

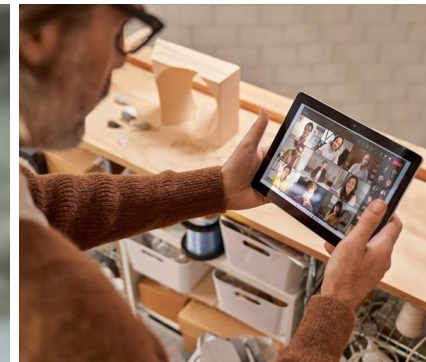


Global Partner Solutions
Indonesia

Partner Enablement Compliance

Stella & Juliana

February 15th 2023

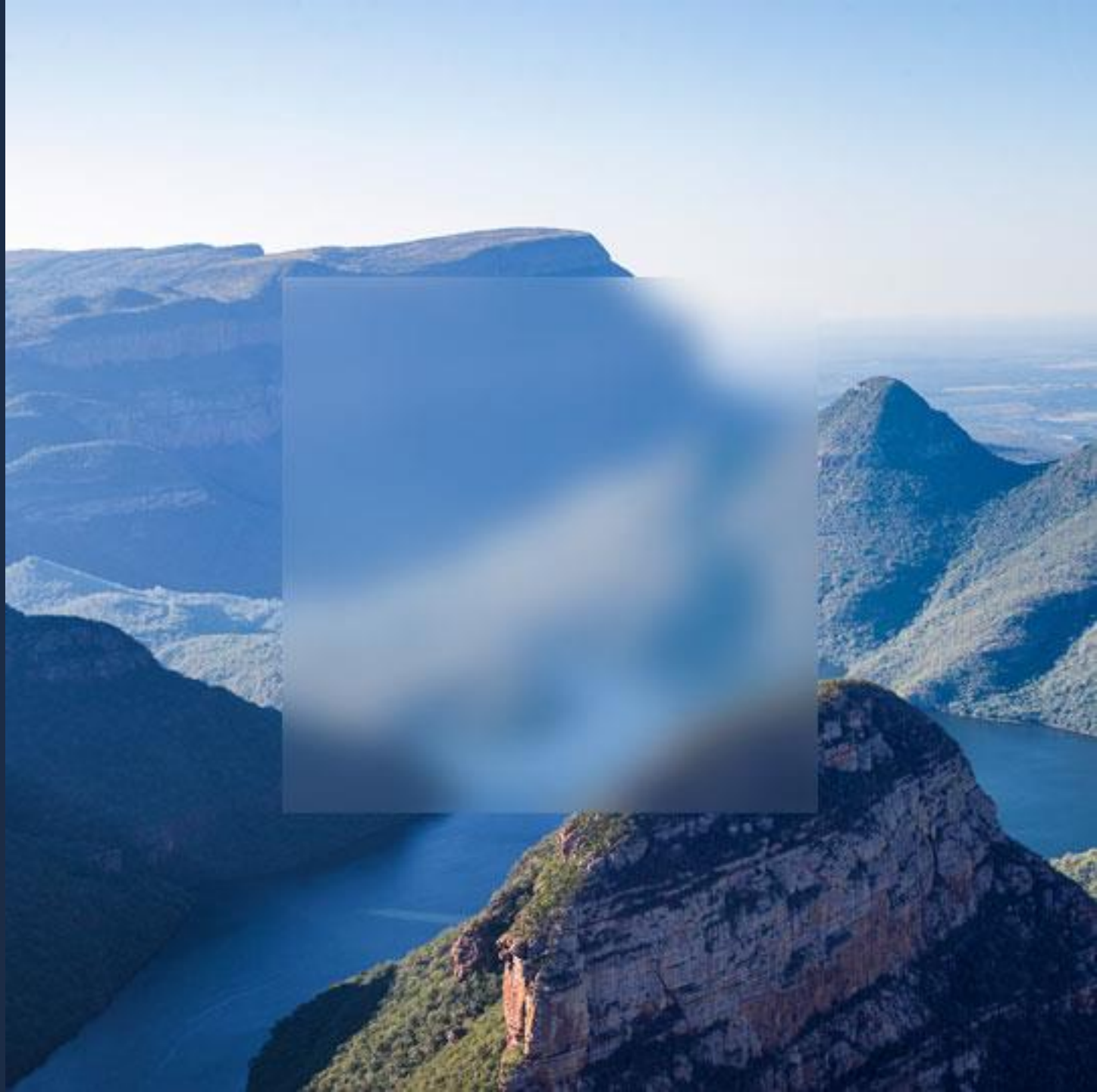


Agenda



ECIF
(End Customer Investment Funds)

Discount Pass-Through
and
Transparency





ECIF

(End Customer Investment Funds)

*Use and follow approved rate card for ECIF.

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ECIF

End Customer Investment Funding

ECIF is monetary funding or payments for services delivered to Microsoft end customers in support of Microsoft products, to drive deployment or migration of MS products, or provide support.

ECIF Projects can only be delivered by approved suppliers who must meet the following requirements:

- i. Supplier needs to comply with the Microsoft Supplier Code of Conduct.
- ii. Supplier/Partner acknowledges the Supplier Code of Conduct and Microsoft PO Terms & Conditions **during the supplier setup process.**

**Supplier can visit [Doing Business with Microsoft](#) website for more details*

ECIF

- [End-Customer Investment Funds \(ECIF\)](#) are used to drive growth, close pipeline, and enhance the customer and partner experience through consulting services from Microsoft and our partners.
Additional details can be found [Doing Business with Microsoft Procurement](#).
- **Key Reminders:**
 - Always ensure that ECIF is used for the purpose for which it is intended and in accordance to the [ECIF Policy](#) and [ECIF Guidance](#).
 - Do not make an ECIF commitment to a customer or supplier prior to approval of the Internal Order (IO). Note, ECIF may be discussed with an End-Customer or ECIF Supplier so long as the discussion does not create a commitment for Microsoft. Any discussions prior to formal IO creation in the ECIF tool (OneAsk) must include verbal and/or written caveats such as “... information on ECIF is provided for discussion purposes only and should not be construed as a commitment, promise or guarantee as it is subject to final approval according to Microsoft policy”.
 - Refer to section 6: Communication of ECIF to customer in [ECIF Guidance](#) . Suppliers should not start ECIF related work until an approved PO and signed SOW between the supplier and Microsoft is in place

ECIF funding is intended to increase sales and/or usage of Microsoft Products. These are broken up into Pre-Sales (OPEX) and Post-Sales (COGS) Activities:

Pre-Sales (OPEX) Allowed Activities

- Pre-Sales Architecture design or assessment (e.g., Partner White-boarding).
- Customer Training & Assessments.
- Proof of Concept (POC) or Pilots.
- Independent Software Vendor (ISV) Tools Development (e.g., ISV building applications for Azure, SQL etc.).
- 3rd party licenses - Fees for partner-delivered Solution Assessment (SA) engagements (e.g., SA Server Optimization, Infrastructure Optimization, or Solution Assessment engagements), including any associated fees for temporary licensing of third-party discovery or asset inventory tools. Outside of SA, if 3rd party software is required to perform the work contracted within an ECIF engagement (either as part of an environment assessment or a migration), ECIF may be used to fund temporary licenses of that software. The ownership of the software cannot be transferred to or retained by the end-customer at the end of the engagement. In addition, the ECIF supplier must submit an itemized invoice for the cost of the software in order to be reimbursed for the cost of the software.
- Commercial and Consumer Apps Development on PC, Tablets and Phones and similar devices

Post-Sales (COGS) Allowed Activities

- Migration and Deployment Services (including assessments that are needed to identify technical blockers with deployments or migrations. If any delays are due to technical issues with Microsoft products not functioning as expected, then PQR funds can be used to fix the issues).
- Deployment Planning Services.
- Technical Adopter Program (TAP), Early Adopter Program (EAP), & Rapid Deployment Program (RDP), early access innovation
- Digital Advisory Services.
- Customer Training
- Enterprise Support.
- Program Quality Assurance (PQA) provides a DSE from Customer Engineering to serve as an orchestration point to work across customer, supplier, Fast Track, and the engineering teams to coordinate Microsoft's efforts on behalf of the customer. The DSE works with FastTrack and MCS to significantly de-risk complex Dynamics 365 engagements and lead to faster time-to-value for our customers

Activities that do not qualify for ECIF at Microsoft include:

1. Hardware purchases (Servers, PCs, Tablets, Phones - These should follow standard processes for hardware sales or hardware seeding Policy).
2. Software purchases or subscription.
3. Generic Marketing activities, e.g., Public Relations, Advertising, Events, etc. (These are Marketing costs).
4. Partner Enablement – Training and Readiness (These are Marketing costs).
5. Recruiting, Administrative & Timekeeping (These are HR Management costs).
6. Internal Tools Development or Maintenance (These are Procured People costs).
7. Microsoft Internal Website or SharePoint Development or Maintenance (These are Procured People costs).
8. Microsoft Commercial Research & Development costs (Please refer to R&D policies).
9. T&E spent by non-Services organizations for internally delivered projects.
10. Discounting or Licensing buy-down (These are discounts and must go through Business Desk when signing contracts).
11. Service Interruption.
12. Licensing and Software Assurance.
13. Reimbursement of Service (MCS/PSS) Engagements Overruns/Budget Shortfalls
14. Dissatisfaction with MS Services/Support (as opposed to MS Products).
15. Custom Support Agreements or Extensions.
16. Partner Fault/Accountability.
17. Licenses (aside from what is described in pre-sales activities)
18. Changes in Price, Refunds/Credits.
19. PQR Funding offered proactively.
20. Non-Strategic Activities (shipping/delivery, Disposal/Trash removal, unboxing, power/wifi testing, asset tagging greater than 5% requested ECIF is not allowed)

- Along with activities that are allowed –there are specific activities that are not allowed for ECIF Funding. The allowed and not allowed activities are highlighted in [ECIF guidance](#)

Supplier Onboarding

Compliance Requirements

a

Microsoft Payment Central -

- ECIF Suppliers will receive an email from Payment Central to set up a New Vendor Account or provide updates to an existing account if appropriate.
- The Supplier will have **2 days** to initiate all Payment Central activities and **30 days** to complete NVA.

Request for Proposal (RFP) –

b

- **Invitation Code** - An invitation code will be sent to the supplier via email and the code must be redeemed to set up the user profile. The employee that sets up the supplier profile must also attest they are authorized to negotiate and legally bind the Supplier to contract terms and pricing and will not participate in any action contrary to the terms of the agreement.
- Suppliers must **accept** the participation gate prerequisites to move forward with becoming a ECIF eligible supplier. These prerequisites include accepting these terms: Microsoft Intellectual Property Rights, Use and Disclosure of Confidential Information, Collusion, Most Favorable Terms, and Ratecard Validity Period.
- Hourly rates may be established for nine tech resources expert levels I-V. These rates are valid for a **three-year** period and **must** be used when submitting an ECIF request Work Scope. *Note: Internal Fair Market Value reviews will be conducted to ensure established rates are adhered to and project scope is reasonable.*

c

Supplier Security Privacy Assurance (SSPA) –

- A Microsoft program that addresses the processing of personnel and confidential information as part of the execution of services to Microsoft. The program sets the baseline privacy and security requirements for our global supplier base and drives compliance to these requirements.
- Suppliers must self-attest to the Microsoft Data Protection Requirements; compliance activity will issue to your company every year on this anniversary date.
- An email will be sent to the supplier that will contain a specific login link. The supplier will have **90 days** to complete these SSPA actions.

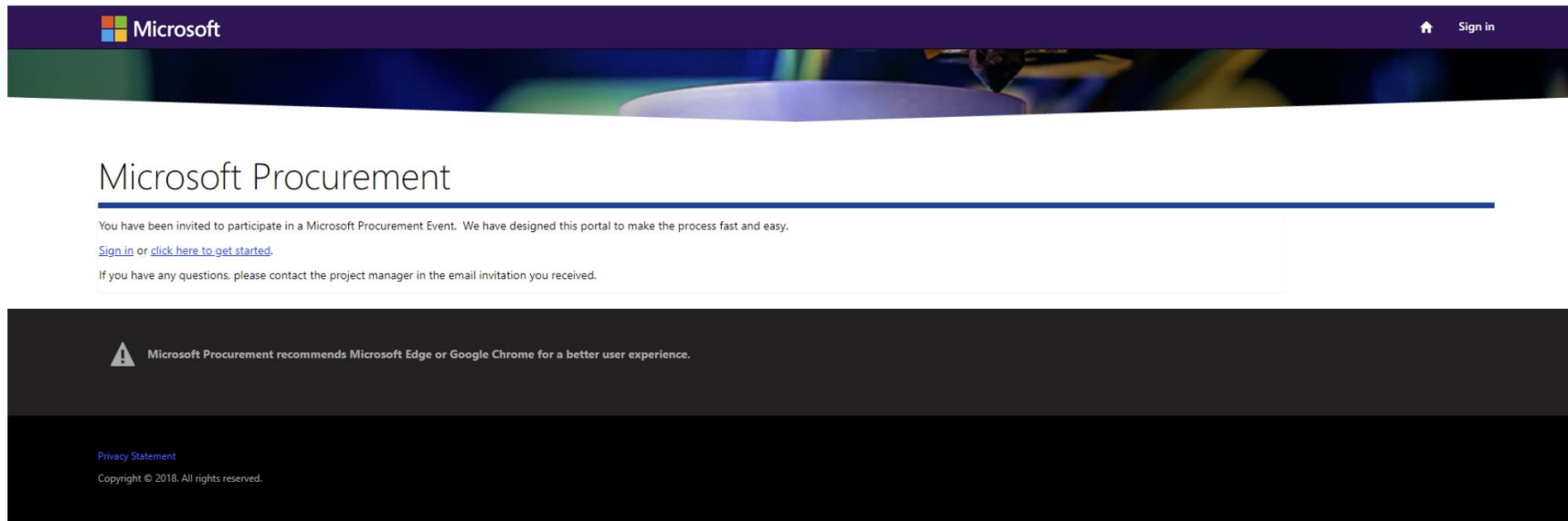
What is Procurement RFP Rate Cards?

When your Point of Contact was invited to complete ECIF Procurement RFP Rate Cards Process. The result was a guaranteed pricing structure that was mutually agreed within the program parameters.

How do I access my organization's Rate Cards?

As an approved ECIF Supplier, you can access your Procurement Rate Cards through the MS Procurement Portal: <https://enterpriseservices.microsoftcrmportals.com/>

You will see an option to sign in



The screenshot shows the Microsoft Procurement portal landing page. At the top, there is a dark purple header with the Microsoft logo on the left and a 'Sign in' button with a home icon on the right. Below the header is a blurred image of a person's hands. The main content area has the heading 'Microsoft Procurement' followed by a horizontal line. Below the line, there is a paragraph of text: 'You have been invited to participate in a Microsoft Procurement Event. We have designed this portal to make the process fast and easy.' This is followed by a link: 'Sign in or [click here to get started.](#)' and another line of text: 'If you have any questions, please contact the project manager in the email invitation you received.' At the bottom of the page, there is a dark grey footer with a warning icon and the text: 'Microsoft Procurement recommends Microsoft Edge or Google Chrome for a better user experience.' Below that, there is a link for 'Privacy Statement' and the text: 'Copyright © 2018. All rights reserved.'

NEED SUPPORT? ECIFSPMO@microsoft.com

ECIF Project Lifecycle

1

CONTRACTUAL COMMITMENT

ECIF Supplier Agreement (ESA)
Purchase Order (PO)

The Supplier is required to have a separate contract with the customer

2

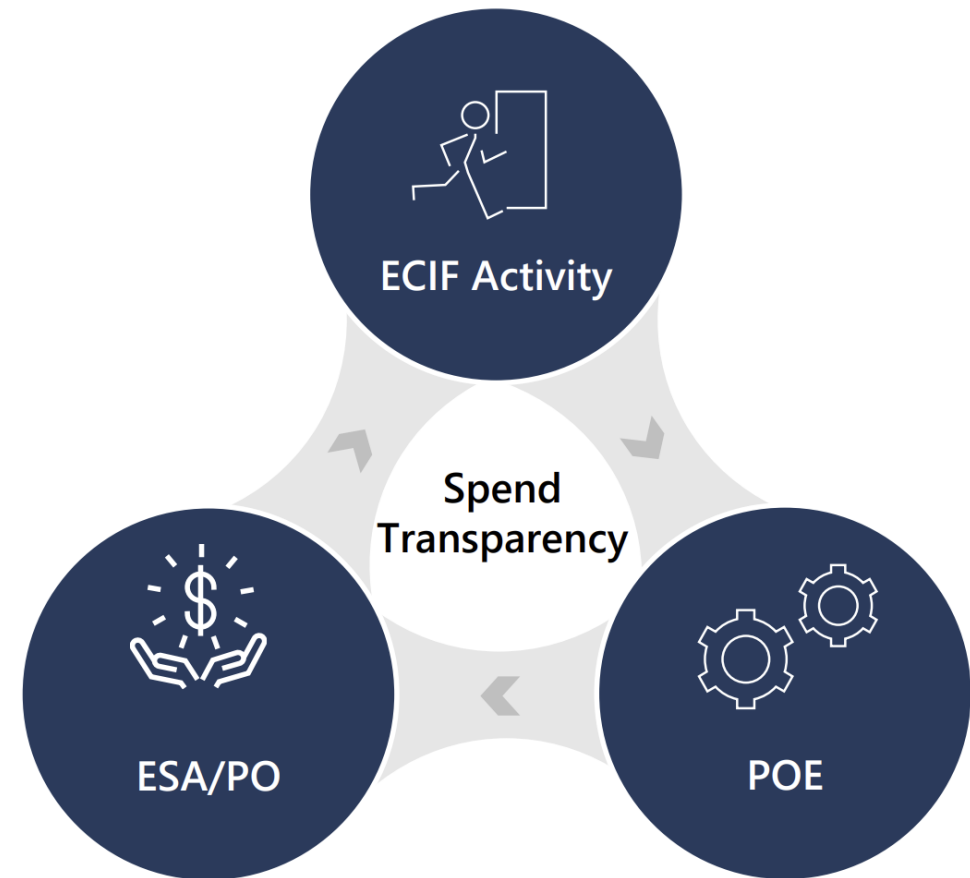
ECIF Activity

Services may begin only upon receipt of the applicable PO and fully executed Supplier Agreement

3

PROOF OF EXECUTION

In line with fully executed Supplier Agreement and PO



ECIF Supplier Agreement (ESA)

All ECIF projects require a fully executed (signed) ECIF Supplier Agreement between Microsoft and the ECIF Supplier.

Requirements

Each milestone should include sufficient detail:

- A detailed description of the services to be completed by the Supplier and related business justification;
- The estimated number of hours and cost to complete the service;
- The number of technical resources being used; and
- The date services will be delivered on or before.

The value of services should represent the fair market value and agree to Supplier hourly rates

A copy of the signed agreement will be sent to the Customer, so the Customer is aware of the services that Microsoft contracted the supplier to perform.

Any change to the scope of services being delivered to the end customer must be communicated to Microsoft immediately. A Supplier Agreement amendment may be issued.

Purchase order

What is purchase order – PO?

Approved document used by Microsoft to request and commit a supplier to provide goods, services, software and cloud services to Microsoft at a specific price

PO does and don'ts

PO 4W Principle

- Who?
- What?
- When?
- Where?

DON'T START ACTIVITY PRIOR TO RECEIVING A VALID PO FROM Microsoft announced via an automated email

A single PO must cover the ECIF Project

DON'T SUBCONTRACT: ECIF Suppliers are not permitted to subcontract and must act as the prime contractor on all engagements having full responsibility and accountability for services delivered.

Required POE should be agreed in advance

Invoice and proof of execution

What is proof of execution – POE?

Is a document or set of documents that serves to prove that the services have been delivered as detailed in the Supplier Agreement and PO.

POE and invoice requirements

Issue invoice immediately **after** services are delivered.
No payment will be made in advance of services being performed.

POE should be:

- Substantive
- Relevant
- Sufficient quality and
- Comply with Microsoft Privacy Policy

Additional POE will be required in high-risk scenarios and where ECIF dollars are paid directly to the end customer.

Deliver POE together with invoice

POE must be provided before invoice can be approved by Microsoft

If several activities are provided under one PO, POE must be provided for all of them

Personal data in POE

Unless inconsistent with local law, you are only permitted to provide personal data as part of POE where:

- An existing invoice, contract, marketing collateral, or other document created in the normal course of business contains very limited personal data.
- It is necessary to show the number of attendees at an event. In this case, acceptable POE is:
 - A list containing any or all of the following: first names, last names, company names, job titles
 - A limited number of photos showing a group of people.

When sharing personal data as part of POE send the data in an encrypted or other secure format.

Most common observations

1

After the fact PO – work should only begin after the purchase order is approved

2

Agreed scope was never delivered

3

Subcontractors were used to deliver ECIF Project -
Subcontracting is not allowed

4

Funds were used as a discount for large deals – ECIF should never be used as a discount.



Discount Pass-Through and Transparency

*Future pricing discount transparency

*Documentation

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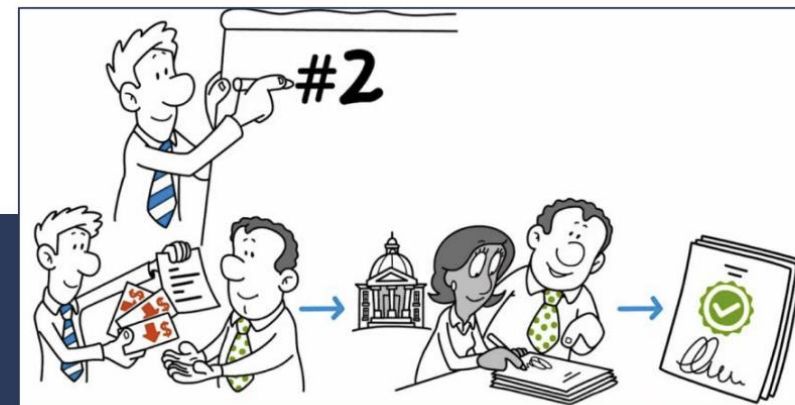
Discount pass-through and transparency



Discounts and Special Offers are for the End Customer



Final price should not pass the MRP



Discount transparency documents



Report concerns through www.microsoftintegrity.com

Customer Discount and Special Offer Transparency

- **What are Microsoft's Expectations for a Partner When a Customer Discount is given?**

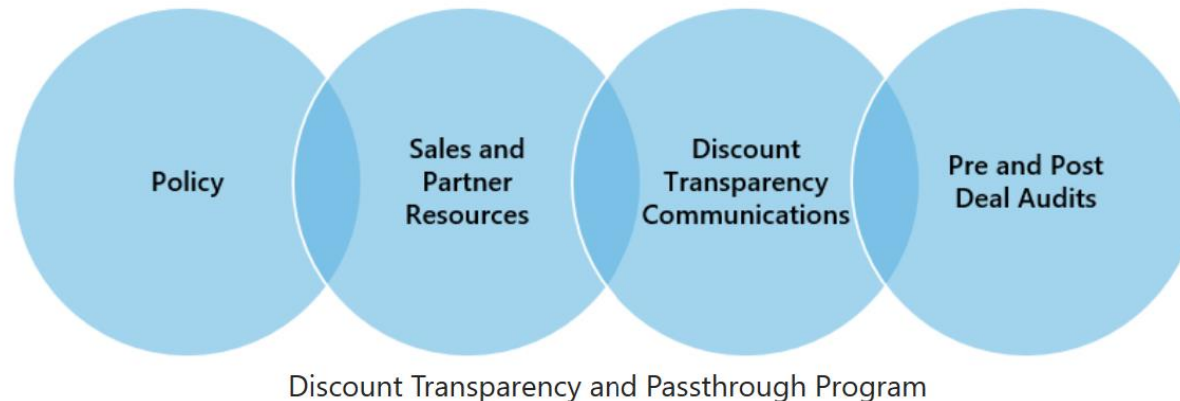
When Microsoft provides a discount or special offer for the customer's benefit, Microsoft expects that the full value of the discount or special offer will be passed on to the end customer resulting in a lower customer price. This expectation applies to all customer types and all deals.

- **What is a Customer Discount or Special Offer?**

Customer Discount or Special Offers includes any negotiated or received financial benefit that is intended for the end customer. Examples include Discounts, Promotions, Credits and ECIF.

- **How Does Microsoft Ensure That Discounts and Special Offers are Given to Customers?**

Microsoft established the Discount Transparency and Passthrough program.



Customer Discount and Special Offer Transparency

- **What is the Difference Between Discount Transparency and Passthrough?**
 - Discount Transparency refers to customer-facing communication to inform public customers of discounts and special offers provided through Microsoft which they are entitled to receive.
 - Discount Passthrough refers to the policy and controls to ensure public customers receive the full value of all discounts, reductions, credits and special offers provided by Microsoft; thus, a process to confirm that the customer has received the full financial benefit.
- **What do Partner's Need to Know About Transparency?**
 - When Microsoft provides a discount or special offer for a Public Customer Microsoft may elect to inform the Customer of the discount or special offer via Transparency Communication.
 - Microsoft may request partner assistance with the delivery of the Transparency Communications.

Passthrough Compliance Audit

- **What is a Passthrough Audit Information Request?**

- Microsoft may select a deal for review before after or after signing to confirm discount passthrough. If your deal is selected, Microsoft will request one or both of the following documents:
 - Customer Purchase Commitment
 - Customer Invoice

- **How will a Customer Non-Disclosure Agreement Impact my Passthrough Audit Response?**

- Information that may be requested from a Partner to validate the Partner's compliance with Passthrough or Transparency is not considered to be confidential information that would be protected by a Customer NDA.
- Questions or Concerns regarding a partner's ability to provide evidence of passthrough should be discussed with the Commercial Executive prior to contract signing.
- If a partner declines to provide information requested to Discount Passthrough compliance, Microsoft will conclude Passthrough cannot be confirmed and may require repayment of the Discount and/or Special Offer.

New DTDF (Discount Transparency Disclosure Form)

- What is changing?
 1. The new DTDF will communicate Maximum Resale Price at the Total Order Level and at the SKU Level for each enrollment year.
 2. The new DTDF will Communicate Maximum Resale Pricing for Future Prices using a Unit of 1.
 3. The DTDF Language will be updated to more clearly inform customers of the following costs that are not included in MRP
 - Optional Agreed Upon Partner Services
 - Non-Microsoft Products
 - Normal Transaction Fees such as Taxes

1

SECTION 1 - Licenses and Software Assurance					
Ordered Product Pricing & Usage Year 1					
Product Description	Part Number	Maximum Price (USD)	License Quantity	Usage Country	Subtotal (USD)
Enterprise					
Office Standard ALng LSA	021-05331	223.94	100	United States	22,394.00
Total Year 1 Maximum Price Licenses and Software Assurance					22,394.00
Ordered Product Pricing & Usage Year 2					
Product Description	Part Number	Maximum Price (USD)	License Quantity	Usage Country	Subtotal (USD)
Enterprise					
Office Standard ALng LSA	021-05331	223.94	100	United States	22,394.00
Total Year 2 Maximum Price Licenses and Software Assurance					22,394.00

Maximum Resale Price at Total Order Level & at SKU Level for Each Enrollment Year

2

Future Pricing				
Enterprise Products				
Product Description	Part Number	Pricing Information		
		Max True Up Price (USD)		
True-Ups - Enterprise Products		Year 1	Year 2	Year 3
Office Standard ALng LSA	021-05331	675.00	562.00	448.00
		Max True Up Price (USD)		
Step-Ups - Enterprise Products		Year 1	Year 2	Year 3
Office Professional Plus ALng SASU Office Standard	269-07493	714.00	594.00	474.00
		Max True Up Price (USD)		
Higher Editions - Enterprise Products		Year 1	Year 2	Year 3
Office Professional Plus ALng LSA	269-05623	1,389.00	1,156.00	922.00
Enterprise Online Services				
Product Description	Part Number	Max Price(USD) / Month		
Transition Enterprise Products				
O365 E3 Sub Transition Per User Office Standard	UT6-00012	12.30		

DTDF Maximum Resale Pricing for Future Prices Using Unit of 1

3

Discount Details

For this enrollment, Microsoft provided the Customer's Partner an additional discount off of the Partner's Net Price. The Partner is required, by Microsoft, to pass on the additional discount to the Customer by reducing the Microsoft Product resale price by an amount equal to or greater than the discount.

Listed in the tables is the maximum price the partner may charge for the Microsoft Products to be ordered under this enrollment. The Maximum Resale Price (MRP) is calculated by subtracting the additional discount provided to the Partner, from the total estimated resale price for the Microsoft Products.

The requirement to pass through the additional discount, does not mean that Microsoft is setting the Customer's actual price. Partners remain free to set the price charged for Microsoft Products at any point equal to or below MRP. The Customer's actual price will be established by a separate agreement between Customer and its Partner. Please note that the Maximum Resale Price identified on this form does not include Fees for Non-Microsoft Products, Partner Provided Services, or Normal Transaction Costs. Normal transaction costs include taxes or other fees assessed by a local or federal government.

The DTDF Language will be updated to be more clear

New DTDF (Discount Transparency Disclosure Form)

- **When will this happen?**

- **Form Availability**

Beginning **October 15, 2022**, Quotes created in VL Central meeting the following criterion will cause the new DTDF to be created:

- Customer is a Government or State-Owned Entity
 - Quote includes a Negotiated or Promotional Discount
 - The new DTDF will not be available in MSQuote. New and Renewal Quotes can now be created VL Central.

- **Mandatory Use**

- **May 1, 2023:** Operations will reject New and Renewal contract packages containing the old DTDF (excluding Japan)
 - **August 1, 2023:** Operations will reject contract packages for all Quote types containing the old DTDF (Japan included, localization will be completed by this time)

- **What else do I need to know?**

- **Which Quoting Tool Should be Used – VL Central or MS Quote?**

Quotes requiring a DTDF should be created using VL Central. The new DTDF will not generate for quotes created in MSQuote.