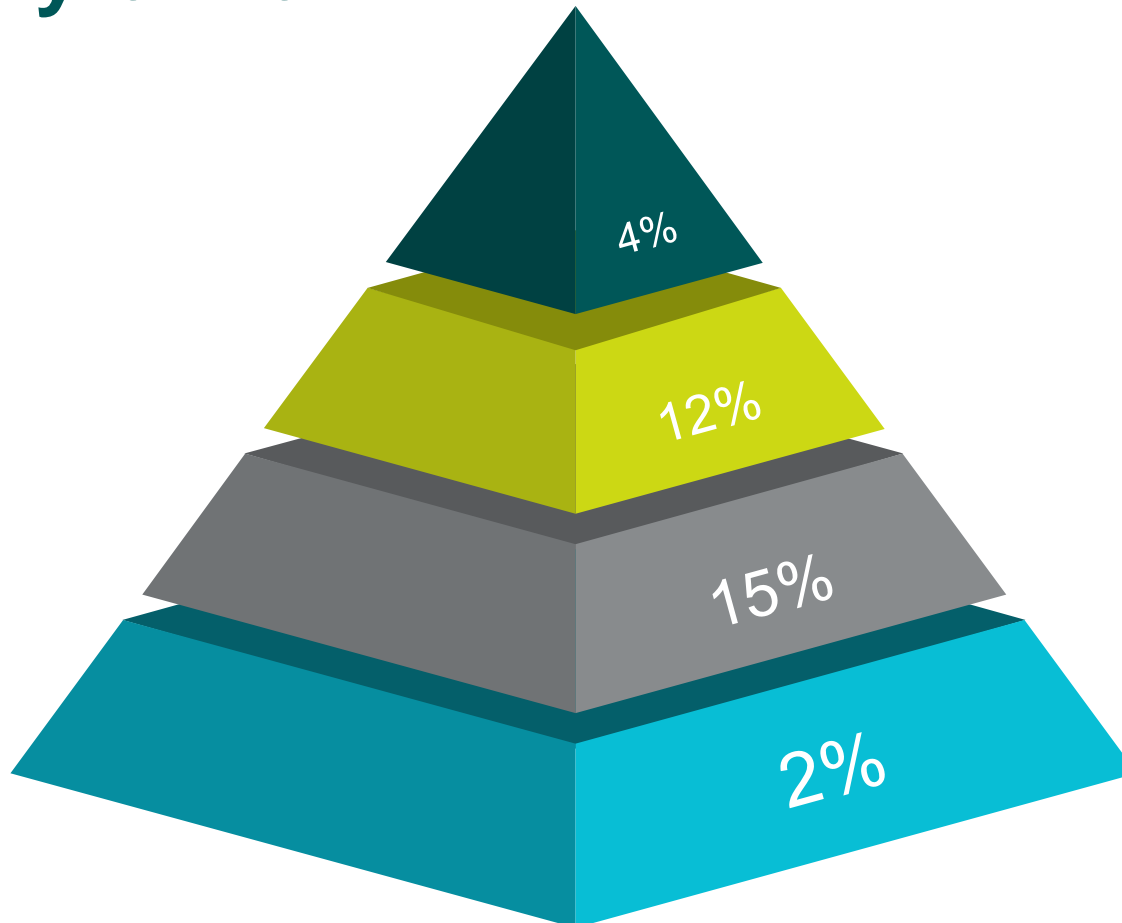




TD SYNEX & Microsoft Azure Profitability Play

Profitability Pyramid



43% Potential Margin

4%

MAICPP (BE)

With a MAICPP Designation in Infrastructure your business can capitalize on and extra 4%. Which is split 60/40 or 2.4% in revenue and 1.6% in Co-Op dollars.

12%

TD SYNnex (FE)

We offer 12 points on the front end through the CSP program given to us by Microsoft. This value is subject to change if Microsoft changes anything down the line.

15%

ACR Accelerate Program

The ACR accelerate program is built on driving an extra 15 points on new tenant business over a \$100 threshold. For 12months while having an MAICPP designation in Infrastructure. Only valid for 12 months.

2%

ACR Advanced Workload Kicker

Furthermore, you can make another 2% on dedicated advanced workloads such as AVD, Security.... Only valid for 12 months.

*With the potential to double dip in other programs

Engagement: Azure CSP motion incentives

ENGAGEMENT SUMMARY

Cloud Solution Providers providing billing and support as part of a partner-managed Azure experience for customers who purchase Azure services under a new Azure offer (offer plan) are recognized for incentives when transacting through a Partner Location ID meet all eligibility requirements for available engagement opportunities and applicable incentive enrollment requirements.

ENGAGEMENT TERM

October 1, 2023 – September 30, 2024

Partner Eligibility



Partner Agreement
Microsoft AI Cloud Partner Program Agreement



Partner Authorization
Microsoft CSP Indirect Reseller Channel Authorization
OR Microsoft CSP Direct Bill Partner Channel Authorization



Incentive Enrollment
Microsoft Commerce Incentives



Eligibility
One of the following Solutions Partner designations:
Solutions partner for Infrastructure (Azure)
Solutions partner for Data & AI (Azure)
Solutions partner for Digital & App Innovation (Azure)



Attained one of the following legacy competencies and purchased benefits package for one of the eligible competencies: Cloud Platform

Measure and Reward

Incentives for the new Azure offer (Azure plan) are calculated as a percentage of Azure consumption revenue. All payments made on a monthly cadence except for Azure CSP customer adds which is paid quarterly.

Incentive structure	CSP Direct Bill Partner	CSP Indirect Reseller	Maximum earning opportunity
Azure consumption CSP motion	4.00%	4.00%	\$75k USD ¹
Azure Reservation and Savings Plan Incentive (Includes ACR from Reserved Instance and Azure Savings Plan)	10.00%	10.00%	
Azure workload accelerator CSP²	2.00%	2.00%	\$25k USD ¹
Azure CSP customer add³	15.00%	15.00%	\$250k USD ⁴

1. Maximum Earning Opportunities at per engagement term, per partner, per subscription level

2. Eligible products within each workload can be found on [Azure workload accelerator CSP – Eligible products](#)

3. [Azure CSP customer add](#) calculated in addition to related MCI Azure CSP incentives and paid with 100% rebate earning type

4. [Azure CSP customer add](#) Maximum earning opportunity at per partner and per tenant for up to 12-month period

Licensing Agreement

Microsoft Customer Agreement

Partner Association

Transacting Partner of Record

Earning Type

Rebate or Indirect Rebate
(60% Rebate/40% Co-op³)

Product Eligibility

New Azure offer (Azure plan)

Azure Workload Accelerator CSP – Eligible products



The following Azure products are eligible to receive the Azure Workload Accelerator

For more information on the Azure services visit: [Directory of Azure products | Microsoft Azure](#)

Digital & App Innovation	Data & AI	Security	Infrastructure
API Management	Azure Data Factory v2	Advanced Data Security	Azure NetApp Files
Azure Spring Apps (Cloud)	Azure Data Explorer	Advanced Threat Protection	Azure Site Recovery
Azure Container Apps	Azure Data Factory	Azure Defender	Specialized Compute
Azure App Service	Azure Cognitive Search	Azure IoT Security	
Logic Apps	Cognitive Services	Security Center	
Functions	Azure Synapse Analytics (*Fabric)	Sentinel	
Azure Load Testing	Power BI Embedded (*Fabric)		
	Azure Databricks (*Fabric)		

Azure CSP customer add incentive



Azure CSP customer add incentive rewards partners when their customer, identified by the customer's unique tenant ID, has an Azure workload generate Azure consumed revenue (ACR) for the first time.



New CSP customer eligibility

A new customer tenant ID with an Azure workload. Customer would be eligible for customer add consideration from first Azure transaction date. Once Azure consumed revenue (ACR) is generated, the partner is eligible for this Azure CSP customer add incentive rate. Partner must be Transacting Partner of Record (TPOR) at the time the ACR is generated to be eligible for this incentive.



Existing CSP customer with new Azure workload eligibility

An existing customer tenant ID with an Azure workload that has not yet crossed \$100 USD in monthly ACR prior to the engagement term. Once Azure consumed revenue (ACR) is generated, the partner is eligible for this Azure CSP customer add incentive rate. Partner must be Transacting Partner of Record (TPOR) at the time the ACR is generated to be eligible for this incentive.



Guidelines

Topic	Guidelines
Revenue	Only Azure consumed revenue is considered eligible for this incentive. Revenue from other product groups will not be eligible.
Transaction	The first transaction is identified as Azure consumed revenue (ACR) generated for the first time on the customer's tenant ID. Partner must be Transacting Partner of Record (TPOR) at the time the associated ACR is generated on the customer tenant ID.
Transaction	For an Azure workload to be eligible, ACR associated to the customer's unique tenant ID cannot have generated greater than \$100 USD in a single month prior to the engagement term.
Payment	The transacting partner can earn up to 12 monthly payments based on the customer ACR associated with their Azure workload multiplied by the Azure CSP customer add incentive rate. If associated ACR during a single month is not generated, partner will not be eligible to earn for that month and month still counts towards the 12-month payment period.
Payment	Payments calculated and issued on a quarterly basis and paid with a 100% rebate.

Azure CSP customer add incentive

1 Scenario 1: Customer purchases first Azure workload

First Azure CSP transaction and start of tenant takes place in January 2024 and generates Azure consumed revenue (ACR) the same month. The eligible Transacting Partner of Record (TPOR) earns customer add accelerator for the transaction month (January 2024) and following 11 months (February 2024 – December 2024).

	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May
Azure Transaction Month		M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11					

2 Scenario 2: Customer purchases first Azure workload after tenant is created

First Azure CSP transaction takes place in March 2024, after tenant is created. ACR is also generated during the first transaction month. The eligible transacting partner earns the customer add incentive for the transaction month (March 2024) and following 11 months (April 2024 – February 2025).

	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May
CSP Tenant Start			Azure Transaction Month	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11			

3 Scenario 3: Change of partner (Customer associated Transacting Partner of Record (TPOR) transfers to a new partner)

First Azure CSP transaction and start of tenant takes place in January 2024 and ACR is generated in the same month. The eligible Transacting Partner of Record (TPOR) earns customer add accelerator for the transaction month (January 2024) and following 7 months (February 2024 – August 2024). Original TPOR incentive eligibility ends once TPOR is transferred to new partner. New partner is not eligible for Azure customer add incentive

	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May
Azure Transaction Month		M1	M2	M3	M4	M5	M6	M7	M8 TPOR transferred	M9	M10	M11					

TD SYNEX Investment Programs

Jumpstart

TD SYNEX has taken migration funding to the next level. Utilizing our own internal funds and services we can buy down or cover the entire cost of your migration using our internal services team. This allows you to offer reduced or free migrations to win deals, or even better charge for the migration while having our resources doing the work for you.

PoC

Proof of concepts are sometime needed to help convince an end-customer of the value of Azure. We offer funding that typically covers up to a certain amount or 1 month's consumption which ever comes first. This allows you to not only showcase Azure but creates agility of deployment if the opportunity goes into production.

DCO

The Data Center Optimization program is a lucrative opportunity to make further margin over designated time usually 12 months. A targeted goal is aligned by TD SYNEX and our Resellers and is paid out at 50% and 100% of the attainment. There is no risk or downside except if you don't hit at least 50% you do not make anything on the program.

Front End Margin

This final profit engine is the simplest. Microsoft offers front end margin driven through the Cloud Solutions Program (CSP) channel. By aligning with TD SYNEX for Azure Microsoft sets a given amount that can be earned as Front-end Margin off MSRP. This value is set at Microsoft's discretion and can be changed by them with given notice.

Microsoft Investment Programs

- ECIF (End Customer Investment Funds)
 - End Customer must be qualified to receive the funding
- ACO SMB/SMC (Azure Credit Offer)
 - A submission of approval is need to qualify for these funds
- AMM (Azure Migrate and Modernize Program)
 - Partners with Advanced Specializations can work AMM on their own
 - If you do not have an Advanced Specialization TD SYNnex can assist on your behalf
- Azure Accelerate Program
 - Only valid for 12 months and an Infrastructure or Silver/Gold extended
 - Competency is needed to qualify for this program
- MAICPP (Microsoft AI Cloud Partner Program)
 - As least 1 Designation is need to earn back-end



Practice Builder

Begin your transition online with seven new paths aligned to MAICPP. Unlock uniquely-tailored curriculum to elevate your status in MAICPP and achieve multiple partner designations. Keep in mind the [Infrastructure path](#) should be the priority.

[Visit Practice Builder](#)

MCPP Clinics

Participate in a cohort of like partner and MAICPP subject matter experts to learn best practices on transitioning to a Solutions Partner designation in a live virtual clinic session. There will be plenty of time for Q&A.

[Register for Clinics](#)

Coaches

Leverage additional one-on-one support from our extensive Coaches Network, who will guide you through a personalized transformation journey toward achieving your business goals.

[Connect with Coaches](#)

Through TD SYNEX's Practice Builder program we can help you gain knowledge and provide the guidance needed toward achieving your Microsoft Solutions partner badge. No matter your business type, size, and where you are on your Microsoft AI Cloud Partner Platform (MAICPP) journey, we have a comprehensive pool of resources that fits your schedule, a skill level, and business goals.

Modern Work Profitability Opportunity

Lever	Core Product	Microsoft E3	Microsoft E5
Front End Margin Opportunity	16%	16%	16%
*Core: Modern Work and Security Revenue	3.75%	3.75%	3.75%
*Global Strategic Product Accelerator	0%	5%	7%
*New Customer Incentive	15%	15%	15%
Total Profit Opportunity	34.75%	39.75%	41.75%

Core Includes:
M365 Business Premium, Defender for Business, Teams, W365 and other MW skus

E3 Includes:
W365 E3, M365 E3, Business Premium, Business Central

E5 Includes:
M356 E5

*Earned incentives from Microsoft and paid as 60% rebate, 40% Co-Op

If you aren't earning incentives from Microsoft join one of our clinics to learn how or sign up for a cloud coaching session

Dynamics 365 Partner Journey

Increase Revenue + Increase Benefits

BENEFITS Dynamics 365 Monthly Recurring Revenue (MRR)	STARTER <\$5,000	TRANSFORMER \$5,000-\$20,000	ACCELERATOR \$20,000-\$30,000	ELITE/MANAGED \$30,000+ MRR
Front-End Margin (Plus Back-End Margin)	Up To 27%	Up To 28.6%	Up To 30%	Up To 30%
P2P Service Opportunity Leads Per Year (Minimum)	1	2	3	4
Access to TD SYNnex Dynamics 365 Licensing Desk	•	•	•	•
Email Support	•	•	•	•
TD SYNnex Capital	•	•	•	•
Partner Development Manager (PDM)		•	•	•
Partner Spotlight Webinar		1/24 months	1/12 months	1/6 months
MDF \$ Per Year		\$1,000	\$2,500	\$5,000
Ally, QRP, Demand Generation Programs				•
Ally Relationship Manager (ARM)				•
Strategic Proposal Eligibility				•
Cloud Advisory Sponsorship				•