

## Partner FAQs - SmartPay Promotion

**Q: How does the "No Payments for Six Months" promotion work?**

A: By choosing this financing option the transaction will be structured without payments for the initial 6 months of the contract. Subsequent to the first 6 months, the payments will be structured as regular monthly payments for the remaining term of the loan. The loan fully amortizes at the end of the total loan term (e.g. 6 months at \$0 per month, 36 months of regular monthly payments for a total term of 42 months).

**Q: Is payment by Direct Debit required?**

A: Yes. Customer payment by Direct Debit is required in all markets.

**Q: What is the length of the total loan term for the "No Payments for Six Months" promotion?**

A: The overall term of the contract must match the term of any underlying licensing agreement (Ex. An EA deal will consist of 6 months of \$0 payments, plus 30 additional regular payments, for a total of 36 payments). In cases where the underlying licensing contract does not have a fixed term, the standard contract is 6 months of \$0 payments, plus 36 additional regular payments, for a total of 42 payments. Other payment terms may be available.

**Q: How long does this offer last?**

A: This offer is available on transactions in which signed loan documents have been received by Microsoft Financing between July 7, 2008 and June 30, 2009.

**Q: Is this offer available on the entire deal or just the Microsoft portion of the deal?**

A: The promotion applies to the entire transaction. All eligible Microsoft license types and products can be included along with hardware, partner services and third-party software.

**Q: Is the interest rate on the "No Payments for Six Months" promotion higher?<**

A: No. The interest rate on the "No Payments for Six Months" promotion will be the same interest rate offered on a standard Microsoft Financing loan of the same loan amount and term length.

**Q: How do I determine my customer's monthly payments?**

A: You can use the Online Calculator at [www.microsoftfinancing.com](http://www.microsoftfinancing.com) to quickly approximate monthly payments, or install the downloadable Payment

**Q: Can the "No Payments for Six Months" promotion be combined with other offers?**

A: Yes, it can be combined with other Microsoft Financing or any Microsoft product offer unless those other offers specifically restrict such combining of offers.

**Q: Can I pay off the loan at the end of the 6-month no-payment period without penalty?**

A: No, this is not a 'six month same as cash' promotion. There are early termination fees.

**Q: Are there limits on the transaction size?**

A: This promotion is available for all transactions financed by Microsoft Financing.

**Q: Who is eligible for this program? Can all customers take advantage of it?**

A: This offer is valid only for qualified customers in 13 countries (Australia, Belgium, Canada, France, Germany, Italy, Korea, the Netherlands, New Zealand, Spain, Switzerland, the U.K. and U.S.). Customer eligibility is subject to credit approval. Alternate terms and structures may be proposed where the deferral is not approved. Deferred payment options are not available to new businesses (less than 2 years in business). Other restrictions may apply. New markets may be added at a date to be determined by Microsoft Financing.

**Q: How do I get my customer approved for financing?**

A: The extension of credit is based on a number of variables, and each credit decision is made on a case-by-case basis. Elements that can influence the credit decision include the customer's prior credit performance and any defaults (if applicable).

**Q: What will happen if a customer defaults?**

A: Microsoft Financing and its finance partners will take the appropriate legal action in cases of customer default, on a case-by-case basis. A default does result in the customer holding an invalid license for Microsoft products.

**Q: Will down payments be required?**

A: There is generally no requirement for down payments.

**Credit Guidelines**

- At least two years in business
- Positive net income
- Established credit history with

Calculator on your own PC for approximate payments and customized proposals. Actual rates and monthly payments are determined at the time you submit your customer application to Microsoft Financing.

**Q: When does interest start accruing?**

**A:** As soon as the transaction is closed, as is normal for any Microsoft Financing deal.

multiple trade lines showing positive payment history

- No bankruptcy, liens, defaults or judgments
- Start-up companies are difficult to approve. If you have a start-up company, talk to your Microsoft Financing representative to determine the best course of action.

**Items needed to evaluate credit**

- Credit application
- Applications over \$100,000 typically need 2 years audited or reviewed financial statements.
- In some cases, more information will be specifically requested via email during the approval process.