

PAN COMPETITIVE TAKEOUT PROGRAM

THE PROGRAM

With the recent release of Palo Alto Networks 8.0 and the EOL of many of the Palo Alto hardware models, now is a perfect time for Fortinet sales and resellers to engage with customers and prospects to replace Palo Alto with comparable Fortinet hardware. Because of this opportunity Fortinet has created a special pricing discount offer as well as a discount on professional services to incentivize end-users to make the switch and migrate from Palo Alto Networks to Fortinet.

THE OFFER

The PAN competitive takeout program includes an opportunity for resellers to take advantage of increased discount on hardware and software bundles as well as a discount on professional services with a minimum order of \$50,000 in products, net to Fortinet (does not include professional services).

HARDWARE DISCOUNT

| | Standard | PAN Promo | Standard | PAN Promo | Standard | PAN Promo |
|---------------------|----------|-----------|----------|-----------|----------|-----------|
| Product Type | Silver | Silver | Gold | Gold | Platinum | Platinum |
| Category A Hardware | 30% | 40% | 35% | 45% | 40% | 50% |
| Category B Hardware | 25% | 40% | 30% | 45% | 35% | 50% |

PROFESSIONAL SERVICES DISCOUNT

This is for partners or customers who do not have technical staff, professional services, or ability to successfully convert and migrate to FortiGate devices. They have the option to use Fortinet Professional Services. Fortinet offers the following discount on daily SKU:

| Product Type | PS Promo |
|---------------------|-----------|
| Category A Hardware | Up to 15% |
| Category B Hardware | Up to 25% |

All Professional Services discounts are subject to the replacement of PAN products.

*See matrix in replacement section below as to what replacement hardware fits into which category.

** Special Pricing Requests that exceed these approved discount levels will be reviewed for approval by the Fortinet Sr. Leadership team.

THE REPLACEMENTS

Below is a matrix of recommended Fortinet hardware model replacements for Palo Alto hardware:

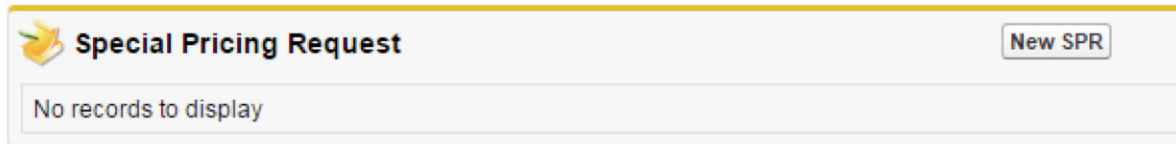
| | Recommended FortiGate | Hardware Category | Previous Line Up | New Line Up |
|------------------------------|--|-------------------|--|--|
| FortiGate 7000 Series | FortiGate 7060E FortiGate 7040E | B | PA 7000 PA 7080 PA 7050 | PA 7080 PA 7050 |
| FortiGate 3000 Series | FortiGate 3700D FortiGate 3810D FortiGate 3000D | B | PA 5000 PA 5060 PA 5050 PA 5020 | NEW PA 5260 NEW PA 5250 NEW PA 5200 Replacement Replacement Replacement |
| FortiGate 1000 & 2000 Series | FortiGate 2500E FortiGate 2000E FortiGate 1500D FortiGate 1000D | B | PA 3000 PA 3060 PA 3050 PA 3020 | PA 3060 PA 3050 PA 3020 |
| | FortiGate 600D / 900D | B | | NEW PA 850 (2 models) |
| | FortiGate 100E / 200E | A | PA 500 | PA 800 NEW PA 820 Replacement |
| | FortiGate 80E / 100E | A | PA 200 | Replacement |
| | FortiGate 50E / 60E | A | | NEW PA 220 |

FORTINET SALES REP INSTRUCTIONS

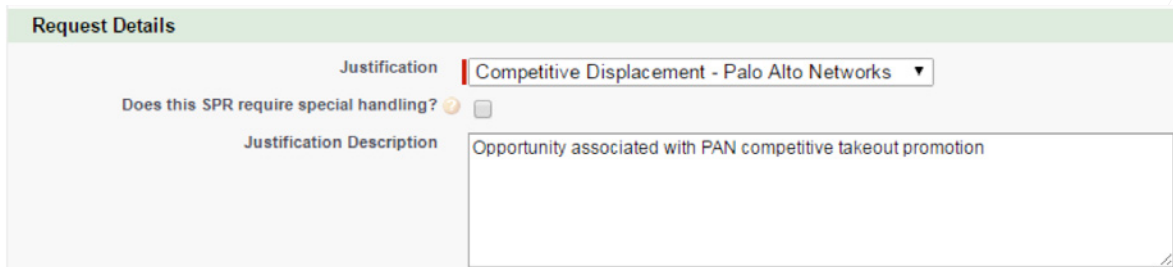
SPR

Fortinet sales reps must follow the instructions below to activate the offer(s) detailed within this program.

1. Follow normal process to initiate a Special Pricing Request from the Opportunity Record.



2. Select New Special Request; label “Competitive Displacement – Palo Alto Networks.”



3. Follow standard process to add and select product.

4. Insert SPR discount per product as indicated in the PAN promo discount table.

5. If professional services needed:

- Complete the Pre-Engagement form and scope needs with PS team.
- PS will determine level of effort and provide appropriate SKUs.
- Follow standard process to add and select product.
- Insert PS discount per SKU as indicated in the PAN promo discount table.

6. Follow standard process to submit for approval. (Once approved, it will automatically be sent to the distributor.)

7. Complete and email copy of the Certificate of Displacement form to the reseller. (The reseller will fill in the Certificate of Displacement and send to: CompetitiveTakeout@Fortinet.com)

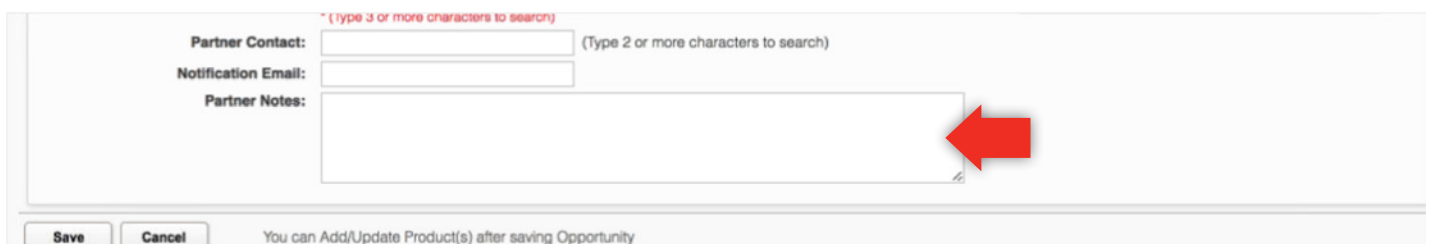
FORTINET PARTNER INSTRUCTIONS

SPR

Fortinet Partners must follow the instructions below to activate the offer(s) detailed within this program.

1. Login to Fortinet Partner Portal and follow the standard process to create a new opportunity.

2. In the Partner Notes section type “**Competitive Displacement – Palo Alto Networks**” then follow the standard process to complete the deal registration.



PAN COMPETITIVE TAKEOUT PROGRAM

3. The opportunity will follow the standard process of being assigned and accepted by a Fortinet Account Manager. The account manager will submit the SPR with the appropriate discount information referencing the promotional offer. Once approved, the SPR will automatically be sent to the distributor allowing them to pass a quote to you, the partner.
4. If professional services are needed from FTNT, engage the TM/AM on scope of PS.
5. You (as a partner) need to fill in the Certificate of Displacement and send to: CompetitiveTakeout@Fortinet.com to fulfill the obligation of the competitive takeout.

TERMS AND CONDITIONS

- Fortinet Trade-In Program is valid from 12:00 a.m. PT on April 4, 2017, thru 11:59 p.m. PT on October 31, 2017. This program is available to Fortinet Partners, including DMRs and Nationals within the United States only.
- Orders must be received by Fortinet no later than 11:59 p.m. PT on October 31, 2017.
- The Certificate of Displacement must be completed by the Reseller and provided to the FTNT account manager and sent to CompetitiveTakeout@Fortinet.com to accompany the final order.
- In order to qualify for the Fortinet Trade-In Program, all submissions must involve an approved PAN replacement and an end user in the United States. The end user must be the legal owner of the qualifying PAN product.
- All submissions are subject to Fortinet approval. Approvals shall be made in Fortinet's sole and absolute discretion and any decision by Fortinet relating to a submission shall be final.
- Partner must provide the PAN product model number(s), and serial number(s) in the deal registration request to qualify for special pricing and discount.
- As part of a deal registration opportunity, please advise your account manager to ensure that the opportunity adheres to Fortinet Deal Registration Program Guidelines. Deal registration opportunities must follow Fortinet's Guidelines to receive this promotional pricing.
- Purchases made pursuant to Trade-In Program may not be used to stock Fortinet Partner inventory or be sold to any entity that is not the legacy end user identified in the original request.
- Offer is void where prohibited by law. This offer cannot be combined with any other Fortinet offer or promotion.
- Fortinet reserves the right to amend or cancel this program at any time, to add or subtract qualifying products, and to raise or lower amount of discount at any time for any reason. The decisions of Fortinet are binding and final on all matters relating to the program.
- Nothing herein represents any binding commitment by Fortinet, and Fortinet disclaims all warranties, whether express or implied, except to the extent Fortinet enters a binding written contract, signed by Fortinet's General Counsel. Fortinet disclaims in full any guarantees.
- Professional services discount is subject to HW Cat A and B eligibility, and cannot be applied to other services.
- Professional services onsite services need to include T&E, which will be included in the quote. T&E is not subject to discount.
- Discounted PS only applies toward the devices included in the PAN promo project (does not include wireless or any other Fortinet product not specifically listed in the table, even if purchased at same time).

Addendum: Displacement Certification Form



FORTINET COMPETITIVE TAKEOUT PROMOTION

Displacement Certification Form

Fortinet Sales Rep

Retailer / Distributor

Submitted by

The following competitor solutions are being replaced (please print in black UPPERCASE letters):

| Competitive Product Name | Serial Number | Quantity | Purchased From |
|--------------------------|---------------|----------|----------------|
| | | | |
| | | | |
| | | | |
| | | | |

The following Fortinet product(s) will be purchased to replace the competitor:

| Competitive Product Name | Serial Number | Quantity | Purchased From |
|--------------------------|---------------|----------|----------------|
| | | | |
| | | | |
| | | | |
| | | | |

The following enduser is replacing their current device with a Fortinet security appliance:

| | |
|--------------|--|
| Company Name | |
| Address | |
| Website | |
| Phone | |

I approve the eligibility of this product to qualify for the promotional discount, according to the program rules of the competitive displacement promotion.

| | |
|-----------|--|
| Name | |
| Signature | |
| Date | |