



# COMPLIANCE EXPECTATIONS FRAMEWORK

APRIL 2021

Dell Technologies Channel Compliance Program envisions robust and effective compliance execution by our Partners. All Partners should anticipate a periodic compliance audit.

All Partners are required to have effective policies, documentation, and controls that, at a minimum, incorporate the requirements contained in the [Partner Code of Conduct](#) and the laws and regulations applicable to your business.

KEY ITEMS	PARTNER CODE OF CONDUCT
Partner Code of Conduct	Dell Technologies expects you to act with integrity and that includes being knowledgeable about and complying with the law and the Partner Code of Conduct. Failure to do so could subject both Dell Technologies and you to civil and criminal penalties and jeopardize your relationship with Dell Technologies.
Data Privacy and GDPR Compliance	
Know Your Customer	DATA PRIVACY AND GDPR COMPLIANCE
Know Your Obligations	Dell Technologies continues to have a strong Global Privacy Program, providing the foundation for protecting personal data worldwide. This commitment to compliance applies to our engagement with all Dell Technologies Partners as well as to our customers and the data subjects in respect of any personal data processed by Dell Technologies in the course of providing products, services and solutions to and via Channel Partners.
Manage Your Risk	
Additional Distributor Obligations	Dell Technologies commitment to its Partners in respect of personal data, as well as Partners' personal data compliance obligations, are detailed in the Dell Technologies Partner Program Terms and Conditions, which have recently been updated in light of GDPR, to include a Data Processing Schedule. Partners' compliance obligations are also set out in the Dell Technologies Partner Code of Conduct.
Grey Market Policy	
Report Suspected Violations	

## KNOW YOUR CUSTOMER

- Know your customer and understand their business practices and risks. This is especially important when working with government-owned or controlled end users as strict laws apply to these relationships.
- Adopt due diligence in line with Dell's Due Diligence Aid to mitigate risk of unethical conduct in the course of business.

## KNOW YOUR OBLIGATIONS

- Read and understand your contract with Dell. Ensure others in your company do the same.
- Resale Dell Technologies products only in your authorized territory scope per agreement.
- Understand export, sanctions, imports, and customs requirements for the countries where you sell and deliver products, software, and services.
- Complete Dell Technologies training, education, and awareness requirements in a timely manner.

## **MANAGE YOUR RISK**

Dell Technologies executes periodic audits to evaluate channel partner compliance with contractual obligations. It is your responsibility to ensure we obtain co-operation from your employees and anyone that contracts with you. Dell Technologies Channel Compliance Program envisions robust and effective compliance execution by our Partners including:

- Establish a policy and set of practices to govern your own compliance practices. Document these.
- Train your employees on compliance risks/practices. Maintain copies of third party warehouse inventory and product identification reports to support rebate claims.
- Retain important documentation in accordance with a reasonable records retention policy developed with guidance for your geography/location.

## **COMPLY WITH ALL APPLICABLE LAWS**

- Anti-Corruption – Always win with integrity. Never offer, promise, authorize or give anything of value to anyone, either directly or indirectly through a third party, to influence, induce, secure, or reward a business decision or obtain an improper advantage.
- Trade Compliance – Sell and deliver Dell Technologies products, software and services to the right end user and location in compliance with U.S. export laws and regulations and those of any other applicable country.
- Competition Law – Dell Technologies' partners and your purchasers should always be allowed to set their sales price independently, and business should be conducted in accordance with applicable competition laws.
- Privacy – Ensure you understand the privacy requirements for all personally identifiable information you are permitted to access, use, store, transfer or control on behalf of Dell Technologies' customers, yourself and your customers.

## **ADDITIONAL DISTRIBUTOR OBLIGATIONS**

- Conduct appropriate risk-based due diligence on any third party that you may contract, oversee, manage, transact with, direct or otherwise engage in the context of Dell Technologies business, and utilize such third parties only when necessary.
- Execute and maintain contracts with all of the third parties you do business with, including resellers, freight forwarders, warehouse service providers and other third parties that support your business with Dell Technologies.
- Ensure you understand what these contracts require of you and of the third parties. Ensure that those obligations are aligned with your commitments to Dell Technologies, including for example flow down terms to your resellers.
- Ensure that the resellers you sell to are properly trained. You are responsible for ensuring your resellers are aware of Dell Technologies requirements and those of your own business.
- You should be diligent about monitoring the performance of the resellers that purchase from you, including periodic audits and reporting.
- Meet all required E2open/Zyme Sales Out Reporting requirements.

## **GREY MARKET POLICY**

Grey market essentially relates to unauthorized resale of Dell Technologies products that has an adverse impact on Dell Technologies, our customers and channel partners. Examples of grey marketing activities are listed below:

- Products sold by authorized distributors in violation of their territorial agreements.
- Products sold by distributors to non-authorized Resellers or Partners.

- Products sold by Dell Technologies channel sales team outside their authorized sales geography or region without any approvals.
- Refurbished products sold as new by our authorized Partners/Distributors.

**Grey Marketing/Leakage Definition:** (1) When any sales of Dell Technologies products, software and/or services ultimately end up being diverted to end-user(s) other than as indicated in the order placed by an end customer or by a channel partner; (2) Units downloaded for a distributor be captured outside of the defined "Territory".

## REPORT SUSPECTED VIOLATIONS

If you know or suspect of a violation of applicable laws or regulations or this Code, you are encouraged to report as follows:

- Contact Dell's Global Ethics and Compliance Office at [Ethics@Dell.com](mailto:Ethics@Dell.com)
- Contact the Audit Committee of the Dell Board of Directors at [Board\\_of\\_Directors@Dell.com](mailto:Board_of_Directors@Dell.com)
- Contact Dell's Ethics Helpline at [www.dell-ethicsline.com](http://www.dell-ethicsline.com)
- For matters involving personal information, contact Dell's Privacy team at [Privacy@Dell.com](mailto:Privacy@Dell.com)
- For partner escalations, visit the Dell Technologies Partner Portal and click on Partner Support