

Update Bulletin

Customer Evaluation Program for NCR POS Hardware

August 14, 2013

Retalix is now offering NCR POS hardware with special terms for Customer Evaluation situations.

IN A NUTSHELL

- The Retalix Channel Partner works with the Retalix representative (CAM) to evaluate the opportunity. The CAM will then get approval from Retalix management.
- If approved, the Channel Partner orders the NCR POS hardware at standard pricing and discounts. A special PIN is added to designate the order as a Customer Evaluation order.
- The Channel Partner installs the hardware in the customer's lab or site.
- Payment terms are extended for 60 days, so no payments are due while the trial is underway.
- After 45 days, the Channel Partner informs Retalix if the trial was successful, and the customer will retain the hardware. If so, the Channel Partner will pay the original invoice as normal as per a standard hardware purchase.
- If the trial does not result in the customer purchasing the equipment, the Channel Partner is required to collect the equipment immediately. The Channel Partner retains the equipment and Retalix will issue a credit so that the Channel Partner's discount on the equipment will equal 75% off list price. The Channel Partner may then keep the hardware for internal use or sell the equipment as "used" or "dealer refurbished" to anyone other than the original evaluating customer.

FINE PRINT

The full Customer Evaluation policy is attached. This policy may be updated from time to time, and the current version will be posted on the Retalix Channel Partner site on the [Policies and Procedures Page](#).

- Customer Evaluations are reserved for cases where all the equipment ordered will be tested by customers in their own labs and facilities – the evaluation cannot take place at the Channel Partner site. This program is not for Channel Partner demo or lab equipment (use the Demo/Lab deal for that purpose).
- Notice that hardware under this program is never returned to Retalix. It's kept by either the customer or the Channel Partner. RMAs will not be issued on Customer Evaluation orders.

- This offer is only available for NCR POS hardware, including RealPOS e-boxes, printers, displays, scanner/scales, cables, accessories and so forth. It does not apply to any other NCR hardware (like SSCO) or for products from any other vendors.
- Any order for Customer Evaluation hardware may include only the evaluation items. Everything on the order will fall under the program, and everything for that particular trial program must appear on the order.
- It is the exclusive responsibility of the Channel Partner to contact Retalix after 45 days regarding the disposition of the equipment in case the customer will not keep the equipment. If Retalix is not contacted, the Channel Partner is responsible for the full amount of the original invoice, which is due and payable at 60 days.
- The order is limited to \$20,000 total at list price.
- All Customer Evaluation orders must include the following PIN:

PIN	Item	Price	Inst	Maint
NCR-EVAL-ORDER	NCR Customer Evaluation Order Designator PIN	\$ 0		
	<p>For use only with Customer Evaluation orders for NCR POS equipment. This PIN must appear on any Customer Evaluation order. ¶ Customer Evaluations must be approved in advance: please discuss with your Retalix CAM, who will review and seek Retalix management approval. Customer Evaluation orders will not be accepted by Retalix Order Entry without Retalix management approval. ¶ NCR POS Customer Evaluation orders may include NCR POS items only, and all items on the order will be considered part of the Customer Evaluation. Customer Evaluation orders may not exceed \$20,000 at total list price.</p> <p>See Policy CO-12 (Customer Evaluations of NCR POS Hardware) for the full policy and requirements.</p>			



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POLICY #:	CO12	PAGE: 1 of 5
SUBJECT:	Customer Evaluations of NCR POS Hardware	
DATE:	6/13	SUPERSEDES: None

- TITLE: CO12, Customer Evaluations of NCR POS Hardware
- POLICY: Retalix will consider providing NCR POS Hardware products for 45-day evaluations by potential customers in their facilities
- SCOPE: All Retalix Channel Partners, field sales personnel, corporate credit managers, order entry, contracts.
- PROCEDURES: In pursuit of business, Channel Partners may wish to place NCR hardware products for evaluation by prospects in those customers' sites. The following procedures will apply. (Note: for customer evaluations of other non-NCR hardware, please see Policy [CO10](#).)
1. **Policy** – NCR POS hardware is provided for customer evaluations via a standard Channel Partner purchase with extended 60-day payment terms with prescribed resolution and liquidation provisions at the conclusion of the evaluation period. The program is administered so that the Channel Partner has no cash tied up during the evaluation period. To reduce Channel Partner risk, should the customer choose not to purchase the hardware at the end of the evaluation period, the Channel Partner will receive a 75% discount on the evaluation hardware and may sell this hardware to other customers or use it internally.
 2. **Period** – the evaluation period is 45 days, with an additional 15 days to complete the resolution paperwork for the final evaluation decision. It is Retalix's and NCR's experience that any willing and legitimate customer or prospect can complete a POS hardware evaluation within this 45-day period.
 3. **Discuss in advance** – The Channel Partner should discuss any POS hardware evaluation opportunities in advance with the Retalix Customer Account Manager (CAM) or representative to enable the evaluation hardware order and process to proceed.
 4. **Evaluation hardware orders** – the Channel Partner will order the NCR hardware products using the standard order process with some additional provisions.
 - 4.1. The Channel Partner's standard pricing and discounts apply to the customer evaluation hardware order.
 - 4.2. The Channel Partner will receive 60-day payment terms from date of invoice.
 - 4.3. Orders for NCR customer evaluation POS hardware cannot exceed \$20,000 total at list prices.



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- 4.4. The Channel Partner's purchase order (P.O.) may include ONLY the NCR hardware products intended for the evaluation. No other products may be on the dealer P.O. and all NCR hardware products being used in the evaluation should be on the P.O.
- 4.5. The evaluation hardware P.O. must include the PIN: NCR-EVAL-ORDER (NCR Hardware Evaluation Order" which enables the correct billing and tracking for the Channel Partner evaluation order.
 - 4.5.1. This evaluation order PIN is required for all NCR POS hardware evaluation orders. Retailix Order Entry otherwise has no way of knowing that the Channel Partner P.O. is not a standard hardware order. If the evaluation PIN is not included on the order, the Channel Partner will not receive the advantageous special handling and pricing options of the evaluation program, and the dealer will be invoiced as per normal Retailix process and timing.
- 4.6. Retailix Order Entry will seek (and must receive approval) from the Channel Partner's CAM (Retailix representative) before processing a Channel Partner P.O. as an evaluation hardware order. Retailix may approve or decline all customer evaluation orders at Retailix's sole option.
5. **Invoices and delayed payment** – the Channel Partner will be invoiced as usual upon shipment of the evaluation hardware order, but will receive 60-day payment terms, during which the customer evaluation must be completed.
6. **The evaluation** – the evaluations must take place at the customer's facilities, and all evaluation hardware purchased via the Customer Evaluation P.O. must be located there.
 - 6.1. The hardware may be delivered initially to the Channel Partner's offices for setup, but all evaluation hardware must be expeditiously relocated to the customer site to enable completion of the trial within the 45-day evaluation period.
 - 6.2. Customer evaluation hardware may not remain at the dealer's facilities or be used for internal sales, support or service purposes. For NCR demo or lab hardware, Channel Partners should instead use the NCR Demo Lab program (see Policy [CO10](#)).



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7. **Evaluation hardware warranty** – the standard NCR warranty and early-failure policies apply to NCR hardware customer evaluation purchases. There are no differences to the standard NCR warranty or hardware support policies in place.
8. **Resolution of the customer evaluation** – forty-five (45) days from the original ship date, the Channel Partner must inform Retalix how the evaluation hardware order will be resolved. The Channel Partner has two options:
 - 8.1. **Evaluation customer purchase** – the evaluation customer will retain and purchase all the evaluation hardware from the Retalix Channel Partner.
 - 8.1.1. In this case the channel partner will pay the original invoice for the evaluation products at the original invoice pricing as per standard Retalix process, except that the special 60-day payment terms apply.
 - 8.2. **Hardware return to Channel Partner** – if the evaluation customer chooses not to purchase the evaluation hardware, all the hardware on the evaluation P.O. will instead be returned to the Channel Partner. The Channel Partner will retain/use or sell the hardware.
 - 8.2.1. If the evaluation user will not purchase the hardware, the Channel Partner will receive a credit to the original invoice that results in the Channel Partner receiving a net 75% discount on the customer evaluation hardware order.
 - 8.2.1.1. For example, if the original evaluation hardware order was for \$10,000 of NCR hardware at list prices, the dealer's original invoice might be for \$4,900 (depending upon the Channel Partner's discount and the specific items purchased). Retalix would issue a \$2,400 credit against the original \$4,900 invoice so that the Channel Partner would pay a net \$2,500 for the evaluation hardware order.
 - 8.2.2. If the evaluation user is not purchasing the hardware, the Channel Partner must collect the customer evaluation hardware from the customer within 60 days from the original shipment.
 - 8.2.3. Regarding disposition of the hardware when the evaluation customer does not purchase it:



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8.2.3.1. The Channel Partner may retain/inventory or sell the evaluation hardware to any customer OTHER THAN THE ORIGINAL CUSTOMER EVALUATION USER.

8.2.3.1.1. There are no time limits or waiting periods – the Channel Partner may sell the hardware immediately.

8.2.3.1.2. The hardware may not be sold to the original evaluation customer at any price or under any circumstances if Retalix has provided the credit described in section [8.2.1](#) above. Only if the Channel Partner has paid the original invoice amount may the evaluation hardware be sold to the original evaluation customer.

8.2.3.1.3. The hardware must be described to any subsequent prospect or purchaser as “Used” or “Dealer-Refurbished” as appropriate. Under no circumstances may NCR customer evaluation or demo/lab hardware be sold as “New” equipment.

8.2.3.1.4. The warranty coverage remains in place as usual, although the Channel Partner should notify NCR as per the PDS Addendum regarding the disposition and location of the equipment when re-sold.

8.2.3.2. The Channel Partner may retain the hardware for demo or lab purposes.

8.3. Other provisions and requirements:

8.3.1. There are no provisions for the evaluation period to be extended, or for the Channel Partner payment to be delayed beyond the 60 days described in this policy above. Due to tax and federal recognition mandates, Retalix is unable to delay pending resolutions further, so Channel Partners must plan, order and administer all customer evaluations within these dates.

8.3.2. There are no provisions for the Channel Partner to return the NCR hardware to Retalix, and no Return Manufacturer Authorizations



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(RMAs) will be considered under this evaluation program (other than early-failure RMA replacements as per standard process).

- 8.3.3. This policy does not apply to any other products other than NCR POS hardware.
- 8.3.4. This Customer Evaluation policy does not require Exceptions to be written for implementation under the terms and conditions described in this policy above.

