

HP Financial Services channel program handbook

Partner for continued success.



Delivering IT investment solutions that enable business transformation

Table of contents

- 2 Delivering IT investment solutions that enable business transformation
- 3 Channel program summary and incentives
- 4 Online Portals for channel partners and customers
- 5 HP Financial Services solutions
- 7 Training for HP Financial Services Partners
- 8 The HP Financial Services process overview
- 9 Customer credit package
- 9 Frequently Asked Questions

HP Financial Services provides IT investment solutions to HP partners and their customers that span the full IT lifecycle – from planning and acquiring technology to retiring and replacing it – to enhance business agility and flexibility. We enable you to deliver IT solutions that help your customers drive business transformation and create better business outcomes. Helping you plan an IT investment strategy to better achieve your customers' IT and business goals increases your value, helps to strengthen your relationships and creates opportunities to sell more and earn more.

Benefits to partners

Sell More

- Bundle hardware, software and services (including non-HP components) into one payment – make it easier for your customers to manage their IT budget
- Lease deals tend to be 25% – 30% larger than cash deals – help customers stretch their budgets
- Technology Refresh and Asset Management solutions provide an opportunity to add more value, including mid-term and end of term expansion and upgrade opportunities

Earn More

- Earn more with partner incentive fees
- Leasing customers show greater loyalty. Provides greater opportunity for retention and repeat sales
- Get paid faster, by as much as 30-45 days faster than a cash sale, reducing Days Sales Outstanding (DSO)

Easy to Do Business With

- New online portal and dedicated financial experts help you configure and price opportunities
- Part of one HP, we offer flexible and integrated financial programs and promotions
- Proactive credit line approvals expedite future add-ons, upgrades and renewals

Benefits to customers

- Align IT investment with expected use and business benefits
- Pay for the use of IT equipment, reducing the total cost of ownership
- Implement a regular technology refresh program
- Avoid increased maintenance and failure costs associated with aging infrastructure
- Leverage expert asset management to manage equipment recycling while reducing regulatory and data security risks

Channel program summary and incentives

HP Financial Services Partners	
Sales Enablement, Training and Support	HPFS sales support On-demand training modules Financial promotions Quarterly Webcast HPFS Partner Connection online financing tool HPFS site on HP Smart Portal
Partner Connection Usage Incentive	1% of total financed amount (Applies for transactions initiated and completed by partner using Partner Connection portal)
Margin Uplift Option	Up to 4% optional margin uplift (varies by country and finance program)
Contractual Agreement	HP authorized partners must sign the HP Financial Services Channel Program Agreements and Partner Connection Portal Addendum
HP Marketing Tools	Marketing and Sales tools Co-Branding

Sell More – Example

Example	Purchase Price	Monthly Payment
Hardware	\$100,000	\$2,778
Add software or services	\$5,000	\$150
Total	\$105,000	\$2,928

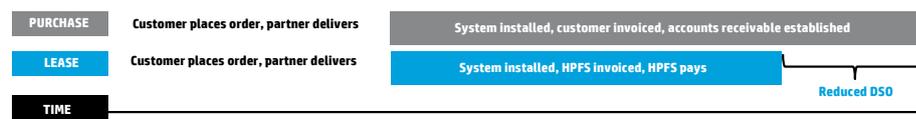
Based on a 36 month fair market value (FMV) lease. Partners have the option to position the sale as \$2928 per month, instead of \$105,000, to help their customer acquire the technology they need with no large, upfront cash outlay.

Earn More – Example

Example	\$
Financed Amount	\$100,000
Margin uplift – 2%	\$2,000
Partner Connection Usage Fee – 1%	\$1,000
Total potential margin increase	3%

Get paid faster – Illustration

HP Financial Services can pay partners sooner than customers by 30-45 days on average resulting in fewer Days Sales Outstanding (DSO).



Online Portals for channel partners and customers

HP Financial Services Partner Connection – New portal for supporting sales opportunities and executing transactions



Simplify and automate the customer engagement and sales process. Use Partner Connection to quickly:

- Generate a **quick quote** to respond to customer queries regarding leasing options
- Generate a **credit application** on behalf of customers and track the application through its lifecycle (submit, withdraw, declines, approvals).
- Create and save **firm quote** terms to provide customers with options. Download PDF proposal document for each option.
- Easily convert a quote into an accepted **proposal and contract documents** in seconds
- **Contact HP Financial Services experts** to resolve any customer issue quickly and effectively
- **Access Marketing materials and sales promotions** from the portal
- **Obtain reports** for transactions performed to date
- Invite customers to the online **Customer Portal**

Partner Connection is not immediately available in all countries. Contact your HP Financial Services channel representative for more information on availability, how to obtain access to Partner Connection and training.

HP Smart Portal – one portal for all HP Partner information and resources

- The HP Financial Services site on the HP Smart Portal provides access to marketing collateral, sales tools, promotions, programs and training, including links to Partner Connection where available.
- HP Smart Portal is being further enhanced to provide integrated access to all HP partner resources including joint business planning, deal registration and collaboration. The upcoming, enhanced portal will be named the HP Unison portal.
- Users are expected to be able to access Partner Connection from within the Unison Partner Portal as well in the June 2014 timeframe.

HP Financial Services Customer Portal

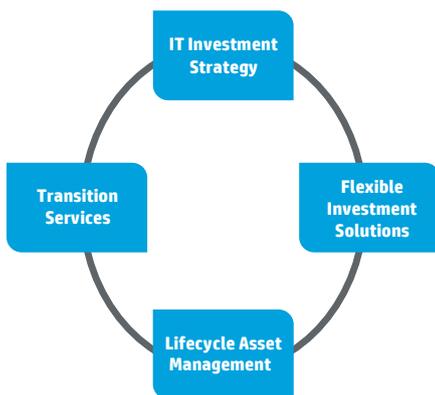
The HP Financial Services Customer Portal is a free, web-based, self-service lease management tool. From lease origination to contract and asset management, the Customer Portal provides support through its comprehensive step-by-step suite of tools. So not only will customers be able to better manage their assets, but they can also drive down their overall operating costs. They will be able to:

- Access real-time lease management/asset reporting
- Access real-time invoice information
- Manage Global Lease Documents in a single repository
- Proactively manage maturing assets

To obtain access to the HP Financial Services **Customer Portal**, see the Customer Portal brochure on the HP Financial Services site on the HP Smart Portal.

HP Financial Services solutions

To help drive business transformation, a new style of IT is emerging that enables faster responses and provides more flexible and on-demand options. As a result, customers are moving towards a leaner IT infrastructure. They need a new investment strategy as part of their evolving IT strategy. HP Financial Services offers investment solutions that enhance business flexibility and agility. We can work with you to help your customers succeed.



Flexible Usage IT Investment and Technology Refresh – Services that meet your customers unique needs. Customers acquire technology on their terms, upgrade when the business demands. Minimize the risks of asset ownership

Invest in IT on your terms

- Flexible, fair market value financing arrangement (FMV lease) allows you to pay for usage, not ownership.
- Lower monthly payments because we take a residual position in the equipment
- Available payment deferral and step-up payment options
- You have the opportunity to make mid-term adjustments
- At the end of the lease term, you can return the equipment and refresh, extend the lease, or purchase the equipment
- A finance lease option can be designed for customers who are certain that they want to own the equipment at the end of the term.

HP Pre-provisioning Solution – “Pay When Used” and “Cost/Per Unit” Pricing for customers who know they will be adding a specific amount of capacity but are concerned about long deployment, internal approval cycles.

- Initially available in the US, Canada, UK, France, Germany and Spain. More countries expected to be added.
- Obtain up to 12 months of capacity immediately
- Pay for capacity on a fixed “cost per” TB or virtual server
- 1st payment of 30% due by Day 89; remainder due when equipment is activated (all by Month 13)

HP accelerated migration to the cloud – many companies want to invest in cloud but legacy IT systems may be consuming their budgets. Generate the cash you need to invest in the cloud by converting your IT equipment from ownership to a flexible usage model.

- Increase flexibility to refresh technology, facilitate migration to cloud based infrastructure
- Keep your assets, no interruption to your business

Capacity on Demand – Acquire the capacity you need, with a built-in buffer to provide additional capacity upfront

- Capital currently sunk in over provisioning technology solutions can be freed for other uses.
- Acquire up to 30% of technology buffer
- No payment on technology buffer until midpoint of contract, for up to 30 months
- Financing contract for 2-5 years

Asset Recovery Services optimizes and manages the physical, financial and contractual aspects of all IT assets from implementation to retirement. While removing un-needed IT assets, we can help reduce the risk of regulatory or environmental violations and improve data security. If the equipment meets certain requirements, a rebate of the purchase price will be paid to the customer.

Asset Recovery Services are available for customers that meet certain criteria including volume of IT assets. Services not available in all countries.

Take a [virtual tour](#) of our Technology Renewal Center to learn more about our Asset Recovery Services. For more information on any of our solutions, visit the HP Financial Services [website](#) or the HP Financial Services site on the [HP Smart Portal](#).

HP Certified Pre-Owned Technology can help customers meet their IT lifecycle needs without sacrificing time, money or progress. A broad portfolio of technology is available to help in a variety of circumstances:

- Workplace or datacenter changes – consolidations, moves or build outs of an existing datacenter or workplace facility.
- Maintain legacy environments
- Bolster business continuity or disaster recovery plans
- Support temporary IT initiatives and operations

Short-term Rental – Rent equipment from 3 – 18 months for a transitional or short-term requirement. Renters have the option to buy equipment at the end of the rental term. Provides an attractive solution for:

- Proof of concept application testing
- Data Center move or consolidations
- Demo Equipment needs
- Try before buying

Sale – leaseback: Under the right circumstances, we purchase the customer's existing equipment and then lease it back for a specified term:

- Facilitates a technology refresh schedule. At the end of the term, return the equipment. Asset recycling and disposition is cared for by experts
- Customers enjoy a cash return from the sale

Training for HP Financial Services Partners

HP Financial Services offers on-demand training for channel partners. The 8 short, recorded modules can be accessed from the HPFS site on the HP Smart Portal, the HPFS Partner Connection portal or from the links below:

Section 1

Module 1.1: Benefits to HPFS Channel Partners

Module 1.2: HPFS: An Overview

Module 1.3: Benefits to Customers

Module 1.4: Fundamentals of Leasing

Section 2

Module 2.1: Selling the Solution

Module 2.2: Demonstrating the Value of Financing

Module 2.3: Engaging with HPFS

Module 2.4: Advanced Selling: TCO

The HP Financial Services process overview

You can utilize the Partner Connection portal to initiate or complete the sales and financing process below. An HP Financial Services representative is available for assistance at any point. Whether you use Partner Connection simply to obtain a quick quote, a credit approval or to complete a transaction, it will help you be more efficient and effective. Currently, Partner Connection is set up to support completing transactions up to \$500,000 USD within the portal.

STEP 1

Engage HP Financial Services in the sales opportunity

Obtain a Quick Quote and include an HPFS solution in your proposal

To obtain a quick quote, please provide :

- Company name, customer contact information
- Finance term required and transaction value
- Proposed solution including breakdown of hardware, software, services
- Equipment location
- Any other options requested

STEP 2

Credit Assessment

To obtain credit approval, submit the information and documentation listed in the next section of this handbook (Customer Credit Package). Typical turnaround time for HP Financial Services to assess credit approval is up to 24 hours for transactions less than \$500,000 USD, up to 48 hours for larger transactions.

STEP 3

HP Financial Services Documentation

Obtain a firm quote. We will confirm the final lease rate and prepare the necessary documents for the customer to review and sign. Documents are available immediately through Partner Connection or up to 24 hours from an HP Financial Services representative.

STEP 4

Credit and Shipping Authorization

HP Financial Services will provide a Vendor Authorization Letter (VAL) once the correctly executed lease documentation has been received, including the Anti-Money Laundering Survey, and all credit conditions for shipment haven been met.

STEP 5

Delivery and Installation

Deliver and install the equipment following receipt of the VAL. You will need to provide to HPFS copies and, later originals of the invoices. Invoices must include the manufacturer part number, description, unit price, quantity and serial numbers. If you have your own internal part numbers or references, please provide the original manufacturer part number also.

STEP 6

Certificate of acceptance

Following delivery and installation have the customer sign the Certificate of Acceptance (CoA) and send the original to HP Financial Services. The executed CoA legally starts the financing or lease contract. Please ensure prompt availability of the signed CoA.

STEP 7

Settlement

Once all documents have been received and credit conditions have been met, we will pay the invoices. This process takes approximately 1-2 business days after the CoA has been received or equipment has been deemed accepted. Payment will be made directly to the partner's bank account. Please note that HP Financial Services can split payments between distributors and resellers as needed.

Customer credit package

To obtain credit approval, please submit the following:

- Customer's contact name, email, telephone, fax number and web address
- Legal Name of the company, type of business (i.e.: public/private company, sole trader, proprietorship, partnership), parent company if applicable, business description, years in business, number of employees and their Fiscal Registered Address.
- For customers procuring HP Indigo or Scitex products, the company's business plan is also required
- Details on the products to be procured
- Equipment Location in the event the equipment will not be located at the Customer's site (datacenter for example).
- Expected credit line required based on IT procurement planned for 6-12 months
- HP Financial Services may request additional documents if required.

For customers who will have an outstanding balance of \$500,000* or less, HP Financial Services will obtain the additional information required from available credit bureaux or publicly available financial statements. Customers who will have an outstanding balance of greater than \$500,000* are required to provide the last 2 years complete, fiscal year-end financial statements including balance sheet, income statement and cash flow statement.

*\$150, 000 is the threshold for France, Spain, Norway and Denmark

If HP Financial Services is unable to obtain the required financial information from available public sources, the customer will be required to provide it.

Frequently Asked Questions

Sometimes customers don't ask about financing. Why should I discuss it with them?

Leasing gives the customer options that may help them reduce their initial capital outlay and suit them better than a purchase. At the same time, it can speed up your sales negotiation. Leasing includes the benefit of being able to upgrade when your customer wants to. Flexible finance options can help a customer stretch their budget and increase the configuration that they can afford by as much as 20-35%.

We have other financing options already available. Many customers have a finance facility with their own bank or financier. Why should I recommend HP Financial Services?

HPFS has expert specialists who can work with partners and customers at each stage of customers' IT lifecycle from planning and acquisition of IT solutions to retirement. As part of HP, HPFS works aggressively with partners to offer creative and flexible solutions and to approve all deals. We support HP in over 50 countries, and can provide customers with a consistent experience around the world. HP Financial Services can offer a total finance solution including hardware, software and services from multiple vendors, helping partners enhance their value to customers and the potential for ongoing, repeat business.

How do I obtain access to the Partner Connection portal? How do I get training to use it?

Your HP Financial Services channel representative can help you obtain access to Partner Connection and arrange for training.

Why does HP Financial Services require full invoices with so much detail?

Having a complete inventory and detail on a solution enables us to accurately assess the residual value and provide the best lease rates. Customers can align their payments with their usage and have options at the end of the term to extend or refresh their technology.

Support and more information

EMEA

Austria	+43-1-546521560
Belgium	+32-2-7174008
Czech Republic	+420 261 108 248
Denmark	+45-3525 8408
Finland	+358-922-901913
France	+33-1-70360461
Germany	+49-69-66805506
Ireland	+353-1-4118902
Italy	+39-02-45279010
Luxembourg	+32-2-7174008
The Netherlands	+31-20-5040641
Norway	+47-22-577706
Portugal	+351-21-1206163
Russia	+7 495 797 3500
Slovakia	+431502842114
South Africa	+27 11 785 1000
Spain	+34-915-909380
Sweden	+46-8-7509713
Switzerland	+41-44-2120340
United Kingdom	+44-20-79490230

Many customers want to own, so why should I recommend leasing?

Leasing removes the risk of owning obsolete or unsuitable equipment and provides the opportunity to replace it with the latest technology. With leasing, customers have the option to purchase equipment at the end of the lease term. Loyalty among customers who lease with HP Financial Services is significantly higher than customers who pay cash or use other financial sources.

How will leasing help me sell more?

It is easier to sell a “payment” than a “price”. An affordable monthly payment takes the focus off large cash outlays and can eliminate the pressure to discount. Financing offers customers an opportunity to acquire more for their current budget and have the flexibility to upgrade later. Also, financing makes it easier to sell a full solution by bundling hardware, software and services into a single payment. If a customer purchases, it may be 4 or 5 years before you get another sale. And HP Financial Services can help partners get paid faster by reducing the delay from invoice to payment.

How do I utilize the margin uplift?

You can choose to add a percentage of the financed amount (varies by finance program and by country), up to the specified limit and include it in the invoice to HP Financial Services. Consult your HP Financial Services channel representative for more details.

Does HP Financial Services have multiple levels of channel partners?

Partners who have demonstrated a record of driving high levels of HPFS revenue and a commitment to continue to do so can become eligible to become strategic partners and earn additional incentives.

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