



VMware Development Funds Program Guide

FY2022

Effective October 27, 2021

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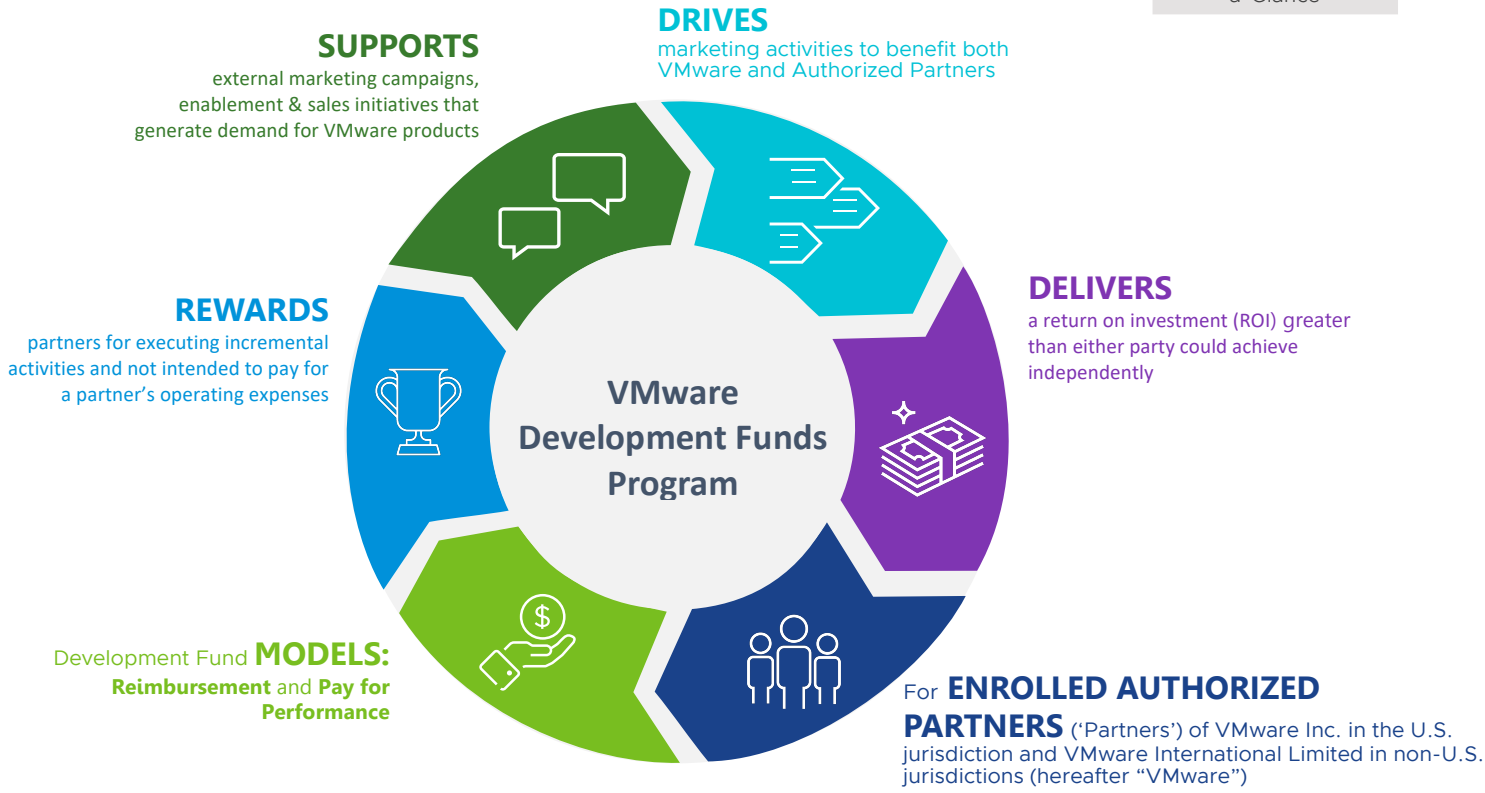
VMWARE DEVELOPMENT FUNDS GUIDE

This VMware Development Funds Marketing Guide (Guide) provides information and terms governing the use of development funds provided by VMware. Any initially capitalized terms used in this Guide not defined when first used or in the Glossary Section below shall have the meaning provided in the Partner Connect Guide or Partner Connect Agreement or other applicable partner agreement between partner and VMware.

Under the terms of the VMware Development Funds Program, VMware will reimburse partners for all or part of the approved costs that a partner has incurred or award payment to partners for attaining goals as part of a Pay-for-Performance activity, up to the amount of VMware’s allocated Development Funds for a given activity and subject to the terms of this Guide and, where applicable, any additional Incentive Program Terms & Conditions or any separate terms agreed by partner and VMware to govern the activity. This Guide defines the VMware Partner Routes-to Market (RTM) and activities eligible for Development Funds. Funding for Eligible Activities is not guaranteed and is subject to approval **ONLY** via the Partner Rewards Portal. Use of Development Funds under the VMware Development Funds Program and any other VMware Partner Incentives Program are subject to the terms of partner’s applicable agreement with VMware, the Partner Connect Guide, this Guide, any applicable Incentives Program Guide and Terms & Conditions, and any applicable activity/event specific terms.

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Payment to non-eligible partners or third-party vendors are not a permitted use of development funds. Development funds are reimbursable to the requesting party only and must not be forwarded to another third-party or ineligible partner. Specifically, development fund activities must be delivered or performed by the vendor that the partner submits on the reimbursement claim (in other words, activities should not be performed by another person or entity listed on the claim submission, as such activity would constitute forwarding funds.)

Development Funds Eligibility

Partners may participate in the DF Program by meeting the following five criteria:

- 1 | Be a partner in *Good Standing* with VMware;
- 2 | Have gone through VMware's "Partner Due Diligence" process and be approved by VMware Partner Compliance prior to participation in this Program
- 3 | Be a *Transacting Partner* with VMware;
- 4 | Achieve one of the following approved eligibility partner levels / types¹:

Partner Eligibility Tier ^{3 & 2}			
Enrolled Authorized	Partner	Advanced Partner ³	Principal Partner ⁵
X	X If enrolled in the Ignite Program, Advanced-Level minimum is waived. Partner-level may be eligible to Ignite Fund access with an approved DDQ	✓	✓

Eligible Non-Tiered Partner Types ³	
Authorized Distributors & Aggregators	✓
VMware Authorized Training Center (VATC)	✓

Additional Criteria for Select Funds ³	
Cloud Provider Fund	Be at the Advanced or Principal tier in the Partner Connect Cloud Provider track
Ignite Fund	Must be actively enrolled in the Ignite Program
Renewals Fund	Have a minimum of \$2M USD in incumbent SnS in the incentive quarter
Project Market Maker Fund	Have a signed Appliance amendment to an existing OEM Contract with VMware. 50% co-investment is required to participate if the partner meets the FY21 market launch requirement.

Please Note:

- All partners must follow the requirements and Terms and Conditions as set forth in this Guide and the Partner Code of Conduct.
- A partner will have access to Development Funds for up to 1 year, depending on when they gained access to the Development Funds program. These requirements and gross VMware bookings will be verified by VMware at the start of every fiscal year, looking 12 months back, to confirm earnings eligibility for that period. If a partner joins mid-year, the 12 month look back will be completed at that point of entry.

To request participation in the Development Funds program or to check your eligibility, contact your VMware Partner Representative or partnerconnect@vmware.com

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¹ Eligibility does not guarantee funding.

² Partner Levels are as per the definitions in the Partner Connect Program Guide

³ Partners that are participating in the Two-tier Development Funds Execution Model, will have access to Development Funds through their distributor or aggregator. Restrictions apply for partners accessing Development Funds through their distributor or aggregator. As a Development Funds Eligible Partner, you may consult your Distributor on how certain activities may be reimbursable through the Distributor's own access to the Partner Rewards Portal. Note: Receiving Prior Approval by VMware before an activity can start and meeting all Proof-Of-Execution requirements remains mandatory (PoE will be provided to your Distributor for claiming to VMware)

Development Fund Types

“**Common Funds**” are proposal based and allocated quarterly. These funds are requested by and may be distributed to an enrolled, eligible Partner who transacts with VMware.

Common Funds are assigned based on strategic business and marketing plans. Prior to requesting funds, Partners should be clear about the objective, purpose and goals of the proposed activity.



Have a lifespan of six months from the beginning of the funding period



Can be invested for any eligible activity listed in this Guide, unless restricted by Partner Type or Funding Type, see pg. 3 for restrictions.



Must follow the claim requirements and applicable General Terms & Conditions set forth below in this Guide

Program eligibility does not guarantee funding. Partners should speak with their VMware Partner Representative to discuss investment planning.

“**Contractual Funds**” are accrued as stipulated for certain global alliance and business partners (“**Global Business Partners and Alliances**”) in their legacy master partner agreements (as amended to adopt the Partner Connect Agreement and referred to in this Guide as the parties’ “Master Services Agreement (MSA)”) and are to be spent to drive marketing activity that benefits overall joint global business opportunities and alliances. Accordingly, Contractual Funds develop marketing initiatives and sales campaigns that generate demand for both VMware and our Global Partners and Alliances.



Quarterly fund amount and lifespan of the funds as defined in the parties’ MSA



Partners can invest their Contractual Funds for any eligible activities listed in this Guide



Must follow the claim requirements and terms and conditions as set forth in this Guide



Limited for the use of the partner that earned per the MSA

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Development Fund Payment Models

The Development Funds Program offers two payment models:

Reimbursement

For expenses incurred by an eligible claiming partner

A proposal-based program to generate demand for VMware products, to benefit both VMware and the partner, and deliver a Return on Investment (ROI) greater than either party could achieve independently. VMware reimburses partners for approved and eligible activity costs that the claiming partner has incurred for:

VMware reimburses partners for approved costs that the claiming partner has incurred for:

- Demand Generation
- Enablement
- VMware Funded Professionals (vFP), when applicable

Funding for Eligible Activities is not guaranteed, and partner proposals are subject to prior approval by partner's **VMware Partner Representative** (as and where applicable partner's **Partner Business Manager (PBM)** or **Partner Marketing Manager (PMM)**).

Pay-For-Performance

For pre-established goals and milestones

The Pay for Performance Development Fund Model incentivizes a partner's achievement of negotiated goals during the program quarter.

Sales Incentives

Sales Incentives: Quarterly Pay for Performance sales incentives reward partners for achieving specified behavioral activity-based goals for the defined quarter. Pay for Performance sales incentives must comply with VMware guidelines and policies as well as applicable laws.

Payment to non-eligible partners or third-party vendors are not a permitted use of development funds. Development funds are reimbursable to the requesting party with an approved PA only and must not be given to another third-party or ineligible partner. Specifically, development fund activities must be delivered or performed by the vendor that the partner submits on the reimbursement claim (in other words, activities should not be performed by another person or entity listed on the claim submission, as such activity would constitute forwarding funds)

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In-House Services

In-House Services (IHS) are Demand Generation and Enablement services performed by a qualified authorized partner using its internal resources. **VMware pre-Approval is required for partners** to participate in the IHS process.

Only pre-approved IHS partners may submit an In-house Services claim for the Eligible Activities shown in the table below. Invoices should be raised to the applicable VMware entity (VMware Inc. for the U.S.; and VMware International Limited for all others).

Fair Market Value (FMV) is the value VMware is willing to reimburse for in-house costs portions of activities. FMV is not for TOTAL costs of an activity but applies to the portion of activity costs that are from IHS. FMV is a “not to exceed” capped amount, with no exceptions. IHS can only be used for items listed in the **FMV matrix**.

For a partner’s activities to qualify to for IHS eligibility, its internal marketing resources must meet the following criteria:

1. Partners must meet Development Funds program eligibility
2. Partner must have completed yearly VMware Brand Training and have been approved by the VMware Brand Team to create customer-facing marketing collateral that meets VMware standards.
3. Have IHS "at scale" and the ability to deliver proposed marketing services. Partner capability is supported by partner’s completed In-house questionnaire provided to VMware and includes the following (which constitutes IHS “at scale”):
 - a. 5 or more dedicated full-time equivalent (FTE) partner employee marketing resources;
 - b. 10+ marketing projects per quarter;
 - c. Meets four or more capabilities / services listed on the questionnaire;
 - d. In-house questionnaire will be available by request to the VMware Partner Marketing Manager;
 - e. VMware applicable GEO Marketing Director(s) has/have approved; and
 - f. All approved IHS partners and VMware Marketing Managers / approvers are required to take the In-house Marketing Services Training Course.

Applications to use IHS are accepted and reviewed in Q4 of each fiscal year with IHS status becoming effective in Q1 of the next fiscal year, applications for FY22 are no longer being considered. Consult your VMware Partner Representative for additional info.

If you have additional questions about the approval process, please consult the [In-house Services FAQs document](#) on Partner Connect.

Important: vFP and Pay for Performance Activities are excluded from the In-house Services process and program requirements.

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In-House Services Activity Matrix		
	Eligible Activities	Ineligible or Not-Applicable Activities
Demand Generation	<ul style="list-style-type: none"> ✓ Tele sales & Appointment Setting ✓ Digital and Print Marketing ✓ Customer / Partner Event: Demand Focused ✓ Integrated Marketing Campaign (Specific Sections as indicated on activity page) 	<ul style="list-style-type: none"> ✗ Paid Search Engine & Social Media Ad Placements ✗ VMware Promotional Merchandise ✗ Business Intelligence & Web Analytics (Behavioral Marketing) ✗ VMware Executive Briefing ✗ VMUG/Industry Event: Sponsorships ✗ VMware Partner Edge: Concierge Campaign ✗ VMware Customer Case Study
Enablement	<ul style="list-style-type: none"> ✓ Partner Readiness Events ✓ Partner Sales Tool Development ✓ Delivery of VMware Certification Training or VSP/VTSP Accreditation (VATC Only) 	<ul style="list-style-type: none"> ✗ VMware Certification Training: VATC Delivered

Eligible Activity Expense Examples

Third-party booth / exhibit rental costs:

Includes booth properties; carpet / flooring, furniture & accessories, graphics / signage

Third-party venue costs:

Room rental, décor, tents, staging, linens, table covers, non-refundable security deposits

VMware promotional merchandise :

All Promotional merchandise must contain a VMware brand logo. Maximum cost (USD) per item (inclusive of tax, shipping and other related costs):

- \$25: USA, India and *SEAK countries*
- \$50: All other countries (non-USA, non-SEAK)

*See *VMware Branding Guidelines* and *VMware Co-Branding Guidelines*

Rental of audio / visual:

Microphones, screens, projectors, iPad or equipment, electrical, Internet, lead retrieval associated with an eligible activity

Business courtesies as part of an event:

Business dinners, networking events, or other non-charitable activities associated with the business activity. The event must be for a legitimate purpose to demonstrate or promote VMware products and services. The social / leisure portion of the overall business activity cannot exceed 25% of the total activity duration or cost. *VMware Business and Courtesy spending limits and approvals* apply.

Business courtesies involving customers

VMware Ethics & Compliance (E&C) approval should be obtained in compliance with [page 32](#) of this guide, specifically for Public Sector/Government Owned Entities (GOE) attendees whose costs exceed thresholds as indicated in the Development Funds Program Activity Special Instructions. Contact your VMware Partner representative for assistance with E&C requirements.

Marketing & production: Event planning / management, print and design work, advertisements, invitations Includes Third party agency costs associated with work produced

Catering: Food, refreshments and / or beverages

Authorized Expenditures to be incurred by the claiming Partner

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Development Funds Pre-Funding Policy

Claims for prefunding of activity costs will not be approved except for Third-party tradeshows and non-refundable event deposits. Non-refundable event reservation expenses incurred may be claimed before the event date with proper PoE as indicated in the Program Activity details. The funding source can be from the quarter in which the event takes place or the date the sponsorship or event deposit was paid. Third-party event deposits cannot be claimed prior to the event unless the deposit is non-refundable and supported by proof of the event cancellation refund policy

Ineligible Activity Expense Examples

Alcoholic Beverages

Alcoholic Beverages cannot be purchased separately it must be part of the overall restaurant / catering service or part of the overall event bill.

Consulting/Lobbying Expenses

Consulting services that do not generate direct and verifiable joint financial benefit for the partner and VMware. Lobbying (legislative or procurement) or lobbying for Public Sector/Government Owned Entities (GOE) customers (unless pre-approved by VMware's Government Relations Office).

Entertainment Activities

Development Funds cannot be used for social events or entertainment requiring an admission fee. Examples include, but are not limited to tickets to sporting events, concerts, shows, theater or similar activities; and illegal or explicit entertainment is prohibited.

Gift Cards / Gift Vouchers, Raffles/Contests/Lucky Draw, Non-VMware Logo Giveaways

Non-refundable event cancellation fees

VMware will not reimburse non-refundable event cancellations fees that partners have incurred due to non-execution of the activity where VMware was not at fault.

Partner Operating Expenses & Facilities (Infrastructure)

Development Funds cannot be used for the reimbursement of wages (excludes contracted vFPs and Big Bet Acceleration Resources), general maintenance and repair costs, administrative fees or day-to-day operating (SG&A) expenses.

Payments to Third-Parties on behalf of VMware

Development Funds may not be used for the payment of goods or services not ordered by or for the benefit of the partner. Partners are required to report concerns related to potential misconduct to the VMware Ethics Helpline. Reports can be made anonymously through [VMware's ETICA Site](#)

Personal Incidental Expenses

Personal incidental expenses are not eligible for Development Funds reimbursement. Examples include: Snacks, hotel movies, in-flight internet access fees, airline lounge fees, personal excursions, or side trips.

Platform Development

VMware will not reimburse for platform development costs which include development costs of a system or web-based platform / framework including development costs, charges for server usage, hardware or software required for implementation (i.e. Eloqua or Marketo). Non-eligible capital expenses include: Machinery and equipment or other hardware or software purchases, leasing fees, annual subscription or licensing fees.

Political / Charitable Activities and Contributions

Funding of political or charitable activities or contributions are not allowed. Examples include; fund raisers, and charitable components of an event, i.e. sponsorship of a charity golf tournament, sponsoring prizes and giveaways.

Reclaimable Taxes

Underlying taxes incurred by partner are an ineligible expense and should be excluded from the reimbursement claim.

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Ineligible Activity Expense Examples

Travel and Lodging

Any travel and associated travel expenses such as hotel, rental car, etc., except for the reasonable and customary expenses for (a) End Customer travel associated with VMware Executive Briefings at an approved facility and (b) travel related to Funded Professional services as specified in a vFP contract addendum. Travel is reimbursable only when noted in the Development Funds activity.

Tradeshow Booth Purchase or Construction

Development Funds cannot be used for the purchase and construction, including warehouse storage fees of tradeshow booth that go above and beyond the items which are included in the sponsorship package, if package says booth area with x number of tables and chairs that is acceptable, but DF cannot be used for upgrading the area with a different booth.

VMware Products & Services

Development Funds cannot be used to purchase any VMware Products or Services that are purchased directly from VMware.

VMware Attendee Registration Fees or Attendance Cost

Development Funds cannot be used for VMware employee attendance registration fees or attendance costs

VMware Sponsorship of a Partner Self-Hosted Event

Development Funds cannot be used for sponsorship Packages in a partner's own tradeshow, conference, summit or other event, where **VMware pays a pre-set fee** to the partner in exchange for VMware's participation in the partner's event. A Sponsorship prospectus of activities offered to VMware for a flat fee would be considered a VMware **operating expense (OPEX)**.

VMware Training Credits and Certification Exam Vouchers

VMware Event Attendance Passes

VMware attendance passes for events, such as but not limited to VMworld, vFORUM, and EMPOWER, are ineligible Development Funds expenses.

VMware Event Sponsorship

Sponsorship cost of VMware events, such as but not limited to VMworld, vFORUM, and EMPOWER, are ineligible Development Funds expenses.

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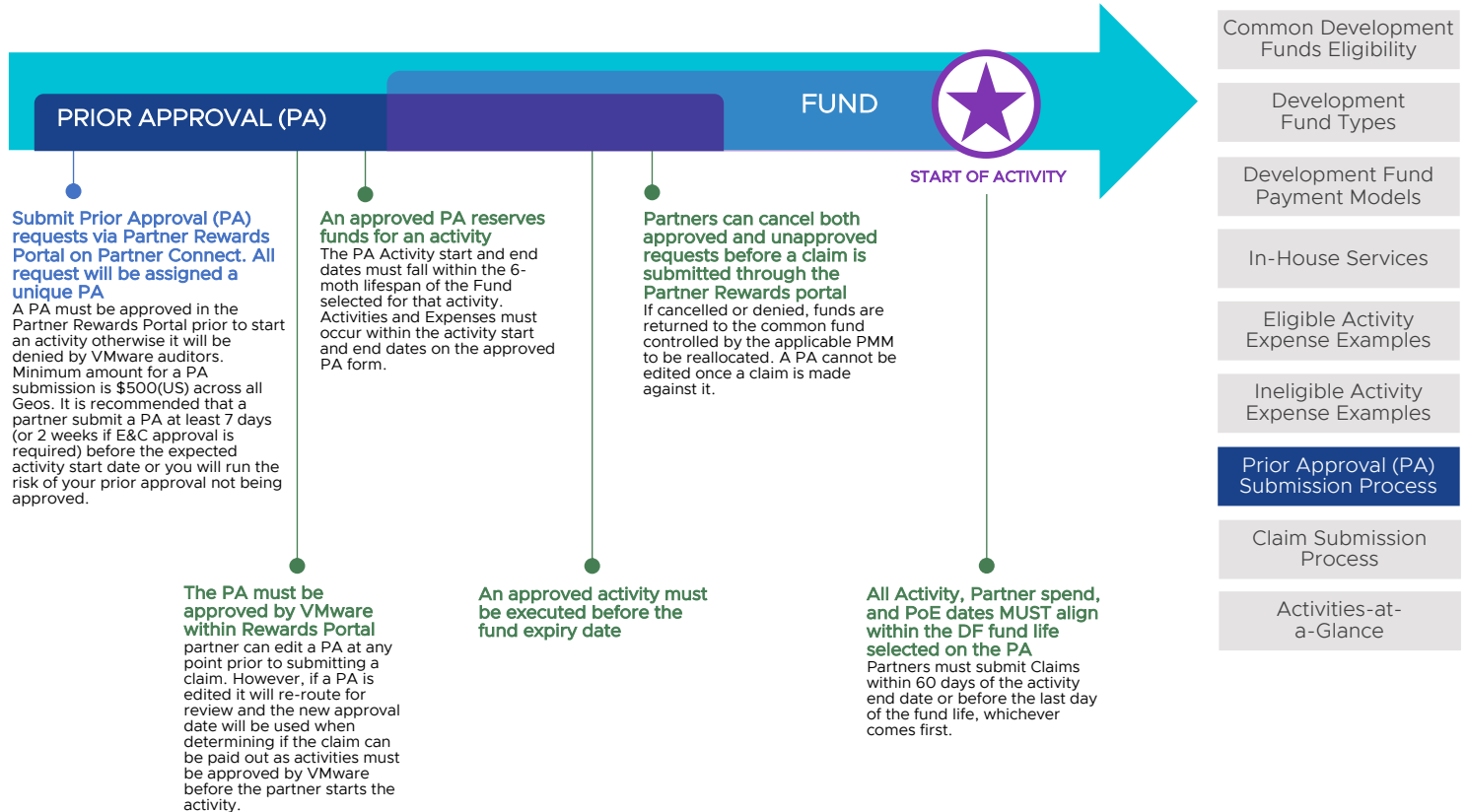
Ineligible Activity Expense Examples

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Prior Approval Submission Process



Prior Approval Details

- All partners must create a request and obtain approval to participate in Development Funds activities.
- Submitted Activity Requests are approved in VMware's discretion based on VMware's strategic objectives, the ability to generate demand for VMware products, and deliver the expected *Return on Investment (ROI)*.
- Costs associated with activities undertaken without an approved Prior Approval will **NOT** be reimbursed. PA's must be obtained prior to execution and the PA start date needs to be post PA VMware approval date.
- Activities, Prior Approvals, and Claims must be submitted / completed during the corresponding fund life. The FY21 Common Fund lives are shown in the table below (Contractual Fund lives are a function of applicable MSA and program terms):

VMware – DF FY21 Funding Periods				
Fiscal Year	Quarter	Quarter Start	Quarter End	Fund End Date
FY22	Q1	30-JAN-21	30-APRIL-21	30-JULY-21
	Q2	1-MAY-21	30-JULY-21	29-OCT-21
	Q3	31-JULY-21	29-OCT-21	28-JAN-22
	Q4	30-OCT-21	28-JAN-22	29-APRIL-22

Claim Submission Process



CLAIM

FUND

END OF ACTIVITY

Claims must be submitted and approved within 60 days after the Activity End date or before the fund expires, whichever comes first

Common and Contractual Funds participants will provide proof against the claimed activity as defined in this Guide and must provide information regarding the ROI.

A partner should submit a claim as early as possible and include:

- Reimbursement Activities will require proof of claiming partner's incurred expenses.
- Pay for Performance Activities will require proof of performance achievement.

The Claim will be routed for approval by the audit team
The audit team will review all elements of the claim within 2 days of submission to ensure it meets all activity requirements, including E&C approval, before providing approval.

Claims will either be approved and paid out within 30 business days, denied, or placed on hold.

If a claim goes on hold, a partner must get all PoE submitted and claim approved before the PA expiry date, which is calculated 60 days from activity end date

All claims must be submitted before the end of the fund life.
Any claim which has not been submitted **AND** approved by the end of the Fund Life will be denied

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Claim Details

- Partners may claim funds at any time throughout the funding period. All required Proof of Execution (PoE) must be submitted with the claim, as the claim can only submit the claim once. If all PoE is not provided, the claim will be audited based on provided PoE and actioned on accordingly.
- The required PoE must accompany claims for reimbursement. Claims must be submitted and approved within 60 days after the Activity End Date as PA's expire 60 days after the Activity End Date and cannot be claimed thereafter.
- Minimum claim pay-out is \$500 USD. Claims for less than \$500 USD will be denied.
- Claiming partner must be listed as the Bill-to on Third-party invoices or claiming partner must be an approved In-House Services partner by VMware to submit their own invoice for In-House Eligible activities and subject to Fair Market Value.
- Funds expire if the PA is not claimed, or the claim is not validated prior to the PA expiration date. If a claim is not submitted within 60 days after the Activity End Date, with all required documentation, the PA will automatically close and NOT be paid.
- The final eligible reimbursable amount will be reflected in the approved PA request. VMware will pay no more than the reimbursable amount listed on the approved PA. If the PoE submitted is less than the approved PA or Claim amount, the claim will be paid out at the lesser amount. Reimbursement for approved claims will be paid within 30 business days of claim being approved for payment.
- A claim being raised by one partner cannot be split and paid out to multiple entities within that partner. The partner that raises the claim is the partner that will be entitled to receive Development Funds. If more than one partner benefits from an activity, a PA must be raised by each partner splitting the total cost. VMware will not directly reimburse any Third-party vendor on behalf of a partner. This is the sole responsibility of the partner.
- Activities, Prior Approvals, and Claims must be submitted / completed during the corresponding fund life. The FY21 Fund lives are shown in the table below:

VMware – DF FY21 Funding Periods				
Fiscal Year	Quarter	Quarter Start	Quarter End	Fund End Date
FY22	Q1	30-JAN-21	30-APRIL-21	30-JULY-21
	Q2	1-MAY-21	30-JULY-21	29-OCT-21
	Q3	31-JULY-21	29-OCT-21	28-JAN-22
	Q4	30-OCT-21	28-JAN-22	29-APRIL-22

Activities-at-a-Glance

All VMware Development Funds must be used for the below eligible activities, with accompanying PoE, focusing on VMware products and services. Failure to meet the criteria will result in denied claims for reimbursement. Activity detail included in the Program Activities section. The following is an overview of the activities that Development Funds can be used for:

Demand Generation	Enablement
<i>Business Intelligence & Web Analytics (Behavioral Marketing)</i>	<i>Partner Readiness Events</i>
<i>VMware Customer Case Study</i>	<i>Partner Sales Tool Development</i>
<i>Tele sales & Appointment Setting</i>	<i>VMware Certification Training: VMware Authorized Training Delivered</i>
<i>Digital Marketing</i>	<i>Delivery of VMware Certification Training or VSP / VTSP Accreditation (VATC Only)</i>
<i>Print Marketing</i>	
<i>Integrated Marketing Campaign</i>	
<i>Paid Search Engine & Social Media Ad Placement</i>	Funded Professionals
<i>VMware Promotional Merchandise</i>	<i>VMware Funded Professionals (vFP)</i>
<i>VMware Executing Briefing</i>	Big Bet Acceleration Resources
<i>VMUG & Industry Events: Sponsorship</i>	<i>Big Bet Acceleration Resources (Big Bet Only)</i>
<i>VMware Concierge Campaign</i>	Sales Incentives
<i>Customer / Partner Event: Demand Focused</i>	<i>Sales Incentives</i>

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VMware reserves the right to change program qualification, participation requirements and Eligible Activities as required. Partners should always refer to the Development Funds Program Guide published on Partner Connect to reference the latest version.

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Big Bet
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Business Intelligence & Web Analytics (Behavioral Marketing)

The aggregation and analysis of customer / prospect online data for the purpose of transforming that data into usable and actionable information to improve VMware product / solution and customer / prospect target marketing to increase sales.

ROI	PoE Requirements	Business Courtesies Allowed	IHS Eligible	Ineligible Expenses
Estimated VMware pipeline	<ul style="list-style-type: none"> Third-party itemized invoice Readout of analysis: Report of results (KPIs) with recommended actions to be taken as a result of the analysis 	No	No	<ul style="list-style-type: none"> List subscriptions (Partner Operating Expenses and Facilities (Infrastructure)) Consulting Expenses Travel and Lodging Expenses

Examples of Eligible Expenses

- Datamining
- Data analysis
- Data cleansing
- Website session monitoring
- Use of web tracking tools to track and analyze user behavior
- End-user customer profiling
- Non-subscription-based list purchase
- Non-contractual user access to Third-party platform and / or data tools
- BI reporting surveys

Special Instructions

- BI results should be used to make data driven informed decisions around VMware / partner business planning and go to market strategies, improve opportunities for the potential of increased sales and better customer engagement across social or other online platforms.
- Third-party created assets that represent positioning or performance of VMware products require VMware approval.

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VMware Customer Case Study

Development of a print or digital case study that details an end-user customer’s positive experience with VMware. Must highlight how a VMware product or service solved a customer’s business problem, benefit received by customer, and customer’s endorsement of VMware.

ROI	PoE Requirements	Business Courtesies Allowed	IHS Eligible	Ineligible Expenses
N/A	<ul style="list-style-type: none"> Third-party itemized invoice or receipt with an item description, date of service, and total amount Final version of VMware Case Study in digital format (.pdf, video link, or other accepted formats, as applicable) with VMware name or logo visible If hosting an in-person event, the partner must provide the completed VMware DF In-Person Event Form on the PA If hosting an in-person event, the partner must provide the following to support the claim: <ul style="list-style-type: none"> blank copy of the Event Liability Waiver/Release form completed by all attendees; and name & address of attorney who reviewed the Event Liability Waiver/Release form, with confirmation that counsel is licensed to practice law in the country where the event was held. <ul style="list-style-type: none"> Note: If partner is submitting an Event Participation Acknowledgment, partner must also submit a letter from partner’s legal counsel (who is licensed to practice law in the country where the event was held) on counsel’s letterhead stating that an Event Liability Wavier/Release would not be enforceable in the country where the Event was held. 	No	No	<ul style="list-style-type: none"> Travel and Lodging Expenses VMware Authorized Training Center (VATC) Partners not eligible for Case Study reimbursement

Examples of Eligible Expenses

- Print or digital case study
- Development, writing, production costs to produce the case study
- Print and distribution / publication costs

Special Instructions

- Must reference VMware and display the VMware logo per [VMware Branding Guidelines](#).
- Please follow VMware Case Study template format and [VMware Branding Guidelines](#). To gain access to the VMware Case Study template please contact references@vmware.com.
- In-person events may be held but must follow the requirements listed in the [VMware DF In-Person Event Form](#) on the PA and provide the in-person event PoE listed above or the Claim will be denied, no exceptions.
- The name and address of the attorney for in-person events should be for an attorney who is licensed for the country that the event was held: (e.g. for an event held in Chicago, IL, USA, then the attorney may be any attorney licensed to practice law anywhere in the USA).

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Tele Sales & Appointment Setting

Outbound lead generation telemarketing campaigns that target end-user prospects /customers that promote VMware or VMware Alliance joint products or solutions.

ROI	PoE Requirements	Business Courtesies Allowed	IHS Eligible	Ineligible Expenses
Estimated VMware pipeline	<ul style="list-style-type: none"> Third-party itemized invoice or In-House Services approved partner generated line item-invoice billed to VMware Call script featuring VMware product or solution messaging Call list qualified lead list including PA #, activity name, prospect company name, prospect email domain, prospect country, and activity start date using the provided excel template.⁴ 	No	Yes	<ul style="list-style-type: none"> <i>Raffles/Contests/Lucky Draws, Non-VMware logo giveaways, gift cards / gift vouchers</i> <i>Partner Operating Expenses and Facilities (Infrastructure)</i>

Examples of Eligible Expenses

- Tele sales
- Sales appointment setting
- Contact list opt-in verification
- Partner call blitz campaign
- Database cleanup (qualifying leads)
- Database or list acquisition costs (rental or purchase)
- Sales / service script development

Special Instructions

- Database / list purchase / rental must be tied to campaign.
- Invoice dates must align to campaign dates.

⁴ Personal data collected by partners is stored by VMware to confirm participation in marketing activities for VMware products and service.

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Sales Incentives

Digital Marketing

Creation of broad reach promotional and brand content for VMware products or solutions in digital marketing targeted at end-user customers or prospects. Must contain a customer call to action.

ROI	PoE Requirements	Business Courtesies Allowed	IHS Eligible	Ineligible Expenses
Estimated VMware Pipeline	<p>For tv ads, radio ads, print publication ads, online banner and video creation you need to provide the following PoE:</p> <ul style="list-style-type: none"> • Third-party itemized invoice or In-House Service approved partner generated line item-invoice billed to VMware <p>Must also include ONE additional form of the following PoE's:</p> <ul style="list-style-type: none"> • Screenshot(s) of digital content, showing VMware logo / VMware name • Audio or video file of media broadcast OR TV / Radio broadcast script referencing VMware <p>For content that is not a tv ad, radio ad, print publication ad, online banner or video creation you must also provide:</p> <ul style="list-style-type: none"> • List of qualified leads or opportunities including PA#, company name, email domain, country, and activity start date using provided excel template.⁵ <p>In person events:</p> <ul style="list-style-type: none"> • If the creation of digital marketing collateral requires in-person participation, the partner must provide the completed VMware DF In-Person Event Form on the PA. • If the creation of digital marketing collateral requires in-person participation, the partner must provide the following to support the claim: <ul style="list-style-type: none"> ◦ name & address of attorney who reviewed the Event Liability Waiver/Release form or Event Participation Acknowledgment, with confirmation that counsel is licensed to practice law in the country where the event was held; and ◦ blank copy of the form Event Liability Waiver/Release or Event Participation Acknowledgment completed by all attendees that meets the requirements listed in the VMware DF In-Person Event Form. <ul style="list-style-type: none"> ◦ Note: If partner is submitting an Event Participation Acknowledgment, partner must also submit a letter from partner's legal counsel (who is licensed to practice law in the country where the event was held) on counsel's letterhead stating that an Event Liability Wavier/Release would not be enforceable in the country where the Event was held. 	Yes ⁶	Yes	<ul style="list-style-type: none"> • Partner Operation Expenses and Facilities (Infrastructure)

Examples of Eligible Expenses

- Production and delivery costs, associated Third-party program / project management charges
- Emails
- Online banners
- External web page creation
- TV or radio ads
- Videos
- Digital catalog
- Digital ads in professional journal / publications
- eNewsletter
- Podcasts & webcasts

Special Instructions

- All documentation must specifically reference VMware and display the VMware logo per [VMware Branding Guidelines](#).
- Third-party created assets that represent positioning or performance of VMware products require VMware approval.
- In-person events may be held but must follow the requirements listed in the [VMware DF In-Person Event Form](#) on the PA and provide the in-person event PoE listed above or the Claim will be denied, no exceptions.
- The name and address of the attorney for in-person events should be for an attorney who is licensed for the country that the event was held: (e.g. for an event held in Chicago, IL, USA, then the attorney may be any attorney licensed to practice law anywhere in the USA).

⁵ Personal data collected by partners is stored by VMware to confirm participation in marketing activities for VMware products and service.

⁶ Small gifts of de minimis/minor value are acceptable

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Sales Incentives

Print Marketing

Creation of broad reach promotional and brand marketing content for VMware products or solutions in print targeted at end-user customers or prospects. Must contain a customer call to action.

ROI	PoE Requirements ⁷	Business Courtesies Allowed	IHS Eligible	Ineligible Expenses
Estimated VMware Pipeline	<ul style="list-style-type: none"> Third-party itemized invoice or In-House Service approved partner generated line item-invoice billed to VMware Copy of print collateral featuring the VMware logo or VMware name and publication name or logo 	Yes ⁸	Yes	<ul style="list-style-type: none"> <i>Partner Operation Expenses and Facilities (Infrastructure)</i>

Examples of Eligible Expenses

- Production and delivery costs, associated Third-party program / project management charges
- print catalog
- Ads in professional journal / publications
- Newsletters

Special Instructions

- All documentation must specifically reference VMware and display the VMware logo per [VMware Branding Guidelines](#).
- Third-party created assets that represent positioning or performance of VMware products require VMware approval.

⁷ Personal data collected by partners is stored by VMware to confirm participation in marketing activities for VMware products and service.

⁸ Small gifts of de minimis/minor value are acceptable

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Sales Incentives

Integrated Marketing Campaign

A campaign composing of multiple eligible Development Funds Demand Generation activities that are performed together to promote a consistent message to a specific audience which ultimately turns leads into customers.

ROI	PoE Requirements ⁹	Business Courtesies Allowed	IHS Eligible	Ineligible Expenses
Estimated VMware Pipeline	<ul style="list-style-type: none"> List of qualified demand gen activities and corresponding information provided at time of PA submission using this excel template At claim time, all PoE specified on template provided during PA submission must be submitted in order to receive reimbursement. (i.e. itemized invoices, attendee/lead lists, presentation with VMware logo, etc.) If hosting an in-person event, the partner must provide the completed VMware DF In-Person Event Form on the PA If hosting an in-person event, the partner must provide the following to support the claim: <ul style="list-style-type: none"> name & address of attorney who reviewed the Event Liability Waiver/Release form or Event Participation Acknowledgment, with confirmation that counsel is licensed to practice law in the country where the event was held; and blank copy of the form Event Liability Waiver/Release or Event Participation Acknowledgment completed by all attendees that meets the requirements listed in the VMware DF In-Person Event Form; and <ul style="list-style-type: none"> <i>Note: If partner is submitting an Event Participation Acknowledgment, partner must also submit a letter from partner's legal counsel (who is licensed to practice law in the country where the event was held) on counsel's letterhead stating that an Event Liability Wavier/Release would not be enforceable in the country where the Event was held.</i> Proof of virtual event being run in parallel with the in-person event, if the event is for 25 attendees or more (i.e., invite or agenda mentioning virtual version and how to participate virtually, whether or not any attendees used the virtual option). 	Yes	Yes (excluding items listed below)	<ul style="list-style-type: none"> Partner Operation Expenses and Facilities (Infrastructure) Raffles/Contests/Lucky Draws, Non-VMware logo giveaways, gift cards / gift vouchers Consulting Expenses Platform Development Travel and Lodging Expenses Personal Incidental Expenses Alcoholic Beverages Entertainment Activities Political / Charitable Activities and Contributions VMware attendee registration fees or attendance cost VMware Sponsorship of a Partner Self-Hosted Event

Examples of Eligible Expenses

- Digital Marketing
- Print Marketing
- Paid Search & Social Media Ad Placement – not IHS eligible
- Promotional Merchandise – not IHS eligible
- Partner/Customer Event: Demand Focused
- Tele Sales & Appointment Setting
- Business Web Analytics & Web Analytics (Behavioral Marketing) – not IHS eligible
- Catering expenses – not IHS eligible

Special Instructions

- To use the Integrated Marketing Campaign Activity, partner must upload the completed template during PA Submission. If the partner's PA is missing the template, your claim will be denied.
- When using In-house service for IHS eligible components as part of the integrated marketing campaign activity, partner must follow the FMV caps. If partner's invoices are over the cap, the claim will be paid out at the cap.
- Additionally, when using In-house services, the total for the IHS components of the activity cannot be more than the sum of the activity caps for the respective activity caps, cost caps are listed in the Fair Market Value Table. If partner is submitting a PA for only one activity type, the partner should open a PA for the specific activity type.
- 3rd party created assets that represent positioning or performance of VMware products require VMware prior approval.
- In-person events may be held but must follow the requirements listed in the [VMware DF In-Person Event Form](#) on the PA and provide the in-person event PoE listed above or the Claim will be denied, no exceptions.
- The name and address of the attorney for in-person events should be for an attorney who is licensed for the country that the event was held: (e.g. for an event held in Chicago, IL, USA, then the attorney may be any attorney licensed to practice law anywhere in the USA).

⁹ Personal data collected by partners is stored by VMware to confirm participation in marketing activities for VMware products and service.

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Sales Incentives

Paid Search & Social Media Ad Placement

Ad placement on Internet search engines or social media sites to increase website traffic / visits to sites that promote VMware and VMware products.

ROI	PoE Requirements ¹⁰	Business Courtesies Allowed	IHS Eligible	Ineligible Expenses
Estimated VMware pipeline	<ul style="list-style-type: none"> Third-party itemized invoices or receipts List of qualified leads or opportunities (online conversations) including: PA#, company name, email domain, country, and activity start date using provided excel template <p>Must also include ONE additional form of the following POE's:</p> <ul style="list-style-type: none"> Keyword Report showing search date, number of clicks, and number of impressions Screenshot of VMware search engine online content placement showing VMware name or logo, with dates, if possible, of ad placement Screenshot of VMware social media content placement showing VMware name or logo 	No	No	<ul style="list-style-type: none"> Partner Operating Expenses and Facilities (Infrastructure) Platform Development

Examples of Eligible Expenses

- Supporting Third-party database or Third-party web landing page hosting fees to promote assets, Third-party production costs (supported with a Third-party invoice and / or receipts)
- Third-party paid content syndication services
- Paid search engine marketing (SEM)
- Paid search ad placement
- Paid keyword search on Google or other search engines

¹⁰ Personal data collected by partners is stored by VMware to confirm participation in marketing activities for VMware products and service.

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Sales Incentives

VMware Promotional Merchandise

Purchase of low-value VMware logoed promotional merchandise to promote VMware and / or VMware Products as part of a demand generation activity or to promote lead capture activities associated with an event.

ROI	PoE Requirements	Business Courtesies Allowed	IHS Eligible	Ineligible Expenses
N/A	<ul style="list-style-type: none"> Third-party itemized invoice / receipt showing qty purchased, item description, cost per item and total cost Final photo of the merchandise with VMware logo prominently displayed and unaltered 	No	No	<ul style="list-style-type: none"> Cash or cash equivalent (i.e. gift cards / gift vouchers) promotional benefits in any form are not allowed <i>Gift cards / Gift vouchers, Non-VMware logo giveaways, Raffles</i>

Examples of Eligible Expenses

- Third-party shipping / handling charges
- Third-party creative
- Production
- Fulfillment charges
- VMware logoed items or VMware and partner co-logoed items only: pens, journals, cups, water bottles, apparel, or other VMware logoed promotional item
- Maximum of \$25 (USD) spend per item per person for US & SEAK countries. All other countries (Non-US / Non-SEAK) maximum of \$50 spend (USD) per item per person. See Special Instructions below for list of Non-US / Non SEAK countries

Special Instructions

- All Items must include VMware logo as per [VMware Branding Guidelines](#) and can be coupled with partner logo per [VMware Co-Branding Guidelines](#). Items must be purchased from a third-party or from the VMware merchandise online store
- POE photo requirement not required if merchandise purchased in approved VMware online store with third-party receipt from Brandvia
- Claiming partner must be the bill-to party on the receipt / invoice
- Maximum cost per item; inclusive of all taxes, gratuities, shipping costs, and other incidental or related costs, (USD): \$25 - USA, India and SEAK countries: Singapore,
- Non-US / Non-SEAK Countries: Korea, Malaysia, Philippines, Indonesia, Thailand, Vietnam, Brunei, Laos, Pakistan, Cambodia, Bhutan, Nepal, Myanmar, Afghanistan, Maldives, Sri Lanka, Bangladesh, Greater China

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Sales Incentives

VMware Executive Briefing

An Executive Briefing or meeting for customers of VMware partners held in an approved VMware Briefing Center or Executive Briefing Center location. Customer deal size requirements for briefing center eligibility may apply. Consult your VMware Partner Representative for requirements. See VMware Briefing Center website for details.

ROI	PoE Requirements ¹¹	Business Courtesies Allowed	IHS Eligible	Ineligible Expenses
Estimated VMware pipeline	<ul style="list-style-type: none"> Third-party itemized invoice or receipts for end-user customer lodging and transportation showing name of ticketed passenger(s), travel dates, cost, purchase date, and flight or cabin class. Flight invoice must show Departure and Arrival Airports (Round Trip (RT) or One Way if not claiming RT flight expenses) Customer invitation and briefing center detailed agenda with event date(s) Customer attendee list to include: PA#, event date, company name, email domain, country, and activity start date using provided excel template VMware E&C approval required per Page 32 for Public Sector/Government Owned Entities (GOE) customers travel & lodging if over \$100 per person If hosting an in-person event, the partner must provide the completed VMware DF In-Person Event Form on the PA If hosting an in-person event, the partner must provide the following to support the claim: <ul style="list-style-type: none"> name & address of attorney who reviewed the Event Liability Waiver/Release form or Event Participation Acknowledgment, with confirmation that counsel is licensed to practice law in the country where the event was held; and blank copy of the form Event Liability Waiver/Release or Event Participation Acknowledgment completed by all attendees that meets the requirements listed in the VMware DF In-Person Event Form; and <ul style="list-style-type: none"> Note: If partner is submitting an Event Participation Acknowledgment, partner must also submit a letter from partner's legal counsel (who is licensed to practice law in the country where the event was held) on counsel's letterhead stating that an Event Liability Wavier/Release would not be enforceable in the country where the Event was held Proof of virtual event being run in parallel with the in-person event, if the event is for 25 attendees or more (i.e., invite or agenda mentioning virtual version and how to participate virtually, whether or not any attendees used the virtual option). 	<p>Yes</p> <p>Customer Travel and Lodging MUST have the approval of VMware E&C compliance office before the invite is extended to the Customer. All E&C approvals should be attached as PoE to claim. The identification of the expected number of customers from Public Sector/Government Owned Entities (GOE) (identify where feasible any specific Public Sector/Government Owned Entities (GOE) employees or agents should be noted on the PA / Activity Description)</p>	No	<ul style="list-style-type: none"> VMware Authorized Training Center (VATC) Partners not eligible Meals, customer dinners and entertainment outside of the scheduled EBC on-site presentation date and times are not reimbursable Personal Incidental Expenses Partner Travel Expenses (see Travel and Lodging Expenses)

Examples of Eligible Expenses

- Approved End Customer travel and associated travel expenses such as hotel, and economy class (coach) air fare. Partner must pay for the end customer travel and VMware will reimburse the partner directly
- Executive briefings in VMware approved briefing location: Palo Alto, CA; Reston, VA; Atlanta, GA; Sydney, AUS; Staines, UK; Bangalore, India; Tokyo, Japan; Cloud Foundation; Munich, Germany; or other VMware VBC / EBC approved location

Special Instructions

- Partner invitations to customers should utilize the VMware EBC Invitation template.
- Expenses must be specific to dates of VBC / EBC event / visit.
- Contact your VMware Partner Representative for assistance with E&C requirements.
- In-person events may be held but must follow the requirements listed in the [VMware DF In-Person Event Form](#) on the PA and provide the in-person event PoE listed above or the Claim will be denied, no exceptions.
- The name and address of the attorney for in-person events should be for an attorney who is licensed for the country that the event was held: (e.g. for an event held in Chicago, IL, USA, then the attorney may be any attorney licensed to practice law anywhere in the USA).

¹¹ Personal data collected by partners is stored by VMware to confirm participation in marketing activities for VMware products and service.

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Sales Incentives

VMUG & Industry Events: Sponsorship

Partner on-site sponsorship of a Third-party event organized by an industry set, or other VMware partner, where a sponsorship contract / package is purchased by partner and VMware products, solutions, & brand are promoted.

ROI	PoE Requirements ¹²	Business Courtesies Allowed	IHS Eligible	Ineligible Expenses
Estimated VMware pipeline	<ul style="list-style-type: none"> Third-party itemized invoice: Must include Event Name, Invoice date, sponsorship details (participation level / package, prospectus), sponsorship amount, OR fully executed Third-party sponsorship contract signed and dated by claiming partner A supplemental Sponsorship Prospectus must be provided along with invoice or contract, IF the invoice or contract does not contain a breakdown of what is included in the sponsorship package purchased Event Deposits claimed prior to event date: Third-party invoice or signed & dated contract showing deposit amount and that deposits are non-refundable Event Content: Presentation, event materials or collateral with VMware logo or name displayed. May be co-branded If sponsorship package includes benefits such as attendee passes, entertainment, etc. (i.e. monetary benefit), partner must provide a list of who will receive these benefits. List to include: Customer name, job title / position, Company name If the sponsorship is for an in-person event, the partner must provide the completed VMware DF In-Person Event Form on the PA If sponsorship is for an in-person event, the partner must provide the following to support the claim: <ul style="list-style-type: none"> name & address of attorney who reviewed the Event Liability Waiver/Release form or Event Participation Acknowledgment, with confirmation that counsel is licensed to practice law in the country where the event was held; and blank copy of the form Event Liability Waiver/Release or Event Participation Acknowledgment completed by all attendees that meets the requirements listed in the VMware DF In-Person Event Form. Note: If partner is submitting an Event Participation Acknowledgment, partner must also submit a letter from partner's legal counsel (who is licensed to practice law in the country where the event was held) on counsel's letterhead stating that an Event Liability Wavier/Release would not be enforceable in the country where the Event was held; and 	<p>Yes</p> <p>if sponsorship package includes benefits such as attendee passes, entertainment, etc.</p>	No	<ul style="list-style-type: none"> Meals, customer dinners and entertainment expenses outside of the event sponsorship charges (fees) as specified in the official sponsorship prospectus Booth shipping <i>Travel and Lodging Expenses, Charitable Contributions, VMware attendee registration fees or attendance cost</i> <i>Giveaways of any kind or currency value (includes Gift cards / Gift vouchers, and Non-VMware logo giveaways, Raffles)</i>

Examples of Eligible Expenses

- Reimbursement is for the sponsorship fee and defined contractual benefits as outlined in the separate Event Sponsorship Agreement (“Sponsorship Agreement”) or Third-party invoice
- Non-refundable deposits for booth reservation or booth rental charges are eligible for reimbursement with Third-party proof of payment schedule (contract) provided
- Industry events, Third-party tradeshows

Special Instructions

- A separate Sponsorship Agreement must be signed and dated by sponsoring partner
- Sponsorship payment date must be within the budgeted DF fund life selected
- The PA should be approved before the payment date on the sponsorship invoice
- The activity start and end date must be within the fund life and PA approval date must be before the invoice date
- VMware Ethics & Compliance (E&C) approval should be obtained in compliance with [Page 32](#) of this Guide, specifically for Public Sector/Government Owned Entities (GOE) attendees whose costs exceed thresholds
- In-person events may be held but must follow the requirements listed in the [VMware DF In-Person Event Form](#) on the PA and provide the in-person event PoE listed above or the Claim will be denied, no exceptions.
- The name and address of the attorney for in-person events should be for an attorney who is licensed for the country that the event was held: (e.g. for an event held in Chicago, IL, USA, then the attorney may be any attorney licensed to practice law anywhere in the USA).

¹² Personal data collected by partners is stored by VMware to confirm participation in marketing activities for VMware products and service.

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Customer / Partner Event: Demand Focused

End-user customer or partner event executed by a partner to generate net new business and / or build pipeline. Must be focused on VMware and / or joint solutions with Alliance Partners.

ROI	PoE Requirements ¹³	Business Courtesies Required	IHS Eligible	Ineligible Expenses
Estimated VMware pipeline	<ul style="list-style-type: none"> Third-party itemized invoice or In-House Service approved partner generated line item-invoice billed to VMware. If Third-party provider isn't able to provide a line itemization for event package, which includes the following components, when applicable, food/beverage, entertainment, and venue infrastructure cost (e.g. audio/video, booth/tablecloth), then partner must provide a cost breakdown of the components FROM the vendor in addition to the Third-party invoice Invite, agenda / itinerary or event presentation, showing VMware inclusion (VMware name or Logo) Attendee(s) OR Qualified Lead or Qualified opportunity List to include: PA #, company name, email domain, country, and activity start date using provided excel template If hosting an in-person event, the partner must provide the completed VMware DF In-Person Event Form on the PA If sponsorship is for an in-person event, the partner must provide the following to support the claim: <ul style="list-style-type: none"> name & address of attorney who reviewed the Event Liability Waiver/Release form or Event Participation Acknowledgment, with confirmation that counsel is licensed to practice law in the country where the event was held; and blank copy of the form Event Liability Waiver/Release or Event Participation Acknowledgment completed by all attendees that meets the requirements listed in the VMware DF In-Person Event Form and <ul style="list-style-type: none"> Note: If partner is submitting an Event Participation Acknowledgment, partner must also submit a letter from partner's legal counsel (who is licensed to practice law in the country where the event was held) on counsel's letterhead stating that an Event Liability Wavier/Release would not be enforceable in the country where the Event was held; proof of virtual event being run in parallel with the in-person event, if the event is for 25 attendees or more (i.e., invite or agenda mentioning virtual version and how to participate virtually, whether or not any attendees used the virtual option). 	Yes	Yes	<ul style="list-style-type: none"> Gift cards / Gift vouchers, Non-VMware Logo Giveaways, Raffles/Contests/Lucky Draws Travel and Lodging Expenses Personal Incidental Expenses Alcoholic Beverages Entertainment Activities Political / Charitable Activities and Contributions VMware attendee registration fees or attendance cost VMware Sponsorship of a Partner Self-Hosted Event

Examples of Eligible Expenses

- Webinar / Seminar
- Customer Round Tables
- Floor Days, Table-top events
- Product demos, Road Shows
- For multi venue events or roadshows, Third-party ground transportation/shipping costs of the booth property between venues within the same country is an eligible expense
- Virtual (teleconference) 30-minute speaking slot allowed

Special Instructions

- All promotional items must be claimed separately from the event under promotional merchandise activity.
- If the partner additionally needs to claim for event specific content such as digital and print marketing or promotional merchandise, the Partner should use the Integrated Marketing Campaign Activity.
- VMware Ethics & Compliance (E&C) approval should be obtained in compliance with [Page 32](#) of this Guide, specifically for Public Sector/Government Owned Entities (GOE) attendees whose costs exceed thresholds
- In-person events may be held but must follow the requirements listed in the [VMware DF In-Person Event Form](#) on the PA and provide the in-person event PoE listed above or the Claim will be denied, no exceptions.
- The name and address of the attorney for in-person events should be for an attorney who is licensed for the country that the event was held: (e.g. for an event held in Chicago, IL, USA, then the attorney may be any attorney licensed to practice law anywhere in the USA).

¹³ Personal data collected by partners is stored by VMware to confirm participation in marketing activities for VMware products and service.

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Sales Incentives

VMware Concierge Campaign

Prescriptive lead generation program utilizing Concierge campaign materials to promote VMware products or solutions, or a Concierge campaign supported by a VMware approved Third-party agency. Contact your VMware Partner Representative for more information.

ROI	PoE Requirements ¹⁴	Business Courtesies Allowed	IHS Eligible	Ineligible Expenses
Campaign ROI Marketing Partner Generated Pipeline (MPGP) (\$)	<ul style="list-style-type: none"> Third-party Concierge Agency itemized invoice to include: Invoice Date, VMware Concierge Campaign / Program Name, total \$ amount, and, when applicable, a line itemization of the event package including the following components, when applicable, food/beverage, gifts/giveaways, entertainment, and venue infrastructure cost (e.g. audio/video, booth/tablecloth). If Third-party provider isn't able to provide a line itemization for event package, which includes the components listed above, then partner must provide a cost breakdown of the components FROM the vendor in addition to the Third-party invoice Partner-signed Concierge Agency Statement of Work (SOW) List of qualified leads or qualified opportunities including PA #, company name, email domain, country, and activity start date using the provided excel template Additional PoE as specified in the SOW that aligns to the tactics utilized in the campaign selected and identified in the PA / Claim activity campaign / program name 	No	No	<ul style="list-style-type: none"> Activities or expenses incurred that are outside of the approved Concierge Program offers for current quarter, or not specified in signed SOW with supporting Concierge Agency

Examples of Eligible Expenses

- Third-party agency charges supported by agency fee (Concierge Marketing Agency charges)
- Activity limited to specific concierge programs. For questions, contact your VMware Partner Representative

Special Instructions

- Campaigns must include two or more campaign components through Partner Edge programs
- Concierge program campaigns are globally eligible with pre-approved Statement of Work (SOW)

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Sales Incentives

Partner Readiness Event

Partner events with the primary purpose of training / preparing partner personnel to position and sell VMware products, solutions and / or services or VMware joint solutions with Alliance Partners.

ROI	PoE Requirements ¹⁵	Business Courtesies Allowed	IHS Eligible	Ineligible Expenses
Number of attendees	<ul style="list-style-type: none"> Third-party itemized invoice or In-House Service approved partner generated line item-invoice billed to VMware. If Third-party provider isn't able to provide a line itemization for event package, which includes the following components, when applicable, food/beverage, entertainment, and venue infrastructure cost (e.g. audio/video, booth/tablecloth), then partner must provide a cost breakdown of the components FROM the vendor in addition to the Third-party invoice Attendee list to include: Event Date, Event / Activity Name, and Company name. Detailed agenda / itinerary or event presentation, showing VMware inclusion (VMware name or Logo) For Hands-on-Labs only, a screenshot/photo of the leaderboard from the Lab session If hosting an in-person event, the partner must provide the completed VMware DF In-Person Event Form on the PA If event is an in-person event, the partner must provide the following to support the claim: <ul style="list-style-type: none"> name & address of attorney who reviewed the Event Liability Waiver/Release form or Event Participation Acknowledgment, with confirmation that counsel is licensed to practice law in the country where the event was held; and blank copy of the form Event Liability Waiver/Release or Event Participation Acknowledgment completed by all attendees that meets the requirements listed in the VMware DF In-Person Event Form. <ul style="list-style-type: none"> Note: If partner is submitting an Event Participation Acknowledgment, partner must also submit a letter from partner's legal counsel (who is licensed to practice law in the country where the event was held) on counsel's letterhead stating that an Event Liability Wavier/Release would not be enforceable in the country where the Event was held; and proof of virtual event being run in parallel with the in-person event, if the event is for 25 attendees or more (i.e., invite or agenda mentioning virtual version and how to participate virtually, whether or not any attendees used the virtual option). 	Yes	Yes	<ul style="list-style-type: none"> VMware Sponsorship of a Partner Self-Hosted Event Personal incidental expenses Travel and lodging expenses Gift cards / Gift vouchers, Non-VMware Logo Giveaways, Raffles/Contests/Lucky Draws Alcoholic Beverages and Entertainment Activities Partner Operating Expenses and Facilities (Infrastructure) VATC and VERP Partners not eligible VMware Education certification training courses are not eligible. See VMware Certification Training activity

Examples of Eligible Expenses

- Business Courtesies as Part of an Event; some exclusions apply. See ineligible expenses
- Creative design, associated activity production / project management expense
- VSP / VTSP Boot Camp training
- Lunch and Learns
- Partner Floor
- Solution or Demo Days
- VMUG Regional events not VMUG UserCons
- Annual Sales kickoffs or National Sales Meetings
- Hands-on-Labs (note: Hands-on-Labs are not IHS eligible)
- For multi venue events or roadshows, Third-party ground transportation/shipping costs of the booth property between venues within the same country is an eligible expense

Special Instructions

- If partner is claiming event specific content, to market or be distributed at the event, please provide as PoE. Partner may claim event specific digital and print marketing collateral. Partner may not include promotional merchandise or marketing content that is not related to the attendance of the specific event being claimed.
- Partner activities should be attended by a VMware employee or VMware approved speaker for a minimum of 30 minutes VMware content speaking time
- When using the VMware logo partner must follow the [VMware Brand Guidelines](#) (and [VMware Co-Branding Guidelines](#) if logo is being jointly with partners logo)
- Hands-on-Labs require a Third-party itemized invoice as they are not IHS eligible
- VMware Ethics & Compliance (E&C) approval should be obtained in compliance with [Page 32](#) of this Guide, specifically for Public Sector/ Government Owned Entities (GOE) attendees whose costs exceed thresholds
- In-person events may be held but must follow the requirements listed in the [VMware DF In-Person Event Form](#) on the PA and provide the in-person event PoE listed above or the Claim will be denied, no exceptions.
- The name and address of the attorney for in-person events should be for an attorney who is licensed for the country that the event was held: (e.g. for an event held in Chicago, IL, USA, then the attorney may be any attorney licensed to practice law anywhere in the USA).

¹⁵ Personal data collected by partners is stored by VMware to confirm participation in marketing activities for VMware products and service.

Activities-At-A-Glance

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Partner Sales Tool Development

Creative development, production, and deployment of sales tools or sales collateral to educate the partner to enable improved and faster selling of VMware products or VMware / Alliance Partner Solutions.

ROI	PoE Requirements	Business Courtesies Allowed	IHS Eligible	Ineligible Expenses
N/A	<ul style="list-style-type: none"> Third-party itemized invoice or In-House Service approved partner generated line item-invoice billed to VMware <p>Must also include ONE of the following PoEs:</p> <ul style="list-style-type: none"> Collateral featuring VMware content, VMware logo or VMware name. May be co-branded Screenshot of digital content displaying VMware content, VMware logo or VMware name. May be co-branded 	No	Yes	<ul style="list-style-type: none"> <i>Partner Operating Expenses and Facilities (Infrastructure)</i> <i>Platform Development</i> VMware Education Services official certification course training manuals published by VMware Press, Pearson, or VSP / VTSP facilitator or student guides

Examples of Eligible Expenses

- Collateral or digital / web content development, creation / design, production and deployment cost
- Web page or website creation
- Printing and delivery costs (including postage)
- VMware product guides
- Sell sheets
- Not-For-Resale training materials
- Data sheets
- White papers
- e-Books
- Partner presentations
- Newsletters

Special Instructions

- All documentation must reference VMware and follow [VMware Brand Guidelines](#) (and [VMware Co-Branding Guidelines](#) if logo is being jointly with partners logo)
- PoE options required to support all activities / content submitted.

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Sales Incentives

VMware Certification Training: VMware Authorized Training Center Delivered

VMware Education Certification Training Course delivered by a VMware Authorized Training Center (VATC).
Note: Exam Vouchers, Learning Zone, On-Demand, IT Academy or other training purchased directly from VMware are not eligible.

ROI	PoE Requirements ¹⁶	Business Courtesies Allowed	IHS Eligible	Ineligible Expenses
Number of students who completed training	<ul style="list-style-type: none"> Third-party invoice including: Bill to company name, course delivery date, course title / description, quantity, and total amount. Invoice cannot be issued from VMware Training Attendee list with: Training Date(s), Company and Attendee Name (First and Last), Attendee email, VMware course title / description Certificate / Document showing successful course completion date for each training attendee 	No	No	<ul style="list-style-type: none"> Travel and Lodging Expenses Personal Incidental Expenses Partner Operating Expenses and Facilities (Infrastructure) VMware-delivered training / Learning credits or certification exam vouchers EDU certification or training course purchased directly from VMware to include VMware Learning Zone, On-Demand Training, VMware Learning Zone Subscriptions, VMware IT Academy Courses APJ - Reseller Partner VMware Educational Reseller Partner (VERP) is Not eligible for DF reimbursement

Examples of Eligible Expenses

- Required course materials (i.e. certification study guides, cost of training course purchased from a VATC)
- Completed VMware education certification training courses purchased from a VMware Authorized Training Center (VATC)

Special Instructions

- Courses must be taken from a VMware Authorized Training Center (VATC)

¹⁶ Personal data collected by partners is stored by VMware to confirm participation in marketing activities for VMware products and service.

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Delivery of VMware Certification Training or VSP / VTSP Accreditation (VATC Only)

Delivery of VMware Certification Training or VSP / VTSP Bootcamp by an IHS approved VATC / Distributors to Partners or own employees. (Only for Bootcamps registered with VMware & training courses).

ROI	PoE Requirements ¹⁷	Business Courtesies Allowed	IHS Eligible	Ineligible Expenses
Number of students completing course	<ul style="list-style-type: none"> Third-party itemized invoice or In-House Service approved partner generated line item-invoice billed to VMware Training Attendee list with: Training Date(s), Company and Attendee Name (First and Last), Attendee email, VMware course title / description Certificate / Document showing successful course completion date for each training attendee If hosting an in-person event, the partner must provide the completed VMware DF In-Person Event Form on the PA If sponsorship is for an in-person event, the partner must provide the following to support the claim: <ul style="list-style-type: none"> name & address of attorney who reviewed the Event Liability Waiver/Release form or Event Participation Acknowledgment, with confirmation that counsel is licensed to practice law in the country where the event was held; and blank copy of the form Event Liability Waiver/Release or Event Participation Acknowledgment completed by all attendees that meets the requirements listed in the VMware DF In-Person Event Form; and Note: If partner is submitting an Event Participation Acknowledgment, partner must also submit a letter from partner's legal counsel (who is licensed to practice law in the country where the event was held) on counsel's letterhead stating that an Event Liability Waiver/Release would not be enforceable in the country where the Event was held; and proof of virtual event being run in parallel with the in-person event, if the event is for 25 attendees or more (i.e., invite or agenda mentioning virtual version and how to participate virtually, whether or not any attendees used the virtual option). 	No	Yes	<ul style="list-style-type: none"> Travel and Lodging Expenses Personal Incidental Expenses Partner Operating Expenses and Facilities (Infrastructure) VMware-delivered training / Learning credits or certification exam vouchers EDU certification or training course purchased directly from VMware to include VMware Learning Zone, On-Demand Training, VMware Enterprise Learning Zone Subscriptions (ELS), VMware IT Academy Courses

Examples of Eligible Expenses

- Required course materials (i.e. certification study guides)
- Classroom training delivery expenses (In-House Service eligible VATC / Distributor Partners only)
- Completed VMware education certification training courses or VSP / VTSP Bootcamps delivered by an IHS Dist / VMware Authorized Training Center (VATC). Available eligible courses can be seen [here](#)
- Certification course or VSP / VTSP Bootcamp classroom training expenses

Special Instructions

- Courses must be delivered by an IHS Dist / VMware Authorized Training Center (VATC) to a partner or their own employees
- APJ - Reseller Partner VMware Educational Reseller Partner (VERP) is not eligible for DF reimbursement
- Must register VSP / VTSP Bootcamp with VMware to be reimbursed
- Bootcamp VSP / VTSP accreditations will be verified by VMware
- VMware will not pay for incomplete VSP / VTSP accreditations
- In-person events may be held but must follow the requirements listed in the [VMware DF In-Person Event Form](#) on the PA and provide the in-person event PoE listed above or the Claim will be denied, no exceptions.
- The name and address of the attorney for in-person events should be for an attorney who is licensed for the country that the event was held: (e.g. for an event held in Chicago, IL, USA, then the attorney may be any attorney licensed to practice law anywhere in the USA).

¹⁷ Personal data collected by partners is stored by VMware to confirm participation in marketing activities for VMware products and service.

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VMware Funded Professionals (vFP)

VMware Funded Professional Program is designed to drive focus and dedication at the partner level to drive strategic initiatives while ensuring that priorities are in alignment with both companies. A separate vFP contract addendum (vFP Addendum) is required. For more information refer to the [vFP Partner Program Guide](#).

ROI	PoE Requirements ¹⁸	Business Courtesies Allowed	IHS Eligible	Ineligible Expenses
<ul style="list-style-type: none"> Quarterly vFP goals 	<ul style="list-style-type: none"> Partner Invoice or document to include the vFP Addendum # within the period which is being claimed (i.e. vFP Sales Role #12345; May – July 2020) VMware produced vFP quarterly performance metric attainment report (KPIs) 	Yes	No	<ul style="list-style-type: none"> Any expense incurred by vFP outside of what may be specifically defined in the vFP Addendum

Examples of Eligible Expenses

- For additional details, refer to the vFP Partner Program Guide

Special Instructions

- Partner must pay the vFP and VMware will reimburse the partner entity contractually authorized by VMware.
- A “Business Justification Form” will need to be completed with standard business metrics, standard role type defined, term, and funding type to request a vFP Addendum or renew a vFP Addendum. For more information, contact your VMware Partner Representative or refer to the [vFP Partner Program Guide](#). To gain access to the Business Justification Form contact your VMware Partner Representative.
- Quarterly vFP metrics, goals, and measurable targets (ROI) will vary by vFP role. KPIs and ROI must be documented and submitted quarterly in an attainment report as PoE.

¹⁸ Personal data collected by partners is stored by VMware to confirm participation in marketing activities for VMware products and service.

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Big Bet Acceleration Resources (Big Bets Partners Only)

Big Bets Acceleration Resources activity allows VMware Big Bets partners to accelerate the development and outcomes of their VMware solution practice with VMware-dedicated personnel funded by the VMware Big Bets budget.

KPIs	PoE Requirements ¹⁹	Business Courtesies Allowed	IHS Eligible	Ineligible Expenses
Estimated VMware pipeline	<ul style="list-style-type: none"> VMware-Approved Big Bet Plan for the Quarter with specific \$ amount, # of positions funded, roles as budgeted for Big Bet Acceleration Resources. Document showing the List of Names, Job Titles of the persons, dates employed, and loaded cost per claim* 	No	No	<ul style="list-style-type: none"> <i>Gift cards / Gift vouchers, Non-VMware Logo Giveaways, Raffles/Contests/Lucky Draws, promotional items</i> <i>Partner Operating Expenses and Facilities (Infrastructure)</i> <i>Travel and Lodging Expenses</i> <i>Personal Incidental Expenses</i>

Examples of Eligible Expenses

- Salary, payroll taxes, and benefits paid by BB partner for each part-time and full-time equivalent

Examples of Eligible Expenses

- VMware Pre-sales Product Specialists
- VMware Post-sales Product Specialists
- Training Specialists
- Business Development Manager
- Solution Architect
- Program Manager
- Marketing Manager

Special Instructions

- Although this is human capital, this is not a vFP so they will not require a person-by-person contract addendum and specific KPIs for each individual.
- The Big Bets Seed Fund templates need to be used when preparing the Big Bets Plan. Partner can access the template [here](#).
- Partner will need to upload the template titled “Big Bet Acceleration Resources Template - Plan” to partner’s PA request.

¹⁹ Personal data collected by partners is stored by VMware to confirm participation in marketing activities for VMware products and service.

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Sales Incentives

Sales Incentives reward partners for achieving negotiated goals for the defined quarter. Requires acceptance of VMware approved “Program Offer” letter agreement with legal Terms & Conditions by submitting a PA in the Partner Rewards Portal to participate. Sale incentives timeframes are limited to one quarter each and must align to funding periods.

KPIs	PoE Requirements	Business Courtesies Allowed	IHS Eligible	Ineligible Expenses
Estimated VMware pipeline	<ul style="list-style-type: none"> Sales Incentive Program Offer letter agreement (inclusive of T&Cs) <ul style="list-style-type: none"> Promotion period (quarter, year or specified start / end dates) Reward structure: goals / objectives and payout amount for goal attainment Incentive / Program name Results reporting provided by VMware Partner Representative showing goal attainment and payout amount VMware-authored Partner Incentive Attainment email / document. Must include: <ul style="list-style-type: none"> Incentive name, milestone (if applicable), claiming partner company name / PID#, final award payment (\$) amount and partner achievement against specified goals as indicated in the incentive rules (T&Cs) 	No	No	<ul style="list-style-type: none"> Gift cards / Gift vouchers, Non-VMware Logo Giveaways, Raffles/Contests/Lucky Draws, promotional items Partner Operating Expenses and Facilities (Infrastructure)

Examples of Eligible Expenses

- In quarter pay for performance activity-based incentives that include KPIs (Targets, Activities, Deliverables). Ex. IGNITE, Value Velocity (APJ), Pilots, Proof of Concepts, Demos, VMware Assessments

Special Instructions

- Sales Incentive Program Offers that have not obtained pre-approval from Development Fund Programs are not eligible for reimbursement.
- Partners must meet eligibility criteria as defined in the Program Offer letter agreement; Program Offer must comply with letter agreement Terms & Conditions, VMware Sales Incentive policies, and local and international laws.
- Objectives / Activities must align to Development Funds quarterly lifespans; activities must align to the Incentive Program Start / End Dates in the approved T&Cs; and the activity must take place within the lifespan of the quarter in which the partner received funding.
- VMware will not pay any Third-party vendor on behalf of a partner. Partners are liable for any taxes incurred.
- The Incentive Program should always be established directly with the partner entity authorized by VMware, not partner’s employees.
- Partner is required to attach the approved Program Offer letter agreement (and its T&Cs) to the PA activity request.

Business Courtesies and Ethics & Compliance Review Process

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General

VMware will only reimburse partners for activities in compliance with the VMware Development Fund policies and requirements set forth in this document. Partners are expected to have internal processes and controls that are designed and executed in a manner that ensures their compliance with a) these policies and requirements and b) all applicable laws and regulations.

Ethics & Compliance – Review & Approval

The review and approval of VMware Ethics & Compliance is required for those activities where Business Courtesies are being provided to a) employees of Public Sector entities or Government Owned Entities (GOE) and, b) the proposed aggregate per person value of the Business Courtesies are \$100 USD or more. Notwithstanding the foregoing stated threshold, VMware will not approve activities where the proposed aggregate per person value of the Business Courtesies exceeds the limits set forth in the applicable federal, state or local laws and regulations. To ensure full transparency, VMware may request submission of complete records with activity details, including information regarding all Business Courtesies associated with the activity, including those funded via means other than VMware’s MDF funds.

Ethics & Compliance – Information Submission & Requirements:

- 1 | Where VMware Ethics & Compliance review and approval is required, additional information must be provided to facilitate the review process, example questions on page 33 This information – listed below on page 33 - should be provided **at least two weeks prior to the start of an activity.**
- 2 | Upon partner’s submission of the information, via completion of the [form on Partner Connect](#), VMware Ethics & Compliance will review the proposed activity. As part of the review, VMware may contact a partner representative. Ethics & Compliances approval should be uploaded to your PA.
- 3 | Your VMware Partner Representative will notify you, when your activity and the PA has been approved. At that time, the activity can be executed. A partner should never start an activity before the PA is fully approved, including the approval from VMware Ethics & Compliance where applicable. If the activity is started before being fully approved, the claim will be denied.

Definition of Business Courtesies:

Business Courtesies which need to be considered when assessing the aggregate value of amenities provided to an individual encompass “anything of value”. VMware defines “anything of value” as follows: Any form of benefit or advantage, whether financial in nature, including but not limited to: (i) cash equivalents, discounts, loans, gift cards, gifts, transportation (EBC visits only), meals, lodging (EBC visits only), entertainment, tickets; (ii) a job or a future job; (iii) business opportunities; and (iv) services, contracts, scholarships or internships, or a contribution to a charity named by an official. Note: cash and gift cards are never permitted.

E&C Approval Questions

Below are examples questions to prepare answers for when submitting for VMware E&C approval.

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Partner Information:

Contact Information	
Partner Name:	
Partner Contact Name:	
Partner Contact Email Address:	

Activity Information Template:

Questions	Answer Choices
What is the name/nature of the Activity	
Date(s) of Activity	
Is the activity an event or sponsorship?	Event or Sponsorship
Where is the Activity happening?	
	North America
	Latin America
	Europe, Middle East and Africa
	Asia
In which location? Country(s)	
What type of customer will be included in the Activity? <i>(insert 'x' for type of attendee)</i>	Non-US Public Sector/Government Owned Entities (GOE) U.S. Public Sector/Government Owned Entities (GOE) (select all that apply)
** Attach a spreadsheet or list of customers who will be included.	- U.S. Federal Govt - State and Local Govt/Healthcare - K-12 public and private schools and all libraries Commercial customers
Anything you can tell us right now about the event's focus and industry or sector that will be invited?	
Will more than 20% of the attendees be from Public Sector/Government Owned Entities (GOE)?	Yes No
Will spouses, partners, or guests be invited if the activity is an event?	Yes No
Provide a brief description of the Activity and its purpose.	
Tell us about the Activity, choose all that apply. <i>(insert 'x' for event activity)</i>	VMware products and services will be highlighted VMware and partners logo/branding will be displayed The event agenda is no more than 25% leisure (and at least 75% business)
For events only: describe agenda or include as attachment. Please make sure it includes dates, times, venue, and enough detail for us to understand your plans.	
What is the registration process? <i>(choose all that apply)</i>	Register via URL/website Register via email Register via partner employee No registration process
How are people selected to receive an invite to the event? <i>(choose all that apply)</i>	Partner nominates/selects VMware nominates/selects It's open to anyone or in any industry
How is the Activity funded?	Development Funds Mix of Development Funds and partner funds Other
How will funds be used (venue rental, audio visual equipment, fees, etc.)? For sponsorships, please specify the items received from the sponsorship fee (booth space, passes to the event, raffle item, speaker opportunity, table for VIP reception, etc.)	
Which of the following items will be offered to attendees? Include the per person value in USD for each.	
Meal (value of \$xx per person)	Describe the Meal (breakfast, lunch, reception, etc.)
Gift (value of \$xx per person)	What do you want to give? (passes, raffle items, etc.)
Entertainment (value of \$xx per person)	Describe the activity
Lodging (value of \$xx per person) EBC visits only	Hotel name
Transportation (value of \$xx per person) EBC visits only	Describe transportation (airfare, taxi, etc.)
Total per person value of all items offered	\$ total value \$xx per person
Are you aware of any pending business dealings, RFPs or other outstanding opportunities with any invitees?	Yes No I don't know
Please include any other pertinent information for us to consider.	

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VMware has a dedicated team of specialists around the world to support the Development Funds Program.

VMware's goal is to respond to inquiries and resolve issues as quickly as possible. Our goal is to respond to inquiries within 24 hours of receipt and resolve issues within three business days. Although we strive to meet or exceed this level of service for every inquiry, there may be instances where we will be unable to meet those timelines.

All Development Funds Inquiries may be submitted by via
email to Partnerconnect@vmware.com

Program T&C's

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1. Program Overview

These Development Funds Program Terms & Conditions (Terms) govern the VMware Development Funds Program (this “Program”, a VMware Incentive Partner Program) which reimburses VMware partners for all or part of the approved costs that a partner has incurred, or awards payment to partners for attaining goals as part of a Pay-for-Performance activity, up to the amount of VMware’s allocated Development Funds for the Demand Generation, Enablement, Funded Professionals, and Sales Incentives Activities as described in the then-current VMware Development Funds Guide (DF Program Guide).

- a. Partners under this Program are contracting with (a) VMware Inc. for Development Funds, which is undertaken in the U.S. and (b) VMware International Unlimited Company for Development Funds activities outside U.S. jurisdiction
- b. For initially capitalized terms used but not defined at first use in these Term or in the “Definitions” section below, please refer to the discussion of defined terms in the introductory paragraph of the DF Program Guide.
- c. Program Period: This Program will remain in effect unless and until VMware notifies participating partners of any suspension, cancellation or withdrawal of this Program shall remain in effect unless and until VMware notifies participating partners of any suspension or withdrawal of this Program, or any earlier (Program Period).
- d. This Program is subject to the requirements listed in the DF Program Guide. In case of a conflict between these Terms and the terms of the DF Program Guide, these Terms shall supersede and govern.

2. Partner Eligibility

- a. To be eligible for Development Funds a partner must meet the following criteria (eligibility does not guarantee funding):
 1. Be in *Good Standing*;
 2. have gone through VMware’s *Partner Due Diligence* process and be approved by VMware Partner Compliance prior to participation in this Program;
 3. be a *Transacting Partner* with VMware;
 4. achieved one of the following approved eligibility partner levels / types (as more fully described in the Partner Connect Program Guide and documentation referenced therein):
 - i. Advanced or Principal tier in Partner Connect, if you are participating in the VMware “Ignite Program”, in which case then partner can be at the “Partner”, “Advanced” or “Principal” tier;
 - ii. Authorized VMware Distributor;
 - iii. Authorized VMware Aggregator; or
 - iv. VMware Authorized Training Center (VATC);
 5. if partner is accessing any of the below DF funds, the following additional eligibility criteria apply:
 - i. **Cloud Provider Fund:** Be at the Advanced or Principal tier in the Partner Connect Cloud Provider track
 - ii. **Ignite Fund:** Must be actively enrolled in the Ignite Program
 - iii. **Renewals Fund:** Have a minimum of \$2M USD in incumbent Support & Subscription Services (SnS) in the incentive quarter
 - iv. **Project Market Maker Fund:** Have a signed Appliance Amendment to an existing OEM Contract with VMware. A 50% co-investment is required to participate if the partner meets the FY21 market launch requirement

Note: EMEA partners that are participating in the EMEA Two-tier Development Funds Execution Model will have access to Development Funds through their distributor or aggregator. Restrictions apply for partners accessing Development Funds through their distributor or aggregator. As a partner who is eligible to receive Development Funds, partner may consult partner’s distributor on how certain activities may be reimbursable through the distributor’s own access to the Partner Rewards Portal.

Note: Receiving Prior Approval (PA) by VMware in the Partner Rewards Portal before an activity can start and meeting all Proof-Of-Execution (PoE) requirements remains mandatory (a PoE will be provided to partner’s distributor for claiming to VMware).

Program T&C's Continued

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- b. To be eligible for Contractual Funds, a partner must meet the following criteria (eligibility does not guarantee funding):
 1. be in *Good Standing* throughout the Program Period (defined in the DF Program Guide) to participate in this Program. A partner who is not in *Good Standing* will not be eligible to participate in this Program;
 2. have gone through VMware's *Partner Due Diligence* process and be approved by VMware Partner Compliance prior to participation in this Program; and
 3. have a Contractual Funds commitment as part of its contractual agreement with VMware.

3. Partner Requirements

- a. Partner must be eligible for Development Funds as per the eligibility criteria listed in section 2 of these Terms.
- b. To gain access to Development Funds a partner must email partnerconnect@vmware.com and ask to be enabled on the Partner Rewards Portal.
- c. Once enabled, partners are required to create Prior Approvals in order to obtain VMware approval to execute DF eligible activities. A Prior Approval must be created at least seven days before the activity start date and the proposed activity cost cannot be below \$500 USD. VMware approval is required before a partner can execute any activity documented in the DF Program Guide
- d. Costs associated with activities undertaken without an approved Prior Approval will NOT be reimbursed. PAs must be approved prior to execution and the PA start date needs to be after the PA approval date.
- e. When using In-house Services, a partner must follow the costs listed in the *Fair Market Value Matrix*. If costs are exceeded, VMware cap reimbursement at the maximum FMV amount.
- f. For all marketing activities, partners must adhere to the *VMware Branding Guidelines*. Use of the VMware logo or branding (VMware promotional merchandise, for example) must first be reviewed and approved by partner's VMware Partner Representative prior to final production to confirm the logo is used in accordance with *VMware Branding Guidelines*.
- g. A partner can edit a PA at any point prior to submitting a claim. However, if a PA is edited it will re-route for review and the new approval date will be used when determining if the claim can be paid out as activities must be approved by VMware before the partner starts the activity.
- h. Activities, Prior Approvals, and Claims must be submitted / completed during the corresponding fund life.
- i. If a partner chooses to provide Business Courtesies such as gifts, food, entertainment then partner must complete the Partner Activity Business Courtesies Form, if the total amount being given out is greater than \$100 USD per person.
- j. Once an activity is completed, a partner must submit a claim in order to be reimbursed.
- k. Partners may claim funds at any time throughout the funding period. All required PoE must be submitted with the claim, as a claim can only be submitted once by a partner. If all PoE is not provided, then the claim will be audited based on what is provided and actioned on accordingly.
- l. The required PoE must accompany claims for reimbursement. Claims must be for at least \$500 USD and submitted and approved within 60 days after the Activity End Date as PAs expire 60 days after the Activity End Date and cannot be claimed thereafter.
- m. The partner submitting the claim must be listed as the Bill-to Party on Third-party invoices or the claiming partner must be an approved In-House Services partner by VMware to submit partner's own invoice for IHS eligible activities listed in the DF guide and subject to the maximum costs listed in the *Fair Market Value Matrix*.
- n. Funds expire if the PA is not claimed or the claim is not validated, prior to the PA expiration date. If a claim is not submitted within 60 days after the Activity End Date, with all required documentation, the PA will automatically close and NOT be paid.
- o. The final eligible reimbursable amount will be documented in the approved PA request. VMware will not pay more than the reimbursable amount listed on the approved PA. If the PoE submitted is less than the approved PA or claim amount, the claim will be paid out at the lesser amount.
- p. Once submitted, the PoE will be reviewed by the audit team, and if approved, will be reimbursed via the payment method specified by the partner in the Partner Rewards Portal.

Program T&C's Continued

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- q. A partner will have access to Development Funds during VMware's fiscal year from the date they are enabled on the Partner Rewards Portal. Eligibility requirements will be verified by VMware at the start of every VMware fiscal year, based on partner's current standing. For Transacting Partners, the \$10,000 USD transaction requirement will be evaluated based on the preceding 12 months. If a partner requests DF access, at any point after the beginning of the fiscal year, then for eligibility purposes VMware will evaluate the partner based on the preceding 12 months from the request date.

4. Partner Benefits

Partner will be reimbursed for eligible activities as mentioned in the DF Program Guide. Partner will receive reimbursement within 30 business days after partner's claim is approved via the payment method provided in partner's Partner Rewards Portal

5. Payments

- a. Development Funds activities will be reimbursed, or payment awarded upon approved claim submission with required supporting PoE. Failure to meet the criteria of each activity will result in denied claims for reimbursement.
- b. A claim being raised by one partner cannot be split and paid out to multiple entities. The partner that raises the claim is the partner that receives Development Funds. If more than one distributor participates in an activity, a PA must be raised by each distributor splitting the total cost.
- c. Funding for Eligible Activities as listed in the DF Program Guide is not guaranteed and is subject to approval by partner's VMware Partner Representative and needs to be an approved PA prior to execution and invoicing.
- d. Partners are required to maintain current banking details in the Partner Rewards Portal in order to receive Development Funds payments. It is the responsibility of a partner to ensure their banking details are current and accurate.
- e. If a partner's financial institution rejects a payment, the payment will be voided and re-issued minus any charges assessed to VMware by either VMware's or partner's associated financial institutions.
- f. VMware will not directly reimburse any Third-party vendor on behalf of a partner. This is the sole responsibility of the partner.
- g. Partners who have debit balances with VMware may not 'Deduct from Invoice' any Development Funds owed to the partner.
- h. Common Fund Partners: The final eligible reimbursable claim amount will be reflected in the approved Prior Approval request.
- i. Contractual Fund Partners: Invoices should be raised to the applicable VMware entity (VMware Inc. for U.S. based matters or VMware International Unlimited Company for non-U.S. based matters).

U.S. Jurisdiction Address:
VMware, Inc.
Attn: Accounts Payable
P.O. Box 51980
Palo Alto, CA 94304

Non-U.S. Jurisdiction Address:
VMware International Unlimited Company
Attn: Accounts Payable
Parnell House, Barrack Square
Ballincollig, Co. Cork, Ireland

- j. Privacy Notice: For certain activities funded through VMware Development Funds Program as part of the claiming process and PoE documentation requirements, partners may be required to provide customer or employee contact names, email addresses or other similar information which is considered personally identifiable information. VMware will only use the information submitted via the secure Partner Rewards Portal, or by other partner PoE claim submission methods, to verify attendance or participation in activities funded through this Program. Such information will not be used by VMware for direct sales or marketing efforts unless VMware has obtained partner's prior approval or unless such information has been obtained by VMware from another source.
- k. Partner's failure to provide the requisite information as part of the PoE process may result in a denial of payment for a Development Fund claim
- l. Foreign Exchange (FX) Losses: For partners who transact in currencies other than USD, VMware calculates claim reimbursement using the appropriate currency rate as published in the Partner Rewards Portal platform in Partner Connect at time of claim. (Partners are required to calculate expected activity costs using the current VMware published foreign exchange (FX) rate provided in Partner Rewards platform in Partner Connect, located in the right-hand column on step 2 of a PA form titled "Currency Converter Tool".)
- m. VMware reserves the right to audit payments and program records and verify partner's compliance with this Program and these T&Cs.

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- n. VMware reserves the right to reclaim erroneous payments made to partner, including those caused by incorrect claims and overpayments. If VMware finds an overpayment under this Program, VMware will notify partner, setting forth in reasonable detail the amount and actions to be taken to recover the overpayment. VMware may, among other remedies, require immediate repayment or apply any overpayment against future incentive program benefit amounts, credits or refunds due partner under this Program until the overpayment is recovered in full, provided that if the overpayment remains outstanding after 30 days after notice VMware may require immediate repayment. When doing so, VMware will issue a notice and debit memo/invoice to partner for the outstanding amount due and provide payment instructions. This notice will advise when payment is due and any grace period before late payment interest starts to accrue daily on unpaid past due amounts at the lesser of a monthly rate of 1.5% or the highest rate permitted by applicable law, until paid in full. All amounts payable are due in US dollars, unless otherwise stated in VMware's debit memo/invoice. If partner, in good faith, disputes amounts due, partner's exclusive remedy is to request adjustment by providing VMware written notice of the dispute, no later than ten (10) days after receipt of VMware's notice, with partner's notice specifying the reasons for such dispute, and the parties shall negotiate in good faith to resolve the dispute as soon as reasonably practicable, but no later than thirty (30) days after the date of VMware's notice. Any charges not disputed by partner within such 10-day period will be deemed conclusively accepted by partner. Partner is responsible for any fees and costs (including reasonable attorneys' fees, court costs and collection agency fees) incurred by VMware in enforcing collection of fees.
- o. In the event of any calculation/payment dispute, VMware's decisions are final and binding.

6. Ethics and Compliance

- a. VMware has instituted a partner compliance policy and set of procedures that partner must adhere to during the term of its program membership, including a requirement to reaffirm its commitment to ethical business practices at least once every three years (the "VMware Partner Compliance Program"). This initiative is designed to ensure compliance with all laws and regulations which govern business conduct including but not limited to U.S. Export Control Laws, the U.S. Foreign Corrupt Practices Act ("FCPA"), and local anti-bribery and anti-corruption statutes. The VMware Partner Compliance Program is described and detailed within the following Partner Connect page <https://vmstarcommunity.force.com/partnerconnect/s/partnercompliance>.
- b. Partner and its employees engaged in this Program shall at all times comply with the then-current "VMware Partner Code of Conduct" (meaning VMware's policy applicable to VMware partners addressing business practices and conduct requirements as updated from time to time and posted on Partner Connect; the current version effective as of July 1, 2018 is also available at: <https://vmstarcommunity.force.com/partnerconnect/s/partnercompliance>.)
- c. Partner shall complete the "VMware Partner Ethics & Compliance Training" module every two years (a 40-minute self-paced web-based training) available at <https://partneruniversity.vmware.com/oltpublish/site/program.do?dispatch=showProgramSession&id=c10dea4e-5b35-11ea-9f48-0cc47adeb5f8> and achieve a passing score on the related assessment test.
- d. Partner's compliance with the above sections a-c of this section and partner's participation in the VMware partner vetting process, including VMware's confirmation of partner's compliance with all applicable elements of the VMware Partner Compliance Program, constitutes the VMware "Partner Integrity" requirements (as more fully described at: <https://vmstarcommunity.force.com/partnerconnect/s/partnercompliance>).
- e. Prior to offering anything of value to prospective and current customers, business partners or other Third parties, the incentive program funds recipient must ensure its compliance with applicable laws, VMware partner policies and/or contractual limitations that may prohibit the acceptance of Business Courtesies. Most employees of Public Sector entities are not permitted by law or internal policy to accept any gifts or courtesies. Many private/commercial/Government Owned Entities (GOE) also have similar restrictions.
- f. With respect to all personally identifiable information that it collects from customers and prospective customers, partners should understand and follow all applicable privacy laws and regulations. VMware expects that a partner will have a posted privacy policy that governs treatment of such information and is followed by partner, honor any opt-out requests in accordance with applicable law, and contact customers and prospective customers in accordance with applicable law.
- g. Any information shared with VMware will be used pursuant to the VMware privacy notice: <https://www.vmware.com/au/help/privacy.html>

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7. Suspension & Termination

- a. If a partner commits a "breach" by not being in Good Standing, or failing to comply with these T&Cs or those applicable to use of Sales Rewards in any separate VMware Partner Incentive Program T&Cs (Breach), the parties' applicable partner agreement, or any separate agreement or documentation governing an event or activity, then VMware, at its option and discretion, may take one or more of the following actions:
 1. suspend or revoke the award of funding to partner under the applicable program/event/activity until the partner cures the default (note that a suspension will not toll the timeframe or period in which partner must claim funding);
 2. reclaim any incorrect claims paid and the costs of an audit;
 3. exclude the partner from this Program;
 4. exclude the partner from Partner Connect or other applicable programs; or
 5. pursue any other remedy available under the partner agreement or applicable law against such partner.
- b. VMware will provide a partner with notice of breach and the applicable consequences of such breach (e.g. suspension / revocation / reclamation / termination, etc.) via the Partner Connect Portal and/or the Partner Rewards Portal.
- c. A partner may be terminated from this Program and applicable Promotions by VMware on 30 calendar days' notice if partner breaches these T&Cs and the breach is not remedied within such 30-day notice period.
- d. VMware may amend or withdraw this Program in full or in part at any time. Any notice, if applicable, will be by email to the address submitted on partner's registration for this Program. VMware will not be liable if a partner does not receive or see any such email notice. It is the partner's responsibility to ensure that partner has provided and regularly checks the correct email address. In addition, any notice of early termination of this Program will be published on the Partner Rewards Portal.

8. Additional Terms

- a. Partner's participation in this Program is subject to these Terms. Program benefits are subject to change at the sole discretion of VMware and may be updated periodically.
- b. Partners under this Program are contracting with (a) VMware Inc. for Development Funds, which is undertaken in the U.S. and (b) VMware International Unlimited Company for Development Funds activities outside U.S. jurisdiction
- c. VMware's decisions with respect to eligibility for, and the amount of, benefits are at VMware's sole discretion. All such decisions are final.
- d. This Program is for the Program Period indicated only and implies no guarantee of offers in subsequent periods.
- e. VMware assumes no responsibility for errors, defects, deletion, interruption, omission, or delay in operation or transmission due to communication line failure, theft, or destruction to or unauthorized alteration of the reports or any electronically transmitted information in advancement of an incentive program.
- f. There may be tax consequences that result from participation in this Program. Partner is responsible for ensuring that any taxes arising from participation in this Program are reported and paid to the appropriate tax authority.
- g. VMware reserves the right to decline, terminate, and/or restrict this Program for any reason and at any time without prior notice.
- h. These Terms are VMware Confidential information, made available only to Eligible Partners for their internal use only. Any unauthorized disclosure by partner to a Third-party shall be a violation of these Terms and breach of partner's VMware partner agreement.
- i. No warranties of any kind are made by VMware in connection with this Program. To the maximum extent permitted by applicable law, VMware disclaims any implied warranties, including, without limitation, any implied warranties of merchantability and fitness for a particular purpose. In no event will VMware be liable for any consequential, incidental, special, or indirect damages hereunder. VMware's aggregate liability to a given participant hereunder shall be limited to the value of the actual benefits issued, if any, to partner during this Program. The foregoing limitations shall apply to the maximum extent permitted by applicable law, regardless of whether VMware has been advised of the possibility of such damages and regardless of whether any remedy fails of its essential purpose. Offer void where prohibited.
- j. Partner certifies that:
 1. Receipt of the incentives identified under this Program will not cause partner to fail to comply with any applicable law, regulation, or contract term;

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2. Partner will disclose its receipt of the incentive as required to comply with applicable law, regulation, or contract; and
 3. Partner will pass such incentive to its customer if required by applicable law, regulation, or contract.
- k. By participating in this Program, partner agrees to comply with applicable laws, regulations, and contract terms relating to any Public Sector business/Government Owned Entities (GOE), and shall use best practices and processes to ensure its compliance with such requirements, including:
1. disclosing pricing, discounts, and rewards available to partner under this Program if required by applicable law, regulation, or customer contract/subcontract terms; and
 2. proper invoicing and payment activities under its Public Sector/Government Owned Entities (GOE) contracts related to this Program.
- l. Partner shall avoid any improper activity or any activity for which receipt of benefits under this Program might be considered improper.
- m. Partner shall indemnify, defend, and hold harmless VMware and its affiliates, officers, directors, and employees from any damages, claims, losses, costs, expenses (including reasonable attorney's fees), and other liabilities arising from partner's breach of these Terms.
- n. In no event will VMware (including its subsidiaries and affiliates, and their respective directors, officers, employees, contractors, vendors and agents) be liable to partner or any other party for any claim for loss, including without limitation, time, money, goodwill, any lost or damaged data (including, without limitation, the loss of or damage to any user content) and any consequential damages, which may arise from any activity partner is exercising using the funding or benefits of this Program or from partner's use or misuse of any benefits received hereunder, even if VMware has been advised of the possibility of such damages.
- o. Partner acknowledges that any activity or initiative or service that partner is involved in, or desires to participate or be engaged in, whether directly, or indirectly through Third-party subcontractors, shall be solely at partner's responsibility and partner shall, at its expense, defend, indemnify and hold VMware and its subsidiaries, affiliates, employees, officers, directors and agents ("indemnified persons"), harmless from and against all Third-party suits, claims, and liabilities, and all associated losses, costs, damages, and expenses, including attorney fees, costs, and expert fees as incurred, (each a "claim") arising out of or relating to:
1. any acts or omissions of any individuals, whether employees or independent contractors or subcontractors of partner in the course of or while exercising the activities, initiatives or service;
 2. any workplace injury, property damage or any other damage or any claim arising or connected to the activities, initiative or service brought against indemnified persons; or
 3. any claims or charges brought by any individuals, whether employees or independent contractors or Subcontractors of partner against indemnified persons.
- p. Partner further acknowledges and commits to obtain and maintain on its own expense any necessary insurance that will cover any risk associated or such that might derive from the activities, initiative or service, which is required by the nature of such activities, initiative or service or such that is required by law, by partner's policies and procedures or by custom. Such insurance policy shall be sufficient to cover any potential damage or liability and shall include a waiver of subrogation in favor of VMware and include VMware as an "Additional Insured" unless prohibited by applicable law. Lack of insurance coverage shall not reduce or limit partner's responsibility to indemnify and hold VMware harmless from and claim, damage, exposure or expense as detailed above. Any and all deductibles and premiums associated with any required insurance coverage shall be assumed by, for the account of and at the sole risk of, partner.
- q. Where partner's activities, initiatives or service exercised using Development Funds under these Terms will result in certain deliverables or work products ("Work Product"), such Work Product will be considered as specially ordered and commissioned by VMware, and VMware shall be vested with all rights, whether created by common law, statutory law or equity. Partner further agrees that such Work Product shall be considered as "works for hire" for copyright purposes, with all copyrights owned by VMware. To the extent that Work Product will not qualify as a "work for hire" under applicable law, and to the extent partner includes material subject to copyright, patent, trade secret, or other proprietary right protection, then partner shall be committed to irrevocably assign to VMware, its successors and assigns, all right, title and interest in and to the Work Product. Exempt from the above Work Product terms are customer lead lists paid for by a partner using Development Funds; ownership of such lists need not be granted or assigned to VMware, provided that a partner's reporting and POE obligations to VMware to prove up claims remain a partner claim obligation as per the Partner Rewards Portal and DF Program Guide requirements.
- r. VMware reserves the right to change program qualification, participation requirements and Eligible Activities as listed in the DF Program Guide from time to time. Partners should always refer to the DF Program Guide available in the Partner Connect Portal to reference the latest version.
- s. Any delay or omission by VMware in enforcing its rights under, or the fulfillment of any requirement contained in these Terms shall not be interpreted as a waiver of such right or requirement.

Glossary

- **After the Fact PA:** The activity was started and / or the partner incurred activity expenses prior to VMware systematic approval (PA create / approval) date recorded / entered in Partner Rewards Portal, or prior to the Purchase Requisition (PR) date on record with VMware. Activities or expenses incurred prior to VMware approval WILL BE DENIED.
- **Bill-to Party:** The person or company listed on an invoice or some other demand for payment as the party responsible for paying for a good or service.
- **Business Courtesies:** Business Courtesies, which need to be considered when assessing the aggregate value of amenities provided to an individual, encompass “anything of value”. VMware defines “anything of value” as follows: any form of benefit or advantage, whether financial in nature, including but not limited to: (i) cash equivalents, discounts, loans, gift cards, gifts, transportation (EBC visits only), meals, lodging (EBC visits only), entertainment, tickets; (ii) a job or a future job; (iii) business opportunities; and (iv) services, contracts, scholarships or internships, or a contribution to a charity named by an official. Note: cash and gift cards are never permitted.
- **Business Courtesies Spending Limits & Approvals:** If the value of an event rises above a nominal per person value (can vary with country & region) prior written approval must be obtained from VMware’s Ethics & Compliance (E&C) team. Contact partner’s VMware Partner Representative for assistance with E&C requirements.
- **Claim:** To be reimbursed for a DF eligible activity. A partner must submit a claim in the Partner Rewards Portal against an approved VMware Prior Approval.
- **Common Funds:** These funds are proposal based and allocated quarterly and requested by and may be distributed to an eligible partner who transacts with VMware. Common Funds are assigned by VMware based on strategic business and marketing plans. Prior to requesting funds, partners should be clear about the objective, purpose and goals of the proposed activity.
- **Commercial Sector:** Refers to any non-Public Sector entity, including consumers and privately owned and controlled entities, and / or its/ their employees.
- **Contractual Funds:** are accrued as stipulated for certain global alliance and business partners (“Global Business Partners and Alliances”) in their legacy master partner agreements (as amended to adopt the Partner Connect Agreement and referred to in this Guide as the parties’ “MSA”) and are to be spent to drive marketing activity that benefits overall joint global business opportunities and alliances. Accordingly, Contractual Funds develop marketing initiatives and sales campaigns that generate demand for both VMware and our Global Partners and Alliances.
- **Development Funds (DF) Eligible Partner:** VMware Transacting Partner eligible to receive DF Funds through partner’s “Partner Route to Market” tier & has bookings.
- **Development Funds (DF) Enabled Partner:** Partner is DF Eligible & has direct access to the Partner Rewards Portal with partner’s banking information on file to enable a direct payment to the partner entity for reimbursement of Development Funds eligible expenses.
- **DF:** Development Funds.
- **Entertainment Activities:** Invitation to any social event or similar entertainment or hospitality activity. Examples include, but are not limited to, golf outings, award ceremonies, theater, or tickets to a sporting event or concert. If the party providing the entertainment is not present when the entertainment takes place, then the activity characterized as a gift (for instance, tickets for a future event or round of golf which may be used at the recipient’s convenience). Activities must comply with VMware Business Courtesies Policy.
- **Fair Market Value (FMV):** Fair Market Value is detailed in the table providing the maximum costs VMware will pay for IHS eligible activities and components of those activities. These costs must be followed whenever an IHS eligible partner creates a PA where they will use and bill VMware for their in-house services. Please refer to the FMV table for the current cost maximums.
- **Fund Life:** Each fund has a specific lifespan. Partners must submit PAs, execute the activity, and submit the claim within the dates of the fund life. If all 3 are not completed during the fund life, the PA will expire, and the partner will not be reimbursed.
- **Good Standing:** refers to a Partner that in VMware’s judgment is in compliance with the terms of (i) all VMware channel partner agreements (including all related Program Guides – (e.g., Partner Connect Guide, Development Funds Program Guide, Distributor Program Guide, etc) and (ii) all requirements of the VMware “Partner Integrity” Program (e.g., cooperation in VMware’s due diligence processes and completion of ethics and compliance training requirements).

Glossary Cont'd

- **Government Owned Entities (GOE):** Government entities include government agencies, departments, branches, instrumentalities and public enterprises, whether national, regional, state, provincial, or local. As a general matter, VMware treats entities meeting the criteria below as Government Owned entities (GOE)/State Owned Enterprises (SOE):
 - i. government-owned or -controlled schools and universities, hospitals, utilities, port and airport authorities, pension and sovereign wealth funds, and other similar organizations;
 - ii. public international organizations, such as the United Nations, World Health Organization, The World Bank, and NATO;
 - iii. entities (consortiums) that procure under public procurement laws and regulation; OR
 - iv. any other entities, even those that are privately held or publicly traded, that are:
 - a. owned, (for example: Export-Import Bank of the U.S.);
 - b. controlled (i.e., the government has voting control, the ability to appoint officers or directors or the ability to control the entity's operations through regulations) (for example: U.S. Postal Services);
 - c. organized (for example: military academies, institutes and federally-sponsored and chartered universities); OR
 - d. sponsored (for example: Fannie Mae and Freddie Mac) by a government entity (i.e., quasi-government entities, state-owned enterprise or government official).

Notes: Local laws may impact the above criteria and GOE/SOE determination. VMware's sales designation doesn't determine GOE status

- **In-House Services:** In-house services (IHS) allow a partner to use partner's own internal marketing team for IHS approved activities. In order to use IHS, a partner must meet the In-house Services criteria and submit the In-house Services Application form, which will be provided by their VMware Representative upon request. Once approved by VMware to use In-house Services, the partner can create PAs and claim for IHS approved activities for the approved Partner ID.
- **KPIs:** Key Performance Indicators measure success of an activity or campaign.
- **Pass Through:** Payment to non-eligible partners or Third-party vendors are not a permitted use of Development Funds. Development Funds are reimbursable to the requesting party only and must not be forwarded to another Third-party or ineligible partner. Specifically, Development Fund activities must be delivered or performed by the vendor that the partner submits on the reimbursement claim (in other words, activities should not be performed by another person or entity listed on the claim submission, as such activity would constitute passing through funds.)
- **Partner Due Diligence:** The due diligence process includes a Due Diligence Questionnaire (DDQ) completed by the partner. VMware Partner Compliance reviews the DDQ submission and conducts additional diligence research during this process. It is the partner's responsibility to complete the DDQ promptly when requested and to respond to any follow-up questions posed by partner Compliance. Once the partner's due diligence is completed and approved, the partner is eligible to participate in X incentive program
- **Partner of Record:** The Partner of Record is partner who is credited as the Bill-to or reseller on a transaction
- **Partner Rewards Portal:** The Partner Rewards Portal is the tool partners will use to request approval and reimbursement for all Development Fund eligible activities.
- **Pay-For-Performance:** The Pay-for-Performance Development Fund Model incentivizes a partner's achievement of negotiated goals for the applicable Program Period (typically a program quarter). Pay-for-Performance Sales Incentives must comply with the DF Program Guide, the incentive's terms and conditions, and all applicable laws.
- **Program Period:** As defined above.
- **Pre-Funding:** Claims for pre-funding of activity costs will not be approved except for Third-party tradeshow and non-refundable event deposits. PAs for prefunded activities must be approved before the amount is due. Non-refundable event reservation expenses incurred may be claimed before the event date with proper PoE as indicated in the corresponding Program Activity details page of the DF Program Guide. Third-party event deposits cannot be claimed prior to the event unless the deposit is non-refundable and supported by proof of the event cancellation refund policy. Note: The funding time period can be from the quarter's budget in which the event takes place or the date the sponsorship or event deposit was paid.
- **Prior Approval (PA):** To receive DF funding for an activity a Prior Approval must be created. A Prior Approval is a form completed within the Partner Rewards Portal which specifies the details of the activity and the funding requested. A Prior Approval must be approved by before the activity can be started.

Glossary Cont'd

- **Proof of Execution (or PoE):** Documentation validating the activity took place and proof of expenses associated with the activity(is). Each activity has a different PoE requirement as listed on the applicable DF program guide page.
- **Public Sector:** A governmental entity, such as agencies, departments, branches, instrumentalities and public enterprises, whether international, national, regional, state, provincial, or local. As a general matter, VMware treats entities meeting the criteria below as Public Sector entities:
 - government-owned or -controlled schools and universities, hospitals, utilities, port and airport authorities, pension and sovereign wealth funds, and other similar organizations;
 - public international organizations, such as the United Nations, World Health Organization, The World Bank, and NATO;
 - entities (consortiums) that procure under public procurement laws and regulations
 - any other entities, even those that are privately held or publicly traded, that are:
 - owned, (for example: Export-Import Bank of the US);
 - controlled (i.e. the government has voting control, the ability to appoint officers or directors or the ability to control the entity's operations through regulations) (for example: Us Postal Services);
 - organized (for example: Military Academies, Institutes and Federally Sponsored and Chartered Universities); or
 - sponsored (for example Fannie Mae and Freddie Mac), by a government entity (e.g., quasi government entities, by a government entity (e.g., quasi-government entities, state owned enterprise or government official)

Note: further that local laws may impact the above criteria. VMware's sales designation doesn't determine GOE status

- **Quarterly life spans (Fund Life):** The time period that the Development Fund budget can remain active and available for use. Common funds are allocated quarterly (by VMware fiscal quarter time periods, or the Program Period, if different) and have a maximum fund life of 6 months (applicable to Common Funds; some Contractual Funds may differ). Funds reserved by an approved PA will have a fund life based on the PA Activity start & end date. Reserved funds expire 60 days after the activity end date, or 60 days after the Fund End Date, whichever comes first. Refer to VMware DF Funding Periods table on the Prior Approval Process page of the DF Program Guide for further information.
- **Reimbursement:** VMware reimburses partners for approved and eligible activity costs incurred by the partner, through the Partner Rewards Portal. Reimbursement is made based on the payment option specified by the partner in the Partner Rewards Portal. Funding for Eligible Activities in the DF Program Guide is not guaranteed and is subject to approval by partner's VMware Partner Representative.
- **Return on Investment (ROI):** Return on Investment is a performance measure used to evaluate the efficiency of an investment. For DF, activities are measured based on ROI performance as activities are expected to deliver a ROI greater than either party could achieve independently.
- **SEAK countries:** Singapore, Korea, Malaysia, Philippines, Indonesia, Thailand, Vietnam, Brunei, Laos and other countries under Nascent market (Pakistan, Cambodia, Bhutan, Nepal, Myanmar, Afghanistan, Maldives, Sri Lanka, Bangladesh).
- **SG&A expenses:** Selling, general, & administrative expenses incurred by a company to 1) promote, sell and deliver an entity's products and services, and 2) manage the overall entity, and. SG&A will appear as operating expenses. Examples include sales commissions, compensation of the company's officers, marketing, sales, finance office staffs, rent, utilities, supplies, computers, etc.
- **Sponsorship:** A customer or partner-facing marketing event intended to generate sales demand, managed by a partner, seeking VMware financial support as a "Sponsor." The sponsorship fee enables VMware to participate via branding, a booth / table presence, speaking session(s), customer dinner(s) or meeting room(s). The sponsored event will occur regardless of VMware's participation; it is not dependent on VMware sponsorship. See ineligible activity expenses for VMware sponsorship of a partner self-hosted event. [Note: events may not always be Sponsorships, and Sponsorships do not include jointly led field events.]
- **Third-party:** Refers to any entity other than the partner entity(ies) or VMware entity(ies). This includes, but is not limited to, current or prospective customers, vendors, agents, consultants, partners, resellers, suppliers, or distributors, other than the applicable partner.

Glossary Cont'd

- **Third-party invoice:** A Third-party invoice is an invoice submitted to a claiming partner who appears as the Bill-to Party on the invoice. It must be dated and, where possible, also include the date goods and services were rendered. The invoice must be itemized and contain a reasonable level of detail (brief description of goods / services, deliverable level pricing, and total cost) that accurately and fairly reflects the transaction to evidence performance by any Third-party for which the partner is seeking Development Funds reimbursement.
- **Transacting Partner:** A Development Funds eligible VMware Partner Connect Program partner that actively transacts bookings through the direct sale or resale of VMware products or services having at least one gross booking totaling \$10,000 USD with VMware in the previous rolling 12 months. Partner must be credited as the Partner of Record as either the Bill-to-Party or "reseller" associated with the sales transaction. Partner can be invested for any activities listed in the DF Guide unless otherwise stated.
- **VAT/ VAT invoice:** VAT is a Value-Added Tax, and a VAT invoice is a document issued setting out the details of a taxable supply and all related information as prescribed by VAT law. The information given on a VAT invoice is the basis for establishing a partner's VAT liability on the supply of goods or services. It also enables a partner's VAT registered customers to reclaim the VAT charged to them. VAT invoices are not an acceptable substitute in lieu of a final invoice to show PoE for expenses incurred and for which the partner is seeking reimbursement. Underlying taxes incurred by a partner are not eligible for reimbursement with Development Funds and should be excluded from the reimbursement claim.
- **VMware Authorized Training Center (VATC):** VMware Authorized Training Centers (VATCs) are training partners approved by VMware to deliver authorized VMware technical training to our customers and channel partners.
- **VMware Funded Professional (vFP):** A contracted VMware dedicated partner employee personnel engaged within partner's organization.
- **VSP & VTSP (Foundation) Training:** VMware Sales Professional (VSP) & VMware Technical Solutions Professional (VTSP) VMware product training courses, including VSP/VPSP Boot Camps, available at/on VMware's Partner University. Courses and course material are available free of charge from VMware. VSP / VTSP Boot Camp training may be delivered by VMware VSP / VTSP Bootcamp certified training partners under the Partner Sales Readiness Activity in the DF program guide. These are not VMware Certification Training Courses, which are "fee-based" training courses available from a VATC.

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