



# Microsoft Partner Incentives

## Cloud Solution Provider (CSP) Indirect Reseller Incentive Guide

July 1, 2019 – June 30, 2020

Microsoft  
Partner Network

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# Summary of FY20 Program

For partners familiar with the CSP incentive program, the below summary covers key design elements for the Fiscal Year 2020 (FY20) program. A detailed program explanation is found in the respective sections of this guide.

## Need to know

- [FY19 core CSP program and strategic accelerator rates](#) will continue into FY20 until October 1, 2019, at which time the new FY20 rates will take effect.
- The FY19 [New Customer Adds](#) accelerator will continue through September 30, 2019. Starting October 1, 2019, it will be replaced with a new construct for FY20. This new construct is designed around each of the three Microsoft clouds (Intelligent Cloud, Business Applications, and Modern Workplace).
- [Azure incentives for transactions in the new Commerce Platform](#) begin October 1, 2019.
- A [co-op component](#) will be introduced in the second half of the FY20 period (H2), January 1, 2020.

## Rate Tables

### [Global Incentives](#)

FY20 Q1 Global Rates (July 1- September 30, 2019)	Pays on	Rate
Core Incentive – O365	billed revenue	6%
Core Incentive – D365, Azure, M365	billed revenue	8%
Azure Reserved VM Instances (RIs)	consumption	10%
Software in CSP – Subscription	billed revenue	Core – 1.25% Strategic – 6%

FY 20 Q2 – Q4 Global Rates (October 1, 2019 – June 30, 2020)	Pays on	Rate
Core Incentive <ul style="list-style-type: none"> <li>Azure billed revenue on existing platform</li> <li>Azure billed revenue from new commerce platform</li> <li>O365, M365</li> </ul>	billed revenue	4%
Core Incentive <ul style="list-style-type: none"> <li>D365</li> </ul>	billed revenue	6%
Azure Reserved VM Instances (RIs)	consumption	10%
Software in CSP – Subscription	billed revenue	Core – 1.25% Strategic – 6%

Note: Starting FY20 H2, reseller earnings will be split between rebate and co-op. See the [co-op section](#) of this guide for details.

### [Global Accelerators](#)

Global Accelerators (incremental earning opportunity)	FY20 Q1	FY20 Q2-Q4
CSP Customer Adds (continued from FY19)	2%	n/a
CSP Customer Add Accelerators for 3 Clouds (new for FY20)	n/a	see <a href="#">definitions</a>
Global PSTN Calling and Conferencing	20%	20%
Global Strategic Product Accelerator	2%	5%

# Overview

## Purpose

This guide summarizes the requirements to participate in the FY20 Microsoft Cloud Solution Provider (CSP) Indirect Reseller Incentive. It replaces and supersedes all prior Microsoft CSP Indirect Reseller Incentive Guides and any related communications.

## How to use this guide

This guide provides a step-by-step view on how to participate, earn and maximize recognition of the partner's efforts. This guide includes details on:

- Partner eligibility requirements
- Partner onboarding and enrollment
- Understanding the CSP Indirect Reseller rebate and accelerator incentives
- Support, escalation, and resolution process

All materials and information presented should be treated as Microsoft Confidential Information and are subject to the terms of your NDA with Microsoft through your confidentiality provisions in your Microsoft Partner Network Agreement. The information contained within this guide is intended to be used for business planning purposes and may be subject to change.

Note, all quarterly references align to Microsoft's FY20 which commences July 1, 2019 and ends June 30, 2020. All monetary references are in USD.

## Executive summary

The Microsoft CSP program is a sales model that allows partners to resell or bundle their own services in addition to Microsoft Cloud Services as a complete solution and gives customers the payment flexibility with pay-as-you-go billing.

The Microsoft CSP Indirect Reseller Incentive program rewards reseller partners, who purchase from a CSP Indirect Provider, for driving the activation and enablement of customers with Microsoft based online services.

This guide is not applicable for the People's Republic of China.

## Incentives summary

Rates for FY20 Q1 (July 1-September 30, 2019) will remain unchanged from the FY19 second semester (H2) rates.

Beginning FY20 Q2 (October 1-December 31, 2019) and extending through the end of FY20, rate changes will occur to align with strategic priorities including the launch of the new partner-led commerce experience in CSP. Rates for Azure will diverge with higher rates available for Azure consumed revenue derived from [the new commerce](#) platform. For Azure transactions completed in the existing platform, rates will be comparably lower.

In FY20 H2 (January 1, 2020), the CSP Indirect Reseller incentive will include a [co-op component](#). Co-op funds allow partners to increase marketing and readiness investments resulting in pipeline growth and practice buildouts. 60% of incentive earnings will be paid as monthly rebate while 40% of incentive earnings will be placed into a co-op fund for use with activities executed in the first half of Fiscal Year 2021 (July 1, 2020 - December 31, 2020).

FY20 CSP incentive program structure will continue to reward partners for new customer acquisitions across the three Microsoft Clouds. Detailed definitions for [new customer adds](#) along with the corresponding earning opportunity can be found below.

All links referenced throughout the guide will be available in the [Support and Partner Resources section of this document](#).

## Partner eligibility

Eligibility to participate in the FY20 CSP Indirect Reseller incentive program requires a partner to perform qualifying activities and complete all registration requirements under the Microsoft Cloud Solution Provider program. If any registration requirement is incomplete, a partner cannot earn a payout in the program. By participating in the CSP Indirect Reseller incentive, the partner affirms that it has agreed to all rules, terms, and policies contained within the Microsoft Partner Network (“MPN”) Agreement which incorporates general terms applicable to all partner incentives (which may be referred to as the Microsoft Channel Incentive Agreement or “MCIA”), and the CSP Indirect Reseller Incentive Guide. The terms within these documents will apply to all incentive payments paid to partner.

Partners meeting the below eligibility criteria are deemed eligible for the FY20 CSP Indirect Reseller incentive, provided they remain in compliance with all rules, terms, and policies contained within this document.

### ELIGIBILITY ELEMENTS & REQUIREMENTS

<b>BUSINESS ELIGIBILITY REQUIREMENTS</b>	<ol style="list-style-type: none"> <li>1. <b>MPN enrollment</b> – Partners must have an active MPN membership</li> <li>2. <b>MPN competency attainment</b> – Partners must attain one of the defined MPN competencies at the V-org level</li> </ol>
<b>OPERATIONAL ELIGIBILITY REQUIREMENTS</b>	<b>Full enrollment into the Incentives tool</b> – including a completed Bank and Tax profile

Microsoft’s CSP Indirect Reseller incentive program requires two elements for eligibility: (1) Business Eligibility Requirements, (2) Operational Eligibility Requirements. Partners must meet both business and operational requirements to be eligible for incentive earnings.

Completion of the “Business Eligibility Requirements” triggers new partner onboarding. The two-step onboarding process begins with (1) receiving an invitation from Microsoft, (2) onboarding to the incentives tool and completing partner bank and tax profile information.

## Business eligibility requirements

Business eligibility elements required to participate in Indirect Reseller incentives remain unchanged: An active MPN membership coupled with an active competency at silver or gold level from defined list of competency options.

## Operational eligibility requirements

Operational eligibility requirements are for partners to enroll in their incentives tool and create valid bank and tax profile for this CSP incentive program.

Upon completing business eligibility requirements, partners new to CSP incentives must enroll in the Partner Center incentives tool and complete the bank and tax profile (invite required). Completing the Business Eligibility Requirements (above) triggers the eligibility and onboarding process. Partners can expect to receive their onboarding invitation to their incentives tool within thirty (30) days of completing all business eligibility requirements.

For existing partners who lose one or more of the eligibility requirements during a semester, the at-risk eligibility component must be resolved otherwise incentive earning may be suspended during the period(s) of ineligibility.

Please note that having existing or previous enrollments in other incentive programs does not negate the eligibility requirement to provide a bank and tax profile for this CSP incentives program.



## Eligibility and incentive calculation timeline

A partner's incentive earnings start date will commence the first of the month in which they complete all eligibility requirements including onboarding with bank and tax details.

## MPN requirements

Eligible partner organizations must hold an active MPN membership.

## Competency requirements

CSP Indirect Resellers must attain one of several named MPN competencies at the Silver or Gold level. Competency assessment will occur at the V-org level.

Competency status must be Active Earned, Active Pre-Approved, Active Non-Compliant or Active Inherited. Review the specific requirements to attain Silver or Gold level MPN competency here: <https://partner.microsoft.com/en-US/membership/competencies>

Competency	Level
Cloud Business Applications	Silver or Gold
Cloud Customer Relationship Management*	Silver or Gold
Cloud Platform	Silver or Gold
Cloud Productivity	Silver or Gold
Data Analytics	Silver or Gold
Data Platform	Silver or Gold
Enterprise Mobility Management	Silver or Gold
Enterprise Resource Planning	Silver or Gold
ISV*	Silver or Gold
Small and Midmarket Cloud Solutions*	Silver or Gold
Windows and Devices	Silver or Gold

\* Competency retired. Partners will remain eligible under these competencies until their competency anniversary date.

## Eligibility monitoring and management

Partners must meet eligibility criteria, including completion of bank and tax profile before Microsoft can approve and release incentive payments. The Payment section of this guide includes a comprehensive set of conditions required for payment approval and release.

## Loss of eligibility

Partners should maintain active MPN status and current bank and tax profiles to earn throughout the fiscal year.

Partners who lose eligibility risk losing incentives from the period of ineligibility.

Partners are responsible for monitoring their eligibility status.

Competencies that expire mid semester will not cause partners to lose eligibility for the semester during which they expire. Partners must regain competency eligibility for subsequent semesters.

## Enrollment

### Invitation

New partners will receive an invitation to log into their incentives tool.

### Onboarding process

If a partner becomes eligible during the earning period, eligible incentive earnings will be included from the date of achieving complete eligibility (including completion of onboarding) as indicated in the Microsoft system. The Payment section of this guide includes a comprehensive set of conditions required for payment approval and release.

Microsoft will invite partners per eligible MPN HQ or Location ID to participate in the CSP incentive by means of an email address with a company domain (for example, @microsoft.com). Onboarding must be completed for each invitation.

Partners who onboarded onto the partner incentive tool in a previous fiscal year do not need to re-onboard but must continue to meet eligibility requirements to earn and be paid incentives for the current fiscal year.

# Program structure and rates

This incentive includes global, local, and co-op components. The rates in effect for FY19H2 will continue through FY20 Q1. The new rates for FY20 will begin October 1, 2019.

## Global incentives

FY20 Q1 Global Rates (July 1- September 30, 2019)	Pays on	Rate
Core Incentive – O365	billed revenue	6%
Core Incentive – D365, Azure, M365	billed revenue	8%
Azure Reserved VM Instances (RIs)	consumption	10%
Software in CSP – subscription	billed revenue	Core – 1.25% Strategic – 6%

FY 20 Q2 – Q4 Global Rates (October 1, 2019 – June 30, 2020)	Pays on	Rate
Core Incentive <ul style="list-style-type: none"> <li>Azure billed revenue on existing platform</li> <li>Azure billed revenue from new commerce platform</li> <li>O365, M365</li> </ul>	billed revenue	4%
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Azure Reserved VM Instances (RIs)	consumption	10%
Software in CSP – subscription	billed revenue	Core – 1.25% Strategic – 6%

Note: Starting FY20 H2, reseller earnings will be split between rebate and co-op. See the [co-op section](#) of this guide for details.

## New commerce platform

Partners are essential to a customer’s digital transformation journey. By moving their customers to CSP’s new Azure commerce model, partners can leverage Microsoft’s leading edge, fully upgraded commerce platform to better support customer needs, streamline their business, and successfully compete. Partners can spend more time on presales and customer success activities – such as

adding new customers and driving post-sale solutions and services – and less time on processing licensing transactions and the operational burden that this comes with, including paperwork around modified terms and conditions or discounts.

The golden opportunity for partners lies in providing value added services above and beyond the transaction. Partners will accrue CSP incentives based on the measurable outcomes (building, managing and deploying) that Microsoft can track in Azure. In return for moving their customers to the refreshed CSP Azure commerce model, partners can continue to earn attractive CSP incentive rates.

Beginning October 1, 2019, transactions made on the new commerce platform will be paid at higher incentive rates than will be paid in the existing platform. Incentives for Azure billed on the commerce platform will be paid in the Modern Commerce Experience Partner Led incentive tool. Please see the Microsoft Commerce Incentives Program Guide for further details.

For more details regarding CSP and the new commerce platform please reference the Microsoft Article:

[Expanding partner opportunities with Azure in the CSP program](#)

### Azure Reserved VM Instances (RI) incentive

Within the Cloud Solution Provider incentive program, partners may earn, and Microsoft will pay incentives, on the value of the RI that is *consumed* each program period. The incentive rate for consumed Azure RI revenue for FY20 is 10%. The incentive payment will follow standard program rules and is not cumulative with any of the other core program rates.

For more information about Azure RI, please refer to the [Azure Reserved VM Instances website](#).

### Software in CSP – Subscription

Microsoft's subscription software licenses allow partners to sell in an integrated way making it easier to do business with Microsoft.

These subscription licenses may be used for virtual machines running in Azure or to license an on-premises deployment (Azure Hybrid Benefit). Customers may purchase subscriptions for Windows Server and SQL Server via Partner Center on CSP. Eligible partners will earn the above displayed incentives on billed revenue for these sales. Windows Server is classified as a core product and SQL Server is classified as a strategic product.

For more information about Software on Partner Center via CSP, please visit the [Azure RI and Server Subscriptions landing page](#).

## Global accelerators

Global accelerator rates specified in the below table are available for driving incremental activity of Microsoft solutions:

Global Accelerators (incremental earning opportunity)	FY20 Q1	FY20 Q2-Q4
CSP Customer Adds (continued from FY19)	2%	n/a
CSP Customer Add Accelerators for 3 Clouds (new for FY20)	n/a	see <a href="#">definitions</a>
Global PSTN Calling and Conferencing	20%	20%
Global Strategic Product Accelerator	2%	5%

### *CSP Customer Adds*

In the FY20 CSP Direct Partner incentive program, unique customer add accelerators will be available on Microsoft's three clouds: Intelligent Cloud (Azure), Business Applications (Dynamics), and Modern Workplace (O365/M365).

Each accelerator uses Top Parent ID (TPID) to determine the new customer. TPID is a code used by Microsoft to identify customers at the subsidiary or corporate headquarters (HQ) organizational level.

For detailed products list see the CSP Product Addendum list on [MPN](#).

### Intelligent Cloud

**Purpose:** Rewards partners for new customer Azure revenue through CSP.

**New customer definition:** A qualified new customer is a customer TPID which achieves, for the first time in a month, \$1,000 USD or more in billed revenue.

**Earning opportunity:** Partners may earn up to two incentive payments, each with fixed amounts. Thresholds are aligned to definitions of Azure CSP revenue tiers and based on a month's revenue attainment (see table below).

- For new customer TPIDs transacting above the \$1,000 USD revenue threshold, the partner will earn a one-time incentive of \$500 USD.
- If the same new customer TPID reaches \$5,000 USD during a subsequent month, the partner will earn an additional one-time incentive of \$3,500 USD.

- For new customer TPIDs with initial transactions greater than \$5,000 USD of revenue in a month, the partner will earn a one-time \$4,000 USD incentive.

Threshold	One-time Earning
\$1,000 USD monthly billed revenue	\$500 USD
\$5,000 USD monthly billed revenue	\$3,500 USD

NOTE: Azure RI's are excluded from this incentive

	FY20Q1			FY20Q2			FY20Q3		
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
TPID billed revenue	<i>(FY19 NC remains in effect)</i>			<b>NEW</b>			<b>\$5k GROWTH</b>		
	\$0	\$500	\$500	\$1k	\$1k	\$3k	\$5k	\$5k	\$5.5k
				earn			earn		
Incentive earning	0	0	0	0	0	\$500	0	0	\$3.5k
							pay		

## Business Applications

**Purpose:** Rewards partners for D365 new customer revenue and growth.

**New customer definition:** A qualified new Business Applications customer under this global accelerator is a customer TPID which achieves, for the first time in the previous twelve (12) month period, \$1,000 USD or more of monthly billed revenue.

**Earning:** There are two parts to this accelerator; (1) achieving new customer eligibility and, (2) continued growth of that new customer.

- New Customer Add:** Partner will earn a one-time incentive of 20% of the first month's billed revenue annual contract value (ACV). This accelerator launches October 1, 2019.
- New Customer Growth:** For customer TPIDs having previously met the New Customer Add definition, partners will earn an additional 20% of the incremental ACV revenue. The monthly assessed incremental revenue is the amount that exceeds the previous high monthly billed amount, otherwise known as the "high-water mark." The incremental revenue above the high-water mark will earn the incentive each month.
  - While growth will be calculated on all new customers (from October 2019), payments for growth will not start until January 2020. January growth calculations will be based on revenue when the TPID met the New Customer Add criteria.

This accelerator is capped at \$100,000 USD per customer TPID.

Threshold	Earnings
<p><b><u>New Customer</u></b></p> <p><b>TPID achieves \$1,000 USD billed revenue in a month</b></p>	20% of Annual Contract Value (ACV)
<p><b><u>Growth of New Customer</u></b></p> <p><b>Customer TPID achieves growth over the fiscal year</b></p>	<p>20% of Annual Contract Value for the growth portion of the monthly billing above previous high revenue watermark.</p> <p>(see scenario example below)</p>

### Example Scenario

	FY20Q1			FY20Q2			FY20Q3			FY20Q4			FY21Q1		
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
TPID billed revenue	\$0	\$500	\$500	\$1k	\$1k	\$3k	\$3k*	\$3k	\$4k*	\$2k	\$3k	\$4.5k*	\$4.5k	\$4.5k	\$4.5k
				earn			earn			earn					
Incentive earning	0	0	0	0	0	\$2.4k	0	0	\$4.8k	0	\$2.4k	0	0	\$1.2k	0
				pay			pay			pay			pay		

★ *New high-water mark*

*NC accelerator launches (Oct 1)*      *Growth accelerator payments on new customers start (Jan 1)*

1. The New Customer Add global accelerator launches October 1, 2019.
2. A customer TPID meets the New Customer Add criteria in October and generates \$1,000 USD in billed revenue. Partner is paid the New Customer Add accelerator incentive (ACV\*20%) \$2,400 USD in December.
3. The seats on that customer TPID continue to grow in both January and February 2020.
4. The New Customer Growth accelerator launches January 1, 2020.
5. Microsoft will then calculate the incremental growth having occurred since the initial billing in October of \$2,000 USD (when the customer became eligible for the Customer Add accelerator). The 20% ACV incentive of \$4,800 USD is then paid in March 2020.
6. The Customer Adds seats increase in March 2020, thereby increasing the revenue in this example to \$4,000 USD (\$1,000 USD growth over previous high-water mark of \$3,000 USD from January). Microsoft will then pay the 20% ACV on the growth of \$2,400 USD in May 2020.
7. In this example, the customer removes seats in April 2020, reducing the billed revenue to \$2,000 USD but then adds seats in May 2020 bringing the revenue to \$3,000 USD. The customer TPID does not qualify for the growth portion of the accelerator because the previous high-water mark of \$4,000 USD in March.

- In June 2020, the customer TPID adds more seats, increasing the monthly billed revenue to \$4,500 USD. In August 2020 Microsoft pays the partner \$1,200 USD on the \$500 USD growth in monthly billed revenue.

Modern Workplace

Purpose: Rewards partners for new O365/M365 customer revenue and growth.

New customer definition: Under this Modern Workplace Customer Add global accelerator, a qualified customer add is a customer TPID that reaches, for the first time in the previous 12 month period, \$250 USD in monthly revenue (or \$3,000 USD for annual subscriptions).

Earning: For eligible customer TPIDs, Microsoft will calculate the incentive at 5% of the monthly billed revenue on that customer TPID for each month, for the following 12 consecutive months where the revenue continues to exceed the \$250 USD threshold. Additionally, Microsoft will also pay the accelerator on the revenue of additional seats added to those new customers, assuming the original \$250 USD threshold is maintained for the duration of the program period.

When the monthly revenue drops below the \$250 USD threshold, the partner’s incentive earnings will cease for that period. When partner reaches the threshold again within the 12-month period, the earnings will resume.

Threshold	Monthly Earning
\$250 USD billed monthly revenue	5% of monthly billed revenue for each month of the next 12 months where revenue exceeds the threshold. (includes additional seat adds for first 12 months)

	FY19Q1	FY19Q2	FY19Q3	FY19Q4	FY20Q1	FY20Q2	FY20Q3	FY20Q4
Growth Scenario	TPID billed revenue				\$250	\$250	\$1,000	\$1,500
	\$0	\$100	\$100	\$100	\$12.50	\$12.50	\$50.00	\$75.00
Ineligible Scenario	TPID billed revenue				\$300	\$400	\$500	\$1,000
	\$0	\$100	\$100	\$300	\$0	\$0	\$0	\$0
Dropped Earning Scenario	TPID billed revenue				\$300	\$300	\$150	\$500
	\$0	\$0	\$100	\$100	\$15	\$15	\$0	\$25



### *Global PSTN Calling and Conferencing*

Calling Plans are an add-on telephone service that, when combined with Office 365, can become the phone system for a customer's entire organization. Microsoft Global PSTN Calling and Conference offer two types of plans: Domestic Calling Plan and a Domestic and International Calling Plan. CSP Indirect Resellers may earn an incremental incentive on select PSTN Calling and Conferencing products.

A list of eligible products can be referenced using the link shared in the [Useful Links](#) section of this guide.

### *Global Strategic Product accelerator*

In addition to the global program rates for CSP billed revenue, partners may earn a Global Strategic Product Accelerator on the billed revenue they deliver for sales of specific strategic products including M365 E3, M365 E5, M365 Business, O365 Business Premium, two E5 Mini Suites, and D365 Business Central. A complete list of eligible products is available in the CSP Product Addendum found on the [MPN](#).

The incentive rate for this accelerator is 2%, paid monthly on billed revenue in the FY20 Q1 earning period and 5% on billed revenue starting in the FY20 Q2 earning period.

## Local accelerators

In addition to the global incentive outlined above, Microsoft subsidiaries have the option to offer additional local accelerators. These local accelerators may augment levers within the global incentive or may reward partner engagement toward the specific local market need. Not all local accelerators are available in each subsidiary. Participation in a local accelerator is subject to the terms and conditions set forth by the local subsidiary and provided to partners.

Local accelerator terms will be sent to partners by the Regional Operations Centers (ROCs) in each subsidiary for accelerators available in that subsidiary.

Incentives from local accelerators will be paid as 100% rebate. See the following local accelerator option(s):

## Co-op

Beginning January 1, 2020, Microsoft will introduce co-op as a component of the CSP Direct Partner and CSP Indirect Reseller incentive programs.

Co-op funds enable partners to conduct marketing activities that can increase brand awareness and drive sales pipeline growth. A partner may invest co-op

funds in activities to facilitate readiness, develop specializations, or attain Microsoft certifications – activities that foster focused solution practices and Centers of Excellence.

Co-op funds offer important benefits to our partners' organizations:

**Extend existing budgets**, ensuring adequate levels of Microsoft-focused marketing and readiness activities by the partner

**Increased profitability** because earnings are reinvested into the business rather than being shared with customers as part of a discounting strategy

**Drive business growth** rather than being included in the company's general account, incentive earnings are allocated to increase sales pipeline and build focused business practices

### Earning co-op

Microsoft will calculate monthly incentive earnings using a split of 60% rebate - 40% co-op. Partners will continue receiving the rebate portion using the existing monthly pay-out cadence while Microsoft will accrue the 40% co-op portion of incentive earnings.

Incentive	Rebate	Co-op
<b>Core</b>	60%	40%
<b>Accelerator</b>	60%	40%

At the close of each six (6) month earning period, partners exceeding the minimum co-op earning threshold of \$4,000 USD, Microsoft will deposit the funds into the Partner Center claims tool for use in the upcoming fiscal semester.

For example:

- Co-op funds earned in H2 FY20 will be available for use in eligible co-op activities during H1 FY21.
- Partners that do not exceed the \$4,000 USD co-op threshold will receive the withheld co-op funds as part of their rebate payment in the following payment cycle.

Co-op funds must be claimed during the usage period that follows the earnings period. Co-op funds not used during the usage period will be forfeited after the end of the period.

## Earning and usage periods

The incentive funds for resellers are earned and paid out as follows:

	FY20H2						FY21H1						FY21H2						FY22H1		
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
<b>Earning</b>	<i>Earning 2 (FY20)</i>						<i>Earning 1 (FY21)</i>														
<b>Usage</b>							<i>Usage 2 (FY20)</i>						<i>Usage 1 (FY21)</i>								
<b>Claiming (+45 days after usage period)</b>							<i>Claiming 2 (FY20)</i>						<i>Claiming 1 (FY21)</i>								

“**Earning Period**” is the six (6) months during which partners earn rebates and co-op.

“**Usage Period**” refers to the six (6) months that immediately follow the Earning Period. Partners perform co-op activities and submit claims during the Usage Period. There is a forty-five (45)-day grace period after the end of the Usage Period for partners to complete their claim submissions. If funds are not claimed by the conclusion of the grace period, they will be forfeited and retired with no possibility of reinstatement.

The Co-op Guidebook on the Partner Incentives section of the MPN is the primary source to provide the mechanics, requirements and executional logistics for all eligible co-op activities.

## Earnings and calculation

### Eligible revenue rules

Eligible revenue is determined by Microsoft’s internal sales tools as invoiced sales to the Indirect Provider of qualifying products during the earning period.

When provisioning a two-tier subscription using the Microsoft API, Indirect Providers must always include their downstream reseller’s MPN ID in the field, “partnerIDOnRecord.” Should the Indirect Provider fail to do so the Indirect Reseller will not earn an incentive on the transaction.

When the Indirect Provider has failed to include an accurate Indirect Reseller MPN ID as the Partner of Record, Microsoft will not recalculate and pay the missed Indirect Reseller incentives.

The following restrictions apply:

- Revenue from subscriptions of Exchange Lite and other adjustments such as Internal Use Rights or trial seats are excluded.

- Revenue from Azure subscriptions using Azure Partner Shared Services is excluded.
- Not all Microsoft online services are available in all markets. New services and offers may be rolled out in new markets and current services and offers may be discontinued. As these service changes occur, customer consumption of Microsoft online services will also change, resulting in different incentive earnings for partners.
- Microsoft online services purchased by the partner and partner affiliate, or services belonging to Microsoft or Microsoft's affiliates, are not eligible for the CSP Incentive.
- These incentives are not offered in the People's Republic of China.

## Payment

Partners can only receive payments after completing enrollment to the Partner Center incentives platform.

### Payment cadence

Payment will be disbursed to the partner using the following schedule:

Incentive type	How often	Expected payment within
Rebate	Monthly	<ul style="list-style-type: none"> <li>▪ 45 days after the end of the earning month</li> <li>▪ Payment will be in the form of a wire transfer</li> </ul>

Note: Starting FY20 H2, reseller earnings will be split between rebate and co-op. See the [co-op section](#) of this guide for details.

Note, for partners that have missing portions of the required payment documentation, such a tax form, bank detail and/or invoice, Microsoft will continue attempting to make payment in the upcoming pay cycles for 180 days following the initial payment run. After 180 days of the original expected payout date, if Microsoft still does not have the required payment documentation to process the payment, the incentive payment will be forfeited, subject to the laws in the partner's country, and no further notification will be sent to the partner.

### Minimum payment threshold

If the incentive earnings are below the minimum threshold of \$200 USD, those earnings will be carried over to the following month and the partner will not receive payment.

- Incentive earnings under \$200 USD at the end of the program year (July 1, 2019 – June 30, 2020) will be forfeited.
- If final earnings yield negative incentive balances, the outstanding liability may be carried over and offset against future payments.

## Payments details

For a detailed summary of payment details visit the partner incentive tool Guide at [aka.ms/partnerincentives](https://aka.ms/partnerincentives).

## Payment earnings reporting

Partners can view their earnings and payment activities via the partner incentive tool platform. Data is updated daily. Please note: Estimated incentive earnings data in Partner Center should not be used for partner reconciliation. Earnings report data is subject to minor deviations and therefore may differ from official payment reports.

- Click [here](#) to view payment information on Partner Center.
- Click [here](#) to view earnings information on Partner Center.

## Dispute and resolution

Partners should follow the process outlined below when disputing incentive earnings and payout discrepancies.

- Payments can be disputed for up to 90 days after the end of the payment.

All disputes must be submitted in writing to Microsoft within the above time frames by following the support paths outlined to the respective alias in the Support and Resource section of this guide.

## Overpayment

In the event of an overpayment, Microsoft will proceed with the recovery of an overpayment in accordance with the Microsoft Channel Incentive Agreement (MCIA).

Microsoft will generally attempt to recover overpayment by offsetting against future incentive payments earned. If for any reason such approach cannot be executed (for example, the partner is no longer participating in an incentive), Microsoft reserves the right to invoice partner for the overpaid amount directly.

# Support and resources

Useful resources for all incentives can be found on the Microsoft Partner Network at [aka.ms/partnerincentives](https://aka.ms/partnerincentives) (partner authentication required).

## Support channels

Support for the partner incentive program is available in the support hub of *Partner Center* by clicking “?” at the top right of the screen. The support hub provides a centralized location for all channel incentives and *Partner Center* queries.

Additional incentive program support is available on the Microsoft partner website, using the following steps:

1. Go to <https://partner.microsoft.com>
2. Click Support from the top navigation
3. Select Area = Incentives and Payouts
4. Select Category = <select the appropriate incentive program>
5. Select Topic = <select the appropriate topic for your query>

For detailed instructions please [click here](#).

Or, by contacting the appropriate alias below for your region:

- North America: [ocina@microsoft.com](mailto:ocina@microsoft.com)
- Latin America: [ocilatam@microsoft.com](mailto:ocilatam@microsoft.com)
- Asia Pacific including Greater China: [ociapgc@microsoft.com](mailto:ociapgc@microsoft.com)
- Japan: [ocijp@microsoft.com](mailto:ocijp@microsoft.com)
- Europe Middle East, and Africa (EMEA): [ociemea@microsoft.com](mailto:ociemea@microsoft.com)

## Useful links

Microsoft Partner Network: <https://mspartner.microsoft.com>

- Program membership, products, licensing, training, and event information

Partner Incentives MPN Portal: [aka.ms/partnerincentives](https://aka.ms/partnerincentives)

- Includes all Partner-facing incentives materials such as the program guide, addendum(s), FAQs, program summaries, etc.

Partner incentive tool: <https://partnerincentives.microsoft.com>

- A dashboard providing program information, notifications, and support

Partner Center: <https://partnercenter.microsoft.com/partner/home>

- Support, Partner Community, and Partner Services Site

## Partner resources

All the resources below are available through the Microsoft Partner Network.

Program assets	Description
Incentive Guide	Guide containing CSP Indirect Reseller incentive overview, including product rate and eligibility guidelines
Partner Center	Training on how a Partner utilizes the Partner Center dashboard to: <ul style="list-style-type: none"><li>• Create Incentive Administrator(s) and Users.</li><li>• Navigate through the incentives tabs on the Partner Center Dashboard.</li><li>• Access help and support.</li></ul> <a href="http://assetsprod.microsoft.com/incentives-in-partner-center.pdf">http://assetsprod.microsoft.com/incentives-in-partner-center.pdf</a>
Co-op Guidebook	Guide providing partner incentive details regarding eligible co-op activities and requirements for claim
Other Resources	Program overview slide, FAQ list, product list addendum, training videos, etc.

Templates	Description
<b>CSR Template</b>	Template to submit proof of execution requirement for co-op claims. To be used in place of, or in addition to, an invoice for specific co-op execution
<b>On Site Champ Reporting Template</b>	Template to facilitate reporting/proof of execution for On Site Champ activity