



## Cisco Teaming Incentive Program

### Global Terms and Conditions

THESE TERMS AND CONDITIONS (“**TERMS**”) ARE ENTERED INTO BY THE CISCO ENTITY OR ENTITIES THAT ARE PARTY (IES) TO THE AGREEMENT (AS THE TERM “AGREEMENT” IS DEFINED BELOW) (“**CISCO**”) AND YOU (“**PROVIDER**”) (COLLECTIVELY, THE “**PARTIES**”). BY CLICKING ON THE “ACCEPT” BUTTON, THE PARTIES HAVE AGREED TO THESE TERMS, WHICH WILL THEN BE BINDING ON BOTH PARTIES.

The Parties agree as follows:

#### **1. Eligibility and Change of Scope**

- 1.1 **Eligibility.** Partner must meet the requirements of the program as defined in the Cisco Teaming Incentive Program Appendix: Program Rules. If Cisco determines at any point that the requirements are not met, the Partner may be removed from the Cisco Teaming Incentive Program (“Program”).
- 1.2 **Change of Scope.** Cisco reserves the right to make changes to the Program, or parts thereof, at any time, including, but not limited to, the eligibility criteria, performance metrics, and termination of the Program. Should a change to the Program be required, Cisco will notify the partner through the Program website at: <http://www.cisco.com/go/teaming>. Partner should familiarize itself with the Program website and check for any modifications and/or changes to the Program.

#### **2. Definitions**

If a capitalized term is not defined in these Terms and Conditions, it shall have the meaning ascribed to it in the Resale Agreement. In the event of a conflict between the Resale Agreement and these Terms and Conditions, these Terms and Conditions will control as it relates to the subject matter set forth herein.

- 2.1 **Cisco Commerce Workspace Tool (“CCW”):** The Cisco website at which Channel Partners submit all required information for each TIP Opportunity and at which the current status of the Opportunity is indicated. The CCW website is located at: <http://www.cisco.com/go/ccw>.
- 2.2 **Cisco Solution:** A selection of Cisco Products or a combination of Products and Services that meet Customer requirements for a particular Opportunity. A Cisco Solution does not include products that are competitive with Cisco Products.
- 2.3 **Customer:** The End User (as defined in Channel Partner’s Resale Agreement) or licensee that has acquired Products or Services for its own internal use and



not for Resale, remarketing, or distribution. The Channel Partner must identify the End User or licensee as the Customer in CCW. An entity is not an eligible Customer under TIP if it performs stocking, sparing, or warehousing activities for third parties or procures Products or Services for delivery to third parties.

- 2.4 **Opportunity:** A Customer issue, requirement, or business need for which a Cisco Solution is available.
- 2.5 **Resale Agreement:** The Cisco Indirect Channel Partner Agreement (ICPA), the Cisco Systems Integrator Agreement (SIA), or another similar Cisco agreement that authorizes the resale of Cisco Products and Services only to Customers.
- 2.6 **Teaming Incentive Program Appendix: Program Rules:** The Teaming Incentive Program governing document located on the Teaming Incentive Program Website, defining the Program elements, including, but not limited to, eligibility, discounts, and any applicable benefits. The Appendix: Program Rules document is incorporated into these Terms by reference. Reference the Appendix: Program Rules document at: <http://www.cisco.com/go/teaming>.

### **3. Channel Partner Obligations**

- 3.1 Upon submitting a Registration in CCW, Channel Partner certifies that it will comply with all laws, licenses, permits, and regulations, including, without limitation, any anti- bribery, conflict of interest, or procurement laws or regulations of any government or other competent authority where the Products are to be sold or used (collectively "**Applicable Laws**"). CHANNEL PARTNER WILL INDEMNIFY AND HOLD CISCO HARMLESS FOR ANY VIOLATION BY THE CHANNEL PARTNER OF ANY APPLICABLE LAWS.

### **4. TIP and Special Pricing**

- 4.1 By accepting the special pricing provided under TIP, Channel Partner acknowledges that the pricing is ONLY provided for the specific Registered Opportunity with the specific Customer listed in the TIP Registration process. Registrations are only valid on an Opportunity by Opportunity basis, and do not apply to the entire customer account. TIP discounts may not be used for Channel Partner's internal use or for resale to other Resellers. Cisco Channel Partners are not considered Customers under TIP.

- 4.1.1 If Cisco determines that Channel Partner has used special TIP pricing for resale to any other Customer, for another Opportunity, or in any other fraudulent manner, Cisco may, in addition to all of its other rights and remedies, all of which are reserved, (a) invoice Channel Partner for the difference between such additional discount and Channel Partner's then- current standard Resale discount; (b) audit Channel



Partner's purchases pursuant to the Audit provision in the Channel Partner's Resale Agreement, and invoice Channel Partner for all reasonable costs incurred by Cisco in its performance of the audit; (c) suspend Channel Partner's access to price deviations and other Cisco sales and marketing programs; (d) suspend shipments to Channel Partner; and/or (e) terminate Channel Partner's Resale Agreement pursuant to the termination rights set forth therein.

#### 4.2 Non-Standard Discounting

If an Opportunity is approved under TIP and subsequently requires further special pricing, additional non-standard discounting may be issued. In such a case, one non-standard discount will be made available to all Channel Partners bidding on the Opportunity, and a second non-standard discount will be made available exclusively to the TIP Channel Partner for the Term of the Registration. This additional TIP non-standard discount will be over and above the generally available non-standard discount.

#### 4.3 E-Rate (United States only)

The rules of the Federal Communications Commission ("FCC") that govern the E-Rate program require a fair and open competitive bidding process. In order to maintain a fair and open competitive bidding process, the FCC: (i) requires that all potential bidders and service providers have access to the same information and be treated in the same manner throughout the procurement process; and (ii) prohibits a service provider from obtaining any "inside" information about the procurement. For any Opportunity funded through the E-Rate program that a Channel Partner seeks to register or qualify under this Program, the Channel Partner and the Cisco Account Manager must certify their compliance with these rules. If an Opportunity funded through the E-rate program is Registered, Qualified, or Approved under this Program, and Cisco subsequently determines that noncompliance with the FCC's rules governing the E-rate program has occurred, Cisco will revoke TIP on that Opportunity.

4.3.1 As an exception to Section 3.3.9, when an E-Rate Form 470 (or equivalent) has been issued to the public, TIP can be granted if the following conditions are met:

4.3.1.1 Channel Partner must be authorized to bid on the Form 470.

4.3.1.2 There must be enough time for Channel Partner to perform the required pre-sales activities.

4.3.1.3 Channel Partner and Cisco must meet all the other terms and conditions of the Program.



5.1 Subject to the exceptions in this Section 9, any information shared between Cisco and its Channel Partner(s) related to TIP is Confidential Information as defined under the Channel Partner's Resale Agreement.

5.1.1 Cisco may disclose to an inquiring Channel Partner whether that Channel Partner is eligible for TIP on that particular Opportunity.

5.1.2 The Channel Partner with an Approved Opportunity may, at its discretion, disclose to the Customer that it has an additional earned discount from Cisco for the Opportunity. A Channel Partner with an Approved Opportunity may not disclose what Cisco incentive it has received, nor the discount earned, to the Customer or any other Channel Partner, unless required by law. A Channel Partner may not, however, disclose its TIP status to other Channel Partners. Further, the Channel Partner may not disclose the value of the TIP earned discount to any Channel Partner or any Customer, unless required by law.

5.1.3 If a Channel Partner does not receive a TIP on an Opportunity, then that Channel Partner must not disclose to the Customer (a) that they did not receive the TIP, (b) that another Channel Partner did receive the TIP, or (c) if a TIP was granted for the Opportunity at all. This includes any discussion about what TIP is and the pricing that it may provide

5.2 Breach of Confidentiality. If any Channel Partner breaches the confidentiality provisions contained in these Terms and Conditions, Cisco may reject the related Qualified Registration, revoke the related Approved Registration, and/or bar that Channel Partner from future participation in TIP

## **6 Competition**

6.1 The goal of TIP is to provide Channel Partners with additional discount when they support Cisco by completing pre-sales activities in eligible opportunities and not to discourage other Channel Partners from competing. Therefore Cisco may not in any way discourage other competing Channel Partners from continuing offering their solutions once one Channel Partner is qualified for TIP.

6.2 While Cisco may indicate that a certain Channel Partner has not qualified for TIP, Cisco may not suggest, directly or indirectly, that non-TIP Channel Partners should drop out from the competition for the opportunity.

Cisco will monitor the impact of the Program and its capacity to promote pre-sales activities. Cisco will also closely monitor whether the Program reduces the number of Channel Partners competing for a given deal and the extent to which this negatively impacts Customers. Partners should notify Cisco via their theater support alias immediately should any negative impact become apparent. The support alias can be found at



<http://www.cisco.com/go/teaming>.

## 7. **Provisions on Indirect Tax**

- 7.1 Any invoice issued by Partner to Cisco must be issued in conformity with local VAT and Cisco requirements. Invoices not issued in conformity with these requirements will be rejected and returned to partner. Contact your local tax adviser for additional information.
- 7.2 Cisco regards the payments it makes to Partner under the Program to be remuneration for marketing penetration services performed by the Partner to Cisco. As such, these services fall under the scope of article 44 of EU VAT Directive 2006/112/EG and therefore are subject to VAT in the country where the recipient (i.e., partner's principal) of these services has its seat of business. Where Cisco Systems International B.V. is partner's principal, the services are VAT taxable in the Netherlands. Where Cisco International Limited is partner's principal, the services are VAT taxable in the UK. Where Cisco Systems Italy SRL is partner's principal, the services are VAT taxable in Italy. Where partner's principal is Cisco Systems International B.V. and Partner does not have its seat of business in the Netherlands, Cisco will be obliged to account for VAT per the reverse charge mechanism in the Netherlands, and Partner should then not charge VAT. Where partner's principal is Cisco International Limited and Partner does not have its seat of business in the UK, Cisco will be obliged to account for VAT per the reverse charge mechanism in the UK, and Partner should then not charge VAT. Where partner's principal is Cisco Systems Italy SRL and Partner does not have its seat of business in Italy, Cisco will be obliged to account for VAT per the reverse charge mechanism in Italy, and Partner should then not charge VAT.
- 7.3 Should there be any circumstances at any time whereby either of the parties believes the VAT treatment should be different, this change will need to be justified in writing (by a justification letter in which all relevant regulations and laws leading to this changed conclusion are brought forward) by the party claiming this change in VAT treatment and will need to be accepted by the other party in writing prior to the issuance of invoices with this altered VAT treatment. If there is no agreement on the VAT treatment between the parties, the parties may jointly appoint an independent external expert for a final (binding) decision on the treatment. Costs for such external advice will be borne by the party wishing to change the VAT position as set out above.
- 7.4 Invoice requirements, applicable on the supply of services, by member states can also be found at the traders' information pages of the European Commission: [http://ec.europa.eu/taxation\\_customs/taxation/vat/traders/vat\\_community/index\\_en.htm](http://ec.europa.eu/taxation_customs/taxation/vat/traders/vat_community/index_en.htm).



- 7.5 Partner is responsible for assuring that any payment claim that they submit to Cisco is treated correctly for indirect taxes. In case local legislation requires a formal tax invoice to be issued, this will be the responsibility of the partners.
- 7.6 Cisco cannot be held liable for any costs, including but not limited to penalties or interest assessed by tax authorities following an incorrect VAT treatment on invoices issued by partner. Cisco reserves its right at all times to request a VAT Credit Memo in cases whereby VAT was incorrectly charged by channel partner. Please be informed that if it is determined by an external expert that any indirect taxes (e.g., VAT, GST) and similar taxes are due for marketing penetration services supplied to Cisco, all payment amounts to which Partner is entitled are deemed to be inclusive of such indirect and similar taxes.\* Furthermore, as a local indirect taxpayer, Partner is responsible for assuring that any payment claim to Cisco is treated correctly in the broadest sense of the word for indirect tax purposes. If, based on an external expert's opinion, VAT is due Cisco requires a formal tax invoice to be issued, on which the local VAT charged is stipulated separately.

\*With the exception of Dutch partners claiming from Cisco Systems International BV, UK partners claiming from Cisco International Limited and Italian partners claiming from Cisco Systems Italy SRL.