Guide to the Online Services and Software Channel Authorization

This Guide to the Online Services and Software Channel Authorization ("Guide") provides additional requirements and guidelines regarding the resale and distribution of Products in the Territory. All terms used but not defined herein will have the meaning given to them in the Online Services and Software Channel Authorization (the “Channel Authorization”).

General Channel Authorization Terms and Conditions

1. Sales Competencies.

<table>
<thead>
<tr>
<th>PRODUCT</th>
<th>RECOMMENDED COMPETENCY</th>
</tr>
</thead>
<tbody>
<tr>
<td>All Products under the Channel Authorization</td>
<td>Gold Certified status for the Cloud Competency</td>
</tr>
<tr>
<td>Microsoft Dynamics Online Services</td>
<td>MPN Competency for Cloud Customer Relationship Management</td>
</tr>
</tbody>
</table>

2. Additional Eligibility Criteria

(a) Company may not be a legal entity that is, controls, or is controlled by a Listed Provider. “Listed Providers” are entities identified by Microsoft at [http://aka.ms/listedproviders](http://aka.ms/listedproviders). Microsoft may identify additional Listed Providers at [http://aka.ms/listedproviders](http://aka.ms/listedproviders), as updated from time to time. “Control” means ownership of more than a 50% interest of voting securities in an entity or the power to direct the management and policies of an entity.


(a) A Customer must accept the then current Customer Agreement prior to Company’s placing orders for Products on that Customer’s behalf.

(b) Microsoft may independently obtain the Customer’s acceptance of the Customer Agreement. In the Partner Portal, Company may review an existing Customer’s account information to confirm whether that Customer has accepted the current Customer Agreement directly with Microsoft. If Customer has not already accepted the current Customer Agreement directly with Microsoft, Company may direct that Customer to directly accept the current Customer Agreement with Microsoft.

(c) If Company does not direct the Customer to directly accept the Customer Agreement with Microsoft, or the Customer doesn’t accept the Customer Agreement directly with Microsoft, then Company must secure, or must direct its Reseller (if Company is authorized to sell through Resellers) to secure, Customer’s acceptance of the Customer Agreement. Where Company secures the Customer’s acceptance of the Customer Agreement, Company will be required to confirm that Customer’s acceptance of the Customer Agreement to Microsoft in Partner Center, by providing the acceptance date, name of signatory and other relevant details, upon the creation of any new subscriptions. Failure to provide such record of acceptance through the confirmation process or through a Microsoft enabled Customer Agreement acceptance process may result in disablement of Customer’s account.

(d) For additional information about options about Customer Agreement acceptance and how to confirm a Customer’s acceptance of the Customer Agreement, see [https://docs.microsoft.com/en-us/partner-center/confirm-customer-agreement](https://docs.microsoft.com/en-us/partner-center/confirm-customer-agreement).

(a) Partner Portal Access, Multifactor Authentication Requirements.

i Microsoft may provide tools for Company to use to self-administer its Representatives’ access rights to the Partner Portal; it will be Company’s responsibility to use such tools to monitor and control its Representatives’ access. In the event that Company has no access to the self-administration tools, or if Company requires assistance, Company will contact Microsoft if a Representative should have their Partner Portal account terminated. Microsoft will endeavor to respond to such requests in a timely manner, but Company remains responsible for actions taken using access rights that were established for its Representatives.

ii The requirement to enable a multifactor authentication service may be fulfilled by either (i) Company’s enablement of Security Defaults, or any other successor feature identified by Microsoft, for all users; (ii) Company’s purchase of a Microsoft offer that includes a multi-factor authentication service (for example, “Azure Active Directory Premium”); or (iii) Company’s purchase of a third-party “on-premises” multi-factor authentication service that supports Azure Active Directory federated services.

iii If an offer or service, as described in items (ii) and (iii) above, is purchased in fulfillment of the requirement to enable a multifactor authentication service, then Company must apply and enforce the use of the underlying multi-factor authentication service for all users in their accessing any Microsoft Commercial Cloud portal or any underlying service.

iv Any software application that is used to access the Partner Center API must adhere to the Secure Application Model, which is made available on Partner Portal.

(b) Security Suspension. In the event that Microsoft reasonably believes that either (i) continued Company access to any online tools or systems, including any Partner Portals, Microsoft has made available to Company, or (ii) continued provisioning of Products under the Channel Authorization, may contribute to (w) fraud, (x) misuse of or interference with Products (including violations of the Use Rights of Products), (y) the infringement, misappropriation or violation of Microsoft’s intellectual property rights, or (z) a Security Incident, then Microsoft may suspend Company’s access to such tools or systems or the provisioning of Products for the purposes of the investigation and mitigation of harm. Microsoft will give Company notice before suspending such access when reasonable.

(c) Management of Administrative Access, Privileges.

i Microsoft enables Company to perform certain administrative tasks on behalf of its Customers. If Company retains or obtains any Administrative Access Credentials of a Customer for any purpose or otherwise has access to or processes Customer Data, then Company must enter into an Independent Customer Agreement with Customer, with terms consistent with Data Protection Laws, governing Company’s use of Administrative Access Credentials and Customer Data.

ii Customer must consent before administrative access is granted if (a) Company creates a new tenant on behalf of Customer in the Partner Center, or (b) Company requests a reseller relationship from an existing Customer. If Company has an existing reseller relationship with Customer with administrative access (Delegated Administrative Privileges or “DAP”), then Company may transition DAP to Granular Delegated Administrative Privileges (GDAP) without Customer consent.
iii Company shall follow the “principle of least privilege” and obtain the minimum level of access privileges necessary to perform requested Customer administrative tasks. Customer may terminate or reduce Company’s administrative access privileges to Customer’s tenant at any time. Microsoft reserves the right to terminate or reduce Company’s administrative access privileges if Microsoft reasonably determines that Company is not actively managing Customer administrative tasks or has an unnecessary level of administrative permissions.

5. Support Terms.

(a) Customer Service Level Agreement. The current Online Services Service Level Agreement can be found at: [http://www.aka.ms/csla](http://www.aka.ms/csla).

(b) Escalation Support. When submitting an incident, Company is responsible for setting the initial severity level in accordance with the severity table below. The incident severity will determine Microsoft’s estimated response times and levels, as well as Company’s expected response. Examples of support services that are commonly performed under Escalation Support include, but are not limited to: new or undocumented issues; code defects; or, service availability issues that are within Microsoft’s control. Company agrees Escalation Support will be provided only in the English language and only for Products then being provided by Microsoft. If an Escalation Support issue cannot be resolved between Company and Microsoft on first contact, Microsoft’s and Company’s support personnel will re-engage for follow up.

(c) Support Metrics Reports. In the course of providing customer technical support, Company will store case information in an incident management system that will enable Company to generate monthly reports. Company agrees that Company’s relevant support personnel will: (y) complete help desk training before the launch of the Products in the Territory, and (z) stay current on the latest help desk training. Company and Microsoft mutually agree to share information for the purpose of optimizing the Product unless restricted by Laws or unless otherwise previously agreed upon by both parties. Such information includes:

(i) Qualitative reporting such as Microsoft Technical Support, Operational Support, Corporate Engagement Model, and other suggestions for future improvements.

(ii) Quantitative reporting such as Company’s attach rates for Products compared to other Microsoft programs (such as Enterprise Agreements) and closure rates for Products, and new Customer acquisition and Company service attach success metrics.

The parties agree to treat the information reported under this section as Confidential Information as defined in the Agreement; provided, however, that Microsoft may disclose the data in an aggregated and anonymous format to its other resellers to show support trends.

(d) Severity Table. When Company contacts Microsoft to escalate a Customer issue, the incident will receive a severity level ranking based on the nature of the issue. This ranking will define the response guideline and on-going communication as Microsoft works to resolve the incident. The following table shows Microsoft severity and response guidelines.

<table>
<thead>
<tr>
<th>Severity</th>
<th>Definition</th>
<th>Initial Response Goal</th>
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</thead>
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### Escalation Levels

<table>
<thead>
<tr>
<th>Level</th>
<th>Description</th>
<th>Time</th>
</tr>
</thead>
<tbody>
<tr>
<td>A – Critical</td>
<td>One or more Products aren’t accessible or are unusable. Production, operations, or deployment deadlines are severely affected, or there will be a severe impact on production or profitability. Multiple users or Products are affected.</td>
<td>2 hours</td>
</tr>
<tr>
<td>B – Urgent</td>
<td>The Product is usable but in an impaired fashion. The situation has moderate business impact and can be dealt with during normal business hours. A single user, Customer, or Product is partially affected.</td>
<td>4 hours</td>
</tr>
<tr>
<td>C – Important</td>
<td>The situation has minimal business impact. The issue is important but does not have a significant current Product or productivity impact for the Customer. A single user is experiencing partial disruption, but an acceptable workaround exists.</td>
<td>8 hours</td>
</tr>
</tbody>
</table>

Company will designate escalation contacts for support related activities. Escalation Support will be provided only to Company named contacts.

(e) Business Continuity Management. If a Force Majeure Event inhibits the conduct of normal licensing or service operations, Microsoft may choose to immediately alter its operational procedures. In such cases, Microsoft will provide responsive instructions to Company. Company must follow such instructions until Microsoft declares its return to normal operations procedures.

(f) Azure Active Directory. Products may utilize “Azure Active Directory” for the complete customer experience. Company may be required to utilize “Azure Active Directory” to fulfill the Product to the Customer. Companies use of an alternative identity solution will not receive Escalation Support from Microsoft for identity-related issues.

### Additional Business Policies for Products

(a) Partner Earned Credit. Company may earn a credit off invoice for eligible Products based on requirements and the calculation methodology determined by Microsoft and specified on the Price List and “Partner Earned Credit Offer Details” on the Partner Portal, as updated from time to time (a “Partner Earned Credit”). Partner Earned Credits are for the benefit of Company and are not subject to discount pass through obligations. Microsoft will adjust Partner Earned Credits based on returns, errors, or other adjustments to an invoice for the associated Products. If there is a discrepancy, dispute, or error regarding the amount of Partner Earned Credit, Microsoft and Company will resolve the amount earned through the process described for invoicing discrepancies, disputes, and errors. Microsoft may calculate Partner Earned Credits based on activities of and information from Company, Resellers (if Company is authorized to distribute through Resellers), and Customers. Company will provide Microsoft with timely, accurate, and complete information needed to determine the amount of Partner Earned Credit and will not misidentify, manipulate, fail to update, or otherwise misrepresent actions or information that may impact the amount of Partner Earned Credit. Company will promptly notify Microsoft if they become aware of any actions or information that may result in incorrect calculations of the Partner Earned Credit. If Company or its Resellers (if Company is authorized to distribute through Resellers) breach the obligations in this Agreement, Microsoft may, in addition to any other remedies: (i) invoice Company for
incorrectly calculated credits and Company will pay those amounts; and (ii) limit or eliminate 
Company’s eligibility for future Partner Earned Credits.

(b) Invoicing Currency.

i For Microsoft Azure plans, prices will be in United States dollars and invoiced in the 
currency applicable to the Customer location.

ii Notwithstanding the foregoing, starting Q1 of calendar year 2021, if Company is 
located in the European Region and Market (as described at 
https://docs.microsoft.com/en-us/partner-center/regional-authorization-overview), 
then, for new Customers purchasing Azure plans, Company will be billed in the 
currency applicable to Company’s location. Following this initial phase, and during 
the 2021 calendar year, if Company is located in the European Region and Market, 
then billing for existing Customers who purchased Azure plans prior to Q1 of 
calendar year 2021 will be transitioned from the currency applicable to the 
Customer’s location to the currency that is applicable to Company's location.

7. Other Terms

(a) Customer Satisfaction Surveys. For the purpose of optimizing the Products, Microsoft may 
enable Customers or Company to participate in Customer satisfaction surveys, including: (y) 
using online customer satisfaction survey tools as provided by Microsoft, or (z) sharing 
customer satisfaction results as collected by the Company and presented in a format that is 
mutually acceptable to Microsoft and Company.

(b) Price Lists. Prices for Products sold through the Channel Authorization will be in the currency 
applicable to Company and reflected on Company’s invoice. A list of countries and currencies 
is available from Microsoft. Prices will be communicated via one or more price lists that are 
posted on the Partner Portal. Microsoft may also make prices available via APIs or other tools 
for certain Products.

(c) Invoices. Microsoft will post Company’s invoices to the Partner Portal. Individuals who are 
authenticated in the Partner Portal as "Billing Admin" or "Global Admin" will have access to 
the invoice. The invoice will identify the price payable by Company in accordance with the 
pricing applicable to each Product. Microsoft’s standard payment terms are Net Sixty; some 
locations may differ, and any such terms will appear on the invoice to Company. Company 
must remit payments to the account identified in Microsoft’s invoice or another account 
Microsoft identifies. Payments not received within the required time frame may be assessed a 
finance charge of 1% of the invoice amount per month or the legal maximum, whichever is 
less.

(d) Billing Reconciliation and Disputed Amounts. Microsoft will issue billing reconciliation reports 
on a monthly basis corresponding to the offers. The billing reconciliation report for Software 
Perpetual License offers and Software Subscription offers may be provided separately from 
the billing reconciliation report for OLS Subscription offers. The billing reconciliation will 
contain billing reconciliation information on Products, discounts and credits. In the event of a 
settlement dispute between Microsoft and Company, a case incident will be opened by 
Company. Company and Microsoft will review and resolve any disputes with respect to the 
settlement report. Upon resolution, a credit may be issued for the following period’s invoice. 
For specific scenarios and examples of the invoice or billing reconciliation, refer to the Billing 
and Invoicing Guide found on the Partner Portal.
(e) Product Return Period, General

i. Subscriptions. Unless otherwise provided herein, Company will have 168 hours (seven 24-hour days) from the date and time an order is placed to cancel a subscription. Subscriptions cancelled within 168 hours will receive a prorated refund for the unused time remaining in the subscription period, calculated in days. No refund will be provided for subscriptions cancelled after 168 hours.

ii. Perpetual Licenses. Company will have thirty (30) calendar days from the order date to cancel or reduce an order for perpetual software licenses. All cancellation or change requests for perpetual licenses must be accompanied by supporting Customer documentation as required by Microsoft, and will be subject to Microsoft’s review and approval. Company will receive full credit for any amount paid for perpetual software licenses canceled within 30 days. No refund will be provided for perpetual software licenses canceled after 30 days.

iii. Return Period for Non-Microsoft Product OLS Subscriptions.

(a) Once an order for an OLS Subscription that is a Non-Microsoft Product and is billed on a monthly basis is submitted, Company will have twenty-four (24) hours from placing the order to submit any cancellation request for such order. If Company submits a cancellation request within twenty-four (24) hours from placing the order, Company will receive a full credit on its next invoice. If Company submits a cancellation request after twenty-four (24) hours from placing the order, the cancellation will be scheduled to occur at renewal.

(b) Once an order for an OLS Subscription that is a Non-Microsoft Product and is billed on an annual basis is submitted, Company will have fourteen (14) days from the order date to submit any cancellation request for such order. If Company submits a cancellation request within fourteen (14) days from the order date, Company will receive a full credit on its next invoice. If Company submits a cancellation request after fourteen (14) days from the order date, the cancellation will be scheduled to occur at renewal.

iv. Return Period for Subscriptions in Chile. If Company is located in Chile, subscription orders for customers in Chile may only be cancelled within 240 hours (ten 24-hour days) from the date and time an order is placed to be eligible for a prorated refund for unused time, calculated on a daily basis. No refund will be provided for subscriptions cancelled after 240 hours.

v. Notification of Cancellation of Subscriptions. Notwithstanding anything otherwise provided in the Channel Authorization, where the Return Period for a Product is shorter than the required period of prior notice that Company must provide to a Customer before canceling a Subscription, if any, such period of prior notice will be reduced to the applicable Return Period.

(f) Per User Offers.

i. Per User Offers may be sold on a monthly, annual, or multiyear term.

1. For Per User Offers sold on a monthly term, Company will be billed the full amount due upfront.

2. For Per User Offers sold on an annual term, Company may choose to be billed on a monthly basis or to pay the full amount due upfront.
3 For Per User Offers sold on a multiyear term, Company may choose to be billed on an annual basis or to pay the full amount due upfront. Monthly billing may be available for certain Per User Offers sold on a multiyear term.

ii Company must confirm that each of the Customer's end users are the primary user of a device running a Qualifying Operating System or other required operating system when required, as defined in the Product Terms (available at https://www.microsoft.com/licensing/terms/productoffering/WindowsDesktopOperatingSystem/MCA).

Product Specific Terms and Conditions.

Notwithstanding that the content of this section is in the Guide, the following subsections will each be deemed Product Specific Terms for the purposes of that section of the Channel Terms entitled “Order of Precedence, Program-specific Terms.”

1. Microsoft Azure Services Offer Terms. These terms will supplement the Channel Authorization and will govern any rights granted to Company to resell Microsoft Azure Services.

   (a) Preview Releases. Microsoft may make preview releases available from time-to-time. Previews are provided “as-is,” “with all faults,” and “as-available,” as further described in the Customer Agreement. Company is required to identify as a “Preview” any Products that are sold as a preview release to its Customers and refer Customers to their Customer Agreement and the Online Services Terms for applicable terms.

   (b) Microsoft Azure Limits and Resource Management. Some Microsoft Azure Services may include limits and maximum resources, known as “Usage Quota.” Usage Quotas may change periodically. Refer to http://azure.microsoft.com/en-us/documentation/articles/azure-subscription-service-limits/ for the latest information on Limits and the Azure Resource Manager. If Company or a Customer wants to raise a limit above a default limit, Company must submit a request to Microsoft on behalf of the Customer.

   (c) Customer purchase of Azure services. Company may provide a Customer subscription administrative rights that enable the Customer to provision or deprovision Azure subscription services within the Partner Portal. This activity by the Customer will be treated as a Company order on behalf of the Customer under the terms of the Agreement and at the price set by Company. Company will monitor Customer activities and manage any limits on the types or volume of services that Customers can provision or deprovision.

   (d) Microsoft CSP Sandbox Environment. If Microsoft provides Company with a CSP Sandbox tenant, access is provided as a courtesy for API integration testing only and not for any type of commercial purpose. Using it for any other purposes is a violation of its intended use. The following uses are strictly prohibited:

   (i) Direct revenue-generating activities such as hosting a commercial website, hosting a customer’s applications or development of custom solutions for a specific client, cryptocurrency mining, providing development or systems integration services to others, etc.

   (ii) Non-revenue-generating commercial activities such as providing free trials to customers, conducting proof-of-concept to customers, providing free resources to partner employees, etc.

   (iii) Customer training (except for learning partners)

   (iv) Reselling, transferring or otherwise giving unauthorized access to any third party.
Company is responsible for all activities occurring within its sandbox tenant and for any unauthorized access or usage including the use of any 3rd party applications. Refer to https://docs.microsoft.com/partner-center/develop/set-up-api-access-in-partner-center for API setup and use. Azure usage quotas also apply to the sandbox environment. Company will inform Microsoft of any unauthorized access or suspicious activity detected in its sandbox tenant within a reasonable timeframe. Company is responsible for ensuring that any unused subscriptions and Azure resources are promptly disabled. Company may be held financially liable to Microsoft for Azure usage stemming from any abuse or fraudulent activity occurring within Company’s sandbox tenant.

MICROSOFT (A) PROVIDES THE APIS AND CSP SANDBOX TENANT “AS-IS” AND WITH ALL FAULTS; (B) PROVIDES NO WARRANTIES, WHETHER EXPRESS, IMPLIED, STATUTORY, OR OTHERWISE, INCLUDING WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE; AND (C) DOES NOT GUARANTEE THAT THE APIS OR CSP SANDBOX TENANT WILL BE AVAILABLE, UNINTERRUPTED, OR ERROR-FREE, OR THAT LOSS OF DATA WILL NOT OCCUR.

Microsoft does not guarantee resource availability. Microsoft may change, suspend or delete any sandbox tenant or sandbox subscriptions at any point without prior notice. Microsoft does not guarantee that company can retrieve configuration or data from changed, suspended, or deleted sandbox accounts or subscriptions.

2. Azure Partner Shared Services Offer Terms. Azure Partner Shared Services are available for resale only if Company has met the eligibility requirements set by Microsoft, if any. These terms will supplement the Channel Authorization and will govern any rights granted to Company to resell or distribute, as applicable, Azure Partner Shared Services.

(a) **Azure Partner Shared Services.** Company may provision tenants to be dedicated as the “Azure Partner Shared Services” tenants for the purpose of Company’s provisioning shared resources and to host multi-tenant SaaS solutions using Azure.

(b) **Authorization.** Notwithstanding anything in the Agreement to the contrary, Microsoft grants Company the right to access and use Azure Partner Shared Services for the above purposes and to purchase Azure services for internal consumption; provided, however that Company must keep separate tenants for Azure Partner Shared Services from all Company’s Customers’ tenants.

(c) **Use Rights.**

   (i) Company’s access to and use of the Azure Partner Shared Services will be subject to the terms of the Customer Agreement as if Company were the “Customer.” Company will have complied with its obligations under those terms of the Channel Authorization addressing Customer Agreement acceptance by creating the Azure Partner Shared Services tenant.

   (ii) As between Company and Microsoft, Company is solely responsible for assessing and fulfilling any use tax obligations, where applicable, arising out of Company’s exercise of the rights granted under these terms.

3. **Microsoft Azure Stack Hub Offer Terms.** Microsoft Azure Stack Hub services are available for resale only if Company has met the eligibility requirements set by Microsoft, if any. These terms will supplement the Channel Authorization and will govern any rights granted to Company to
resell Microsoft Azure Stack Hub Services hosted on hardware that is owned or operated by Company.

(a) Definitions.

“Administrator Functions” means functions associated with the purchase, activation, support and management of Customer Subscriptions and Products.

“Administrator Subscription” is the default provider subscription in Microsoft Azure Stack (see Microsoft Azure Stack Hub technical documentation (https://docs.microsoft.com/en-us/azure/)). This subscription is created for the system administrator during the Microsoft Azure Stack Hub setup and deployment process. This subscription may be used solely to deploy and manage Microsoft Azure Stack Hub Infrastructure Resources; it may not be used to run Tenant Workloads.

“Microsoft Azure Stack Hub Infrastructure Resources” are the software resources, services, resource providers and storage accounts that are generated by the Microsoft Azure Stack Hub setup and deployment scripts, and which enable Microsoft Azure Stack Hub to function as a cloud that can be used to host and run Tenant Workloads. These do not include any Tenant Workloads.

“Tenant Workloads” are any virtual machines, storage accounts and applications (including PaaS applications) that are deployed by the system administrator or customers on Microsoft Azure Stack Hub. These workloads typically are business applications or perform management task such as application backup and restore. The Tenant Workloads do not include the Microsoft Azure Stack Hub Infrastructure Resources.

“Tenant” means an Azure Active Directory tenant.

“Product Terms” means the document that provides information about Products available through volume licensing. The Product Terms document is published at http://www.microsoft.com/licensing/contracts and is updated from time to time.

(b) Authorization. Notwithstanding anything in the Agreement to the contrary, Microsoft hereby grants Company the right to access and use the Administrator Subscription and the Microsoft Azure Stack Hub Infrastructure Resources subject to the following conditions:

(i) Company may not provision, deploy or run any Tenant Workloads in the Administrator Subscription. The Administrator Subscription may be used solely to perform Administrator Functions and run the Microsoft Azure Stack Hub Infrastructure Resources;

(ii) Company must keep separate the Tenant that Company uses for the Administrator Subscription from all Company’s Customers’ Tenants.; and

(iii) Company may only perform Administration Functions from the Administrator Subscription.

(c) Use Rights.

(i) Company’s access and use of the Microsoft Azure Stack Hub Infrastructure Resources will be consistent with the terms of the Customer Agreement, as if Company were the “Customer” thereunder, and Company will deemed to have complied with its obligations under those terms of the Channel Authorization addressing Customer Agreement acceptance.

(ii) Company may use Microsoft Azure Stack Hub only on the hardware on which it is preinstalled. Microsoft Azure Stack Hub includes Windows Server, Windows Software Components and SQL Server Technology, each of which are subject to the Included
Technologies section of the Product Terms and may not be used outside of Microsoft Azure Stack Hub. The Enterprise and Developer Privacy Statement located at https://www.microsoft.com/en-us/privacystatement/EnterpriseDev applies to Company’s use of Microsoft Azure Stack Hub.

(d) **Customer Disclosures.** Company shall prominently disclose to Customers who purchase Microsoft Azure Stack Hub software or services hosted by Company that:

(i) Such software and use are hosted by Company and not Microsoft; and

(ii) Use of such software or services is subject to Company’s privacy practices and not those of Microsoft.

(e) **Verifying Compliance.** If an audit of Company discloses that Company has used the Microsoft Azure Stack Hub Infrastructure Resources for any reason other than Administrator Functions, Microsoft may require Company to reimburse Microsoft for the estimated retail price of such Microsoft Azure Stack Hub Infrastructure Resources, without prejudice to any of Microsoft’s other legal or equitable rights or remedies. Such amounts shall be paid promptly upon receipt of an invoice from Microsoft.

(f) **Incentives.** Orders placed under the Administrator Subscription for any Microsoft Azure Infrastructure Resources will not be eligible for incentives.

(g) **Tax.** As between Company and Microsoft, Company is solely responsible for assessing and fulfilling any use tax obligations arising out of Company’s exercise of the rights granted under these terms.

4. **Skype for Business Online PSTN Services Offer Terms.** Skype for Business Online PSTN Services are available for resale only if Company has met the eligibility requirements set by Microsoft, if any. These terms will supplement the Channel Authorization and will govern any rights granted to Company to resell Skype for Business Online PSTN Services.

(a) **PSTN Service Provider.** Skype for Business Online PSTN Services ("PSTN Services") enable users to communicate with others via the worldwide voice telephone network known generally as the Public Switched Telephone Network. PSTN Services are provided to Customers in the United States by Skype Communications US Corporation, a subsidiary of Microsoft Corporation. PSTN Services are provided to Customers outside the United States by the Microsoft Affiliate that signs the Customer Agreement with the Customer.

(b) **Taxes.** Notwithstanding anything to the contrary in the Agreement, amounts Company must pay Microsoft for certain Products may be tax inclusive. Tax inclusive amounts will be specified as such on the invoice. Company is responsible for paying any applicable Taxes on or with respect to its activities in connection with the Agreement.

(c) **Important Information About Emergency Calling/911 in the US.** 911 emergency calling operates differently with Skype for Business Online PSTN Calling services than on traditional telephone services. Company must inform Customers that they are required to notify each user of the Skype for Business Online PSTN Calling services of these differences. The differences include the following: (i) Skype for Business may not know the actual location of a 911 caller, which could result in a 911 call being routed to the wrong 911 call center and/or emergency services being dispatched to the wrong location; (ii) when a Skype for Business user dials a 911 call, the user may be asked by an operator to provide his or her current location to assist in properly routing the 911 call and dispatching emergency services; (iii) if the user's device has no power, is experiencing a power outage or, for any reason, cannot otherwise access the Internet, the user cannot make a 911 call through Skype for Business Online PSTN Calling services; and (iv) although Skype for Business Online PSTN Calling
services can be used anywhere in the world where an Internet connection is available, users should not call 911 from a location outside the U.S. because the call likely will not be routed to the appropriate call center in that country.

5. **Microsoft Dynamics 365 Offer Terms.** Microsoft Dynamics 365 Products are available for resale only if Company has met the eligibility requirements set by Microsoft, if any. These terms will supplement the Channel Authorization and will govern any rights granted to Company to resell Microsoft Dynamics 365 Products.

   (a) **Microsoft Dynamics 365 for Sales, Enterprise edition; Microsoft Dynamics 365 for Customer Service, Enterprise edition; Microsoft Dynamics 365 for Project Service Automation, Enterprise edition; Microsoft Dynamics 365 for Field Service, Enterprise, edition; and Microsoft Dynamics 365 Plan 1.** If Company resells any of the Products identified above, at least two (2) of Company’s employees must pass the Microsoft Dynamics 365 technical exams as outlined in MPN.

6. **Government Offer Terms.** Government Offers are available for resale only if Company has met the eligibility requirements set by Microsoft, if any. These terms will supplement the Channel Authorization and will govern any rights granted to Company to resell Government Offers.

   (a) **Government Customers.** Products identified in the Price List(s) as “Government” (“Government Products”) may be provided only to Government Customers for their use. Company is responsible for validating Government Customer eligibility prior to any resale of such Product. Company must retain documentation to validate a Government Customer’s status in the event of an audit. Government Customer status validation must be in the form of a valid government purchase order. Company will use reasonable efforts to promote Government Products only to Government Customers. If Company markets Government Products, Company shall do so only with advertisement or marketing materials that clearly indicate that the Government Product is only available for purchase by Government Customers.

   (b) **Relationship of Parties.** To the extent that Company provides Products to any federal, state or local government, Company acknowledges that Microsoft is not a subcontractor to Company, and Company is solely responsible for meeting any obligations imposed on Company (e.g., federal, state or local government contract flow-down provisions such as the US FARS, DFARS, etc.) by its Customers. If a court or other authoritative body determines that Microsoft is a subcontractor, Company agrees to assert on Microsoft’s behalf that Products are commercial items. Company represents that no sales or contracts to public sector entities are contingent on Company’s receipt of any incentive or investment amounts from Microsoft. If Company has a cost-based government contract, Company will factor in any resulting reduction of costs that any incentive or investment amounts from Microsoft may generate and will disclose them as necessary to Customers.

7. **Education Offer Terms.** Education Offers are available for resale only if Company has met the eligibility requirements set by Microsoft, if any. These terms will supplement the Channel Authorization and will govern any rights granted to Company to resell Education Offers.

   (a) **Education Customers.** Those Products identified on the price list as “Academic” (“Education Products”) may only be provided directly to Education Customers for their use. Company may only resell Education Products indirectly through resellers to Education Customers if Company is authorized to resell Products through Indirect Resellers; if authorized, Company may only indirectly resell Education Products through Indirect Resellers. Education Products may be provided only to Education Customers for their use. Company is responsible for validating Education Customer eligibility prior to any resale of such Product. Microsoft may review the eligibility of a proposed Education Customer; if Microsoft determines that a proposed Education Customer does not meet the eligibility requirements, then Microsoft
may reject that proposed Education Customer as such and deprovision any Education Products. If Company contests Microsoft's determination that a Customer is not an Education Customer, then Microsoft may request additional information from Company regarding the eligibility of the Customer to supplement its review of the Customer’s eligibility. “Education Customer” means any Customer that meets the education customer eligibility requirements found at http://www.aka.ms/academiceligibility.

8. **ISV Cloud Embed Offer Terms.** ISV Cloud Embed Offers are available only if Company has met the eligibility requirements set by Microsoft on the ISV Cloud Embed Program Page found at: http://createopportunity.azurewebsites.net/ISVCloudEmbedTerms. These terms will supplement the Channel Authorization and will govern any rights granted to Company to use and resell ISV Cloud Embed Offers.

   (a) **Definitions.**

   “**Embedded editions of Products**” means any Products designated by Microsoft as available under the ISV Cloud Embed Offers, as listed in the ISV Cloud Embed Program Page. Microsoft can add additional Embedded editions of Products by giving notice to Company through the Partner Portal updating the list of products on the ISV Cloud Embed Program Page.

   “**Embedded Unified Solution**” means a business application developed by Company and approved by Microsoft that Company licenses to Customers that (i) Integrate(s) one or more Embedded editions of Products, (ii) adds significant and primary functionality to the Embedded Product(s), and (iii) leverages and executes certain functionality within the Embedded editions of Products.

   “**Integrate,**” or forms thereof, means including one or more Embedded editions of Products (provided to Company by Microsoft according to the use rights and terms under the Agreement or related development or API access agreements) along with Company’s software, services, and/or other third-party products to comprise the Embedded Unified Solution.

   “**ISV Customer Agreement**” means the Company’s agreement with a Customer that is used to grant a right to use the ISV Portion.

   “**ISV Portion**” means the ISV’s software applications and scripts (and third-party software applications, if applicable) included in the proposed Embedded Unified Solution.

   (b) **Limited Authorization for Embedded Unified Solutions.** Microsoft grants Company a limited use right to access, modify (solely to the extent required to Integrate), resell and make available the Embedded edition of the Product solely as part of the Embedded Unified Solution. Company may not resell the Embedded editions of Products as a standalone offering. Company’s failure to comply with the terms and conditions of ISV Cloud Embed Additional Terms will constitute a breach of the Agreement.

   (c) **Compatibility of the Embedded Unified Solution.** Company must maintain and ensure ongoing compatibility of the ISV Portion with the current version of the Embedded edition of the Product in order to maintain functionality of the Embedded Unified Solution. Microsoft agrees to give Company notice of changes to the Embedded edition of the Product through the manner in which Microsoft provides general notice to its partner and customer community of such changes, or through any other reasonable manner, to enable Company to comply with this section.

   (d) **Configuration of Embedded editions of Products.** Company must not modify any Embedded edition of a Product in a manner that prevents it from operating in accordance
with its documentation, causes degradation of it, prevents Microsoft from servicing, updating or supporting it, or in any way that invalidates the Customer Agreement.

(e) **ISV Customer Agreements for Embedded Unified Solutions.** In addition to the Customer Agreement, Company must cause each Customer to agree to an ISV Customer Agreement prior to ordering Embedded Unified Solutions from Company. The ISV Customer Agreement must not provide any warranty for the Embedded Unified Solution on behalf of Microsoft or accept any liability on behalf of Microsoft for the Embedded Unified Solution.

(f) **Branding and Ownership of Derivative Works.** If the Embedded Unified Solution includes Company's (or third party’s) branding, the branding must comply with Microsoft’s co-branding guidelines. Company acknowledges that the Embedded Unified Solution is a derivative work based upon the Embedded edition of the Product. Company will own any Intellectual Property Rights in the Embedded Unified Solution to which they may be entitled under Laws by virtue of their creation of any modification, addition or adaptation pursuant to the license granted under the ISV Cloud Embed.

(g) **Embedded Unified Solution Validation.** Prior to offering subscriptions to the Embedded Unified Solution for sale, Company must receive validation from Microsoft that the Embedded Unified Solution satisfies the Microsoft AppSource guidelines available at https://appsource.microsoft.com/en-us/partners, or a successor website. Company shall cause the Embedded Unified Solution to remain in compliance with such guidelines throughout the term of the Agreement.

(h) **No Warranties for Other Items.** With respect to Embedded Unified Solutions only, those terms of the Channel Authorization addressing "Warranty and Defense Obligations" are supplemented with the following:

No Warranties for Other Items. Microsoft makes no warranties or conditions as to any Embedded Unified Solution, any Company or third party components thereof (including the ISV Portion) or any other items distributed under Company’s or a third party name, copyright, trademark or trade name that may be offered with or incorporated with the Embedded edition of the Products. To the maximum extent permitted by Laws, Microsoft will have no liability in connection with the Company or third party items (such as any supply or failure to supply them) that make up or are distributed in connection with an Embedded Unified Solution.

(i) **Company’s Defense Obligations.** With respect to Embedded Unified Solutions only, those terms of the Channel Authorization addressing "Warranty and Defense Obligations" are supplemented with the following addition to definition of “Claim”:

“Claim” also means any third party claims or allegations against Microsoft that arise out of or are connected with any Embedded Unified Solution or services Company or a Customer provides that are alleged to directly or indirectly infringe the third party’s patent, copyright or trademark or make unlawful use of its trade secret.

9. **Third Party Offer Terms.** These terms will supplement the Channel Authorization and will govern any rights granted to Company to resell Third Party Offers. Except as provided below, all limitations, disclaimers, and Company obligations in the Channel Authorization, and the Agreement generally, that apply to Products and Subscriptions apply to Third Party Offers.

(a) **Definitions.**

“Developer” means the provider of the Third Party Offer.

“Developer Customer Agreement” means the terms and conditions, and usage rights for the Customer associated with the applicable Third Party Offer provided by Developer.
“Third Party Offers” means that selection of Non-Microsoft Products made available through a marketplace capability on the Partner Portal at Microsoft’s discretion.

(b) **Company Eligibility to Resell.** Company may request access to the Third Party Offers by completing the Third Party Offers Interest Form. Microsoft may limit the number and geography of resellers of Third Party Offers.

(c) **Third Party Offers are Subject to Developer Policy.** Developers provide Third Party Offers subject to any additional terms applicable to a Third Party Offer and any associated Developer Customer Agreement. Additional terms applicable to a Third Party Offer and any associated Developer Customer Agreement may be found in the Product Description of the Third Party Offer. **THE MICROSOFT CUSTOMER AGREEMENT, PRODUCT TERMS, PRODUCT SPECIFIC TERMS, AND TERMS OF THE AGREEMENT THAT ADDRESS “DEFENSE OF INFRINGEMENT CLAIMS”, OR SIMILAR TERMS, THAT APPLY TO PRODUCTS FROM MICROSOFT DO NOT APPLY TO THIRD PARTY OFFERS.**

(d) **Developer Customer Agreement Acceptance.** Company must provide each Customer with any Developer Customer Agreement associated with each Third Party Offer ordered by that Customer. If the agreement has regional versions based on the Customer location, Company must provide the appropriate regional version to the Customer. Customer must accept the applicable Developer Customer Agreement(s) in a manner that creates a legally enforceable contract between Developer(s) and the Customer. If Microsoft provides Company an updated Developer Customer Agreement, then a Customer for that Third Party Offer must agree to the new Developer Customer Agreement at or before renewal of their subscription. By placing an order for Third Party Offers with Microsoft, Company (i) represents and warrants that Customer has accepted any associated Developer Customer Agreement; (ii) agrees to pay Microsoft for all orders it submits for Third Party Offers; and (iii) agrees to comply with any additional terms associated with the Third Party Offers that apply to Company as a reseller.

(e) **Ordering and Delivery.** Company will order, pay for, and conduct administration including disablement and cancelation, of Third Party Offers through the Partner Portal. Microsoft will provide Company with instructions to access the Developer’s site for that offer. Company will use Developer’s site and designated processes for delivery of Third Party Offers, including provisioning and assignment of licenses and other service management. Company is responsible for submitting all required fields requested in the Partner Portal and through Developer’s site for the Third Party Offers to be delivered and managed. Company agrees to respond to Developer or Microsoft’s reasonable request for certain types of tax documentation (for example, copies of withholding tax receipts or copies of the US sales and US tax resale exemption certificates). **THE DEVELOPERS’ SITES ARE NOT UNDER THE CONTROL OF MICROSOFT AND MICROSOFT IS NOT RESPONSIBLE FOR THE CONTENTS OF ANY DEVELOPER’S SITE, OR ANY CHANGES OR UPDATES TO SUCH SITES.**

(f) **Support.** Developer of a Third Party Offer provides technical support and service level commitments to Customer on that offer, as provided in Developer Customer Agreement. Company is responsible for all other support for Third Party Offers as provided in the Agreement, including billing, account set-up, payment. Company may route technical support queries from Customers to the Developer of the Third Party Offer through the process and subject to the limitations designated by Microsoft or the Developer.

(g) **Cancellation.** Company may cancel a subscription for a Third Party Offer for a Customer. Early termination of a subscription may result in a charge and will only be eligible for a refund to the extent allowed for by Microsoft and Developer for that Third Party Offer. Upon
Cancellation, Customer may have an opportunity to migrate any Customer data to either a
new subscription with Company, Developer or Microsoft or some other service.

(h) Termination Notice. Either party can terminate participation in selling a Third Party Offer or
all Third Party Offers at any time without cause and without intervention of the courts by
giving the other party not less than thirty (30) days’ prior written notice. Neither party will have
to pay the other party any costs or damages resulting from termination of this
arrangement without cause. If Company’s ability to sell a Third Party Offers terminates or
expires, Company and Microsoft will work in good faith to develop and specify options
available to existing Customers at the end of such period and issue any necessary
communication to such Customers describing such options. This will include, if available, an
option to purchase Third Party Offers directly from Microsoft, Developer or other resellers.

10. Non-profit Offer Terms. Non-profit Offers are available for resale only if Company has met the
eligibility requirements set by Microsoft, if any. These terms will supplement the Channel
Authorization and will govern any rights granted to Company to resell Non-Profit Offers.

(i) Non-profit Customers. Company can only provide products identified in the price list as
"Charity" to Non-profit Customers for their use. “Non-profit Customer” means any entity
that meets the non-profit customer eligibility requirements found at:
purchase as a Non-profit Customer must have its non-profit eligibility verified by Microsoft’s
third party customer validation vendor, TechSoup, at:
https://nonprofit.microsoft.com/#/register

11. Reservations Terms. These terms will supplement the Channel Authorization and will govern any
rights granted to Company to purchase or resell Reservation Offers.

(a) “Reservations” means an advanced purchase of eligible Marketplace Offerings for a
specified term and region (e.g. Reserved Software Instances, etc.). Reservations are purchased
for specified terms of up to three years. Reservations expire at the end of the specified term.
Refunds are not available for unused Reservations. Unless indicated otherwise for a
Marketplace Offering, exchange and cancellation are not available. Reservation pricing will be
based on the available pricing at the time of each purchase. Reserved Instances for software
do not include the cost of compute.

12. GGWA Offers. These terms will supplement the Channel Authorization and will govern any rights
granted to Company to purchase or resell Products described as “GGWA”.

(a) The GGWA legalization solutions assists customers to convert their non-genuine Windows
operating systems to genuine, to remain compliant and encourage the purchase of genuine
Windows pre-installed PCs in the future. The goal of GGWA is strictly to help a customer
rectify a mis-licensing situation. Partners should not sell GGWA licenses directly to customers,
and only fulfill requests initiated by Microsoft sales teams.

Territory List

The Territory in which you can exercise your rights under the Channel Authorization is listed below.

Africa region and market: If your Microsoft sell-to location is a country/region on the following
list, your Territory includes customers located in any country/region in the following list: Angola,
Benin, Botswana, Burkina Faso, Burundi, Cameroon, Cape Verde, Central African Republic, Chad,
Comoros, Congo, Congo (DRC), Côte d'Ivoire, Djibouti, Equatorial Guinea, Eritrea, Ethiopia, French
Polynesia, Gabon, Gambia, Ghana, Guinea, Guinea-Bissau, Kenya, Liberia, Madagascar, Malawi,
Mali, Mauritius, Mayotte, Namibia, New Caledonia, Niger, Nigeria, Reunion, Rwanda, São Tomé
and Príncipe, Senegal, Seychelles, Sierra Leone, Somalia, South Sudan, St Helena, Ascension,
Tristan da Cunha, Tanzania, Togo, Uganda, Zambia.
**Asia and Pacific region and market:** If your Microsoft sell-to location is a country/region on the following list, your Territory includes customers located in any country/region in the following list: Bangladesh, Bhutan, Brunei Darussalam, Cambodia, Hong Kong, Indonesia, Laos, Macao, Malaysia, Maldives, Myanmar, Nepal, Philippines, Singapore, Sri Lanka, Thailand, Timor-Leste, Vietnam.

**Australia and Pacific Islands region and market:** If your Microsoft sell-to location is a country/region on the following list, your Territory includes customers located in any country/region in the following list: Australia, Christmas Island, Cocos (Keeling) Islands, Cook Islands, Fiji, French Southern Territories, Guam, Heard Island and McDonald Islands, Kiribati, Marshall Islands, Micronesia, Nauru, Niue, Norfolk Island, Northern Mariana Islands, Palau, Papua New Guinea, Pitcairn Islands, Solomon Islands, Tokelau, Tonga, Tuvalu, Wallis and Futuna.

**Brazil region and market:** If your Microsoft sell-to location is Brazil, your Territory includes customers located in Brazil.

**Canada region and market:** If your Microsoft sell-to location is Canada, your Territory includes customers located in Canada, and Saint Pierre and Miquelon.

**China region and market:** If your Microsoft sell-to location is China, your Territory includes customers located in China.

**Europe region and market:** If your Microsoft sell-to location is a country/region on the following list, your Territory includes customers located in any country/region in the following list: Åland Islands, Andorra, Austria, Belgium, Bouvet Island, Bulgaria, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Faroe Islands, Finland, France, Germany, Gibraltar, Greece, Greenland, Guernsey, Hungary, Iceland, Ireland, Isle of Man, Italy, Jersey, Latvia, Liechtenstein, Lithuania, Luxembourg, Malta, Monaco, Netherlands, Norway, Poland, Portugal, Romania, San Marino, Slovakia, Slovenia, Spain, Svalbard and Jan Mayen, Sweden, Switzerland, United Kingdom, Vatican City.

**India region and market:** If your Microsoft sell-to location is India, your Territory includes customers located in India.

**Japan region and market:** If your Microsoft sell-to location is Japan, your Territory includes customers located in Japan.

**Korea, Republic of region and market:** If your Microsoft sell-to location is the Republic of Korea, your Territory includes customers located in the Republic of Korea.

**Latin America and the Caribbean region and market:** If your Microsoft sell-to location is a country/region on the following list, your Territory includes customers located in any country/region in the following list: Anguilla, Antarctica, Antigua and Barbuda, Argentina, Aruba, Bahamas, Barbados, Belize, Bermuda, Bolivia, Bonaire, British Virgin Islands, Cayman Islands, Chile, Colombia, Costa Rica, Curacao, Dominica, Dominican Republic, Ecuador, El Salvador, Falkland Islands, French Guiana, Grenada, Guadeloupe, Guatemala, Guyana, Haiti, Honduras, Jamaica, Martinique, Mexico, Montserrat, Nicaragua, Panama, Paraguay, Peru, Puerto Rico, Saba, Saint Barthélemy, Saint Kitts and Nevis, Saint Lucia, Saint Martin, Saint Vincent and the Grenadines, Sint Eustatius, Sint Maarten, South Georgia and South Sandwich Islands, Suriname, Trinidad and Tobago, Turks and Caicos Islands, Uruguay, Venezuela, Virgin Islands (U.S.)

**Middle East, Central Europe, and Eastern Europe region and market:** If your Microsoft sell-to location is a country/region on the following list, your Territory includes customers located in any country/region in the following list: Afghanistan, Albania, Algeria, Armenia, Azerbaijan, Bahrain, Belarus, Bosnia and Herzegovina, British Indian Ocean Territory, Egypt, Georgia, Iraq, Israel, Jordan, Kazakhstan, Kosovo, Kuwait, Kyrgyzstan, Lebanon, Lesotho, Libya, Republic of Macedonia, Mauritania, Moldova, Mongolia, Montenegro, Morocco, Mozambique, Oman, Pakistan,
Palestinian Territory, Occupied, Qatar, Saudi Arabia, Serbia, South Africa, Swaziland, Tajikistan, Tunisia, Turkey, Turkmenistan, Ukraine, United Arab Emirates, Uzbekistan, Yemen, Zimbabwe.

**New Zealand region and market:** If your Microsoft sell-to location is New Zealand, your Territory includes customers located in American Samoa, New Zealand, Samoa, Vanuatu.

**Russia region and market:** If your Microsoft sell-to location is Russia, your Territory includes customers located in Russia.

**Taiwan region and market:** If your Microsoft sell-to location is Taiwan, your Territory includes customers located in Taiwan.

**United States region and market:** If your Microsoft sell-to location is the United States, your Territory includes customers located in the United States, and U.S. Outlying Islands.