CISCO
Partner Technical Support Services Portfolio

Phase I:
Migration to Cisco Shared Support

PARTNER INTRODUCTORY KIT

Latin America

CISCO SYSTEMS

Partner Technical Services Portfolio
Phase 1: Migration to Cisco Shared Support

Latin America Partner Introductory Kit

Note: This document will introduce Cisco's new Partner Technical Support Services Portfolio. The rollout of this portfolio will occur in two phases; the first phase will focus on the migration from SIS98 to Cisco Shared Support program and the second phase will introduce a new Cisco Brand Resale program. The intent of this document is to focus primarily on the first phase in order to aid to our partners in planning the migration to Cisco Shared Support.

This document is subject to change and may not provide the level of detail that you require. Please consult with your Channel Service Account Manager (CSAM) for additional details.

Latin America
Partner Introductory Kit

Dear Partner,

Cisco Systems is pleased to introduce a new Partner Technical Support Service Portfolio for Latin America. This portfolio will be launched in two phases: the first phase will consist of the migration from SIS98 to the Cisco Shared Support program and the second phase will introduce a new Cisco Brand Resale program. The migration from SIS98 to Cisco Shared Support will begin on July 31, 2005 while the new Cisco Brand Resale program will launch in April 2006.

This document focuses primarily on the migration from SIS98 to Cisco Shared Support. Details on the new Cisco Brand Resale program will be communicated at a later date.

In the coming weeks, we will be contacting you to schedule a meeting in which to formally present Cisco Shared Support, and begin discussions for your migration.

Please review the enclosed information to familiarize yourself with the Cisco Shared Support program prior to our meeting.

In the meantime, please do not hesitate to contact your Channel Service Account Manager (CSAM), or send an email to SharedSupportLatinAmerica@cisco.com if you have any queries.

We look forward to meeting with you soon.

Sincerely,

Cisco Shared Support Team
Latin America

Executive Summary

The Cisco Systems® Partner Technical Support Services Portfolio is designed to provide qualified partners who have invested in Cisco® technology and resource skill development, with a support infrastructure to help differentiate their services in the increasingly competitive services market, while delivering high quality customer support.

With the Partner Technical Support Services Portfolio, partners have access to Cisco technology experts, award-winning Web-based support tools, software support and updates, Cisco industry leadership, and much more.

Portfolio Overview

The Partner Technical Support Services Portfolio provides customers with a value-based offering and increases customer loyalty and satisfaction through two separate programs described briefly below:

• **Cisco Shared Support**—A service program for Gold, Silver and select Premier System Integrator partners that meet the high standards of the Cisco Shared Support eligibility requirements and ongoing performance criteria, demonstrating their ability to sell, renew, and deliver high-quality service under their own brand.

Cisco Shared Support is a channel program in which partners provide technical support services to customers.   In the Cisco Shared Support model, partners remain the primary contact for their customers, selling and delivering their own brand of services while having access to Cisco technical expertise, software support, and logistics infrastructure. In addition to selling and delivering services under their own brand, partners may also sell SMARTnet, SMARTnet Onsite, Software Application Support (SAS), Software Application Support plus Upgrades (SASU) and Cisco Services for IPS through the Cisco Brand Resale (CBR) Program.

• **Cisco Brand Resale**— A service program offered as a complement to Cisco Shared Support through which partners can resell an assortment of Cisco brand services from both the Technical Support Services and Advanced Services Portfolios. Cisco Brand Resale allows partners to expand their geographic reach and expand their service portfolios beyond networking devices to support advanced technologies solutions, and enables partners to provide their customers with support services without having to make significant investments in developing and operating their own support infrastructure.

This document will focus primarily on Cisco Shared Support.   Details about Cisco Brand Resale will be communicated at a later date.

Partner Benefits of Cisco Shared Support

• Promotes and sustains partner differentiation through eligibility criteria and ongoing performance metrics
• Rewards partners based on their performance against metrics
• May help partners improve cash flow, through an annuity-based fee structure, selective renewals, and logistics cost reduction
• Rewards partners with discount incentives based on their performance in selling services
• Supports partner ownership of the customer relationship, and helps increase customer satisfaction and loyalty
• Enables partners to reallocate resources to perform services more aligned with their company's core competencies

Value of Cisco Shared Support

 The Cisco Shared Support program, with Cisco Brand Resale as a complement, enables Gold, Silver, and select Premier certified partners in Latin America to complement their unique services portfolio

and build on their core competencies by leveraging Cisco's technical expertise and parts logistics infrastructure to maximize profitability.

Cisco Shared Support will help our partners to jointly transform the services marketplace into a mutually prosperous marketplace in Latin America. Cisco Shared Support promotes growth in our partner's branded services business. Our partners will be able to achieve a better value proposition for their customers and beat their competition through differentiated service price discounts, which they can obtain based on their performance delivering high quality services, achieving high customer satisfaction, and renewing and growing their own brand of services. Also, the program provides opportunities for operational and logistical cost savings by leveraging optional "parts to end-user" and 4 hour parts delivery options.

Cisco Shared Support is the catalyst for driving a cost cutting, undifferentiated services marketplace, towards an enhanced business model that rewards partners' performance and promotes revenue growth.

Cisco Shared Support Program Elements

There are four key elements that make the Cisco Shared Support program unique. The elements are discussed in detail in the document and can be summarized as follows:

• Eligibility

• Performance Metrics

• Pricing

• Delivery

Cisco Shared Support key program elements

Cisco® Shared Support
•   **Annuity-based contracts**
•   **Full entitlement – 1st year**   •   **Selective renewal – 2nd year & ongoing**
•   **Parts Delivery to partner or customer**   •   **Multiple service options (where available):**   **SDS, 8x5xNBD, 8x5x4, 24x7x4**
Priced off the 'Global Price List Latin America Availability'
Discount is driven by partner performance
Performance Metrics: ▪ **Conversion Rate**   ▪ **Renewal Rate**   ▪ **Service Request Volume**   ▪ **RMA Volume**   ▪ **Post-sales Support Customer Satisfaction**

Cisco Shared Support Eligibility Requirements

A strong set of eligibility requirements have been established for participation in the Cisco Shared Support program. Eligibility is aligned with the channel certification programs.

Cisco Shared Support eligibility requirements enable partner differentiation in the marketplace. The requirements promote more efficient service delivery to customers as well as higher quality of support that helps increase customer satisfaction.

Latin America partner Eligibility Requirements

LATIN AMERICA
Entry and Year 1
• **Gold, Silver or select Premier channel certification** • **8x5 local TAC capability** • **Online ordering and case management** • **Take the Partner Readiness Assessment**
Year 2 and Ongoing
• **Meet or exceed performance metrics thresholds** • **Electronic asset management system** • **24x7 local TAC capability**

Availability

Cisco Shared Support will be generally available on July 31st, 2005 in the following Latin America countries:

- Argentina
- Bolivia
- Brazil
- Chile
- Colombia
- Costa Rica
- Ecuador
- El Salvador
- Guatemala
- Honduras
- Mexico
- Nicaragua
- Panama
- Paraguay
- Peru
- Puerto Rico & Caribbean
- Uruguay
- Venezuela

Partner Responsibilities

To promote partner readiness and assist in the transition from SIS98 to Cisco Shared Support, Cisco will assign a team of individuals to provide training and issue resolution during the transition.

A successful implementation of Cisco Shared Support requires partner executive sponsorship.

Each partner will need to assign a focal team to manage their own internal transition from SIS98 to Cisco Shared Support. We recommend that each partner form this focal team with individuals from the following functional groups:

- Business operations
- Service operations
- Service sales
- Pre-sales/post-sales support
- Purchasing
- Accounts payable
- Partner delivery

The focal team will be required at the initial meeting, as well as during all training workshop sessions. All partner functional areas should be represented at the training workshops.

Additionally, the partner will need to assign a dedicated Project Manager to oversee the overall transition to Cisco Shared Support, and act as the single point of contact for Cisco during the migration.

Please contact your Channel Service Account Manager (CSAM) or send an email to sharedsupportlatinamerica@cisco.com for additional information.

Partner Technical Support Services Portfolio

The Cisco Systems® Partner Technical Support Services Portfolio is designed to provide qualified partners who have invested in Cisco® technology and resource skill development, with a support infrastructure to help differentiate their services in the increasingly competitive services market, while delivering high quality customer support.

With the Partner Technical Support Services Portfolio, partners have access to Cisco technology experts, award-winning Web-based support tools, software support and updates, Cisco industry leadership, and much more.

Portfolio Overview

The programs offered to partners under the Partner Technical Support Services Portfolio in Latin America are:

• **Cisco Shared Support**—A service program for Gold, Silver and select Premier System Integrator partners that meet the high standards of the Cisco Shared Support eligibility requirements and ongoing performance criteria, demonstrating their ability to sell, renew, and deliver high-quality service under their own brand.

Cisco Shared Support is a channel program in which partners provide technical support services to customers.   In the Cisco Shared Support model, partners remain the primary contact for their customers, selling and delivering their own brand of services while having access to Cisco technical expertise, software support, and logistics infrastructure. In addition to selling and delivering services under their own brand, partners may also sell SMARTnet, SMARTnet Onsite, Software Application Support (SAS), Software Application Support plus Upgrades (SASU) and Cisco Services for IPS through the Cisco Brand Resale (CBR) Program.

• **Cisco Brand Resale**— A service program offered as a complement to Cisco Shared Support through which partners can resell an assortment of Cisco brand services from both the Technical Support Services and Advanced Services Portfolios. Cisco Brand Resale allows partners to expand their geographic reach and expand their service portfolios beyond networking devices to support advanced technologies solutions, and enables partners to provide their customers with support services without having to make significant investments in developing and operating their own support infrastructure.

Figure 1 illustrates the migration from SIS98 to both components of the Partner Technical Support Services portfolio. In Latin America the migration to Cisco Shared Support will occur as a first phase.
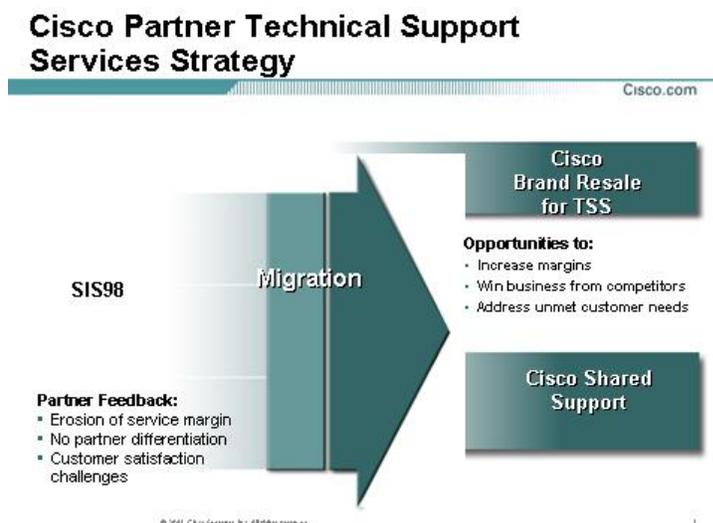
The new Partner Technical Support Services portfolio clearly recognizes partners' skills and investment and rewards performance.

Cisco Shared Support recognizes the partners' investment in services by applying strong eligibility requirements and monitoring on-going performance. This enables more differentiation in the marketplace and helps improve both partner and Cisco profitability via cost reduction (discounts and logistical costs).

Cisco Shared Support partners may also use Cisco Brand Resale, based on their logistics geographic reach or leverage Cisco's technological expertise in the introduction of new technologies. This allows partners to expand their market share without engaging in delivering services.

The purpose of introducing the new portfolio is to strengthen services awareness, develop value and overall customer satisfaction through partners and simultaneously introduce Cisco's brand of services as a valuable option.

The new portfolio is designed to address the key concerns of the previous partner branded programs:

- Certain partners bundled SIS98 with products, essentially giving the service away and driving down its value, or "street price."
- SIS98 did not require partners to meet eligibility requirements or performance metrics around service coverage, service efficiency, or service quality. The result was a large field of partners competing for customers, some undercutting others on price. Undercutting, combined with a lack of accountability for service delivery, caused customer satisfaction ratings for partner-delivered service to lag behind ratings for Cisco-delivered service.

The Partner Technical Support Services portfolio is also designed to increase services maturity and value in the growth and emerging markets, as well as move partners to an annuity business versus the previous model of a "one-time fee." With the introduction of the Partner Technical Support Services portfolio, Cisco is introducing choice into a market where services have been typically perceived as low value but highly priced.

Portfolio Value to the Partner and Customer

The Cisco Shared Support program, with Cisco Brand Resale as a complement, enables Gold, Silver, and select Premier certified partners to offer their unique service portfolio and build on their core competencies by leveraging Cisco's technical expertise and parts logistics infrastructure to maximize profitability.

Cisco Shared Support eliminates the one-time, up-front fee that partners paid under prior partner-brand support programs to purchase services good for the life of a product. Instead, partners under Cisco Shared Support must buy one year of services for each device they purchase from Cisco, helping to improve partner cash flow, and after that first full entitlement year, partners may choose to renew their support on select products

Under Cisco Shared Support partners deliver their own brand of service and provide Technical Assistance Center (TAC) Level 1 support, TAC Level 2 support, and onsite support. The partner determines to what extent they will leverage Cisco's parts logistics infrastructure.

Cisco Shared Support partners may choose to complement their portfolio of services by using Cisco Brand Resale to expand their geographic reach, provide advanced technology support or accommodate customer preference.

Table 1 below illustrates partner and Cisco deliverables under Cisco Shared Support and Cisco Brand Resale

Deliverables	Cisco Shared Support	Cisco Brand Resale
Service sales	Partner provides to customer	Partner provides to customer
Contract administration	Partner provides to customer	Partner provides to customer
Contract renewals and upgrades	Partner provides to customer	Partner provides to customer
Technical Assistance Center (TAC) Levels I and II support	Partner provides to customer	Cisco provides to customer
TAC Level III support	Cisco provides to partner	Cisco provides to customer
Cisco.com	Cisco provides to partner, partner administers to customer	Cisco provides to customer
Cisco IOS® Software maintenance, minor, and major releases	Cisco provides to partner, partner administers to customer	Cisco provides to customer
Software Application Support; two options: • Standard offering: SAS—maintenance and minor releases • Upsell offering: Software Application Support plus Upgrades (SASU)—maintenance, minor, and major releases	Cisco provides to partner, partner administers to customer	Cisco provides to customer
Parts delivery*: two options: • Standard offering: 8x5xSDS/NBD where available • Upsell offering: 8x5x4, 24x7x4***	Cisco provides to partner or customer as indicated by partner at time of purchase	Cisco provides to customer
Onsite hardware replacement*	Partner provides to customer**	Cisco provides to customer***

* Parts shipment is either delivered by Cisco to the partner's depot or by Cisco to the customer directly. For parts to end user, service levels may vary per country. Please confirm service level availability with your local Cisco Representative.
** Partner can outsource Onsite Services and use Cisco Onsite Services (where available) in case emergency occurs. Partner would have to pay Time and Materials if partner leverages Cisco Onsite Services.
***Where available

Benefits to the partner

The Partner Technical Support Services portfolio offers partners the following benefits:

• Promotes and sustains partner differentiation through eligibility criteria and ongoing performance metrics
• Rewards partners based on their performance against metrics
• May help partners improve cash flow through an annuity-based fee structure, selective renewals, and logistics cost reduction
• Recognizes the quality of service delivered by partners as reflected in customer satisfaction scores and service performance, and rewards partners based on their performance
• Rewards partner with discount incentives based on their performance in selling services
• Supports partner ownership of the customer relationship
• Enables partners to reallocate resources to perform services more aligned with their company's core competencies
• Enables partners to utilize the Cisco parts-logistics infrastructure (where available) to support specific products or to expand geographical reach

Benefits to the customer

The Partner Technical Support Services portfolio provides the following benefits to the end customer:

• One primary contact for a complete support solution
• Improved network availability and reliability
• Investment protection through software updates and upgrades
• Enhanced support for TAC and RMA

- Improved contract and asset management

Portfolio entitlement models may help to improve partner cash flow and provide opportunities for profitability. Eligibility requirements help to establish points of differentiation. Performance metrics measure and reward partner performance and investment. And the portfolio framework is aligned with partner strategies and business models.

The remainder of this document will focus solely on the Cisco Shared Support program which is the first phase of the Partner Technical support services rollout. Details on the new Cisco Brand Resale program will be communicated to you at a later date.

Cisco Shared Support

Overview

Cisco Shared Support is part of the Cisco Partner Technical Support Services Portfolio. In Latin America, it is a service program for Gold, Silver, and select Premier certified 1Tier partners that meet the high standards of the Cisco Shared Support eligibility requirements and ongoing performance criteria, demonstrating their ability to sell, renew, and deliver high-quality service under their own brand.

Cisco Shared Support Program availability

The Cisco Shared Support program is available in the United States, Canada, Japan, Australia, New Zealand, and the following EMEA countries: Austria, Belgium, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, Netherlands, Norway, Portugal, Spain, South Africa, Sweden, Switzerland, and United and Kingdom.

In Latin America, Cisco Shared Support will be available in the following countries on July 31, 2005: Argentina, Bolivia, Brazil, Chile, Colombia, Costa Rica, Ecuador, El Salvador, Guatemala, Honduras, Mexico, Nicaragua, Panama, Paraguay, Peru, Puerto Rico & Caribbean, Uruguay, and Venezuela.

By August 2005, the following APAC countries are targeted to be on Cisco Shared Support: China, Korea, Taiwan, Hong Kong, Singapore, Indonesia, Malaysia, India, Sri Lanka, Bangladesh, Thailand, Cambodia, Vietnam, Philippines, Mongolia, Laos, and Brunei.

The program is targeted to be available to the following new EU entrant countries as of September 2005: Cyprus, Czech Republic, Estonia, Hungary, Poland, Slovenia, Latvia, Lithuania, Malta, Slovakia, Iceland and Liechtenstein.

What is the Cisco Shared Support Program Replacing?

The Cisco Shared Support Program replaces the following partner-branded programs available in Latin America

• System Integrator Support (SISE/SIS98)

Why was Cisco Shared Support Created?

• Eligibility requirements establish points of differentiation

• Performance metrics measure and reward performance and investment

• Differentiation in the marketplace helps improve profitability

Cisco Shared Support recognizes the partners' investment in services by applying strong eligibility requirements and monitoring on-going performance. This enables more differentiation in the marketplace and helps improve both partner and Cisco profitability via cost reduction (discounts and logistical costs).

Value to the Partner

Cisco Shared Support offers partners the following benefits:

• Recognizes the quality of service delivered by partners as reflected in customer satisfaction scores and service performance, service sales, and rewards partners based on their performance

• Promotes and sustains partner differentiation through eligibility criteria and ongoing performance metrics

• Enables partners to utilize the Cisco parts-logistics infrastructure to support specific products or to expand geographical reach

• Provides partners with the opportunity to drive annual renewal of service sales and a higher margin service business

• May help partners improve cash flow, through an annuity-based fee structure

• Drives more customer loyalty toward partners through increased customer satisfaction

The Cisco Shared Support program, with Cisco Brand Resale as a complement, enables Gold, Silver, and select Premier certified partners in Latin America to offer their unique service portfolio and build on their core competencies by leveraging Cisco's technical expertise and parts logistics infrastructure to maximize profitability.

Cisco Shared Support eliminates the one-time, up-front fee that partners paid under prior partner-brand support programs to purchase services good for the life of a product. Instead, partners under Cisco Shared Support must buy one year of services for each device they purchase from Cisco, helping to improve partner cash flow, and after that first full entitlement year, partners may choose to renew their support on select products.

Under Cisco Shared Support partners deliver their own brand of service and provide Technical Assistance Center (TAC) Level 1 support, TAC Level 2 support, and onsite support. The partner determines to what extent they will leverage Cisco's parts logistics infrastructure.

Program Elements

What are the Program Elements of Cisco Shared Support?

The four key elements of Cisco Shared Support are:

• Eligibility

• Performance Metrics

• Pricing

• Delivery

The following sections will explain each program element in detail.

Eligibility

Eligibility is a set of criteria used to evaluate and determine a partner's qualifications to participate in Cisco Shared Support. This eligibility is aligned with the channel certification programs.

A strong set of eligibility requirements for Cisco Shared Support helps enable partner differentiation in the marketplace. The requirements promote more efficient service delivery to customers as well as higher quality of support that helps increase customer satisfaction. Figure 2 illustrates the Latin America partner Eligibility Requirements.

Figure 2 Latin America Eligibility Requirements

LATIN AMERICA
Entry and Year 1
• **Gold, Silver or select Premier channel certification** • **8x5 local TAC capability** • **Online ordering and case management** • **Take the Partner Readiness Assessment**
Year 2 and Ongoing
• **Meet or exceed performance metrics thresholds** • **Electronic asset management system** • **24x7 local TAC capability**

Criteria to participate in Cisco Shared Support

Table 3 illustrates the criteria a partner in Latin America must meet in order to participate in Cisco Shared Support.

Table 3 Latin America Eligibility Criteria	
Criteria	**Detail**
Channel Certification	Gold, Silver, or Premier Channel Certification.
Partner Readiness Assessment	Complete the Partner Readiness Assessment (PRA).
Technical Support	▪ Year 1: Provide customers with a minimum of 8x5 access to live technical support using a local access telephone number. ▪ Year 2 and ongoing: Provide customers with 24-hour access to live technical support using a local access telephone number. Provide call back from engineer within one hour.
Online ordering infrastructure	Electronically order and renew service from Cisco using web-based tools (ie: IPC, SCC) or XML.
Electronic case management	Provide electronic case management to customers.
Electronic asset management	Track Cisco installed base, including serial numbers, service levels, customer product location with automated asset management tools.

Performance Metrics

Performance Recognition and Metrics

Cisco Shared Support is a performance-based program. The partner's performance is monitored through a set of metrics that:

• Reward partner performance and recognize partner investment

• Measure the partner's ability to manage case and Return Materials Authorization (RMA) volumes and meet or exceed customer expectations

• Measure the partner's ability to sell services

The partner will be measured on the following metrics:

- Conversion rate

- Renewal rate

- Post-sales support customer Satisfaction

- Service Request Volume (TAC case ratio)

- RMA Volume

Why Have Performance Metrics?

Performance metrics are used to allow partners to differentiate themselves based on performance. Metrics performance determines the discount off of the Shared Support Service within the Global Price List Latin America Availability list that a partner earns.

The metrics help partners to sustain differentiation and motivates partners to provide consistent, high-quality service to customers. To remain eligible for participation in Cisco Shared Support, partners must meet ongoing performance metric thresholds.

How are Partners Measured?

Partners are measured in three categories: service quality, service delivery, and service sales. The table below shows the metrics in each category and includes the definition of each one.

Table 4 Measurement Categories and Metrics		
Category	Metric	Definition
Service Quality	Post-Sales Customer Satisfaction	Measures customer satisfaction as reported by the partner's customers
Service Delivery	Service Request Volume	Measures the total number of closed TAC cases during 12 month period compared to US SMARTnet Next Business Day list value in USD of the covered installed base
	RMA Volume	Measures the total RMA units shipments during a 12 month period compared to the US SMARTnet Next Business Day list value in USD of the covered installed base
Service Sales	Conversion Rate	Measures all converted support agreements as a percentage of the total support opportunity under full entitlement
	Renewal Rate	Measures the total US SMARTnet Next Business Day list value in USD of renewals closed of a 1 year period compared to the total US SMARTnet Next Business Day list value at USD of the installed base available for renewal

Service Quality

Post-Sales Customer Satisfaction

Definition

Post-sales customer satisfaction measures customer satisfaction as reported by the partner's customers.

Customer satisfaction is a core value and is a driver for ongoing success of not only Cisco but also its partners. Therefore, through use of a third-party customer satisfaction survey, Cisco will reward partners where they achieve high customer satisfaction results for particular (post-sales technical support) aspects of the customer survey. The numerical result of the third-party survey is used in this program to qualify for the program, and for a level of discount within the program.

As part of the Cisco Shared Support Program, partners on the program are measured on their Post-Sales Customer Satisfaction score only and not the total customer satisfaction score for their performance in the area of customer satisfaction

The Post-Sales Customer Satisfaction metric measures the end customer's satisfaction with partner branded post-sales service. It is a partner-level metric and not a program-level metric. Cisco has determined that end customer satisfaction is a primary indicator of quality service delivery and that it strongly influences repeat product and services sales.

Under the Cisco Shared Support Program, partners are required to meet minimum annual quality thresholds to be eligible for ongoing program participation. Partners who exceed defined quality targets may earn additional services discounts as recognition of good or superior performance.

Cisco uses a third-party company, Walker, to perform customer satisfaction surveys. The results from this survey are used for a variety of purposes related to partner certification and the development of operational improvement plans.

In the case of Cisco Shared Support, this same Customer Satisfaction Survey is used to measure the customer satisfaction with post-sales support. The question used to determine the partner satisfaction rating is question number 18, that reads as follows:

Average customer score (scale of 1-5, minimum of 30 completed surveys) for the following question:

"Overall, how would you rate your satisfaction with post-sales support (repair, maintenance, and technical support) provided by the above Cisco Channel partner? Would you say you are..."

5—Very Satisfied
4—Satisfied
3—Neutral
2—Dissatisfied
1—Very Dissatisfied

Survey process—Partners and Cisco field personnel are asked to identify customers who should be solicited for participation in the survey. The survey uses a rating system of 1-5, with 5 being the highest. The partner's customers are asked to complete the survey on behalf of the channel partner (the channel partner is identified on the survey). End-customer names are collected and entered by:

 •Cisco account Teams
• Partners by using PMC Tool, go to:
        http://www.cisco.com/cgi-bin/frontx/PMC2/ctrl/partner_home.html

Survey volume—Each Cisco Shared Support partner is required to submit enough customer names to ultimately achieve a minimum of 30 responses on Question 18 for each country grouping. Multiple (unique) respondents from a specific partner client are acceptable to meet the target of 30 responses. If a minimum number of 30 responses is not received, points will be deducted from the partners score depending on the responses received.

Survey timing—Customer satisfaction surveys are distributed throughout the 12 month period. Each partner's targets and thresholds are based on the goals set at the beginning of the measurement period. Measurement periods for partners are based on Cisco Fiscal Year. The result will be calculated on a daily basis during the Cisco fiscal year.

Post-Sales Customer Satisfaction Score (YTD) Calculation Process

• Numerator—Sum of the total rating of surveys where the partner is identified as the post-sales partner

• Denominator—Total number of surveys where the partner is identified as the post-sales partner

• Post-Sales Customer Satisfaction—The average customer satisfaction score (numerator divided by denominator)

The Post-Sales Customer Satisfaction metric is calculated on a daily basis at 5:00 a.m. PST.

Post-Sales Customer Satisfaction Score (Adjusted) Calculation Process

If the partner has not received 30 completed responses, a deduction is applied to the Post-Sales Customer Satisfaction score (YTD) based on rules defined by the policy of a minimum number of surveys not being collected.

• If the partner does not collect the minimum 30 surveys, the following approach is taken:

• If the partner collects 25-29 responses, 0.3 will be deducted from the partner's average score.

• If the partner collects 20-24 responses, 0.4 will be deducted from the partner's average score.

• If the partner collects 15-19 responses, 0.5 will be deducted from the partner's average score.

• If the partner collects 10-14 responses, 1.0 will be deducted from the partner's average score.

• If the partner collects fewer than 10 responses, they will become ineligible to participate in the Cisco Shared Support Program.

Service Delivery

Service Request Volume

Definition

The Service Request Volume Metric is a program-level metric and is defined as the number of Service Requests (formerly known as `cases' or `TAC cases') closed relative to the dollar value of the partner's installed base.

Service Volume measures the total number of closed TAC cases per million dollars of US SMARTnet Next Business Day list value in USD of the covered install base during a 12-month period.

The Service Request Volume Metric is calculated by dividing the one-year total of Service Requests closed in Cisco's call tracking database by the partner's total covered installed base, which is made up of the partner's Shared Support covered installed base dollar value plus the partner's depreciated SIS installed base at a Cisco US SMARTnet global list price in USD at the NBD service level.

Service Request Volume Metric rewards partners who escalate a smaller number of calls to Cisco, relative to their supported (covered) Shared Support or SIS98 installed base.

The Cisco Shared Support program requires the partner to provide support for Level 1 and Level 2 issues to the customer. It will be necessary, however, for the partner to contact Cisco for Level 3 support from time to time.

The Service Request Volume is calculated every month by dividing the total service request closed volume by the SMARTnet NBD list price value in USD of installed base. The case volume metric measures the partner's ability to minimize the overall number of Shared Support cases escalated to Cisco relative to the dollar value of the partner's Shared Support installed base. Shared Support installed base is the U.S. SMARTnet Next Business Day list price value in USD of product under contract between Cisco and the partners. With the exception of specific case type exclusions, but Cisco will not differentiate the metrics by call type it closes in support of the partner—whether the call is TAC Level 1, 2, or 3. Cisco will exclude certain case types that do not use live technical assistance. Partners discount for a fiscal year will be based on their performance during the previous fiscal year.

Numerator: Total number of Service Requests closed	Total number of Service Requests closed in 12-month period	Numerator is divided by denominator and results in number of cases per million dollar of installed base
Denominator: Covered Installed Base Service Value	Dollar Value of total covered installed base. Covered installed base value normalized to US SMARTnet next business day list price in USD divided by 1 million	

Service Request Volume Metric Calculation Process

Service Request Volume Metric Denominator

• All products meeting the following criteria are included in the partner's Service Request Volume Metric denominator calculations:

– The Cisco Shared Support service contracts of the partner

– Service coverage status of the products and service contract must be active at the time the calculation is done

– All products covered on the service contract are included (including software)

• The Cisco Shared Support Covered Installed Base Value is calculated by normalizing all products meeting the criteria to the Cisco SMARTnet global list price in USD at the NBD service level (or SAS or SASU as applicable).

• The depreciated SIS98 value (if applicable) is added to the Cisco Shared Support Program Covered Installed Base Value to calculate the total value of the TAC Service Request Volume Metric denominator for the measurement month. The initial SIS98 installed base value is the agreed installed base value. When the partner is activated in the Performance Metric Center, this value depreciates monthly at a rate specified by the decline period until the depreciated value reaches 0.

Depreciated SIS98 value = SIS98 agreed value - ((SIS98 agreed value/decline period) * number of months since start date – 1)

Service Request Volume Metric Numerator

All TAC cases (or Service Requests) meeting the following Request Volume Metric numerator calculations:

• Service Requests closed during the measurement period for each of the partner's Cisco Shared Support, SMARTspares, or SIS98 service contracts are included in the numerator.

Service Request exclusions

The following Service Request types are excluded from the Service Request calculation:

• Service Requests opened using the Service Online Tool (SVO). SVO Service Requests are identified if the problem type column and the Service Request entry channel have a value of "SVO."

• Dead on Arrival (DOA) Service Requests. All Service Requests that are identified by the TAC with "Hardware-DOA" in the "Problem Type 1" are excluded.

• Service Requests opened in error. All Service Requests opened with "Opened in Error" in the Service Request Type/Title field are excluded.

• Service Requests that are related to Cisco.com. All Service Requests that are identified by TAC as "Cisco.com-related issues" in the Service Request Type field are excluded. Examples are Cisco.com registration issues, Cisco.com file download issue, and Cisco.com mail failure.

• Duplicate Service Requests. All Service Requests opened with "Duplicate" in the Service Request Type field are excluded.

• All Service Request Open tool self-help Service Requests will be excluded. The Service Request Volume metric is calculated monthly.

Because the determination of whether a case is Level 3 can be open to interpretation, Cisco specifies a Service Volume Metric, where an overall expected or acceptable service volume is specified relative to the amount of equipment supported during the course of a year.

All cases whether deemed Level 1, 2, or 3 are counted with the exceptions of the above exclusions. The metrics performance goals have been defined taking total call volume into account.

RMA Volume

Definition

RMA volume is a program-level metric that is defined as the number of RMA Field Replacement Units (FRUs) shipped relative to the dollar value of the partner's covered installed base normalized to the Cisco SMARTnet global list price in USD at the NBD service level.

RMA Volume measures the total number of RMA field replacement units shipped per million dollars of US SMARTnet Next Business Day list value in USD of the covered install base during a 12-month period.

RMA volume is defined as the number of RMA field replacement units relative to SMARTnet NBD U.S. list price value in USD of the partners covered installed base.

The RMA Volume Metric is calculated by dividing the number of field replacement units shipped during the Cisco fiscal year by the dollar value of the partner's covered installed base (installed base under contract) normalized to the Cisco SMARTnet global list price in USD at the NBD service level.

Covered installed base includes Shared Support equivalent service agreements, including coverage purchased for both chassis and cards.

Numerator: Total number of RMA Units Shipped	Total number of RMA field replacement units shipped in 12-month period	Numerator is divided by denominator and results in number of shipments per million dollars of installed base
Denominator: Covered Installed Base Value	Dollar value of Total Covered Installed Base value normalized to US SMARTnet NBD service level list price in USD divided by 1 million	

RMA Volume Metric Calculation Process

RMA Volume Metric Denominator

• All products meeting the following criteria are included in the partner's RMA Volume Metric denominator calculations:
– Cisco Shared Support service contracts of the partner
– Service coverage status of the products and service contract must be "Signed," "QA_Hold," "Active," or "Overdue" during the measurement month
– All products covered on the service contract are included (including software)

• The Cisco Shared Support Program Covered Installed Base Value is calculated by normalizing all products meeting the criteria to the Cisco SMARTnet global list price in USD at the NBD service level.

• The depreciated SIS98 value (if applicable) is added to the Cisco Shared Support Program Covered Installed Base Value to calculate the total value of the RMA Volume denominator for the measurement month. The initial SIS98 installed base value is the agreed) installed base value. When the partner is activated in Partner Metrics Central, this value depreciates monthly at a rate specified by the decline period until the depreciated value reaches 0.

Depreciated SIS98 value = SIS98 agreed value - ((SIS98 agreed value/decline period) * number of months since start date -1)

RMA Volume Metric Numerator

All RMAs meeting the following criteria are included in the partner's RMA Volume Metric numerator calculations:

• RMA field replacement units shipped during the measurement period for each partner's Cisco Shared Support Program, SMARTspares, or SIS98 service contracts

RMA Volume exclusions

The following types of RMAs are excluded:

- Nonservice Return Material Authorization (RMA)
- DOA RMAs — All RMAs that are identified in SVO as "DOA" in the Failure Class drop-down menu are excluded
- Field Alert RMAs requested by Cisco TAC
- Canceled RMAs

Service Sales

Conversion Rate

Definition

Conversion Rate is a partner-level metric that measures the dollar value of contracts renewed in the measurement period following the original hardware or software Full Entitlement period (the first 12 months of support after the product sale). All service programs will be included in the Conversion Rate calculation at the partner level. This metric rewards partners who earn a higher ratio of service converted to "all serviceable items" coverage available for conversion. The Conversion Rate metric definition is as follows:

Conversion Rate measures all converted support agreements as a percentage of total support opportunity under full-entitlement.

The numerator is calculated in dollars by taking the installed base covered in the year following full entitlement translated to US SMARTnet list price in USD. The denominator is calculated in dollars by taking the installed base available for conversion and translating it to US SMARTnet list price in USD.

The conversion rate opportunity is created by looking at all contracts that are expiring 13-24 months after they were issued and then compares it to the contracts that were converted in the same time period. Cisco will convert the values to the US SMARTnet list NBD price in USD to eliminate issues related to service level purchases. Cisco will measure this performance at the partner level and do not exclude any product categories.

In the case of multi-year contracts, Cisco will give credit for the first year of the contract in conversion and the remaining contract value is credited toward future renewals.

Conversion Rate Calculation

Numerator: Service dollars converted	All serviceable items with service coverage converted in the current period (following Full Entitlement). Service coverage dollars are translated to US SMARTnet list price in USD at NBD service level for hardware, or SAS/SASU list price in USD for software, as applicable.
Denominator: Service dollars conversion opportunity	All serviceable items with service coverage conversion dollars available for conversion in the current period (following Full Entitlement) . Service coverage dollars are translated to US SMARTnet list price at NBD service level for hardware, or SAS/SASU list price in USD for software, as applicable.

Conversion Rate YTD Calculation Process

Calculating the Conversion Numerator—Service Coverage Converted must meet the following criteria: Service sale in the current period (following full entitlement). If the original full entitlement service agreement does not show expiring in the current 12-month period, it is treated separately as a multiyear agreement (see multiyear definition below). This information is collected from Cisco's Ciber database and is measured at the contract line item level. Once the data is collected, it is then translated to the U.S. SMARTnet Next Business Day list price in USD. Software is translated to the equivalent SAS list price. All service contract types, whether for hardware or application software are included.

Calculating the Conversion Denominator—Service Coverage Dollars Available for Conversion is calculated by reporting on both the start and end date of *all service coverage*. Service coverage includes all service SMARTnet equivalent service, whether the coverage is for chassis, cards (that have a SMARTnet offering), or software (SAS/SASU). Service that was sold in the previous 12-month period and is due to expire in the current 12-month period is included in the denominator. If the

service due to expire in the current 12-month period was not sold in the previous 12-month period, it will not be included in the conversion calculation (see the "Renewal Calculation" later in this document). All service contract types, whether for hardware or application software are included.

Timing of Conversion Rate Measurement—The service coverage must have been purchased from Cisco in the previous 12-month period and show available for conversion in the current 12-month period. If the contract meets all these criteria, but does not show available for conversion in the current 12-month period, it is treated separately as a multiyear agreement.

Multiyear Agreements—Multiyear agreements will be amortized over the life of the agreement in one-year increments. If a multiyear agreement is originally sold during the full-entitlement period (that is the partner purchases additional years of coverage instead of the minimum one-year requirement), the coverage is converted to US SMARTnet Next Business Day list price in USD and divided by the number of years purchased. The first year's value will be added into the conversion numerator and denominator, and the remaining dollars will be credited to the renewal numerator and denominator. Multiyear agreements that meet renewal criteria will be amortized over the life of the agreement and each year's value will be credited to the renewal numerator and denominator.

Renewal Rate

Definition

The Renewal Rate is a partner-level metric that compares the dollar value of covered serviceable items available for renewal and the partner's performance in renewing those serviceable items. All service programs will be included in the Renewal Rate calculation at the partner level. This metric rewards partners who earn a higher ratio of service renewed to coverage on those serviceable items available for renewal.

The Renewal Rate is calculated on service business expiring in the Current Measurement Period and not included in the Conversion Rate calculations (all service contracts available for renewal in the 24_{th} month after the product purchase date).

Renewal Rate measures the total US SMARTnet Next Business Day list value in USD of renewals closed for a 12-month period compared to the total US SMARTnet Next Business Day list value in USD of the install base available for renewal.

Renewal rate is measured the same way as conversion rate except that it is for a different time period. Renewal rate measure starts after the conversion rate measure and includes all contracts that are greater than 24 months old and whether or not they are renewed. The same definitions apply as conversion rate

Renewal Rate Calculation

Numerator: Service Dollars Renewed	Service coverage renewed in the current 12-month period. Service coverage dollars are translated to US SMARTnet NBD list price in USD, or SAS/SASU list price in USD for software, as applicable
Denominator: Service Dollars Renewal Opportunity	Service coverage available for renewal in the current 12-month period. Service coverage dollars are translated to US SMARTnet NBD list price in USD, or SAS/SASU list price in USD for software, as applicable

Renewal Rate YTD Calculation Process

Calculating the Renewal Numerator—Service coverage renewed (numerator) must meet the following criteria:

• Service was not originally purchased in the previous 12-month period (for example, does not meet conversion criteria)

- If the original service agreement does not show expiring in the current 12-month period, it is treated separately as a multiyear agreement.

This information is collected from Cisco's Ciber database and is measured at the contract line item level. Once the data is collected, it is then translated to the US SMARTnet list price in USD at the Next Business Day Service Level. Software is translated to the equivalent SAS/SASU list price. All service contract types, whether for hardware or application software are included.

Calculating the Renew Denominator—Service Coverage Available for renewal is calculated by reporting on both the start and end date of all service coverage. All expiring service coverage not meeting the conversion criteria are included. All service contract types, whether for hardware or application software are counted.

Timing of Renew Rate Measurement—Renew rate only applies for the contracts that do not meet conversion criteria. All contracts that meet renewal rate criteria are included in renewal calculation, irrespective of the age of the coverage.

Multiyear Pre-paid Agreements—Multiyear agreements that meet renewal criteria will be amortized over the life of the agreement in one year increments and each year's value will be credited to the renewal numerator and denominator.

Figure 4 Conversion Rate and Renewal Rate Timeline

MEASUREMENT PERIOD: Measurement period is August 1st to July 31st

	8/01/05 – 7/31/06	8/01/06 – 7/31/07	8/01/07 – 7/31/08	8/01/08 – 7/31/09
	Year 1	Year 2	Year 3	Year 4
Metrics Measured during each Period	Customer Sat Service Request RMA	Customer Sat Service Request RMA Conversion Rate	Customer Sat Service Request RMA Conversion Rate Renewal Rate	Customer Sat Service Request RMA Conversion Rate Renewal Rate

DISCOUNTING PERIOD: discounts in effect from Oct. 1st to Sept. 30th

	8/01/05 – 9/30/06	10/01/06 – 9/30/07	10/01/07 – 9/30/08	10/01/08 – 9/30/09
	Year 1	Year 2	Year 3	Year 4
Metrics Impacting Discount each Period	Fixed Promotion Discount at Level 2	Level 2 discount for Conversion and Renewal Metrics Discounts for CSAT,RMA, and Service Request are based on performance *	Level 2 discount for Renewal Metric Discounts for CSAT,RMA, Service Request, and Conversion are based on performance *	Discount based on performance for all Metrics

In year one, under the full entitlement rule, the partner must purchase service buying 12 months of Cisco Shared Support service for every hardware and/or software product purchase that has an equivalent SMARTnet/SAS or SAU pricing. This means that all products are purchased with a service contract.

All purchased services during year 1 constitute the base (or conversion denominator) of year 2. Out of the total of purchased services, service contracts converted by the partner in year 2 become the numerator for year 2. Please note that during year 2, all new product purchases are under the full

entitlement requirement, meaning that the partner must purchase service for any new product purchase during that year.

Converted contracts from the year 2 become the renewal denominator for year 3. Contracts renewed in year 3 become the renewal numerator for year 3. This process continues onward where the contracts renewed become the denominator for the following year.

If the partner is in the Cisco Shared Support program for multiple years, new purchases of hardware and software in year 2 are under the full entitlement requirement, meaning that the partner must purchase a service contract along with the product purchase. Under full entitlement, a service contract must be purchased each time a new hardware or software product is purchased. All purchased services during year 2 constitute the base (or conversion denominator) of year 3. Out of the total of purchased services, service contracts converted by the partner in year 3, become the numerator for year 3. Converted contracts from year 3 then become the renewal denominator for year 4. Please note that during year 3, all new product purchases are under the full entitlement requirement.

Conversion only looks at the previous 12 months. Renewals, however, are compiled and measured on an overall basis.

Performance Metrics Central

Shared Support partners will be able to view their current performance metrics online at any time by accessing the Performance Metrics Central (PMC) tool.
PMC will provide monthly updated on partner's performance level and thresholds, as well as provide insight to the partner's future performance trends. Partners can actively view and manage their performance levels by regularly using this tool.

Figure 5 Support Metrics/PMC (Performance Metrics Central)
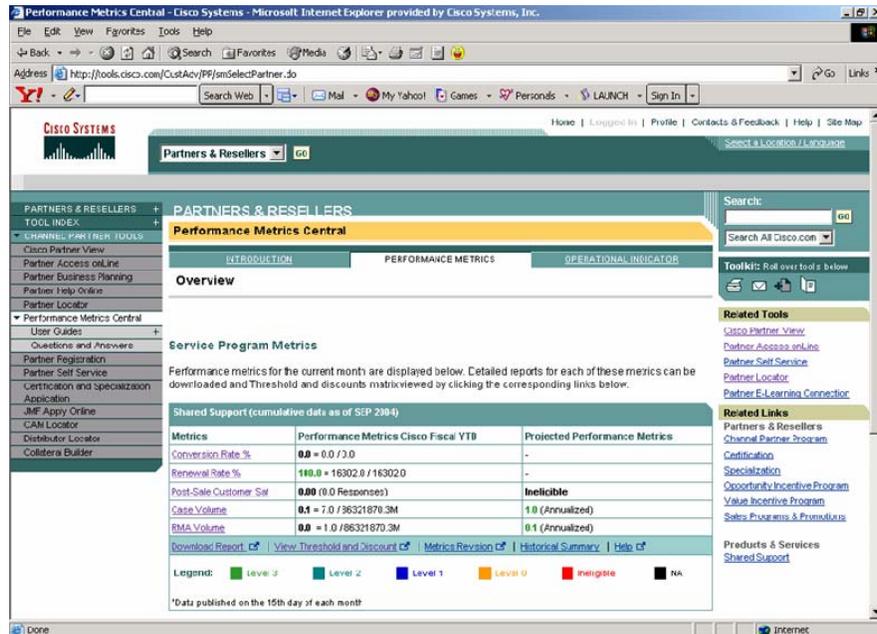
Pricing

Annuity-Based

Cisco Shared Support is an annuity-based program, which means that a partner pays for each service contract annually. In contrast to SIS98 that required the partner to pay a one-time fee up front (except in Category A), in Cisco Shared Support service contracts are sold under a full-entitlement model in year one, and under a selective-renewal model the following years.

Full-entitlement means that at the time of product purchase, a partner pays a service fee on each device* purchased from Cisco.   (*Not all devices carry SMARTnet pricing, in which case a fee is not requested from the partner.)

All new business is subject to this *full-entitlement* model.

Selective-renewal means that in the second year of participation and each year after that, the partner pays a service fee only for renewed contracts.

The *full-entitlement*, *selective-renewal* model provides partners opportunities to increase profitability and helps maintain service coverage of customers.

In the SIS98 program, the partner paid a discounted support fee in exchange for delivering specific call-center and repair functions. This required the partner to incur substantial cost for spares, logistics, and other capital expenses. Shared Support pricing offers the partner the ability to use Cisco infrastructure. This includes parts delivery to the partner's selected location, resulting in reduced cost of capital SIS fee, spares, and logistics.

Pricing for Cisco Shared Support partners is based on the following:

• Partner's discount is taken from theatre Cisco Shared Support price list

• Reflects a consistent performance-based discount structure

SIS98 Compared to Cisco Shared Support Pricing Summary

Table 6 Comparisons of SIS98 to Cisco Shared Support	
SIS98	**CISCO SHARED SUPPORT**
• One time up-front fee (except Cat A annually renewable)	• Annuity-based contracts
• Pay for service on all products purchased	• First Year of product life: Full Entitlement – purchase service on all product at time of purchase • Second year of product life and onward: Selective Renewal – purchase service only on products for which customer renews service
• Pricing is based on percentage of contractual net price	• Pricing is based on discount off Cisco Shared Support price list
• No discount differentiation	• Discount is driven by your performance
• One hardware service offer (Next Business Day)	• Multiple hardware service options: Same-day shipment/Next Business Day, 5x8x4, and 24x7x4 (where available)
• Service granted with few questions	• Entitlement enforcement

Thresholds and Discounts

The partner's initial discount under Cisco Shared Support will be effective from the partner's transition date to Cisco Shared Support (also known as Effective Date) through September 30th 2006. This initial discount period for all Cisco Shared Support partners in Latin America will be 75% discount off the Cisco Shared Support list price, or entry level 2 as shown below.

The ongoing period discounts shown below are effective for a twelve month period beginning on October 1st of each year and are driven by partner's performance against performance metric thresholds from the previous twelve month assessment period (August 1st - July 31st) for the program performance metrics that are calculated as shown below.

A partner's discount is determined solely by their performance. The results from the partner's performance translates into an individual standing level for each metric. Using the data in Figure 6 below the partner finds the appropriate range that matches to their performance.

Once the partner has determined the appropriate standing level for each performance metric from Figure 6 below, the partner is able to determine the aggregate discount earned based upon the standing level within each performance metric.

The Performance Metrics Central (PMC) tool also tracks the partner's current discount rate.

Figure 6 Latin America Performance Metrics Thresholds and Discounts.
(removed – please contact your CSAM for details)

Installed Base

Use of the Installed Base in the Metrics

The Installed Base (IB) value is used as the denominator of the TAC Service Request Volume and RMA Volume Metrics. These metrics measure the rate of TAC Service Requests and RMA's, respectively, per unit of installed base, so that a partner with a larger installed base than another partner can request a proportionally larger number of TAC Service Requests and RMA's.

Determining the SIS98 Installed Base Value

The SIS98 Installed Base Value is calculated for the purpose of the monthly calculations in RMA Volume and Service Request Volume Performance Metrics. The SIS98 Installed Base Value is converted to a Cisco SMARTnet® global list price in USD at the Next Business Day (NBD) service level. The determined installed base value is then depreciated over a 36 month period, and will decrease (1/36th) on a monthly basis, for each monthly calculation of the applicable Performance Metrics starting from the first full month after the partner's Effective Date.

Delivery

Delivery Overview

Service Delivery, under the Shared Support program, introduces several significant changes to partners who are migrating from legacy programs to Cisco Shared Support. Partners' delivery organizations will be requested to provide additional information to Cisco in order to execute against partners' delivery requirements.

Entitlement

Service Entitlement for Cisco Shared Support

The Cisco Shared Support program continues to identify opportunities to improve quality of service partners. Our service entitlement process has been modified to support this goal.

In the past, partners were required to provide a service contract number to initiate a service Cisco. However, moving forward partners are required to provide the Contract number, Product Install site. Partners are requested to provide a valid Serial number of the defective part.

The Cisco Shared Support Program, just like SIS98, requires that Partners initiate end-customer requests with Cisco; end-customers can not open a service request directly with Cisco.

Entitlement Compliance and Reporting

Entitlement compliance enables Cisco to support our ability to deliver contracted services to our partners. Cisco will monitor service entitlement compliance regularly with back-end reporting.

Technical Assistance Center/RMA Parts Replacement: Support

The Cisco Technical Assistance Center provides 24x7 follow-the-sun technical support services for Cisco products and technologies. Partners, on behalf of their customers, are encouraged to open a case via Cisco's online TAC Service Request Tool or via phone for more urgent situations.

Cisco Shared Support partners are required to provide the following entitlement information to open a TAC service request via the online TAC Service Request Tool:

• Product number - e.g. CISCO2501

• Install site - Customer name, 1st line of address, city, state, zip code, country

• Cisco Shared Support Contract number - In TAC Service Request Tool, enter the contract number in the "Router/Node" field

OR

• Serial Number (of defective part)

Parts to End User

Under SIS98, parts replacements were delivered to the partner on a Same Day Ship/Next Business Day basis. Cisco Shared Support presents the partners with options in delivery and service levels. The partner can select to have the parts replacement sent to the partner or to the partner's end user directly, where available. Additionally, Cisco Shared Support offers several service level options for parts replacement. All service levels may not be available at all locations; always confirm availability using Cisco availability tool or asking your CSAM.

Figure 7 below illustrates the part replacement delivery options

Cisco Shared Support Parts Replacement Delivery Options	
Service Level Option	Description
Next Business Day (NBD)/ Same Day Ship (SDS)	Advance replacement partsare delivered the next business day between 9 a.m. and 5 p.m. (provided the request is received before 3 p.m. local depot time). In locations where a country depot (NBD) is not available, parts are shipped on a Same Day Ship basis to partner from a depot in United States*
8x5x4	Advance replacement parts are delivered within 4 hours of determining that part replacement is required during the standard work week (8 hours a day, 5 days a week) *

24x7x4	Advance replacement parts are delivered within 4 hours of determining that part replacement is required 24 hours a day, 7 days a week *

Note:
* Where available. Certain limitations may apply for heavy or oversized equipment. Cisco observed holidays excluded.

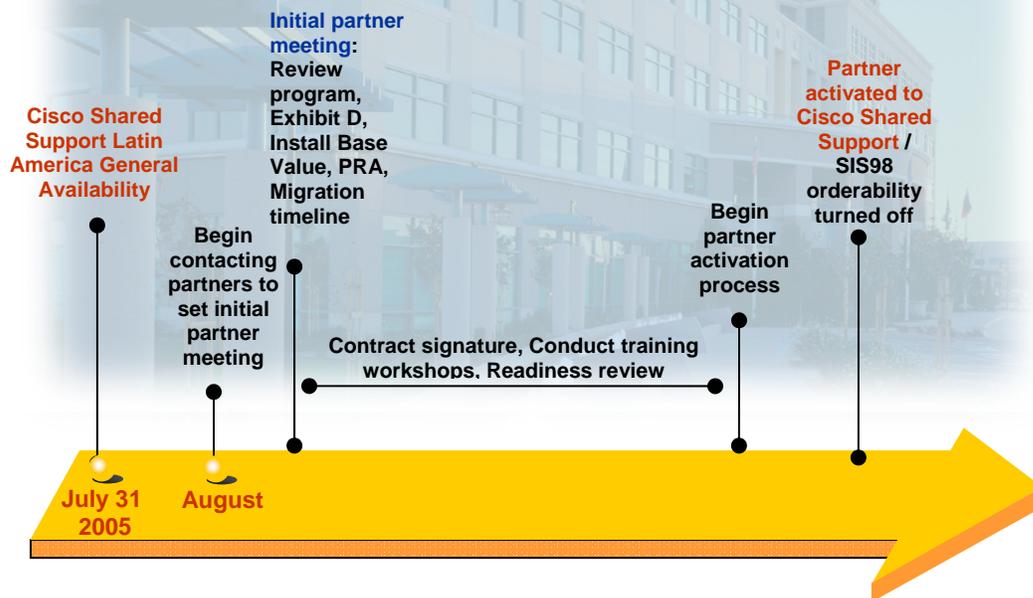# Latin America Migration Timeline and Related Activities

The general availability (GA) of Cisco Shared Support in Latin America is July 31, 2005. Shortly after GA, we will begin contacting partners to schedule initial meetings. During these initial meetings we will review all elements of the Cisco Shared Support program, set expectations for the End of Life and End of Support of SIS98, begin discussions on determining the partner's SIS98 Installed Base Value, review the legal addendum service support Exhibit D, present Partner Readiness Assessment (PRA), and agree on the partner migration steps and timeline. Following that initial meeting we will work closely with each partner to meet contract and PRA deadlines, and provide the appropriate training workshops to ensure a successful transition to Cisco Shared Support.

The migration timeline for each partner will vary. All eligible partners must migrate to Cisco Shared Support before the SIS98 End Of Sale.

Once activated, the partner's performance will be monitored regularly and through quarterly reviews, we will ensure that performance remains within suitable thresholds, and may provide additional review training as needed to support the partner's successful continuation on Cisco Shared Support.

Figure 10 below provides a visual representation of a partner's migration timeline to Cisco Shared Support.

Cisco Shared Support Latin America Partner Migration Timeline

Initial partner meeting:
Review program, Exhibit D, Install Base Value, PRA, Migration timeline

Partner activated to Cisco Shared Support / SIS98 orderability turned off

Cisco Shared Support Latin America General Availability

Begin partner activation process

Begin contacting partners to set initial partner meeting

Contract signature, Conduct training workshops, Readiness review

July 31 2005   August

Partner Responsibilities

To promote partner readiness and assist in the transition from SIS98 to Cisco Shared Support, Cisco will assign a team of individuals to provide training and issue resolution during the transition.

A successful implementation of Cisco Shared Support requires partner executive sponsorship.

Each partner will need to assign a focal team to manage their own internal transition from SIS98 to Cisco Shared Support. We recommend that each partner form this focal team with individuals from the following functional groups:

- Business operations
- Service operations
- Service sales
- Pre-sales/post-sales support
- Purchasing
- Accounts payable
- Partner delivery

The focal team will be required at the initial meeting, as well as during all training workshop sessions. All partner functional areas should be represented at the training workshops.

Additionally, the partner will need to assign a dedicated Project Manager to oversee the overall transition to Cisco Shared Support, and act as the single point of contact for Cisco during the migration.

CISCO SYSTEMS

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