

## Cisco Services Incentive (CSI) Program Rules

The Cisco Services Incentive (CSI) Program is a channel incentive program designed to increase margins for Cisco's Gold and Silver partners with sales of Cisco Services. This program provides a rebate to qualifying partners – partners who achieve assigned service target during a 3 month period, from 26-Apr-09 to 25-Jul-09.

### **Applicable Services**

Services which are eligible for being considered as within the scope of the program shall be as determined by Cisco from time to time. They currently include Shared Support Service, Collaborative Technical Services and Cisco Brand Resale (CBR) of Cisco Service offerings including, but not limited to, SMARTnet, SMARTnet Onsite, Software Application Support (SAS/SAU), Smart Foundation, Cisco Services for IPS, Essential Operate Services and Cisco Advance Services.

*Outlined below are the program rules*

### **Participant Criteria**

This program is targeted at Gold and Silver partners, excluding Cisco Service Alliances Partners.

### **Application Process**

Please go to the Registration page on the CSI web site to fill in all required details. Please then read the terms and conditions, consider the assigned target and check the box on the registration page to confirm acceptance before you submit your registration form.

### **Enrollment Timeframe**

Participants who enroll and are accepted into the CSI Program will be eligible for the full three-month program period.

<b>Program Period</b>	<b>Enrollment Opens</b>	<b>Enrollment Closes</b>	<b>Months in Pay period</b>
Q4: 26-Apr-2009 to 25-Jul-2009	20-Apr-2009	4-May-2009	3

This is a 3-month program that runs for one quarter from 26-Apr-2009 to 25-Jul-2009 with payout in the form of a credit note two to three months after program closure.

Please go to <http://www.cisco.com/web/HK/partners/promotions/csi/index.html>

### **Target Rebate Matrix**

Rebate is calculated by multiplying rebate percentage by net growth. Net growth (before rebate) refers to the difference of booking under measurement relative to booking of the same period in the previous year.

Partners can access on line to see its performance of sales results against year to date target and rebate paid in the form of credit note 2-3 months after end of the program.

Country	% Achievement	Calculation of Rebate*
China * and Hong Kong*	>30% growth rate	3% x net growth
Asia (except Indonesia)-	>15% growth rate	3% x net growth
Indonesia-	>20% growth rate	3% x net growth
Australia^	>10% growth rate in AUD	3% x net growth
New Zealand^	> 10% growth rate	3% x net growth
India	>15% growth rate	3% x net growth

\* For China and Hong Kong, partners must achieve higher or the same renewal rate as compared to FY08 Q4. Data will be as shown on Performance matrix Central tool.

^ For Australia and New Zealand, 2 employees from each participating partner must pass the Cisco Service Expert Program exam and achieve the required service program attach rate.

- For Asia including Indonesia, 2 employees from each participating partner must pass the Cisco Service Expert Program exam.

**\* Important notes:**

Rebate of Sales Achievement will be paid after the end of the 3 month program period, and is calculated by multiplying rebate percentage by net growth. Net growth (before rebate) refers to the difference of booking under measurement relative to booking of the same period in the previous year.

Rebate payout is capped at maximum service net growth of 100%.

For example,

Partner A booked \$100k for Q4 in FY08, Assuming 30% growth rate is applied for this partner. The minimum requirement to enjoy rebate for Partner A will be \$130k booking for Q4 for FY09 and the maximum Net Growth considered for rebate payout is 100k (Capped at 100% growth rate) Please refer to the below example

If Partner A books,

- 1) \$115K for Q4 FY09 which is 15% growth, Partner A is not eligible for CSI5 rebate.
- 2) \$150k for Q4 FY09 which is 50% growth, rebate payout is \$1.5k ( 0.03 x 50k )

3) \$210k for Q4 FY09 which is 110% growth, rebate payout is \$ 3k ( 0.03 x 100k )

Operation of the Cisco Sales Incentive Program is subject to applicable terms and conditions as described herein, in addition to the terms and conditions that apply to the relevant Cisco entities and the relevant participants in the program.

## **TERMS AND CONDITIONS**

**THIS PROGRAM IS INTENDED FOR PARTICIPATION ONLY IN AUSTRALIA, CHINA, HONG KONG, INDIA, INDONESIA, KOREA, MALAYSIA, NEW ZEALAND, PHILIPPINES, SINGAPORE, TAIWAN, AND THAILAND. DO NOT PARTICIPATE IN THE PROGRAM IF YOU ARE NOT (1) A LEGAL REGISTERED PARTNER OF CISCO SYSTEMS, INC.'S ASIAN ENTITIES THROUGHOUT THE PROGRAM PERIOD AND (2) LOCATED WITHIN THE COUNTRIES LISTED ABOVE AND (3) YOU OTHERWISE DO NOT FALL WITHIN THE ELIGIBILITY REQUIREMENTS SET FORTH IN THE TERMS AND CONDITIONS BELOW.**

The Cisco Services Incentive Program is a channel incentive program designed to increase margins for Cisco's Gold and Silver partners with sales of Cisco Services. This program provides a rebate to qualifying partners – partners who achieve assigned service target during the three month period from April 09 to July 09. Cisco has the right to change, limit, modify or cancel the program terms and conditions, points, eligible sales/products, and rewards at any time, with or without notice, even though such changes may affect the value of points already accumulated, the ability to use accumulated points, or the ability to obtain certain rewards. Participation in the Program is subject to these terms and conditions, and the terms and conditions, rules, policies and procedures ("Program Terms") that Cisco may, in its discretion, adopt from time to time. Cisco may amend the Program Terms at any time without notice. Cisco has the sole discretion to interpret and apply the Program Terms. By participating in the Program, Participants represent that they understand and agree to be bound to the Program Terms, as may be modified, and the decisions of Cisco which are final and binding. Void where taxed, regulated, restricted or prohibited by respective country laws.

**ELIGIBILITY:** The Cisco Services Incentive Program (the "Program") is sponsored by Cisco Systems Australia Pty. Ltd. (for Australia) or Cisco Systems International B.V. (for the other countries) ("Cisco" or "Sponsor") and is only open and offered to Cisco Gold and Silver 1-Tier partners, excluding Cisco Global Service Alliances (GSA) Partners located in Australia, China, Hong Kong, India, Indonesia, Korea, Malaysia, New Zealand, Philippines, Singapore, Taiwan, and Thailand (eligible "Participants"). For purposes of this Program, Cisco Gold or Silver 1-Tier partner is defined as a company that does have a direct purchasing contract with Cisco (eligible "Partner" or "Participant"). GSA partners are specifically excluded. In the event that a Cisco partner becomes a GSA partner during the Program period, bookings made prior to the Partner becoming a GSA partner may subject to Cisco's discretion be considered. All others, including direct marketing resellers, direct value added resellers, any resellers that prohibit employee participation, prize suppliers, those entities involved in the preparation of materials or content for the Program, and their respective affiliates, parents, subsidiaries, and the employees, officers, directors, shareholders, representatives, agents and contractors of each, and individuals living in the same household of those individuals, whether related or not, are not eligible to participate.

**IMPORTANT NOTICE:** All Participants are responsible for compliance with any and all laws, rules, regulations, employment, contractual limitations, and employer's policies regarding Participant's eligibility to participate and/or receive reward(s) in this and similar programs and promotions. If an individual is participating in violation of their employer's policies, that individual and its employer may be disqualified from this Program and/or from receiving rewards. Cisco disclaims any and all liability or responsibility for disputes arising between an individual and their employer related to this matter.

**PROGRAM PERIOD:** The Program begins at 12:00:01 a.m. the respective country's time zone on April 26, 2009 (hereafter referred to as "Start Date") and ends on 11:59:59 p.m. in the respective country's time zone on to July 25, 2009, for Australia, China, Hong Kong, India, Indonesia, Korea, Malaysia, New Zealand, Philippines, Singapore, Taiwan, and Thailand.

**PROGRAM TERMINATION:** Unless an earlier termination or cancellation is provided herein, Cisco has the right to terminate the Program by providing written notice to all Participants two (2) weeks in advance of Program termination by posting a Notice of Termination on <http://www.cisco.com/web/HK/partners/promotions/csi/index.html>. Cisco will also send an email communication to all program Participants using the contact information provided on the Registration. In that event, all registrations and claims for an Eligible Sale (as defined herein) must be submitted within seven (7) days of the Notice of Termination (as defined herein). All points must be redeemed within two (6) weeks of the Notice of Termination. Any and all unredeemed points will expire six (6) weeks after the Notice of Termination, no matter the extent of participation in the Program.

Any questions may be directed to the Cisco CSI team by e-mail to [csi-apac@cisco.com](mailto:csi-apac@cisco.com).

**REGISTRATION:** Prior to participation, Participant must first register by visiting <http://www.cisco.com/web/HK/partners/promotions/csi/index.html> and agree to the assigned targets and check the box on the registration page to confirm acceptance before you submit your registration form. Participants must review, accept and agree to be bound by these Program Terms and the decisions of Cisco (and its authorized representative). The assigned targets are non-negotiable. Participants who enroll and are accepted into the Program will be eligible for the full three-month program period.

Program Period	Enrollment Opens	Enrollment Closes	Months in Pay period
Q4: Apr 26, 2009 to July 25, 2009	Apr 20, 2009	May 4, 2009	3

This is a 3-months program that runs for one quarter from April 26, 2009 to July 25, 2009 with payout in the form of a credit note two to three months after program closure.

**ELIGIBLE SERVICES:** Services which are eligible for being considered as within the scope of the program shall be as determined by Cisco from time to time. They currently include Shared Support Service, Collaborative Technical Services and Cisco Brand Resale (CBR) of Cisco Service offerings including, but not limited to, SMARTnet, SMARTnet Onsite, Software Application Support (SAS/SAU), Smart Foundation, Cisco Services for IPS, Essential Operate Services and all of Cisco Advance Services.

**EARNING RESTRICTIONS:** Service rebates will be paid only if a partner has exceeded the assigned service bookings target. Sales that are eligible for rebates under the CSI Program are not eligible for any other Cisco Services rebate program unless otherwise stated. Rebate amounts will be determined by Cisco referencing Cisco's Point-of-Sale (POS) records.

**REWARD RESTRICTIONS:** Redeemed rewards are not refundable, replaceable, or transferable for cash, credit, or other rewards under any circumstances. Neither an employer nor any other third party may claim rewards on behalf of the Participant. Lost, stolen or mutilated gift cards or merchandise will not be replaced. Redeemed rewards earned in the Program may not be re-sold, bartered, or exchanged for other goods or services except as stated on the reward. All rewards are subject to availability. Certain rewards are available only during the time periods described in the Program communications. Cisco reserves the right to substitute rewards of equal or greater value as necessary at its discretion. Some rewards have limited availability. Reward items in the Program are subject to change. Rewards have no cash value and may not be redeemed for cash or its equivalent, and any unused portion will not be returned as cash unless otherwise noted on the rewards. Rewards are not transferable. Use of any reward is subject to any additional restrictions

of the manufacturer, or listed on the reward and as may be provided in the Cisco Rewards catalog. Cisco is not responsible for and expressly disclaims any and all liability relating to the quality and performance of any goods or services offered as a reward in the Program. Allow 2-3 months for delivery of the reward earned. In certain circumstances the delivery time may be longer. Participants are solely responsible for any and all tax consequences and liability relating to any rewards redeemed. **All redemptions are final. Point credits will not be issued for canceled, exchanged or returned rewards.**

**USE OF PERSONAL INFORMATION:** Personal information submitted while participating in the Program will be used only to contact potential winners unless Participant has checked the Opt-In box on the registration page. Such personal information will not be used for any other purpose. Personal information means any information that may be used to identify the individual making the entry including, but not limited to, a first and last name, an email address, a home, postal or other physical address, other contact information, a title, a birth date, such individual's gender, occupation or industry, or other information needed to meet the obligations of the Program. If the Opt-In box has been checked, Participant grants to Cisco and its affiliates an irrevocable right to print, reproduce, publish, use, edit, adapt, display, broadcast and/or modify worldwide in any way, in any and all media, now known or hereinafter developed (without compensation to Participant), including, but not limited to, the World Wide Web and the Internet, at any time(s), the winner's name and logos, and the name, portrait, picture, voice, likeness, and biographical information of the individual who entered on behalf of the winner, as news, information and for advertising and promotional purposes without additional compensation or review. Checking the Opt-In box further constitutes Participant's consent to assign and transfer irrevocably to Cisco any and all rights, title and interest in the personal information submitted while participating in the Program, without limitation, including all copyrights. By participating in the Program and to the fullest extent under applicable laws, Participant waives the benefit of any provision of law known as "moral rights" or "droit moral" or any similar or analogous law or decision in any country of the world and represents and warrants to Cisco that its submission does not contain any third party confidential or proprietary information.

**WARRANTY: EXCEPT FOR WARRANTIES AND CONDITIONS IMPLIED BY LAW WHICH CANNOT BE EXCLUDED, CISCO MAKES NO REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, REGARDING THE QUALITY OR SUITABILITY OF THE REWARD.** Certain legislation may imply conditions or warranties which cannot be excluded, restricted or modified except to a limited extent. In this event, Cisco's liability is limited to, as its option: (i) the replacement of the reward or the supply of an equivalent reward; (ii) repair of the reward; or (iii) the payment, if it does not contravene any law, of the cost of the replacement, supply or repair.

**LIMITATIONS OF LIABILITY: BY PARTICIPATING AND ACCEPTING A REWARD, EXCEPT FOR LIABILITY UNDER STATUTE WHICH CANNOT BE EXCLUDED, EACH PARTICIPANT AGREES THAT CISCO, ITS SUBSIDIARIES, AFFILIATES, ADVERTISING AND PROMOTION AGENCIES, AND ALL OF THEIR RESPECTIVE OFFICERS, DIRECTORS, EMPLOYEES, REPRESENTATIVES AND AGENTS, WILL HAVE NO LIABILITY WHATSOEVER FOR, AND WILL BE HELD HARMLESS BY PARTICIPANT FOR ANY CLAIMS, LIABILITY, OR CAUSE OF ACTION FOR ANY INJURY, LOSS OR DAMAGES OF ANY KIND TO PERSONS, INCLUDING WITHOUT LIMITATION PROPERTY, DUE IN WHOLE OR IN PART, DIRECTLY OR INDIRECTLY, FROM THE DELIVERY, ACCEPTANCE, POSSESSION, USE OR MISUSE OF THE REWARD, PARTICIPATION IN THIS PROGRAM, OR PARTICIPATION IN ANY PROGRAM OR REWARD RELATED ACTIVITY. FOR THE AVOIDANCE OF DOUBT, NOTHING HEREIN EXCLUDES OR LIMITS THE CISCO'S LIABILITY FOR DEATH OR PERSONAL INJURY RESULTING FROM NEGLIGENCE, FRAUD OR WILFUL MISCONDUCT.**

**MISCELLANEOUS:** Without limiting the foregoing, Participants also acknowledge and agree to the following:

Cisco reserves the right to disqualify any Participant and to forfeit all associated points if Cisco determines that Participant is ineligible, or if Participant's participation in the Program or receipt of a reward violates the relevant country, federal, territorial or provincial laws, or these Program Terms.

Likewise, Cisco reserves the right (a) to disqualify and forfeit all associated points of any Participant Cisco suspects of fraud, abuse or other unlawful conduct in claiming points, and (b) to disqualify and forfeit all associated points of any Participant who Cisco believes has purchased products in violation of Cisco's Distribution Channel Policies. At a minimum, Participant's account may be frozen during the review period and no activity will be allowed to transact against it.

Neither Cisco, its Cisco Authorized Distributors, fulfillment house(s), rewards suppliers/merchants, nor other Cisco authorized representatives will be responsible for lost, late, damaged, destroyed, undelivered, incomplete, invalid, illegible, fraudulent, or misdirected communications, claims, reward requests, claim documentation, or any other information supplied or received hereunder; for failed, partial, or garbled computer transmissions; or for technical failures of any kind, including but not limited to electronic malfunctioning of any network, hardware, software, electronic, or human error that may occur in relation to this Program, including but not limited to any information used or exchanged in this Program, in processing claims, and/or in storing, accumulating, or using rewards in the Program.

Participants are responsible for keeping their own sales information. If Participants believe there are any discrepancies between Cisco published bookings and their own records, they are responsible for identifying such potential discrepancies to Cisco. Any discrepancies must be reported immediately. Deadline for reporting discrepancies is one month from the date of POS records uploads. The information provided here takes precedence over information obtained from sources other than the CSI team. Information from other sources will not be honored in any disputes.

By participating in this Program, Participants agree to release and hold harmless each of Cisco, its Cisco Authorized Distributors, fulfillment house(s), rewards suppliers/merchants, nor other Cisco authorized representatives, their respective subsidiaries, divisions, related companies, and all of their respective officers, directors, employees, representatives, contractors and agents, from and against, any and all alleged and actual claims and causes of action whatsoever Participant may have, or which may arise, against any of them for any loss and liability for any matter, cause or thing whatsoever, including but not limited to any personal injury, bodily injury (including but not limited to wrongful death), property damage, or loss or damage of any other kind, whether direct, compensatory, incidental or consequential, arising in whole or in part, directly or indirectly, from Participant's participation in the Program and/or Program related activities, acceptance, possession, use or misuse of a reward in the Program, and any loss, destruction, delay, interruption, modification or cancellation of all or any element of the Program for any reason, including without limitation strikes, boycotts, war, acts of God, labor troubles, riots, delays of commercial carriers, restraints of public authority or for any other reason, similar or dissimilar, beyond the reasonable control of Cisco.

Cisco reserves the right, at its sole discretion, to cancel or suspend the Program should viruses, bugs, unauthorized human intervention, or other causes beyond the control of Cisco, in Cisco's sole opinion, corrupt the administration, security, fairness, integrity, or proper operation of the Program. In the event of cancellation, Cisco may require Participants to redeem all transferred points within thirty (30) calendar days of cancellation or suspension.

Nothing contained in this Agreement shall be construed to: (i) give either party the power to direct and control the day-to-day activities of the other; (ii) constitute the parties as partners, joint ventures, principal and agent, employer and employee, co-owners or participants in a joint undertaking; or (iii) allow Participant to create or assume any obligation on behalf of Cisco.

Except where prohibited by law, the validity, interpretation, and performance of this Amended Contract shall be controlled by and construed under the laws of the State of California in the United States. Should there be a conflict between the laws of the State of California and any other laws, the conflict will be resolved in favor of the laws of the State of California, provided that either party may bring an action before any court of appropriate jurisdiction for interim injunctive relief for protection of intellectual property rights and confidential information.

Cisco reserves the right to cancel or modify this Program as determined by Cisco in its sole discretion. Any modification of these Program Terms shall be communicated to the Participants by posting on the Cisco Website at <http://www.cisco.com/web/HK/partners/promotions/csi/index.html> Void where prohibited. Please check these Program Terms frequently, as Cisco may from time to time unilaterally amend the Program Terms by posting revised language on the Website. The most up-to-date version of these Program Terms will always be available for your review on the Website. Amendments will become effective at the time they are posted on the Website. Your continued use of the Website after amendments are posted will constitute your acceptance of such amendments.

The submission of false, incomplete, or misleading claims in connection with the Program may constitute mail or wire fraud, which are criminal offenses, and may violate federal, territorial or provincial laws as well.

If a Participant moves, the Participant is required to notify Cisco of the corrected address by email to the Cisco Support Helpdesk [csi-apac@cisco.com](mailto:csi-apac@cisco.com)

### **Program Contacts**

If you have any questions about the CSI Program, please contact our program manager at [csi-apac@cisco.com](mailto:csi-apac@cisco.com)