information.

Company will make best efforts to participate in all trainings and briefings offered either in person or via printed or online text and video to ensure the highest degree of technical and sales readiness for all relevant staff. Company agrees to make available for these trainings all sales and technical staff during normal working hours and will make best efforts to track and monitor the consumption and retention of these trainings.

Company will make best efforts, in the event of employee change or turnover, to ensure that the readiness level will be maintained.

#### 1.1.3 Customer Service Activation and Retention

Company will endeavor to drive not only sales, but usage, customer satisfaction and retention of the Products. Company agrees to implement, document, invest and maintain the systems, processes and tools necessary to ensure that Customers are acquired and retained via its relevant sales efforts. Company will actively measure or monitor the performance of such efforts including customer acquisition, user activation and deployment, and Customer renewals. In the event that monitored results (customer acquisition, activation, customer satisfaction, etc.) are not being met, Company will make best efforts to improve results.

#### 1.1.4 Customer Support

Company must provide Customer support for Products on a continuous basis and be the primary point of contact for its Customers at all times. Company must communicate and clearly display its support policies, support hours, incident response time and service levels to Customers upon purchase and thereafter.

Microsoft may require Company to maintain certain support performance levels, including Customer satisfaction, direct support volume from Customer to Microsoft, and invalid support escalations from Company to Microsoft. If Microsoft determines that Company is unable to meet these performance levels, upon request by Microsoft, Company will meet to discuss a remediation plan. If Microsoft determines that remediation is necessary, Company will provide a report to Microsoft of Company's support capabilities and will perform any necessary additional training of its personnel to support the remediation plan.

## **1.2 Customer Agreement**

Each Customer must be provided with a Customer Agreement and each Customer must accept the terms of the Agreement in a manner that creates a legally enforceable contract between Microsoft and the Customer. The current Customer Agreements are available on the Portal. Company must provide the applicable regional version of the Customer Agreement to the Customer based on the Customer location; some locations may have the Customer Agreement available in multiple languages.

## **1.3 Customer Service Level Agreement**

The current Online Services Service Level Agreement can be found at:

<http://www.microsoftvolumelicensing.com/DocumentSearch.aspx?Mode=3&DocumentTypeId=37>.

## **1.4 Portal**

Company will ensure that its employees use the Portal responsibly and that only authorized employees are given access accounts. Microsoft may provide tools for Company to use to self-administer its employee's access rights to the Portal and it will be Company's responsibility to use such tools to monitor and control its employee's access. In the event that Company has no access to the self-administration tools, or if Company requires assistance, Company will inform Microsoft if an employee should have their Portal account terminated.

## **2. Price Lists**

Prices for Products sold through the Microsoft Cloud Solution Provider program will be in the currency applicable to Company and reflected on Company's invoice. A list of countries and currencies is available from Microsoft.

Prices will be communicated via one or more price lists that are posted on the Portal and can also be currently found at <https://mspartner.microsoft.com/en/us/Pages/membership/cloud-reseller/getting-started.aspx#price-lists>. Microsoft may also make prices available via APIs or other tools for certain Products.

## **3. Ordering and Delivery of Products**

Company must electronically submit an order for all Products ordered by each of Company's Customers. Upon receipt of each order, Microsoft will provision the Products based on the Customer information provided by Company.

Company may only submit orders to Microsoft for Products via the Portal, or by such other reasonable means as Microsoft may specify from time to time. Company is responsible for submitting all required fields requested in the Portal for the Customer's Products to be delivered.

## **4. Subscription Offers and Billing**

### **4.1. Fixed Term Subscription Offers**

Fixed term Subscription Products are sold for a term of 12 months. New Subscriptions will expire 12 full calendar months after Company's next scheduled invoice date. For those new Subscriptions, the period between the order/provisioning and the Company's next scheduled invoice date will not be charged. All subsequent months are pre-billed pro-rata based on the applicable monthly Subscription price. The unit price for the Product will not change during the term of the Subscription (e.g. the price of the Product as of the Subscription start date will apply for all 12 months of the fixed term).

Subscriptions will be pre-billed monthly at Company's next scheduled invoice. Any subsequent adjustments to such Subscriptions (e.g. adding seats) made mid-billing cycle will be calculated and post-billed at the subsequent invoice. If a Subscription is cancelled before its fixed term expires and during Company's billing cycle, 1) Microsoft may provide a pro-rated credit for the un-used pre-paid portion of the cancelled Subscription in the Company's subsequent invoice and 2) Microsoft will not invoice Company for any future scheduled billings for that Subscription. At this time, Subscriptions that are cancelled will not incur an Early Termination Charge. At a future date, however, Early Terminations Charges may be incurred for new Subscriptions that are cancelled prior to their expiration.

Subscriptions will automatically renew for 12 months at the end of a subscription term. Renewal pricing will be based on the then-current pricing at renewal. If Customer chooses to not renew, Company must cancel the Subscription in advance of the next scheduled invoice.

## 4.2. Consumption Offers (also called Pay-As-You-Go)

Consumption offers are billed based on actual usage in the preceding month with no upfront commitment. Payment is on a monthly basis in arrears. Consumption offers do not expire unless cancelled. Subscriptions for consumption offers can be cancelled at any time and any usage before cancellation will be billed in the next scheduled invoice date.

Consumption offers will be billed at Company's next billing cycle, and will include all usage from the prior month. Pricing will be based on the pricing effective during the current billing cycle except when prices decrease or increase. The unit price for a Product sold on a Consumption basis may change during the Subscription period.

## 5. Additional Business Policies for Products

### 5.1. Microsoft Azure Services

#### 5.1.1. Preview Releases

Microsoft may make preview releases available from time-to-time. **Previews are provided "as-is," "with all faults," and "as-available,"** as further described in the Customer Agreement. Company is required to identify as a "Preview" any Products that are sold as a preview release to its Customers and refer Customers to their Customer Agreement and the Online Services Terms for applicable terms.

#### 5.1.2. Microsoft Azure Limits and Resource Management

Some Microsoft Azure services may include limits and maximum resources, known as "Usage Quota." Usage Quotas may change periodically. Refer to <http://azure.microsoft.com/en-us/documentation/articles/azure-subscription-service-limits/> for the latest information on Limits and the Azure Resource Manager. If Company or a Customer wants to raise a limit above a default limit, Company must submit a request to Microsoft on behalf of the Customer.

### 5.2. Government Offers

Products identified in the price list as "Government" may be provided only to Government Customers for their use. Company is responsible for validating Government Customer eligibility prior to any resale of such Product. "Government Customer" means any entity that meets the government eligibility found in the Customer Agreement. Company must retain documentation to validate a Government Customer's status in the event of an audit. Government Customer status validation must be in the form of a valid government purchase order. Company will use reasonable efforts to promote Government Products only to Government Customers. If Company markets Government Products, Company shall do so only with advertisement or marketing materials that clearly indicate that the Government Product is only available for purchase by Government Customers. Company will disclose all rebates, fees and other concessions to a Government Customer as required by law, regulations or the terms of the government solicitation

## 6. Invoice and Credit Terms

### 6.1. Invoice

Microsoft will provide invoices electronically by sending an invoice to a single individual or email alias designated by Company. The invoice will identify the price payable by Company in accordance with the pricing applicable to each Subscription. Microsoft's standard payment terms are Net Thirty (30). Company must remit payments to the account identified in Microsoft's invoice or another account Microsoft identifies. Payments not received within the required time frame may be assessed a finance charge of 1% of the invoice amount per month or the legal maximum, whichever is less.

### 6.2. Billing Reconciliation and Disputed Amounts

Microsoft will issue a billing reconciliation report on a monthly basis. The billing reconciliation will contain billing reconciliation information on Subscriptions, discounts and credits. In the event of a settlement dispute between Microsoft and Company, a case incident will be opened by Company. Company and Microsoft will review and resolve any disputes with respect to the settlement report. Upon resolution, a credit may be issued for the following month's invoice. For specific scenarios and examples of the invoice or billing reconciliation, refer to the Billing and Invoicing Guide found on the Portal.

### 6.3. Credit Terms and Security

Microsoft will inform Company in writing of the terms and any modifications to the terms outlined in section 6.1.

After review of Company's financial condition and overall credit worthiness, Microsoft may offer credit facilities to Company which may be revised or withdrawn (with effect from Microsoft's notification) if Company's financial circumstances change. To the extent that any and all credit offered by Microsoft to Company is withdrawn, all sums due and becoming due will become immediately due and payable and payment will then be made at the time orders

are placed or otherwise as Microsoft directs. Microsoft reserves the right to alter, change or revoke credit terms or to require any other credit enhancement to secure payment. Microsoft may request Company to and Company will promptly secure and provide Microsoft one or more bank guarantees, stand-by letter of credit, cash in advance or other forms of security, in amounts and a form, and with a bank acceptable to Microsoft.

Microsoft reserves the right to place Company's account on hold or reduce Company's credit limit to levels deemed appropriate by Microsoft if the financial statements or clarifications are not provided in a timely manner. Furthermore, during contract renewal or extension Microsoft may delay the renewal of your contract until the latest financial statements, requested guarantees or satisfactory answers to clarification(s) requested, have been provided. The financial statements should not be older than 6 months after Company's financial year-end, however if there are specific circumstances Microsoft may allow an extension of this period. Company can contact the Risk team at the alias provided.

## 7. Escalation Support

When submitting an incident, Company is responsible for setting the initial severity level in accordance with the severity table below. The incident severity will determine Microsoft's estimated response times and levels, as well as Company's expected response.

Examples of support services that are commonly performed by escalation support include, but are not limited to: new or undocumented issues; code defects; or, service availability issues that are within Microsoft's control. Company agrees Escalation Support will be provided only in the English language and only for Products then being provided by Microsoft. If an Escalation Support issue cannot be resolved between Company and Microsoft on first contact, Microsoft's and Company's support personnel will re-engage for follow up.

### 7.1. Contact Information and Reports

Company will provide Microsoft with the telephone numbers, email addresses and website addresses for Company's support personnel. Company will insert support information in all websites or other materials that describe Company's support of the Products. Company may not publish, disclose or use Microsoft's support contact information in a way that directs Customers to Microsoft.

In performing support, Company will store case information in an incident management system that will enable Company to generate monthly reports as described in Section 9.3 below. Company agrees that Company's relevant support personnel will: 1) complete help desk training before the launch of the Products in the Territory, and 2) stay current on the latest help desk training.

### 7.2. Support Metrics Report

Company and Microsoft mutually agree to share information for the purpose of optimizing the Product unless restricted by applicable law or unless otherwise previously agreed upon by both parties. Such information includes:

**7.2.1.** Qualitative reporting such as Microsoft Technical Support, Operational Support, Corporate Engagement Model, and other suggestions for future improvements.

**7.2.2.** Quantitative reporting such as Company's attach rates for Products compared to other Microsoft programs (such as Enterprise Agreements) and closure rates for Products, and new Customer acquisition and Company service attach success metrics.

The parties agree to treat the information reported under this section as Confidential Information as defined in the Agreement provided that Microsoft may disclose the data in an aggregated and anonymous format to its other resellers to show support trends.

### 7.3. Escalation Support Engagement

The following apply to Escalation Support provided by Microsoft.

#### 7.3.1. Severity Table

When Company contacts Microsoft to escalate a Customer issue, the incident will receive a severity level ranking based on the nature of the issue. This ranking will define the response guideline and on-going communication as Microsoft works to resolve the incident. The following table shows Microsoft severity and response guidelines.

Severity	Definition	Initial Response Goal	Ongoing Communications Goal
----------	------------	-----------------------	-----------------------------

<b>A - Critical</b>	One or more Products aren't accessible or are unusable. Production, operations, or deployment deadlines are severely affected, or there will be a severe impact on production or profitability. Multiple users or Products are affected.	1 hour	Update Company every two hours; Company updates Microsoft every two hours
<b>B - Urgent</b>	The Product is usable but in an impaired fashion. The situation has moderate business impact and can be dealt with during normal business hours. A single user, Customer, or Product is partially affected.	2 hours	Update Company every business day
<b>C - Important</b>	The situation has minimal business impact. The issue is important but does not have a significant current Product or productivity impact for the Customer. A single user is experiencing partial disruption, but an acceptable workaround exists.	4 hours	Update Company every three business days
<b>D - Advisory</b>	Used for DCRs, Feature Requests, research activities, etc.	N/A	Update Company as needed or agreed upon

### 7.3.2. Escalation Contacts

Company will designate escalation contacts for support related activities. Microsoft Escalation Support will be provided only to Company named contacts.

### 7.3.3. Online Services Customer and Partner Care

Operational support for subscription management, billing and other non-technical operational issues is available during local business hours, Monday through Friday, 9 AM to 5 PM.

## 8. Business Continuity Management

If a natural disaster or other major social disruption inhibits conduct of normal licensing operation procedure, Microsoft may choose to immediately alter its operational procedures. In such cases, an instruction document will be made available to Company from Microsoft. Company must follow the instruction document until Microsoft declares its return to normal operations procedure.

## 9. Miscellaneous

### 9.1. Customer Satisfaction Surveys

For the purpose of optimizing the Products, Microsoft may enable Customers or Company to participate in Customer Satisfaction Surveys, including but not limited to: 1) using online customer satisfaction survey tools as provided by Microsoft, or 2) sharing customer satisfaction results as collected by the Company and presented in a format that is mutually acceptable to Microsoft and Company.

### 9.2. Feedback

Either party may provide suggestions, comments or other feedback to the other party with respect to the other party's products and services. Even if designated as confidential, the party receiving the feedback may use it for any purpose without obligation of any kind. The party receiving feedback will not disclose the source of feedback without the consent of the party providing it. Unless the parties specifically agree in writing, feedback will not create any confidentiality obligation.