

Campaign Terms FY21

CAMPAIGN AGREEMENT ("Campaign Agreement")
FOR
[LC000841] - US Surface Distributor-Managed Partner (DMP) Incentive Program ("**Program**")

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

OFFERED BY US Microsoft Surface ("**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 including payment processes are subject to local requirements and may vary by jurisdiction, and Participant retains sole discretion to set pricing for sales of applicable products. The [Country-Specific Provisions \(https://assetsprod.microsoft.com/country-specific-provisions-mpn.pdf\)](https://assetsprod.microsoft.com/country-specific-provisions-mpn.pdf), which set forth the applicable law, jurisdiction, and Microsoft contracting entity, are hereby incorporated into this Agreement.

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 July 1, 2020 and ends on June 30, 2021 ("**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:

4. Have an active MPN membership and remain in compliance with these Program Terms.
5. Must be enrolled in Partner Center by the end of the earnings period in order to receive payment. Partners who don't enroll on time will forfeit their earnings. For more information on enrollment visit <https://docs.microsoft.com/partner-center/>.
6. 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.
7. Provide any required reporting set forth below directly to Microsoft (or its designated third party) by the stated deadline.
8. If requested, provide acceptable proof of performance to Microsoft (or its designated third-party) by the stated deadline.
9. 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.
10. Be a U.S. Surface Distributor-Managed Partner (DMP) reseller in the United States market that is nominated and approved by Microsoft Authorized Device Distributors and Microsoft that drives sales of Microsoft Surface Devices in commercial and public-sector customer segments.
11. Have completed the Microsoft Surface DMP Onboarding program either before or during the Term. If the Participant successfully completes the onboarding process at some point during the Term, they must do so within 30 days before the end of the quarter in order to be eligible for that particular quarter pay-out. If the Participant fails to meet this deadline, they will not receive any incentives for that quarter.
12. Remain in compliance with the Microsoft Distributor Managed Partner (DMP) Agreement.

EXCLUSION

If you qualify and choose to participate in the Global Competency Program as a Silver or Gold partner, you will no longer qualify for the DMP rebate. Subject to the Program terms, you may, however, qualify for the DMP rebate for eligible sales completed in the month(s) prior to your participation in the Global Competency Program. For example, if you qualified for, and participated in, the Global Competency Program within the month of December 2020, you would be eligible to receive DMP rebates from sales in October 2020 and

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November 2020, but not for sales in December 2020. Please reach out to the Surface team at atussurface@microsoft.com for additional resources on the Global Competency Program.

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: \$500. 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: N/A

Microsoft will pay each incentive payment no later than 90 days after the applicable milestone due date. 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 concerning reported revenue. 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:

- a) 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.
- b) 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 with whom we don't have a direct transactional relationship): The Rebate or Fee will be paid by a 3rd party payment company or by Microsoft and may be converted from US Dollars to local currency.

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 Participant making a claim under this Program. Registration with personal banking details instead of a company banking details will result in claims being rejected. If any registration requirement is incomplete, a Partner cannot earn a pay-out in the program.

Participant must be 100% payment compliant from start of program until payment has been issued. If partner does not adhere to this payment compliance requirement, they will forfeit any incentive payment under this program. Payment compliance means that Participant's open account with Microsoft is current at all times.

13. EXCLUSION WHERE PARTICIPANT'S AFFILIATES ARE PARTICIPANT'S CUSTOMERS

This Agreement does not apply to and Participant will not request or accept any payment from Microsoft under this Agreement associated with the sale, license or deployment of Microsoft Products to any customers of the Participant that are also an Affiliate of the Participant or where Participant it owes an agency or fiduciary duty, contractual or legal in nature, related to the services that have allowed Participant to meet a milestone.

14. 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 US Surface Distributor-Managed Partner (DMP) Incentive

“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 authorized 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” means the geographic area in which Participant is authorized by Microsoft to distribute the Eligible Products during the term of the campaign.

Program Summary: This Program is specific to the United States market.

The Program is designed to provide incentive funds to Microsoft U.S. Surface DMP resellers to drive sales of Microsoft Surface Devices in commercial and public-sector customer segments. The Program dollars (USD) will be allocated based on Surface sales by each U.S. Surface Distributor-Managed Partner (DMP) company in each calendar quarter from July 1, 2020 through June 30, 2021.

Program Details and Purpose: This Program applies to all Surface SKUs referenced on the Microsoft Surface price list as of the end of the quarter and excludes Demo and Hub SKUs.

Detailed Eligibility Criteria:

Criteria	Eligibility	Details
Effective date	July 1, 2020 – June 30, 2021	Program is applicable during the eligibility dates only – inclusive of both the days.
Participant Territory	US only	US only
Customer segment and location	US Surface only	US Surface only
Partner Types	US Distributor Managed Partners	Only U.S. Surface Distributor-Managed Partners (DMP) are eligible to participate in this campaign. DMPs are those U.S. Surface resellers that are nominated and

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		<p>approved by Microsoft Authorized Device Distributors and Microsoft Corporation. All DMPs must have completed the Microsoft Surface DMP Onboarding program. If you qualify and choose to participate in the Global Competency Program as a Silver or Gold partner, you will no longer qualify for DMP rebate. Please reach out to the Surface team at atussurface@microsoft.com for additional resources on the Global Competency Program. </p> <p>To be eligible to earn under this program the partner must satisfy all the requirements defined above under "COMPANY ELIGIBILITY".</p>												
<p>Pricing Level, Licensing Programs, Purchase Type, Rev Sum Division, Billing Option</p>														
<p>Sales Criteria</p>	<p>Please see details section.</p>	<p>Participants will be paid based on Revenue for the quarter. Revenue is defined as total MSRP value of all eligible items sold. In case of sales from multiple TPIDs, Revenue from all TPIDs will be added together for participant before applying payment tiers. The Program will payout on the following Tiers below based on actual Participant sales provided to Microsoft by U.S. Distributors for the # of units purchased during each Period. The Incentive will be paid at the highest qualifying percent, for all sales for the quarter.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="background-color: #0056b3; color: white;">Tier</th> <th style="background-color: #0056b3; color: white;">DMP Qualification of Funding per Quarter</th> <th style="background-color: #0056b3; color: white;">Program Incentive</th> <th style="background-color: #0056b3; color: white;">Funding Release Date</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">Tier 1</td> <td style="text-align: center;">\$50,000,000-\$249,999.99 in eligible Surface sales</td> <td style="text-align: center;">1.0% of all qualifying Surface sales</td> <td style="text-align: center;">Within 90 days post Period end date/time</td> </tr> <tr> <td style="text-align: center;">Tier 2</td> <td style="text-align: center;">\$250,000+ in eligible Surface sales</td> <td style="text-align: center;">1.5% of all qualifying Surface sales</td> <td style="text-align: center;">Within 90 days post Period end date/time</td> </tr> </tbody> </table> <p>For example, if a DMP sells \$100,000 in Surface sales in FY21 Q1, they will earn 1.0% on \$100,000 for a total cash incentive of \$1,000. If a DMP sells \$300,000 in Surface sales in FY21 Q1, they will earn 1.5% on \$300,000 for a total cash incentive of \$4,500.</p>	Tier	DMP Qualification of Funding per Quarter	Program Incentive	Funding Release Date	Tier 1	\$50,000,000-\$249,999.99 in eligible Surface sales	1.0% of all qualifying Surface sales	Within 90 days post Period end date/time	Tier 2	\$250,000+ in eligible Surface sales	1.5% of all qualifying Surface sales	Within 90 days post Period end date/time
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Payment	<p>Wire Transfer, quarterly based on final calcs after the end of each quarter.</p>	<p>Eligible partners who earned incentive will be paid within 90 days of the conclusion of the relevant payment period.</p> <p>For more information regarding the determined payment method refer to "PAYMENTS" section above.</p>															

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Criteria	Eligibility	Details
		For payment-related questions contact erebates@microsoft.com
Thresholds		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. Maximum pay-out amount for Participant is capped at: N/A. Minimum payout to partner is \$500.)
Rebate Activities/ Documentation	N/A	During the Term of this Program, Participant will perform the following rebate activities (" Rebate Activities "): N/A

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ELIGIBLE PRODUCT LIST:

Product	License or Customer Type	Sales Criteria (USD)	Total Incentive Award (USD)
This Program applies to all Surface SKUs referenced on the Microsoft Surface price list as of the end of the quarter and excludes Demo and Hub SKUs			Tier Structure as detailed above