



# Microsoft Partner Incentives

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

July 1, 2019 – June 30, 2020

Microsoft  
Partner Network

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# Updates to Incentive Guide

This is a list of all changes within this document, since the first published date.

<b>Description of Change</b>	<b>Section</b>
Updated to reflect that the Small Medium Cloud competency is NOT expiring	<a href="#">Competency Requirements</a>
Add more descriptive CSP Customer Adds content	<a href="#">Global Accelerators</a>
Added verbiage back that clarifies that MW customer adds lever includes new seats added during the 12 months	<a href="#">Modern Workplace</a>
Updated MW CA example chart to reflect October CA launch	<a href="#">CSP Customer Adds</a>

# 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.

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 partner 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%
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.

## 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.

The forthcoming Microsoft Commerce Incentive Program Guide will provide additional 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*

Microsoft is emphasizing customer adds as a strategic growth opportunity for FY20. Starting October 1, 2019, unique customer add global accelerator will be available for each of the three Microsoft clouds, Intelligent Cloud (Azure), Business Applications (Dynamics), and Modern Workplace (O365/M365).

Whether a unique customer counts as a new customer add will be determined by the customer's Top Partner ID (TPID) code, which Microsoft assigns to the customer at its subsidiary or corporate headquarters organizational level.

Detailed products lists for each customer add global accelerator can be found in the CSP Product Addendum list on [MPN](#).

### Intelligent Cloud (Azure)

This accelerator rewards partners when their customer, as identified by that customer's unique TPID, reaches **initial** monthly volume thresholds for billed Azure revenue.

- Partners can earn a one-time incentive of \$500 USD when a customer achieves **initial** monthly billed revenue of \$1,000 USD. If the same customer achieves billed revenue of \$5,000 USD during a subsequent month, the partner can earn an additional one-time incentive of \$3,500 USD.
- If a customer's **initial** monthly billed revenue is above \$5,000 USD, partners can instead earn a one-time incentive of \$4,000 USD.

Accelerator Path	Threshold	Incentive Earning
<b>Path 1</b>	Customer achieves <b>initial</b> \$1,000 USD in monthly billed revenue	\$500 USD

	Customer achieves \$5,000 USD in monthly billed revenue in a subsequent month	\$3,500 USD
<b>Path 2</b>	Customer achieves <b>initial</b> \$5,000 USD in monthly billed revenue	\$4,000 USD

NOTE: Azure RIs are excluded from this incentive

### Example Scenario

	FY20Q1			FY20Q2			FY20Q3		
	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR
Customer billed monthly revenue (USD)	(FY19 NC remains in effect)			1k	1k	3k	5k	5k	5.5k
	0	500	500	earn			earn		
Incentive earning (USD)	0	0	0	0	0	500	0	0	3.5k
						pay			pay

### Business Applications (Dynamics)

This two-stage accelerator rewards partners when their customer, as identified by that customer's unique TPID, reaches a specific **initial** and **subsequent** growth thresholds for billed Dynamics revenue.

- New Customer Add (**initial** threshold): Partners can earn a one-time payment worth 20% of a customer's annual contract value (ACV) when the customer reaches more than \$1,000 USD in monthly billed revenue for the first time in the previous 12-month period. This accelerator launches October 1, 2019.
- New Customer Growth (**growth** threshold): Once a customer has met the initial threshold, partners can then earn additional one-time payments worth 20% of the ACV's **incremental revenue growth** each time monthly billed revenue exceeds its previous highest total. This accelerator launches January 1, 2020.

**Note:** While growth-based payments will not begin until January 2020, growth will be calculated on all new customers from October 2019, onwards.

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

Accelerator Stage	Threshold	Earnings
<b>New customer add</b>	Customer achieves <b>initial</b> \$1,000 USD in monthly billed revenue	20% of total ACV
<b>New customer growth</b>	Each time monthly billed revenue exceeds its previous highest total	20% of ACV's <b>incremental revenue growth</b>

### Example Scenario

	FY20Q1			FY20Q2			FY20Q3			FY20Q4			FY21Q1		
	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP
Customer billed monthly revenue (USD)	0	500	500	1k <sup>2</sup> earn	1k	3k	3k <sup>5</sup> earn	3k	4k <sup>7</sup> *	2k <sup>9</sup>	3k <sup>10</sup>	4.5k <sup>11</sup> *	4.5k	4.4k	4.5k
Incentive earning (USD)	0	0	0	0	0	2.4k <sup>3</sup> pay	0	0	4.8k <sup>6</sup> pay	0	2.4k <sup>8</sup> pay	0	0	0	1.2k <sup>12</sup> pay

\* New highest total

1. The New Customer Add global accelerator launches October 1, 2019.
2. In October, a customer meets the New Customer Add criteria in October by generating \$1,000 USD in monthly billed revenue (\$12,000 USD ACV).
3. In December, the partner is paid a New Customer Add accelerator incentive of \$2,400 USD, or 20% of the \$12,000 USD ACV.
4. The New Customer Growth accelerator launches January 1, 2020.
5. The customer adds seats in January and reaches \$3,000 USD in monthly billed revenue, setting a new previous highest total and triggering a New Customer Growth accelerator incentive payment.
6. In March, the partner is paid an incentive of \$4,800 USD, or 20% of the ACV's incremental revenue growth.  $((\$3,000 - \$1,000) * 12) * .2 = \$4,800$ .
7. The customer adds seats in March and reaches \$4,000 USD in monthly billed revenue, setting a new previous high total and triggering a New Customer Growth accelerator incentive payment.
8. In May, the partner is paid an incentive of \$2,400 USD, or 20% of the ACV's incremental revenue growth.  $((\$4,000 - \$3,000) * 12) * .2 = \$2,400$  USD.
9. The customer removes seats in April and drops to \$2,000 USD in monthly billed revenue.

10. The customer adds seats in May and returns to \$3,000 USD in monthly billed revenue, which does not set a new previous high total and does not qualify for a New Customer Growth incentive.
11. The customer adds seats in June and reaches \$4,500 USD in monthly billed revenue, setting a new previous highest total and triggering a New Customer Growth accelerator incentive payment.
12. In August, the partner is paid an incentive of \$1,200 USD, or 20% of the ACV's incremental revenue growth.  $((\$4,500 - \$4,000) * 12) * .2 = \$1,200$ .

### Modern Workplace (O365/M365)

This accelerator rewards partners when their customer, as identified by that customer's unique TPID, reaches and maintains and **initial** monthly volume threshold for billed O365/M365 revenue.

- **New Customer Add:** Partners can earn up to 12 monthly payments worth 5% of a customer's monthly billed revenue once the customer reaches and maintains more than \$250 USD in monthly billed revenue (or \$3,000 USD for annual subscriptions) for the first time in the previous 12-month period. This would include any new seats added to the new customer during the 12-month period.

**Note:** Incentive payments will cease when the customer's monthly billed revenue drops below the \$250 USD threshold. Incentive payments will begin again once the customer returns to the \$250 USD threshold within the same 12-month period.

Accelerator	Threshold	Earnings
<b>New Customer Add</b>	\$250 USD billed monthly revenue	5% of monthly billed revenue for each month of the next 12 months where revenue exceeds the threshold

## Example Scenario

	FY19				FY20			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Growth scenario	Customer billed monthly revenue				FY19 NC remains in effect			
	0	100	100	100	100	250	1000	1500
	Incentive earning							
	-	-	-	-	-	12.5	50	75
Ineligible scenario	Customer billed monthly revenue				FY19 NC remains in effect			
	0	100	100	300	300	400	500	1000
	Incentive earning							
	-	-	-	-	-	0	0	0
Dropped earning scenario	Customer billed monthly revenue				FY19 NC remains in effect			
	0	0	100	100	100	300	150	500
	Incentive earning							
	-	-	-	-	-	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