



Adobe

# Adobe Partner Connection



## Retail Program Guide North America



# Adobe® Partner Connection Retail Program

## North America Program Guide

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# Adobe® Partner Connection Retail Program

## North America Program Guide

### Overview of Adobe Partner Connection Program

#### Adobe Partner Connection Portal

[www.adobe.com/partners](http://www.adobe.com/partners)

The primary goal of the Adobe Partner Connection Program is to reward Adobe partners for helping to drive our mutual strategic objectives.

- Grow profitable revenue
- Drive greater account penetration
- Acquire new customers
- Keep customers current on Adobe's latest technology innovations

We believe that together with our partners, we can achieve these goals. We are committed to rewarding partners who work toward these goals through better partner program infrastructure, training, and incentives. Adobe will provide financial incentives, such as rebates and marketing funds, to partners who work with us to drive these objectives.

### Retail Program overview

Retailers and eTailers constitute a key route to market for Adobe. A specific program for Retailers and eTailers is a key component of Adobe's go to market strategy, to foster a common approach to the market by all Adobe Retailers/eTailers that qualify and to ensure that all comparable Retailers and eTailers, who qualify in accordance with the program terms and conditions, not only receive the same set of benefits but are also bound by the same set of obligations. The spirit of the program is to recognise and reward the investment by the Retailer/eTailer in the Adobe brand together with the effort involved in promoting and selling Adobe products.

The unique value of Retailers and eTailers to Adobe within the context of the Adobe Partner Connection programs is that of having the breadth and reach to make available Adobe products to large numbers of consumers and other customers, who are loyal to the respective Retailers/eTailers and purchase products through their physical or virtual outlets. When such customers purchase new hardware, this presents a large opportunity as customers benefit from the simplicity of purchasing Adobe products together with Hardware offered by Retailers and eTailers.

The description of the program that follows is an integral part of the Adobe Partner Connection Program Agreement and is designed to be read in conjunction with the Program Agreement that must be executed by each participating retail partner. Any terms and definitions covered here shall have the same meaning as set forth in the Program Agreement.

Adobe retains the right, by email notification and other communication posted to the Adobe Sales Center, Adobe Partner Connection Portal, or any other similar partner/retail partner communication website, to effect and announce changes to the Program Guide and to the policies and procedures described in this document and such changes that will be deemed to be incorporated herein by reference. Any changes will be effective 30 days from the date of the announcement. All new versions of the Program Guide shall supersede and replace all prior and existing versions of the Program Guide. All support and resources provided by Adobe are subject to availability. The Adobe Partner Connection Program is defined as a worldwide program and leverages a common framework for our partners across the globe. This document reflects the regional implementation of the framework for North America (US and Canada).

Participation in the Retail Program is subject to approval by Adobe. Without prejudice to Adobe's right to reject any potential retail partner from participating in the Retail Program, Adobe reserves the right to change the requirements to join the Retail Program at any time. Retail Partner will treat all materials relating to the Adobe Partner Connection Program, including this Program Guide, as confidential and will only disclose such information to a person who is an employee of Retail Partner and who is obligated to keep such information confidential. Partners may participate in either the Reseller or the Retail Program, but not both.

### **Restrictions on non-participating resellers and retail partners**

Only participating resellers and retail partners will have access to any Adobe offerings. In addition, only Retail/eTail Partners at the Certified level and above may resell Adobe products on public online marketplaces. Any Retail/eTail Partner operating an online public marketplace (e.g., eBay, Amazon) is prohibited from allowing unauthorized resellers or retail partners to resell Adobe software on their marketplace.

### **Retail Program levels and criteria**

The Retail Program defines a set of qualitative criteria that apply to all participating Retailers/eTailers. In addition, the Retail Program also defines three (3) levels of engagement: Certified, Gold, and Platinum. Each level has a set of quantitative criteria that partners must meet and maintain.

#### **Retail Program qualitative criteria**

In order to participate in the Retail Program, Retailers and eTailers must meet and continue to meet all of the following criteria and any additional criteria and/or amendments that may be published by Adobe from time to time:

1. Retailer/eTailer must also sell products by other major software vendors in design/photography and business software.
2. Retailer/eTailer must not be an active member of any other Adobe Partner Connection Program (Distributor or Reseller), anywhere in North America. That being the case, Retailer/eTailer may elect which program it wishes to participate in and notify Adobe in writing accordingly. Retailer/eTailer has not used or dealt with Unauthorised Adobe Products as defined herein. In the event that Retailer/eTailer is in breach of this section, Adobe shall be entitled to terminate Retailer/eTailer's right to participate in the program with immediate effect upon written notice.
3. Retailer/eTailer must be able to sell subscription products in at least one of the below form factors:
  - Point of sale activation (POSA)
  - Print to receipt (PTR)
  - Electronic software distribution (ESD) capabilities
4. Retailer/eTailer must have a marketing department capable of carrying out marketing activities (merchandising, email or search campaigns) on behalf of Adobe.

For the purpose of this program, Retailers/eTailers' same brand subsidiaries and sister organizations will be treated as one entity. Franchise groups are required to report as one entity, itemizing detail for all entities. In the event Retailer/eTailer does not meet any of the above criteria Adobe may terminate the Retailer/eTailer's membership in the program in accordance with the Retail/eTail Program Agreement.

#### **Retail Program levels and quantitative criteria**

All retail partners must register at the Registered level of the Reseller Program before applying for the Retail Program. Registered Resellers and Retail Partners are eligible to purchase Adobe commercial shrinkwrap product from an authorized Adobe distributor only. Additional benefits of each Retail Program level are listed below.

**Certified** - Benefits at the Certified level include access to restricted buying programs, access to sales and marketing materials, eligibility to participate in promotions, eligibility to apply for marketing funds, and listing as a Certified Retail/eTail Partner on the Adobe website.

**Gold** - Benefits at the Gold level include all the benefits at Certified, plus the eligibility to earn performance incentives tied to quarterly objectives and eligibility to participate in promotions or campaigns as invited by Adobe. The Gold level Retail/eTail Partner will be assigned an Adobe Account Manager and will have quarterly business plans and reviews.

**Platinum** - The Platinum level requires the highest level of performance and engagement in the Adobe business and requires the Retail/eTail Partner to meet the Platinum level requirements. The Platinum level Retail/eTail Partner will be assigned an Adobe Account Manager and will have quarterly business plans and reviews. A financial target will be set and the Retail/eTail partner will be eligible for the highest level of rewards such as performance incentives and marketing funds.

Certified Level	
Requirements	Benefits
Register online on the Adobe Partner Connection Portal and complete the Adobe Partner Profile	Access to resources & communications on the Adobe Partner Connection Portal
Accept the Retail Program Agreement in the format of a click-through online agreement	Eligibility to purchase Adobe retail products from an authorized Adobe distributor (list available on the partner portal)
Comply with the rules & guidelines in reference to the marketing and sale of Adobe products	Access to retail point-of-sale and merchandising display assets and content materials
Appoint a Designated Product Line Manager or Merchandising Manager with responsibility for Adobe products	Public listing as a Certified Retail/eTail Partner on the Adobe website and use of exclusive Certified Retail/eTail Partner badge
Complete the Adobe Business Partner Code of Conduct training. (Minimum of one representative who holds responsibility for overseeing compliance.)	Eligibility to apply for marketing funds. Funds are available at Adobe's sole discretion.
Attain \$100K in actual OR forecasted annual revenue	Eligibility to participate in promotions
Meet all Qualitative Criteria listed above.	Eligibility to participate in the Attach Program

Gold Level	
Requirements	Benefits
All requirements above, plus:	All benefits above, plus:
Meet minimum \$750k Subscription revenue AND \$1.5M Subscription + Perpetual revenue over the past four completed Adobe fiscal quarters	Public listing as a Gold Retail/eTail Partner on the Adobe website and use of exclusive Gold Retail/eTail Partner badge
Submit monthly end user sell-through and point of sale (POS) reports as specified by Adobe and upload to channel orders	Account management by an Adobe Account Manager
Must purchase via Distribution	Ability to obtain a consignment purchasing arrangement for POSA through an Adobe Authorized Distributor. (Separate agreement required.)
	Eligibility to participate in promotions or campaigns as invited by Adobe
	Eligibility to gain Adobe support for customer events, sales training, etc.

Platinum Level	
Requirements	Benefits
All requirements above, plus:	All benefits above, plus:
Execute the Platinum Retail Partner agreement	Account management by an Adobe Account Manager
Meet minimum \$4M annual Qualifying Subscription Revenue over the past four completed Adobe fiscal quarters	Eligibility to earn Platinum level performance incentives (rebates) tied to quarterly objectives
Develop an Annual Business Plan with your Adobe Account Manager and hold Quarterly Business Reviews	Eligibility to receive one dedicated headcount at the discretion of Adobe for approved eTail-only sales and marketing activities
	Exclusive content for Platinum Retail Partners on the partner portal
	Eligible to purchase ESD/digital goods directly from Adobe

## Retail Program benefits

The Retail Program is designed to offer rich benefits for partners who develop a deep expertise in the Adobe business and align their goals and objectives accordingly. Adobe's program of benefits includes performance incentives (rebates), marketing funds, and non-financial benefits. These benefits will be awarded to those Retail/eTail partners that meet Adobe's expectations for growing the business and increasing customer loyalty.

### Marketing funds

Certified, Gold, and Platinum Retail/eTail Partners may be eligible for access to Adobe marketing funds. These are one-off marketing contributions, generally available for specific marketing activities and to drive end-user demand generation. The amount and purpose of these funds may be made available and will be subject to additional terms and conditions, which retailers / eTailers must accept in order to receive marketing funds.

Adobe marketing personnel will inform qualifying partners when applicable, of the availability of such marketing funds and of the conditions and selection criteria for their availability.

Marketing funds, if made available, are for the sole purpose of actively planning and implementing marketing activities for Adobe products. All marketing activities, whether funded by Adobe or not, must be in accordance with Adobe's policies regarding advertising and trademark usage as established from time to time by Adobe and made available on the partner portal or otherwise as provided by Adobe to Retail/eTail Partners.

All marketing activities shall be carried out in accordance with applicable laws and regulations, even if Adobe has approved such an activity with respect to Adobe funding, and Retail/eTail partners agree that Adobe is in no manner whatsoever responsible for rendering legal or financial consultation services to Retail/eTail Partners.

Funds will expire, without exception, two (2) quarters from the first day of the quarter in which they are made available to the Retail/eTail Partner, if not claimed. Funds that have not been claimed or have not been allocated for a specific activity 30 days prior to their expiration may be reclaimed by Adobe without further notice.

### Quarterly Volume Incentive Rebate

Both Gold and Platinum Retail/eTail Partners will be eligible to participate in the Quarterly Volume Incentive Rebate with different payout structures, which will be calculated as a percentage of Qualifying Subscription Revenue and/or Qualifying Perpetual & Subscription Revenue (defined below), and/or other revenue or unit targets as specified in the quarterly rebate letter provided to the Retail/eTail partner at the beginning of each Adobe fiscal quarter. Gold and Platinum Retail/eTail Partners that achieve their revenue target will be awarded a rebate.

The revenue achievement, used to determine whether this criterion is met, in each specific quarter, shall be based on distribution price of products in USD sold to end customers, exclusive of returns, tax, shipping, and insurance costs.

Transfers to other Adobe retailers / eTailers or distributors are not eligible for rebate.

Non-meeting of the Revenue Goals for 3 or more consecutive fiscal quarters may result in the termination of Retailer/eTailer's participation in the program at Adobe's sole discretion.

At the beginning of each new quarter, each Gold and Platinum Retail Partner will be advised of their quarterly target/s based on the previous quarter's performance, the Adobe business environment, and/or general market conditions.

### Dedicated headcount

In order to ensure adequate resources are in place to focus on supporting Adobe technologies and sales and marketing activities, Adobe has designed a model to provide resource funding for qualifying Platinum Retail/eTail Partners only.

Platinum Retail/eTail Partners are eligible for one (1) dedicated headcount. The dedicated headcount must be in place for the entirety of each quarter and be performing the mutually agreed upon job functions in order to be eligible for Adobe funding.

### Retail Program financial incentive summary

See the *Retail Program levels and criteria* section above for eligibility for the following financial incentives.

Financial Incentive	Criteria	Attainment method	Payout
Quarterly rebate	Qualifying Revenue (see Definitions) and other revenue and/or unit target(s) determined by Adobe on a quarterly basis	Variable	Variable
Marketing funds	Qualified and approved marketing activities. Reimbursed after proof of activity.	No set amount. Awarded at Adobe's discretion.	Variable. Awarded at Adobe's discretion.
Dedicated headcount	Platinum Retail/eTail only. Dedicated headcount must be hired on staff for the entirety of each quarter to be eligible for reimbursement.	1	\$75K/quarter \$300K/year

### Rebate performance payout

At the end of each fiscal quarter, Adobe will calculate based on monthly end customer sales report each Gold and Platinum Retail/eTail Partner's performance and corresponding payout rate for each component of the rebate program and generate a total quarterly payout rate for the retail partner. The payout rate will be paid out on Qualifying Revenue as indicated in the quarterly rebate letter.

For Platinum Retail /eTail Partners that transact directly with Adobe, the rebate payout will be made as a credit to their trade account with Adobe. For those Gold and Platinum Retail/eTail Partners that transact with Adobe through a distributor, the rebate payout will be made via wire transfer.

Upon the close of the quarter, the Adobe Account Manager will examine the revenue targets, revenue target achievement, any dedicated headcount staffing levels, and performance of each Gold and Platinum Retail/eTail Partner. In addition, the Adobe Account Manager will verify compliance with contractual obligations such as end-user sell-through data reporting. If a partner has achieved the targets specified and complied with all

mandatory contractual obligations, the rebate will be paid. The decision of Adobe and of its representatives on any claim or dispute to the targets is final.

Any administrative fees associated with use of the Exception Return Policy will be deducted from the Retail/eTail Partner rebate. The Exception Return Policy is available on the Adobe Partner Connection Portal or from your Adobe Order Management representative.

Adobe may, by email notification or other communication posted to the Sales Center or other similar partner communication vehicle, announce permanent or temporary modifications to any financial incentive terms. Such changes shall become effective from such time as determined by Adobe at the sole and reasonable discretion of Adobe.

### Non-financial incentives

In addition to the financial incentives described above, retail partners are eligible for non-financial benefits based on membership level.

Benefit	Certified	Gold	Platinum
Retail merchandising display materials	✓	✓	✓
NDA product roadmap briefings		✓	✓
Marketing resources for joint promotions and campaigns	✓	✓	✓
Assigned Adobe Account Manager		✓	✓

### Onboarding

Adobe wishes to create business relationships only with retail partners that meet the company's business objectives and criteria for integrity and compliance. Therefore, all retail partners wishing to participate in the Retail Program, including applying for a higher level of membership, must successfully complete Adobe's onboarding process.

For a new retail partner, the first step is to apply at the Registered level of the Reseller Program. (The Retail Program and Reseller Program are the same at the Registered level).

For a Registered Reseller wishing to apply as a Certified, Gold, or Platinum Retail/eTail Partner, the onboarding process is conducted offline in partnership with an Adobe account manager. Platinum Retail/eTail Partners must also participate in Adobe's global vetting and onboarding process for channel partners who wish to be considered direct business partners with Adobe. This additional onboarding consists of more in-depth due diligence processes, e.g. those related to the Foreign Corrupt Practices Act "FCPA."

For retail partners upleveling to the Gold or Platinum levels, all benefits associated with the new level will apply beginning on the first day of the Adobe fiscal quarter after the Retail/eTail Partner's uplevel request has been approved by Adobe.

Participation in the enrollment process does not guarantee acceptance to the Adobe Partner Connection Program or approval of any specialization application. Without prejudice to Adobe's right to reject any potential Retail/eTail Partner from participating in the Adobe Partner Connection Program for any reason, Adobe reserves the right change the application process and requirements to join the Adobe Partner Connection Program at any time.

#### Onboarding steps for a Registered Reseller or Retail Partner:

1. Retail partner completes online enrollment questionnaire.
2. Retail partner accepts click-through program agreement.



3. Retail partner is provided with systems access, including access to the Adobe Partner Connection Portal and Adobe Channel Training Center.

#### **Onboarding steps for a Certified, Gold, or Platinum Retail/eTail Partner:**

1. Retail/eTail Partner completes offline compliance questionnaire.
2. Adobe conducts due diligence compliance onboarding process.
3. Adobe evaluates Retail/eTail Partner's application and confirms acceptance or denial. Adobe's evaluation includes review of the Retail/eTail Partner's compliance questionnaire, completion of required code of conduct training, and confirmation that the Retail Partner meets all of the requirements of the desired level.
4. Adobe conducts credit evaluation and establishes credit line (for direct partners only).
5. Retail/eTail Partner and Adobe execute hardcopy program agreement.
6. Retail/eTail Partner and Adobe meet to discuss objectives and strategies for the upcoming quarter/s.

### **Ongoing performance evaluation**

On a quarterly basis, Gold and Platinum Retail/eTail Partners will meet with their Adobe account managers for a joint discussion of performance against objectives and to discuss objectives and strategies for the upcoming quarter. This quarterly review will include both a focus on the previous quarter's performance as well as a look ahead to readjust strategy to achieve goals the next quarter. These quarterly reviews are an opportunity for Retail/eTail Partners to get a preview of Adobe's strategy for the upcoming quarters and to align sales and business objectives accordingly.

### **Down-leveling**

Adobe reserves the right to conduct an evaluation of a Retail/eTail Partner's program level at any point in time. A formal evaluation will take place on an annual basis. In the event Adobe determines that a Retail/eTail Partner no longer qualifies for their current program level, Adobe may assign the Retail/eTail Partner a new level based on their current qualifications. In such an event, Adobe will notify the Retail/eTail Partner of its change in program level.

Down-leveling will also result in a Retail/eTail Partner's benefits being adjusted to those appropriate to the new level.

**Certified Retail/eTail Partners** - Certified Retail/eTail Partners being down-leveled to Registered will lose access to all Adobe pricing and licensing programs applicable to the Certified level.

All other benefits of the Registered level will remain in full effect.

**Gold Retail/eTail Partners** - Gold Retail/eTail Partners being down-leveled to the Certified level will continue to have access to Gold-level rebate (if applicable) for the remainder of the quarter in which they are down-leveled. Rebate will be paid at the end of the quarter if objectives are met per the terms of the Revenue Performance Incentive.

All other benefits of the Certified level will remain in full effect.

**Platinum Retail/eTail Partners** - Platinum Retail/eTail Partners being down-leveled to the Gold level will continue to have access to Platinum-level rebate (if applicable) for the remainder of the quarter in which they are down-leveled. Rebate will be paid at the end of the quarter if objectives are met per the terms of the Revenue Performance Incentive.

All other benefits of the Gold level will remain in full effect.

## Termination

On occasion, it may be necessary for Adobe to terminate its relationship with a Retail/eTail Partner. Adobe may terminate a Retail/eTail Partner's membership in the program or any benefit provided by the program at any time without cause upon 30 days notice to the Retail/eTail Partner.

## Definitions

**Eligible Adobe Desktop Products** are defined as all products within the Creative Cloud and Document Cloud families of products. Products excluded include Photoshop Lightroom, Adobe Marketing Cloud, Adobe Site Catalyst, LiveCycle, and Connect.

**Authorized Partner** is a partner that has registered with Adobe, has agreed to the Partner Program Agreement and meets and continues to meet the obligations outlined below for the level and role in the Adobe Partner Connection Program that they wish to attain.

**Designated Personnel** means a partner's employees who devote at least 25% of their time to the sales, support and/or marketing of Adobe Products.

**Product Line Manager** (may be referred to as **Merchandising Manager**) is an individual who is responsible for all partner's activities with respect to Adobe products. In particular, the Product Line Manager will be responsible for ensuring that the relevant organizational units within the partner are appropriately staffed and resourced, that relevant personnel within this partner achieves and retains the mandated competence levels, that the appropriate product line goals and measurement programs to track progress in meeting such goals are in place, and will be the main interface in communications and collaboration between Adobe and the partner.

**Qualifying Perpetual & Subscription Revenue** is defined unless otherwise stated herein or in any supplementary documentation provided to the Retail/eTail partner such as a quarterly rebate letter, as the amount paid to Adobe of purchases effected by Retail/eTail Partner ("sell-through value") either directly from Adobe (in the case of Platinum Retail/eTail Partners) or from an Adobe Authorized Distributor, for all sales of Eligible Adobe Desktop Products to the end user customer via all of the following formats: Shrinkwrap/Box, ESD (Electronic software download), POSA (point-of-sale activated) and PTR (print-to-receipt). Perpetual Lightroom and perpetual Acrobat are specifically excluded from Qualifying Perpetual & Subscription Revenue. Non-product revenue (rebates, revenue share, referral fees, etc.), OEM revenue, enterprise product revenue (including but not limited to LiveCycle, Connect, Adobe Marketing Cloud, and Adobe Site Catalyst) are specifically excluded from Qualifying Perpetual & Subscription Revenue. Sell-through value is adjusted for shippable backlog.

**Qualifying Subscription Revenue** is defined unless otherwise stated herein or in any supplementary documentation provided to the Retail/eTail partner such as a quarterly rebate letter, as the amount paid to Adobe of purchases effected by Retail/eTail Partner ("sell-through value") either directly from Adobe (in the case of Platinum Retail/eTail Partners) or from an Adobe Authorized Distributor, for subscription product sales of Eligible Adobe Desktop Products to the end user customer via all of the following formats: ESD (Electronic software download), POSA (point-of-sale activated) and PTR (print-to-receipt). All perpetual licenses sales are specifically excluded from Qualifying Subscription Revenue. Non-product revenue (rebates, revenue share, referral fees, etc.), OEM revenue, enterprise product revenue (including but not limited to LiveCycle, Connect, Adobe Marketing Cloud, and Adobe Site Catalyst) are specifically excluded from Qualifying Subscription Revenue. Sell-through value is adjusted for shippable backlog.

## Conclusion

In conclusion, Adobe believes that our success as a company hinges upon the success of our partners. By driving toward the same objectives, we can accomplish a profitable and mutually beneficial business relationship that will grow into the future.

## Version history

Version	Notification date	Effective date
1.1	n/a	June 4, 2012 (APC launch)
2.0	October 1, 2012	November 5, 2012
2.1	December 11, 2012	January 11, 2013
2.2	April 1, 2013	May 1, 2013
2.3	May 3, 2013	June 3, 2013
2.3.1 (typo correction)	June 13, 2013	June 13, 2013
3.0	May 2, 2014	May 31, 2014
4.0	January 26, 2015	February 28, 2015
4.1	February 5, 2016	March 5, 2016
4.2	January 31, 2018	March 3, 2018
5.0	April 30, 2020	May 30, 2020
6.0	August 8, 2023	Sept 8, 2023