

PartnerDirect Program Detailed Requirements

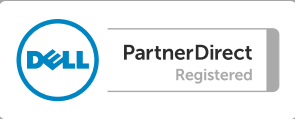
Revenue, competencies,
compliance checks and audit

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About the PartnerDirect Program

Dell PartnerDirect is a multi-level program that offers committed Dell partners the chance to turn dedication and experience into potential profit. Each level provides different rewards based on a partner's level of commitment. The more invested you are in the program, the more access to tools you will have, and the more rewards you will earn.



PartnerDirect
Registered

- A valid reseller certificate
- Active company website
- Email tied to company domain



PartnerDirect
Preferred

- Complete one or more competencies
- Four unique individuals (two sales, two technical) must complete one or more competency requirements
- Revenue threshold applies



PartnerDirect
Premier

- Complete two or more competencies
- Eight unique individuals (four sales, four technical) must complete two or more competency requirements
- Revenue threshold applies

To earn or retain **Preferred** or **Premier** level in our Dell PartnerDirect program, a partner must:

- Meet the revenue threshold in any one Business Unit (BU)
- Hold at least one competency at Preferred level or two at Premier level. These do not have to be from the same BU as partner-qualifying annual revenue.

The information contained in this guide is intended to summarize the PartnerDirect Program, and is subject to the Dell PartnerDirect Program Terms and the Dell Preferred and Premier Rebate Program Terms and Conditions. The subsequent pages provide details regarding PartnerDirect revenue requirements, competencies, audit cycles and rebates.

Annual BU revenue requirements

Requirements¹ for partner level and rebate

Country	Preferred				Premier			
	Enterprise	SIM	Security	Client	Enterprise	SIM	Security	Client
ANZ & Korea	US\$200,000	US\$50,000	US\$50,000	US\$200,000	US\$600,000	US\$250,000	US\$250,000	US\$500,000
India & South-Asia	US\$200,000	US\$50,000	US\$50,000	US\$500,000	US\$600,000	US\$250,000	US\$250,000	US\$1,000,000
China	US\$200,000	US\$50,000	US\$50,000	≥US\$500,000 of which US\$50,000 must be from workstation revenue	≥US\$1,000,000 of which US\$50,000 must be from storage revenue	US\$250,000	US\$250,000	≥US\$1,000,000 of which US\$100,000 must be from workstation revenue
Japan	US\$200,000	US\$50,000	US\$50,000	US\$500,000	US\$1,000,000	US\$250,000	US\$250,000	≥US\$1,000,000 of which US\$100,000 must be from workstation revenue

BU revenue is used for partner level determination and revenue payout eligibility.

- PartnerDirect level (Preferred or Premier) is determined by the highest revenue attained in any BU, plus number of competencies completed.
- Rebates are paid at different levels based on BU revenue attainment and partners must hold the product competency within the respective line of business (LOB). Each BU rebate level (Enterprise, Client, etc.) is set independently, and therefore a partner can have different rebate levels by BU.

¹ Certain amounts may not be included in calculating a partner's annual BU sales revenues for purposes of meeting the applicable partner revenue requirements (unless otherwise provided in a separate written agreement between you and Dell or under the terms and conditions of the applicable written Dell incentive program). Such amounts may include: (i) Sales or license revenues for Dell hardware or software purchased from a third party; (ii) Sales or license revenues or other fees from the partner's sale of services, including support and maintenance services; or (iii) Sales or license revenues for Dell hardware or software purchased for partner's own use, including service provider fees. For the sake of clarity, subsection (i) above does not apply to Wyse or SonicWALL partners who have received written notice from Dell to the contrary. Unless otherwise indicated, all amounts are in \$USD. All Enterprise, Client, Software, Services and After-Point-of-Sale purchases made through Dell, online, phone or distribution will be counted towards revenue thresholds for PartnerDirect level achievement or rebate calculations.

Competencies

The competencies a partner holds can increase their PartnerDirect level (Preferred or Premier). Preferred and Premier Partners must hold the respective product competency to be eligible for rebate payments. Partners can earn competencies by completing the required training.

- **Product competencies** have two levels of training:
 - **Preferred level:** four unique individuals (two sales plus two technical) must complete the training requirements laid out in the catalog and worksheets for at least one competency.
 - **Premier level:** eight unique individuals (four sales plus four technical) must complete the training requirements laid out in the catalog and worksheets for at least two competencies. Once a company is promoted to Premier Partner status, additional competencies can be achieved by having two sales plus two technical individuals complete the requirements.
- **Solutions and services competencies** have different training requirements, and may require a company to complete the training for other competencies first. There might be costs associated with test requirements for these competencies.

For detailed information on specific training requirements, please refer to the individual competency worksheets on the PartnerDirect portal.

Competencies can be awarded as soon as the training requirements are met and validated by the regional team. Courses are valid for one year from date of completion.

A company “holds” a competency when that competency has been officially awarded to the partner, and has not been removed during a competency training audit. As of February 1, 2016, there are no longer revenue requirements for earning or maintaining a competency and all three levels of partners, including Registered, can hold a competency.

Checks and audits

Preferred and Premier Partners undergo three types of PartnerDirect Program checks on a regular basis. Registered partners are not checked or audited for rebate eligibility unless they are being assessed for promotion. A partner can be promoted to Preferred or Premier level at any point during the year.

Partner training compliance will be audited annually during a competency training audit. Each competency that a partner has held for more than 12 months is checked against the current requirements. A competency can only be removed from a partner during a full training audit.

Partners undergoing a partner level check or competency training audit will receive first notice of their check/audit 60–90 days prior to the cut-off date. All partners undergoing check or audit will get a final statement within two weeks after the cut-off date indicating whether they passed or failed.

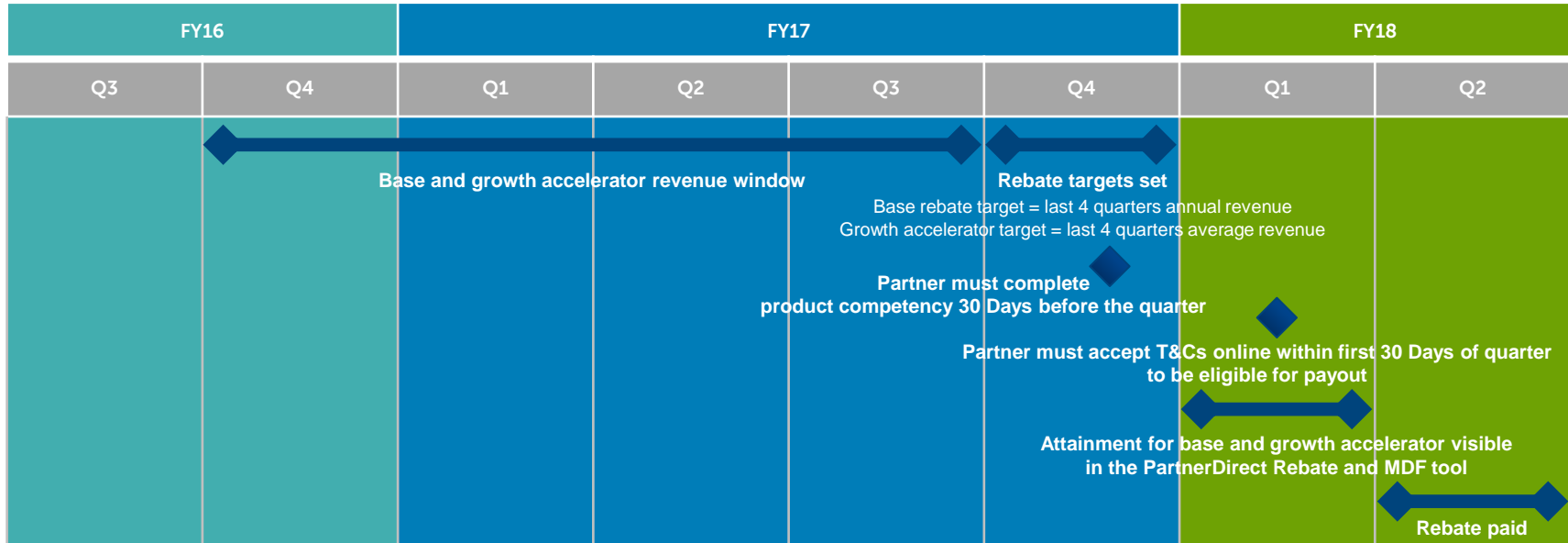
Newly promoted or reinstated Partners will not be checked for level or audited for at least 12 months after promotion.

Type	Description	What is checked	Frequency	Result
Check	Rebate eligibility	<ul style="list-style-type: none"> Last full four quarters of revenue Current competencies held (cutoff date 30 days prior to the start of the quarter) 	Quarterly (see example timeline on following page)	Quarterly rebate eligibility
Check	Partner level	<ul style="list-style-type: none"> Last full four quarters of revenue Current competencies held (cut-off date: end of FYQ2 AND end of FYQ4) 	Semi-annual (FYQ2 and Q4)	Level promotion/demotion may occur
Audit	Competency training compliance	<ul style="list-style-type: none"> Validity of each competency checked on a course-by-course and person-by-person level (cut-off date: end of FYQ2 OR end of FYQ4) 	Annual (depending on pre-assigned audit date — either FYQ2 or Q4)	Competency retention/removal and/or level promotion/demotion

Rebate methodology and timeline

Partners can earn rebates in each LOB in which they hold the respective product competency and meet the annual revenue requirements in the matching BU. (For example, to receive a rebate for server sales, a partner needs to hold a server competency and reach the annual revenue thresholds within the Enterprise BU.) Higher revenue and associated competencies can earn higher rebate levels. The annual revenue thresholds for these rebate levels may vary across the different BUs and countries. Revenue for rebate eligibility is checked at the beginning of each quarter based on the last four full quarters.

Rebate payment process example Q1 FY18 timeline*



*Rebates are paid every quarter. As such, this is a rolling timeline with a Q1 FY18 reference point.

Definitions

Business Units (BUs)

There are four BUs: Enterprise, Client, Systems and Information Management (SIM), and Security.

Enterprise

There are three product competencies in Enterprise (server, networking, storage), one solutions competency (cloud solutions) and three service competencies (SC Series Storage Deployment, PS Series Storage Deployment and Networking Deployment). Enterprise revenue consists of earnings from selling Dell-branded products from server, networking, storage and cloud solutions.

Client

There are three product competencies in the client BU (client solutions, workstations and Cloud Client-Computing). Client revenue requirements can be met by selling products that fit within these categories, and their associated services and support. These include Dell-branded business-class laptops, desktops and tablets for client solutions; Dell Precision tower, mobile and rack workstation products; Dell Wyse endpoints and software for Cloud Client-Computing.

Systems and Information Management (SIM)

There are three product competencies in the SIM BU: Data Protection, Windows Management and Endpoint Management. SIM revenue requirements can be met by selling products that fit within these categories and include all Windows Management and Windows Server Migration products, all KACE products, AppAssure, and all data protection products.

Security

This includes Network Security and Identity and Access Management competencies and lines of business. Network Security is one of our solutions competencies. Security revenue requirements can be met by selling products that fit within these categories and include all Dell Network Security (SonicWALL) and Identity and Access Management (related Quest products).