Partnership. Rewards. Results.

Drive Profitability with
Cisco Channel Programs

Partner Presentation

Cisco Value Incentive Program (VIP) 28
July 31, 2016 through January 28, 2017

VIP 28 Agenda

- Executive Summary
- VIP 28
  - Architecture track
  - New Business track
- Operational Details and Summary
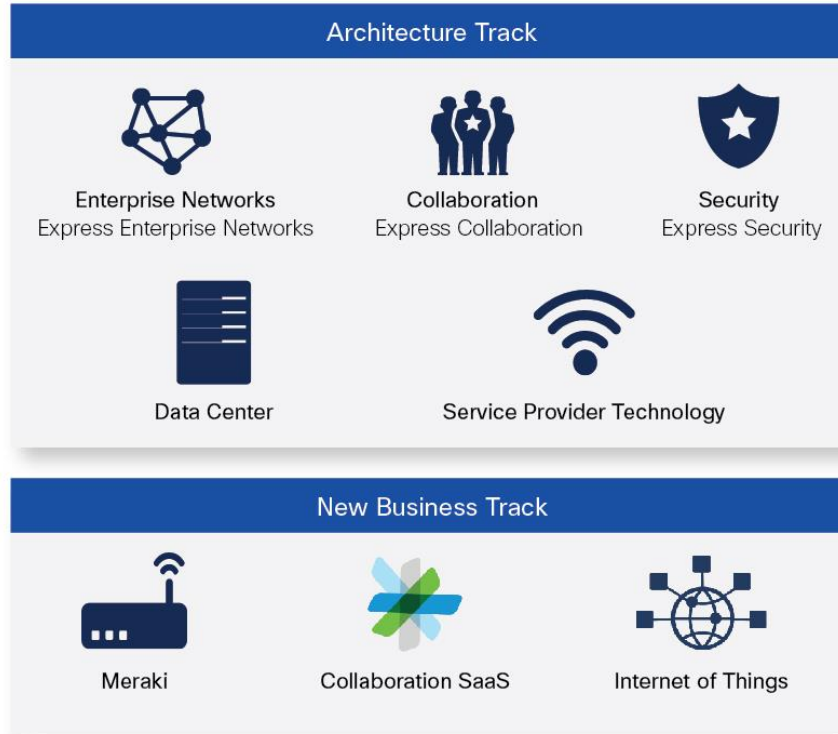- VIP 27 Payout Information
- Q&A

Executive Summary

Current VIP 28 At-a-Glance

Goal	The Cisco Value Incentive Program (VIP) rewards partners that have a comprehensive business practice focused on major architectures. Participating partners receive a semiannual payment when they meet program requirements.
Program Period	• July 31, 2016 to January 28, 2017 • Enrollment dates: July 31, 2016 to September 9, 2016 (6 months)—October 30, 2016 to November 25, 2016 (3 months) • **Enrollment is required for each VIP period**
Tracks	• Architecture Track: Enterprise Networks, Express Enterprise Networks, Security, Express Security, Data Center, Collaboration, Express Collaboration, and Service Provider Technology • New Business Track: Collaboration SaaS, Meraki Cloud Networking (U.S. pilot), IoT
Payout Requirements	• Minimum bookings requirements • Associated specializations, certifications, designations or ATPs • Certification maintenance or provide specific number of customer contacts/email addresses for CSAT
Additional Details	• Enrollments are done at the track level • Enrollments in Architecture and New Business tracks can be combined—no mutually exclusivity rules • Eligible SKUs and orders from both Resale and Cloud and Managed Service (Title Held and Title Transferred) order types recognized, cloud services itself (cloud POS submissions) not included • CMSP Simplified Pricing, Not For Resale (NFR) and other specific promotions excluded • Payments are based on net shipments on eligible SKUs except for Collaboration SaaS

VIP 28 Architectural Design

Architecture Track

Enterprise Networks
Express Enterprise Networks

Collaboration
Express Collaboration

Security
Express Security

Data Center

Service Provider Technology

New Business Track

Meraki

Collaboration SaaS

Internet of Things

VIP 28: Summary of Changes

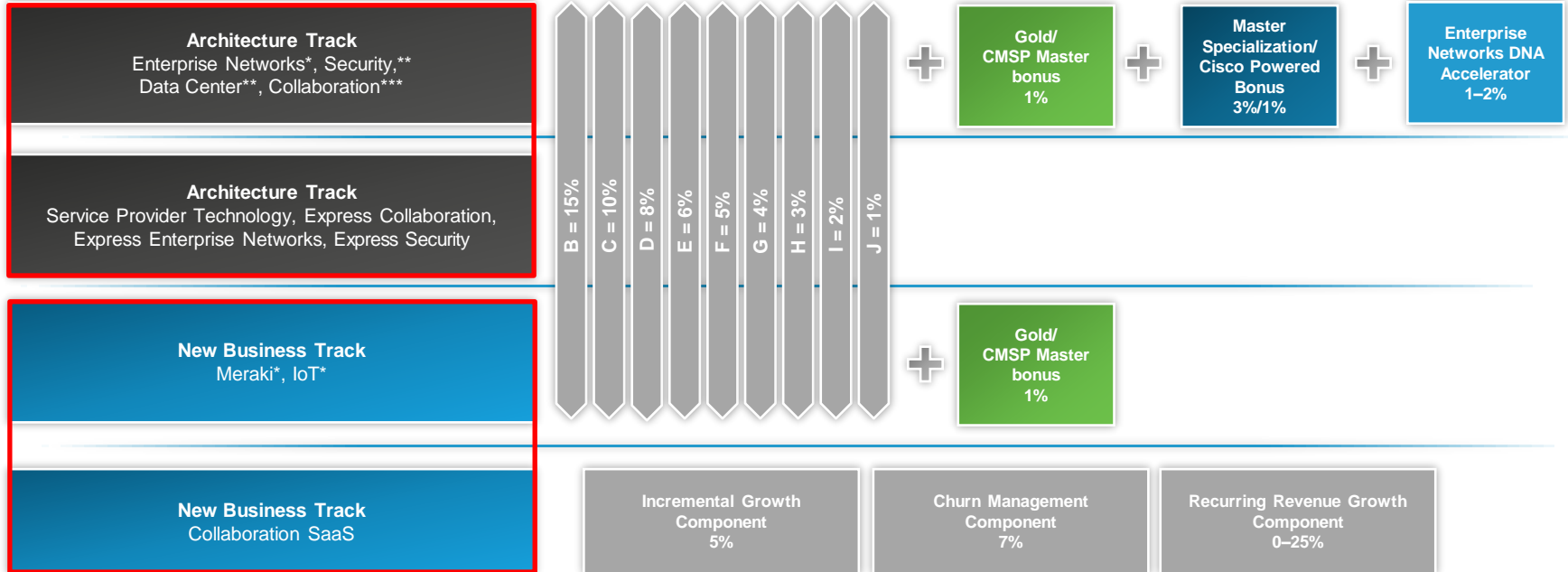| What's New	Description	Impact	Your Actions
Architectural design	VIP 28 embraces an architectural approach and is structured at the architectural level	Simplified enrollment, payout eligibility criteria defined at the architectural level, easier tracking of VIP payout requirements	Sell architectural solutions, include as many technologies from one architecture as possible in each deal
Architectural minimum bookings requirements	Updated minimum thresholds to reflect market conditions in each country group and the new architectural design of VIP	Recognition of all VIP eligible bookings in one architecture against one architectural minimum threshold requirement	Review new architectural minimum bookings requirements in the Program Rules
Cloud and Managed Services bookings recognized for everyone	Cloud and Managed Services are increasingly in demand by end customers—bookings from these type of orders are now newly recognized for every VIP partner, not just for CMSP partners (the CMS track has been merged into the other tracks)	• Opportunity to earn VIP payments not only on standard resale orders but also on cloud and managed services orders, both title held and title transferred • Cloud services/cloud POS submissions and CMSP Simplified Pricing bookings continue to be ineligible • Simplified enrollment decisions for CMSP partners	Order VIP eligible SKUs as Cloud or Managed Service order types without concerns about the impact to your VIP rebate

VIP 28: Summary of Changes

What's New	Description	Impact	Your Action
New Service Provider Technology subtrack	Service Provider Technology architecture is a new addition to VIP, reaffirming our commitment to service provider technologies	Additional opportunity for incremental VIP rebate	Benefit from tremendous business opportunities as the service provider market transitions to SDN - the biggest market transformation in decades
Cloud Services Reseller (CSR) track retirement	The CSR track concluded with the end of VIP 27.	The CSR track is not offered in VIP 28 as it achieved its objective of helping providers to build out the channel model and seed Cisco Powered™ cloud services in the market.	Continue harvesting the opportunities of the cloud business with minimal investment by reselling Cisco Powered cloud services from the CMSP Partners or Cloud Aggregators to your end customers

Additional highlights:
- Collaboration SaaS—starts the evolution with a new Recurring Revenue Growth component and the inclusion of Cisco Spark
- Simplification—we're increasing your productivity with a simplified rebate structure, enrollment, VIP management and tracking, and fewer exception and support cases
- 2-month Transition period—protects all SKUs from changes before the SKU is removed or reduced in payout
- New VIP SKUs list URL – www.cisco.com/go/vipskus

VIP 28 SKU Structure

Architecture Track Enterprise Networks*, Security,** Data Center**, Collaboration***	
Architecture Track Service Provider Technology, Express Collaboration, Express Enterprise Networks, Express Security	

B = 15% C = 10% D = 8% E = 6% F = 5% G = 4% H = 3% I = 2% J = 1%

+ **Gold/ CMSP Master bonus 1%** **+** **Master Specialization/ Cisco Powered Bonus 3%/1%** **+** **Enterprise Networks DNA Accelerator 1–2%**

New Business Track
Meraki*, IoT*

+ **Gold/ CMSP Master bonus 1%**

New Business Track
Collaboration SaaS

Incremental Growth Component 5% **Churn Management Component 7%** **Recurring Revenue Growth Component 0–25%**

* Paid only on 6%, 8% and 10% rebate category products of Enterprise Networks , IoT, and Meraki Cloud Networking subtracks

** 1% in Data Center subtrack and 3% in Security and Collaboration subtracks, there's no Master Specialization/Cisco Powered bonus available in Enterprise Networks subtrack

*** Paid only on TP SKUs for TP ATP Master

Cisco Powered Bonus Eligibility

VIP Subtrack	Cisco Powered Services Designation	Cisco Powered Bonus
Security	• Cisco Powered Managed Security or • Cisco Powered Hosted Security as a Service	3%
Collaboration	• Cisco Powered Managed Business Communications or • Cisco Powered UC as a Service based on HCS or • Cisco Powered Contact Center as a Service based on HCS or • Cisco Powered Unified Contact Center or • Cisco Powered Managed Business Video or • Cisco Powered Video and TelePresence as a Service	3%
Data Center	• Cisco Powered Infrastructure as a Services or • Cisco Powered Desktop as a Service or • Cisco Powered Disaster Recovery as a Service or • Cisco Powered Cloud Cell Architecture for SAP HANA or • Cisco Powered Intelligent WAN as a Service or • Cisco Powered Architecture for the Microsoft Cloud Platform	1%

VIP 28: Architecture Track

Enterprise Networks and Express EN

Enterprise Networks

Enterprise Networks	Express Enterprise Networks

- **Deliver Digital Network Architecture (DNA) solutions** more profitably to transform customer's network—making it faster, more efficient, and more secure
- Benefit from **updated DNA Accelerator** for Cisco Gold Certified Partners and refresh opportunities
- Combined Cisco Gold/CMSP Master partners can **receive up to a 11% rebate** on select EN subtrack SKUs (8% Base rebate + 2% DNA Accelerator + 1% Gold bonus)
- Sell 10-Gbps (10G), 40G, 100G, and Multigigabit Cisco Catalyst, 4000 Series ISRs, and wireless 802.11ac Wave 2 solutions to capture the **highest Enterprise Networks VIP hardware rebates**
- Increase your profitability with the **Gold Certification bonus** paid on SKUs in the 6%, 8% and 10% rebate categories
- Promote and sell **Cisco ONE software** to earn a 10% rebate
- Learn more in VIP playbook at www.cisco.com/go/vip

VIP 28 Enterprise Networks and Express EN Overview

Subtrack	EN	Express EN
Enrollment Requirement	Advanced Core and WAN Services and/or Advanced Unified Access and/or Advanced Enterprise Networks Architecture Specialization and/or CMSP Master or Advanced or Express	Express Foundation and/or Small and Midsize Business Specialization
Specialization Requirement	<u>Maintain</u> Advanced Core and WAN Services and/or Advanced Unified Access and/or Advanced Enterprise Networks Architecture Specialization and/or CMSP Master or Advanced or Express <u>(throughout the entire VIP period)</u>	Maintain Express Foundation and/or Small and Midsize Business Specialization (throughout the entire VIP period)
Minimum Booking (6 Month/3 Month)	$800,000/$400,000 <u>Refer to country specific rules for LATAM and Canada minimum bookings</u>	$50,000/$25,000
SKU Categories	2%, 4%, 6%, 8%, 10%	2%
CSAT Requirement	Maintain certification or Provide minimum 30 (Gold), 10 (Premier, Select, Registered) customer contacts/email addresses by January 28, 2017	
Master Specialization/ Cisco Powered Bonus %	N/A	N/A
Gold/CMSP Master Bonus %	1%*	N/A
DNA Accelerator	1–2%**	N/A
Precedence	Over Express EN and IoT	–

On 6%, 8% and 10% rebate category products only
** Gold Certified Partners only, complete list of eligible SKUs available at www.cisco.com/go/vipskus

Enterprise Networks: DNA Accelerator

- Applicable only to Gold partners

- Migrate your customers to the selected Routing, Switching and WLAN SKUs and earn 1%-2% of extra rebate

- SKUs within these Product Families are eligible:

<table>
<tr>
<td>

1%
C3560CX, C3650, C3650ED, C3850, C3850ED

</td>
<td>

2%
4300ISR, 4400ISR, Cisco Wireless Wave 2 Access Points and Controllers

</td>
</tr>
</table>

- Complete list of eligible SKUs available at www.cisco.com/go/vipskus

Enterprise Networks and Express EN

Enterprise Networks	VIP 28 Rebate
Cisco Catalyst Switching	
1 Gigabit Ethernet, All Modular Chassis	2%
10 Gigabit Ethernet Fixed, Catalyst 6000 Series	4%
10/40/100/Multigigabit (Catalyst 3850, 4500-E Series) Latest-generation supervisors (6T, 8-E, 8 L-E)	6%
Wireless	
802.11ac Wave 1	4%
802.11ac Wave 2 Aironet 1800 Series	6%
802.11ac Wave 2 Controllers, Aironet 2800 and 3800 Series	8%
ISR Routing	
1900 Series ISRs	2%
4300 Series ISRs	4%
4400 Series ISRs	8%

Enterprise Networks	VIP 28 Rebate
ASR Routing	
ASR 1000 Series	2%
ASR 1000 Series (40 Gigabit Ethernet)	4%
Miscellaneous Routing	
WAAS, 800 Series (4G Ready), 4G LTE WWAN Card, Cisco UCS E-Series	2%
Cisco ONE	
Cisco ONE software suites	10%

Express Enterprise Networks	VIP 28 Rebate
All eligible SKUs	2%

Not all SKUs are eligible for VIP. Enterprise Networks track typically does not include older-generation products, accessories, and third-party solutions.
For a complete list of VIP-eligible SKUs, go to www.cisco.com/go/vipskus.

Meraki (U.S. Pilot)

Meraki Cloud Networking

<div style="background-color: green;">

Meraki Cloud Networking
(U.S. Pilot)

</div>

- For VIP 28, the **Meraki Cloud Networking** subtrack is limited to the United States and regions in EMEAR in which Meraki is on the GPL at the start of the VIP period

- **Achieve even more profitability** by selling the full Cisco Meraki stack, with VIP eligible SKUs from all product families

- Win in **performance-critical campus environments** with 802.11ac Wave 2 access points and new stackable, multigigabit, and fiber aggregation switches

- Capitalize on the overall growth in the **SD-WAN market** while continuing to take advantage of the security and ease-of-use benefits of the Meraki MX family

- Learn more in VIP playbook at www.cisco.com/go/vip

VIP 28 Meraki Cloud Networking Overview

Subtrack	Meraki Cloud Networking (U.S. Pilot)
Enrollment Requirement	Advanced Unified Access and/or Advanced Enterprise Networks Architecture Specialization and/or CMSP Master or Advanced or Express
Specialization Requirement	Maintain Advanced Unified Access and/or Advanced Enterprise Networks Architecture Specialization and/or CMSP Master or Advanced or Express (throughout the entire VIP period)
Minimum Booking (6 Month/3 Month)	$150,000/$75,000 (USA only)
SKU Categories	2%, 4%, 6%, 8%, 10%
CSAT Requirement	Maintain certification or Provide minimum 30 (Gold), 10 (Premier, Select, Registered) customer contacts/email addresses by January 28, 2017
Master Specialization/Cisco Powered Bonus %	N/A
Gold/CMSP Master Bonus %	1%*
Precedence	–

* On 6%, 8% and 10% rebate category products only

Meraki Cloud Networking

Meraki	VIP 28 Rebate
MX Security Hardware	
Small branch security and SD-WAN	2%
Medium branch security and SD-WAN	4%
Campus and data center security and SD-WAN	2%
MS Switching Hardware	
1 Gigabit Ethernet switches	2%
10 Gigabit Ethernet switches	4%
Multigigabit switches	6%
MR Wireless Hardware	
802.11ac Wave 1 access points	4%
802.11ac Wave 2 high performance access points	6%
802.11ac Wave 2 highest performance access points	8%
MC Communications Hardware	
Meraki phone	10%
Systems Manager	
All software SKUs	4%

For a complete list of VIP-eligible SKUs, go to www.cisco.com/go/vipskus.

Security and Express Security

Security

Security	Express Security

- **Benefit from rebates** on next-generation security solutions, including most of the Cisco ASAs with FirePOWER, Firepower Threat Defense, FirePOWER NGIPS, AMP, and ISE

- Focus on **multiyear solutions** to secure a 10% rebate on most software licenses, as opposed to 5% for one-year licenses

- **Migrate** from Cisco ASA non-SSD firewalls and older ASA platforms to the latest ASA with Cisco FirePOWER Services customized for small and midsize businesses, midmarket, and enterprise customers

- Take advantage of **rebates up to 10%** and additional up-front savings by selling the Security Software Volume Purchasing Program, Enterprise License Agreements and Security Advantage products

- Sell Cisco **Stealthwatch products** and benefit from additional rebates

- Learn more in VIP playbook at www.cisco.com/go/vip

Security and Express Security

Security	VIP 28 Rebate
All hardware	4%
1-year and perpetual software licenses	5%
3-, 5-year and ELA software licenses	10%
Express Security	**VIP 28 Rebate**
All eligible hardware and all eligible software	4%

For a complete list of VIP-eligible SKUs, go to www.cisco.com/go/vipskus.

VIP 28 Security and Express Security Overview

Subtrack	Security	Express Security
Enrollment Requirement	Advanced Security Architecture Specialization and/or CMSP Master or Advanced or Express	Express Security Specialization Next-Generation Firewall module and/or Email module and/or Web module and/or IPS module * and/or Cisco Welcome Program Express ATP
Specialization Requirement	Maintain Advanced Security Architecture Specialization and/or CMSP Master or Advanced or Express (throughout the entire VIP period)	Maintain Express Security Specialization Next-Generation Firewall module and/or Email module and/or Web module and/or IPS module * and/or Cisco Welcome Program Express ATP (throughout the entire VIP period)
Minimum Booking (6 Month/3 Month)	$225,000/$112,500 **Refer to country specific rules for LATAM and Canada minimum bookings**	$25,000/$12,500
SKU Categories	4% HW, 5% 1yr/Perpetual SW, 10% 3/5 yrs/ELA SW	4% HW/SW
CSAT Requirement	Maintain certification or Provide minimum 30 (Gold), 10 (Premier, Select, Registered) customer contacts/email addresses by January 28, 2017	
Master Specialization/Cisco Powered Bonus %	3%	N/A
Gold/CMSP Master Bonus %	1%	N/A
Precedence	Over Express Security	–

* Express Security SKUs eligibility and payouts are based on possession of particular module(s) of Express Security Specialization. More details about SKUs adherence to particular Express Security Specialization modules are available at www.cisco.com/go/vipskus.

Data Center

Data Center

- Accelerate technology transition and market adoption of 10-Gbps (10G) in access and 40G/100G in aggregation for data center switching networks with **Cisco Nexus 9000 Series Switches**—with 5% rebate in VIP, the highest level for hardware

- Introduce **Cisco HyperFlex** to customers with hyperconvergence requirements

- Endorse, promote, and sell the new generation of **Cisco UCS fabric interconnects** to maximize your VIP benefits

- Use **SmartPlay bundles** for Cisco UCS and Cisco HyperFlex deals

- Promote **emerging data center software solutions** with Cisco Application Centric Infrastructure (Cisco ACI), Cisco CloudCenter, and Cisco Tetration Analytics

- Attach **Cisco ONE Software** to every Cisco Nexus and Cisco UCS business opportunity

- Learn more in VIP playbook at www.cisco.com/go/vip

VIP 28 Data Center Overview

Subtrack	Data Center
Enrollment Requirement	Advanced Data Center Architecture and/or Unified Fabric Technology and/or Unified Computing Technology Specialization and/or CMSP Master or Advanced or Express
Specialization Requirement	Maintain Advanced Data Center Architecture and/or Unified Fabric Technology Specialization and/or Unified Computing Technology Specialization and/or CMSP Master or Advanced or Express (throughout the entire VIP period)
Minimum Booking (6 Month/3 Month)	$200,000/$100,000 Refer to country specific rules for LATAM and Canada minimum bookings
SKU Categories	2%, 3%, 4%, 5%, 10%
CSAT Requirement	Maintain certification or Provide minimum 30 (Gold), 10 (Premier, Select, Registered) customer contacts/email addresses by January 28, 2017
Master Specialization/Cisco Powered Bonus %	1%
Gold/CMSP Master Bonus %	1%
Precedence	–

Data Center

Data Center	VIP 28 Rebate
Data Center—Cisco UCS	
All Cisco UCS hardware, including SmartPlay bundles (except processors)	3%
Cisco HyperFlex and fabric interconnects	4%
Enterprise Cloud Suite (Cisco ONE)	10%
Data Center Switching and Software	
All eligible Cisco Nexus 2000, 3000, 5000, and 7000 platforms except select SKUs at 5%	2%
Tetration Analytics All Cisco Nexus 9000 Series* New Cisco Nexus 7000 M3 Series New Cisco Nexus 5600UP New Cisco Nexus 2300 Series 10G Fabric Extenders	5%
ACI and CloudCenter (CliQr)	10%

* Except soon-to-be-announced end-of-sale SKUs.
For a complete list of VIP-eligible SKUs, go to www.cisco.com/go/vipskus.

Collaboration and Express Collaboration

Collaboration

Collaboration	Express Collaboration

- Sell across the **Cisco collaboration portfolio**: on-premises, cloud, and hybrid solutions with a full range of customer consumption models

- Promote the power of the collaboration portfolio via **Cisco Unified Workspace Licensing**

- Deliver **next-generation advanced video and voice collaboration e**ndpoints with the Cisco IP Phone 8800 Series, and the Cisco TelePresence SX, DX, and MX Series

- Include cloud and video collaboration as part of every sale with **Cisco Spark Services**—Message and Meet, Cisco Collaboration Meeting Rooms Cloud, and Cisco's award-winning desktop, group, and immersive endpoints

- Create recurring revenue via **lifecycle services** within your Cisco collaboration practice

- Earn higher payment levels on new **cloud collaboration bookings** on the Cisco's subscription platform in CCW (Annuity) while delivering the latest offers to your customers

- Learn more in VIP playbook at www.cisco.com/go/vip

VIP 28 Collaboration and Express Collaboration Overview

Subtrack	Collaboration	Express Collaboration
Enrollment Requirement	Advanced Collaboration Architecture Specialization and/or TelePresence Video ATP Master and/or Express Video and/or Advanced Video Specialization and/or TelePresence Video Master Multinational ATP and/or TelePresence Video Master Global ATP and/or CMSP Master or Advanced or Express	Express Collaboration Specialization
Specialization Requirement	Maintain Advanced Collaboration Architecture Specialization and/or TelePresence Video ATP Master and/or Express Video and/or Advanced Video Specialization and/or TelePresence Video Master Multinational ATP and/or TelePresence Video Master Global ATP and/or CMSP Master or Advanced or Express (throughout the entire VIP period)	Maintain Express Collaboration Specialization (throughout the entire VIP period)
Minimum Booking (6 Month/3 Month)	$300,000/$150,000 **Refer to country specific rules for LATAM and Canada minimum bookings**	$25,000/$12,500
SKU Categories	1%, 5%, 8%, 10%, 15%	1%, 5%, 10%
CSAT Requirement	Maintain certification or Provide minimum 30 (Gold), 10 (Premier, Select, Registered) customer contacts/email addresses by January 28, 2017	
Master Specialization/Cisco Powered Bonus %	3%*	N/A
Gold/CMSP Master Bonus %	1%	N/A
Precedence	Over Express Collaboration	-

* Master Specialization/Cisco Powered bonus for being TP Video ATP Master is paid only on TP SKUs

Collaboration and Express Collaboration

Collaboration	VIP 28 Rebate
Endpoints	
8800 Series, third-party call control (3PCC): 8811, 8841, 8851, 8861 **8800 Series, non-3PCC (newer models):** 8845, 8851, 8861, 8865	8%
8800 Series non-3PCC (older models): 8811, 8821, 8841 **7800 Series 3PCC and non-3PCC:** 7811, 7821, 7841, 7861 **DX Series:** DX70, DX80 **IX Series:** IX5000, IX5200 **MX Series:** MX200, MX300, MX700, MX800 **SX Series:** SX10, SX20, SX80	5%
Software	
Business Edition 6000 • Midmarket Cisco Unified Workspace Licensing Professional (CUWL Pro) • Midmarket Cisco Unified Workspace Licensing Standard (CUWL Standard)	15%
Business Edition 6000 • Midmarket Unified Communications Licensing (UCL): UCL Enhanced, UCL Enhanced Plus, UCL Basic, UCL Essential	15%
Hosted Collaboration Solution • HCS–Standard, HCS LE–Standard, HCS Room, HCS LE–Room	15%
Contact Center • Cisco Unified Contact Center Enterprise (IPCCE), Cisco Unified Customer Voice Portal (CVP), Contact Center Express (IPCCX) 10.x, 11.x	15%
Cisco Unified Workspace Licensing • CUWL Pro and CUWL Standard	10%
Enterprise Agreements • EAUC Suite, EATP Suite, EAHCS Suite, EAWBX Suite	10%

Collaboration	VIP 28 Rebate
UCL • UCL Enhanced, UCL Enhanced Plus	10%
UCL • UCL Basic, UCL Essential	5%
Hosted Collaboration Solution (HCS) • HCS Foundation and HCS LE–Foundation	10%
Cisco Unity Connection 10.x, 11.x	10%
SP View	10%
Advantage Program	10%
Emergency Responder	10%
Cisco Prime Collaboration	10%
Virtual Cisco TelePresence Server	10%
Conductor	10%
TP Room license	10%
Cisco TelePresence Management Suite (TMS)	10%
Shared Multiparty (SMP)	10%
Personal Multiparty (PMP)	10%
Expressway	5% or 8% or 10%
Cisco WebEx GPL • Cisco WebEx and CMR new sales • Cisco WebEx and CMR add-ons • Cisco WebEx and CMR renewals	5% 5% 0%
Server Hardware	**1%**

For a complete list of VIP-eligible SKUs, go to www.cisco.com/go/vipskus.

Collaboration and Express Collaboration

Express Collaboration	VIP 28 Rebate
Endpoints	
8800 Series Endpoints: 8811, 8841, 8845, 8851, 8861, 8865	5%
8800 Series Endpoints: 8831	1%
7800 Series Endpoints: 7811, 7821, 7841, 7861	1%
SPA Series: SPA232, SPA300 level, SPA500 level, SPA8000	1%
DX Series: DX70, DX80	5%
SX Series: SX10, SX20, SX80	1%
MX Series: MX200, MX300, MX700, MX800	1%
Software	
BE6000 Cisco Unified Workspace Professional Licensing (CUWL Pro)	10%
BE6000 Cisco Unified Workspace Standard Licensing (CUWL Standard)	10%
BE6000 User Connect Licensing (UCL)	10%
Cisco Unity Connection 10.x, 11.x	5%
Virtual Cisco TelePresence Server	5%
Conductor	1%
TP Room license	5%
Cisco TelePresence Management Suite (TMS)	1%
Shared Multiparty (SMP)	5%
Personal Multiparty (PMP)	1%
Expressway	1% or 5%
Server Hardware	1%

For a complete list of VIP-eligible SKUs, go to www.cisco.com/go/vipskus.

Collaboration SaaS

Collaboration SaaS

<div style="background-color: green; color: white;">

Collaboration SaaS

</div>

- Evolved incentive to build and embrace **Software-as-a-Service (SaaS)** business models

- Leverage Cisco's subscription billing platform in CCW (**Annuity**) to drive incremental growth and build recurring revenue businesses

- Earn higher rebates on **new Cisco Spark services** (Message, Meeting, Call and Hybrid Services), video room systems, and Cisco WebEx - where Cisco's subscription billing platform in CCW (Annuity) is available

- Focus on Customer Success - **land, adopt, expand, and renew** within your collaboration practice and with your customers, and earn additional incentives by maintaining revenue steams and reducing churn (loss)

- **Three components** of Collaboration SaaS rebate promote healthy collaboration SaaS practices and support transition to performance-based Recurring Revenue Growth

- Learn more in VIP playbook at www.cisco.com/go/vip

VIP 28 Collaboration SaaS Overview

	Collaboration SaaS		
Component	SaaS Incremental Growth Component	Churn Management Component	Recurring Revenue Growth Component
Enrollment Requirement	SaaS Subscription Resale Program—Simple Resale or Resale with Lifecycle management track (including passing the COLT test that is required as per SaaS Subscription Resale Program Terms and Conditions)		
Designation Requirement	Maintain SaaS Subscription Resale Program—Simple Resale or Resale with Lifecycle management track (throughout the entire VIP period)	Maintain SaaS Subscription Resale Program—Resale with Lifecycle management track (throughout the entire VIP period) + Become Lifecycle Advisor for WebEx and Spark before the end of period	Maintain SaaS Subscription Resale Program—Simple Resale or Resale with Lifecycle management track (throughout the entire VIP period)
Revenue Requirement	Minimum Incremental committed revenue* of $1,600 for eligible subscriptions by country/country group	Retain 90% of recurring revenue within VIP period across all customers placed on Cisco's subscription platform in CCW	Revenue tiers, defined by Total Monthly Recurring Revenue (MRR) Growth of qualified offers across GPL, GRA, and Cisco's subscription platform in CCW (Annuity)
VIP Payout	5% on 12 month incremental value* of eligible subscriptions	7% on 6 month retained value of subscriptions placed on Cisco's subscription platform in CCW (Annuity)	Rebate % associated to particular tier, paid on incremental value** of eligible subscriptions

*Bookings to Cisco in form of new customer subscription or increased value of current customer subscription, placed on Cisco's subscription platform in CCW (Annuity)

**Net Growth in Recurring Revenue to Cisco within VIP period placed on Cisco's subscription platform in CCW (Annuity)

Collaboration SaaS

SaaS Incremental Growth Component 5%

For VIP 28 only

Churn Management Component
(formerly Lifecycle Incentive)
7%

Recurring Revenue Growth Component
(0–25%)

NEW

General Requirements

- Enabled on Cisco's subscription platform in CCW (Annuity)—subject to availability in your particular country

- Able to contractually sell Spark Offers—Spark Message, Spark Call, Spark Meet—and Webex Offers (eligible SKUs details available at VIP SKUs list)

- Approved for SaaS Subscription Resale Program—Simple Resale or Resale with Lifecycle management track (including passing the COLT test that is required as per SaaS Subscription Resale Program Terms and Conditions)

- No CSAT requirements

- Eligible partners receive payments only on orders placed on Cisco's subscription platform in CCW (Annuity)

- Migrations, Internal Business Use, NFR, Simplified pricing deals are excluded

Collaboration SaaS:
Three Payout Components

**SaaS Incremental
Growth Component 5%**

For VIP 28 only

Churn Management
Component
(formerly Lifecycle Incentive)
7%

Recurring Revenue
Growth Component
(0–25%)

NEW

Requirements and Details

- Continues from prior VIP periods but will no longer be available after VIP 28, easing the transition to performance based Recurring Revenue Growth rebates

- Maintain approved status in SaaS Subscription Resale Program—Simple Resale or Resale with Lifecycle management track (including passing the COLT test that is required as per SaaS Subscription Resale Program Terms and Conditions)

- Minimum Incremental committed revenue* of $1,600 for eligible subscriptions by country/country group

  *Bookings to Cisco in form of new customer subscriptions or increased value of current customer subscription, placed on Cisco's subscription platform in CCW (Annuity)

- Payment of 5% on 12 month incremental value* of eligible subscriptions (to be paid with VIP 28 2nd payment run in July 2017), with start date within the VIP 28 period, not debooked within 90 days

Collaboration SaaS:
Three Payout Components

SaaS Incremental Growth Component 5%

For VIP 28 only

Churn Management Component
(formerly Lifecycle Incentive)
7%

Recurring Revenue Growth Component
(0–25%)

NEW

Requirements and Details

- Continues from prior VIP periods but renamed to Churn Management component

- Become Lifecycle Advisor for Webex and Spark before the end of period + maintain approved status in SaaS Subscription Resale Program—Resale with Lifecycle management track (including passing the COLT test) from enrollment throughout VIP period, Collaboration SaaS enrollment with only Simple Resale track disallows payment of this component

- Retain 90% of recurring revenue within VIP period across all customers placed on Cisco's subscription platform in CCW (Annuity)

- Incremental growth revenue from one VIP period can become part of the base for the Churn Management component in the following VP period provided partner enrolls

- Payment of 7% on 6 month retained value of subscriptions placed on Cisco's subscription platform in CCW (Annuity)

Collaboration SaaS:
Three Payout Components

SaaS Incremental Growth Component 5%
For VIP 28 only

Churn Management Component (formerly Lifecycle Incentive) 7%

Recurring Revenue Growth Component (0–25%)
NEW

Requirements and Details

- New performance based component

- Maintain approved status in SaaS Subscription Resale Program—Simple Resale or Resale with Lifecycle management track (including passing the COLT test that is required as per SaaS Subscription Resale Program Terms and Conditions)

- Maintain your recurring revenue base across Cisco Global Price List (GPL) and Webex Global Reseller Agreement (GRA), while focusing on growing your Collaboration revenue on the Cisco's subscription platform in CCW (Annuity)—rebate percentage tiers are defined by Total Monthly Recurring Revenue (MRR) Growth of qualified offers across all three platforms

- Rebate % associated to particular tier, paid on incremental value* of eligible subscriptions

  *Net Growth in Recurring Revenue to Cisco within VIP period placed on Cisco's subscription platform in CCW (Annuity)

Collaboration SaaS:
Three Payout Components

SaaS Incremental Growth Component 5%

For VIP 28 only

Churn Management Component (formerly Lifecycle Incentive) 7%

Recurring Revenue Growth Component (0–25%)

NEW

Step 1
Determine Total MMR Growth
- Start Revenue – End Revenue = Total MRR Growth
- Across GPL, GRA, Cisco's subscription platform
- On qualified orders, see VIP rules for details

Step 2
Determine Tier Level
- BEGEOid Specific
- Based on Total MRR Growth

Step 3
Calculate Rebate
- Net Revenue Growth (on Cisco's subscription platform only) * Tier Rate = Rebate

Tier	Total MRR Growth (Qualified Offers across GPL, GRA, Cisco's Subscription Platform)	Payout % (Only on Net Revenue Growth on Cisco's Subscription Platform)
Tier 1	$1,000	5%
Tier 2	$2,500	10%
Tier 3	$10,000	15%
Tier 4	$25,000	20%
Tier 5	$100,000	25%

Recurring Revenue Growth Component
Calculation Detail

Chart axis: 20,000 / 18,000 / 16,000 / 14,000 / 12,000 / 10,000 / 8,000 / 6,000 / 4,000 / 2,000 / 0

Legend: ■ Annuity ■ GRA ■ GPL

First day Month 1 MRR	Month 2 MRR	Month 3 MRR	Month 4 MRR	Month 5 MRR	Last day Month 6 MRR
$10,000	**$12,000**	**$13,000**	**$13,000**	**$16,000**	**$19,000**
10,000 GPL	*10,000 GPL*	*9,000 GPL*	*9,000 GPL*	*9,000 GPL*	*9,000 GPL*
0 GRA	*2,000 GRA*	*2,000 GRA*	*2,000 GRA*	*2,000 GRA*	*2,000 GRA*
0 Annuity		*2,000 Annuity*	*2,000 Annuity*	*5,000 Annuity*	*8,000 Annuity*
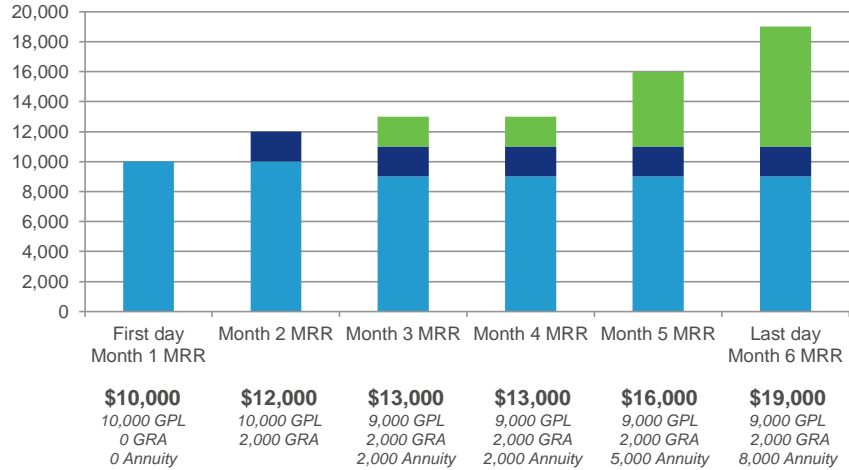
Total MRR Growth
$9,000

Net Revenue Growth on Annuity
$8,000

Tier	Total MRR Growth (Qualified Offers across GPL, GRA, Cisco's Subscription Platform)	Payout % (Only on Net Revenue Growth on Cisco's Subscription Platform)
Tier 1	$1,000	5%
Tier 2	$2,500	10%
Tier 3	$10,000	15%

$8,000 x 10%
(Net Revenue Growth on Annuity x Payout %)

=

Recurring Revenue Growth Rebate
$800

Service Provider Technology

Service Provider Technology

<div style="background-color: green; color: white;">
Service Provider Technology
</div>

- Partner with Cisco on **service provider technology** to open new sales opportunities and new, profitable revenue streams

- Sell the Cisco service provider portfolio to help customers transition into the new world of **software-defined networking (SDN)** and network functions virtualization (NFV)

- Deliver **new-generation and advanced service provider network** products to telcos, over-the-top (OTT) vendors, multimedia and web players, enterprise, and public sector

- Promote the transition to SDN, NFV, 5G, dense wavelength division multiplexing (DWDM), and more with the Cisco service provider **core, edge, optical, access, and software portfolio**

- Include **Network Management Solution** as part of every sale with service provider infrastructure products

- **Earn your incentive** by helping your customers transition with service provider technology

- Learn more in VIP playbook at www.cisco.com/go/vip

VIP 28 Service Provider Technology Overview

Subtrack	Service Provider Technology
Enrollment Requirement	Advanced Service Provider Architecture Specialization and/or CMSP Master or Advanced or Express
Specialization Requirement	Maintain Advanced Service Provider Architecture Specialization and/or CMSP Master or Advanced or Express (throughout the entire VIP period)
Minimum Booking (6 Month/3 Month)	$1,000,000/$500,000 **Refer to country specific rules for LATAM and Canada minimum bookings**
SKU Categories	1%
CSAT Requirement	Maintain certification or Provide minimum 30 (Gold), 10 (Premier, Select, Registered) customer contacts/email addresses by January 28, 2017
Master Specialization/Cisco Powered Bonus %	–
Gold/CMSP Master Bonus %	–
Precedence	–

Service Provider Technology

Service Provider Technology	VIP 28 Rebate
SP Core • Network Convergence System (NCS) 5500, 6000 Series	1%
SP Edge • ASR 9000 Series (Typhoon line cards excluded) • NCS 5000 Series • Cisco IOS XRv	1%
SP Access • ASR 903, 920, 901 • ME 1200 Series	1%
SP Optical • NCS 2000, 1000 Series • ONS 15216 • ONS Pluggable Optics Series • NCS 4000 Series	1%
SP Network Management Solution • Evolved Programmable Network Manager (EPN-M) 2.0	1%

For a complete list of VIP-eligible SKUs, go to www.cisco.com/go/vipskus.

VIP 28: New Business Track

VIP 28 Architectural Design

Architecture Track

Enterprise Networks
Express Enterprise Networks

Collaboration
Express Collaboration

Security
Express Security

Data Center

Service Provider Technology

New Business Track

Meraki

Collaboration SaaS
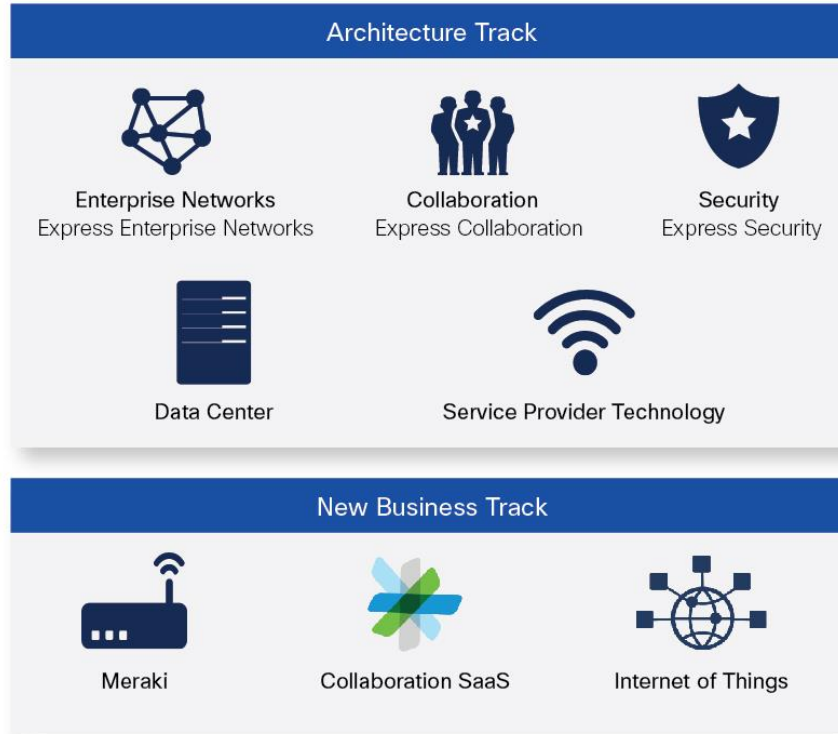
Internet of Things

Internet of Things (IoT)

Internet of Things (IoT)

<div style="background-color:#6cb33e;color:white;text-align:center;padding:20px;">IoT</div>

- Access new markets and buying centers by selling the **entire IoT portfolio** of industrial switches, routers, wireless, and security solutions across your current customer base and into new accounts

- Capture **line-of-business (LoB)** budgets with IoT business outcomes in markets such as manufacturing, energy, transportation, and smart cities

- **Security** is one of the top IoT customer concerns, address it by selling the Cisco ISA-3000 security appliances and software

- Attach **Cisco ONE Software** in Industrial Ethernet and industrial routing opportunities

- Learn more in VIP playbook at www.cisco.com/go/vip

VIP 28 IoT Overview

Subtrack	IoT
Enrollment Requirement	Advanced Internet of Things—Connected Safety and Security and/or Advanced Internet of Things—Industry Expert and/or Advanced Internet of Things—Manufacturing Specialization and/or CMSP Master or Advanced or Express
Specialization Requirement	Maintain Advanced Internet of Things—Connected Safety and Security and/or Advanced Internet of Things—Industry Expert and/or Advanced Internet of Things—Manufacturing Specialization and/or CMSP Master or Advanced or Express (throughout the entire VIP period)
Minimum Booking (6 Month/3 Month)	$25,000/$12,500 Refer to country specific rules for LATAM and Canada minimum bookings
SKU Categories	4%, 6%, 10%
CSAT Requirement	Maintain certification or Provide minimum 30 (Gold), 10 (Premier, Select, Registered) customer contacts/email addresses by January 28, 2017
Master Specialization/Cisco Powered Bonus %	N/A
Gold/CMSP Master Bonus %	1%*
Precedence	–

* On 6% and 10% rebate category products only

Internet of Things (IoT)

IoT and Connected Safety and Security (CSS) Software and Hardware	VIP 28 Rebate
IoT Cisco ONE Software rebate category	10%
Top rebate: IoT SW and HW • IE 4000, 4010, and 5000 Series • Embedded Services Routers • Connected Grid Routers • 809 and 829 Industrial ISRs • 3000 Series Industrial Security Appliances HW and SW	6%
Base rebate: IoT and CSS SW and HW • IE 1000, 2000, and 3000 Series • LoRa modem • Industrial Wireless 3702 access point • CGS-2520 Connected Grid Switch • 3620, 3630, 6620, and 6630 IP cameras • CSS software	4%

For a complete list of VIP-eligible SKUs, go to www.cisco.com/go/vipskus.

Operational Details and Summary

VIP 28 Enrollment

To Enroll in VIP 28, Go to: www.cisco.com/go/ppe

Click on **Select** next to track for which you wish to enroll

Ensure You Are Enrolled in the Right Track

VIP 28 Key Dates
Program Period 28: July 31, 2016–January 28, 2017

Enrollment Windows Re-Enrollment Required	CSAT Survey Period	Payout Dates
• **July 31, 2016—September 9, 2016** for 6 months • **October 30, 2016—November 25, 2016** for 3 months	• Q2 CSAT period ends **January 28, 2017**	• First payment: **April 2017** • Second payment: **July 2017** • Claim payment within 90 days to avoid its expiry
Partners and PAMs should only use the Partner Program Enrollment tool to track enrollment status: www.cisco.com/go/ppe	Partners and PAMs can also use the Partner Access onLine (PAL) to track CSAT at: www.cisco.com/go/pal	Partners should set their rebate coordinators in Partner Self Service at: www.cisco.com/go/pss

VIP 28 Customer Satisfaction Process

Gold, Premier Have Two Chances for Base Payout	Select or Registered	Customer Satisfaction Details and Resources
• Maintain certification • Provide 30 (Gold), 10 (Premier) customer contacts/email addresses by January 28, 2017	• Provide 10 customer contacts/email addresses by January 28, 2017 Take advantage of standardized Cisco CSAT process to obtain the feedback from your customers	• Meeting CSAT is a very important requirement for VIP payment • VIP targets are based on unique customers' contact information (including email addresses to which the surveys will be sent) • Collaboration SaaS track is not subject to the CSAT requirement • TPV tool and Partner Access online (PAL) tool provide visibility to CSAT requirements to Partners and PAMs

Need More Information on CSAT Process? Go to www.cisco.com/go/csat

VIP 28 Critical Booking Dates

Direct Orders	Standard Orders Placed Through Distribution	CBN Orders Through Distribution
Must book* with Cisco by **January 28, 2017** and be shipped before **April 29, 2017**	Product must ship and invoice from the distributor by **January 26, 2017**	Order must book* with Cisco by **January 28, 2017** and be shipped before **April 29, 2017**

Booking Discrepancy Cases
All Booking Discrepancy Cases Must Be Received via CSC Case by **March 3, 2017**

* **Cisco Booked:** Order which has been entered into Cisco's ordering system, has passed the initial hold/credit check, and complies with Cisco's internal booking acceptance policy.

VIP 28 Resources

VIP home page : www.cisco.com/go/vip

Select geographical drop down based on your location

Includes:

- VIP Playbook
- VIP presentation
- VIP rules
- Link to SKU list
- Links to PPE, TPV tools + trainings
- How to open CSC case for any inquiries

Don't know where to find the answer? Go to the VIP website.

VIP 27: Payout Information

VIP 27 Key Dates
Program Period 27: January 24, 2016–July 30, 2016

Enrollment Windows Re-Enrollment Required	CSAT Survey Period	Payout Dates
• **January 24, 2016–March 4, 2016** for 6 months • **May 1, 2016–May 27, 2016** for 3 months	• Q4 CSAT period ends **July 30, 2016**	• First payment: **October 2016** • Second payment: **December 2016** • Claim payment within 90 days to avoid its expiry
Partners and PAMs should use the Partner Program Enrollment to track enrollment status only: www.cisco.com/go/ppe	Partners and PAMs can also use the Partner Access onLine (PAL) to track CSAT at: www.cisco.com/go/pal	Partners should set their rebate coordinators in Partner Self Service at: www.cisco.com/go/pss

VIP 27 Critical Booking Dates

Direct Orders	Standard Orders Placed Through Distribution	CBN Orders Through Distribution
Must book* with Cisco by **July 30, 2016** and be shipped before **October 29, 2016**	Product must ship and invoice from the distributor by **July 28, 2016**	Order must book* with Cisco by **July 30, 2016** and be shipped before **October 29, 2016**

Booking Discrepancy Cases
All Booking Discrepancy Cases Must Be Received via CSC Case by **September 2, 2016**

* **Cisco Booked:** Order which has been entered into Cisco's ordering system, has passed the initial hold/credit check, and complies with Cisco's internal booking acceptance policy.

Partner Self Service (PSS) Payment Contact

To Set Your Rebate Coordinator, Please Go to www.cisco.com/go/pss

Click on
Manage Program Contacts
to assign coordinators and copy contacts

If you qualify for payment but do not have your **VIP Rebate Coordinator** set up in PSS, you risk **the expiry** of your payments. For step-by-step instructions, please go to www.cisco.com/go/gep. Where required, remember also to **submit the invoice** for each VIP payment.