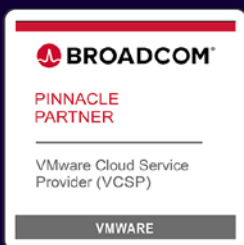


VMware Survival Guide

What Partners Need to Know



VCF Survival Guide for Partners

This is a document that gives you the full context on VMware:
What's changing and how it impacts you, and what you can do next.
No jargon. No guesswork. Just the info you need to stay ahead.

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Purpose of Guide

The goal of this guide is to inform and educate VCSP Transitioning Partners about the recent changes to the Partner Program announced by Broadcom on July 16, 2025. We recognize that these changes are unfolding rapidly and that information is evolving. To ensure relevance and accuracy, each section will include a "Last Updated" date, as this document will be continuously revised as information is released in the Program.

Terminology

The table below outlines common terms used throughout this guide.

VCF	VMware Cloud Foundation
VCSP	Partner who an Authorized Partner (One of the 14 in the US) who can sell VCF subscriptions to customers (Typically MSPs) where the customer can utilize the subscription for internal use right & hosting of services for resale to end-customers.
Reseller	Partner who is an Authorized Partner (one of the approximately 16) who can resell VCF subscriptions to end customers where the end customer can consume the subscription for internal use right only.

Update Cadence

It is anticipated that updates to this program will begin to be released in August.

RapidScale's commitment is to keep this document updated weekly through the transition period.

VCSP vs. Reseller Program

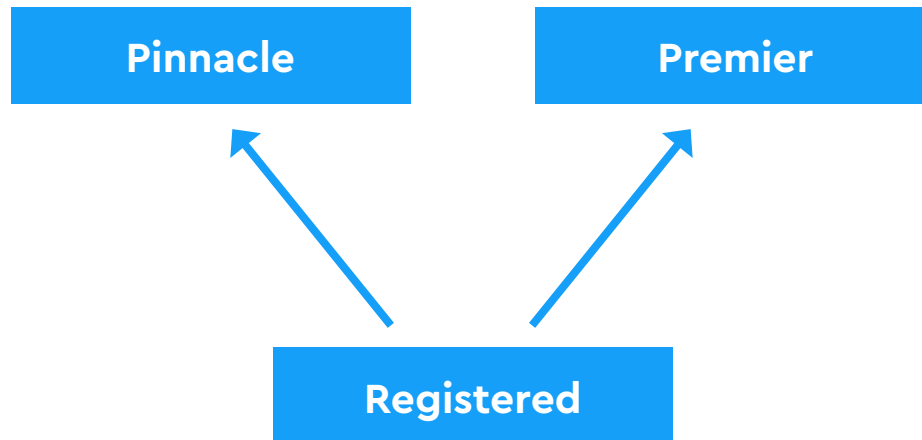
The Reseller Program is separate from VCSP. The below table explains the differences.

VCSP (RapidScale is in this Program)	Allows the sale of VCF to providers who build and host solutions on top of the VCF stack, where services running above the hypervisor can: 1 – be consumed internally 2 – be sold externally as services <i>Note: The Authorized Partner is required to own the hardware.¹</i>
Reseller Program (RapidScale is NOT in this Program)	Allows sale of VCF to customers for internal consumption only. Solutions on VMware hypervisor cannot be sold as services externally to third parties. The reseller does not need to own hardware, meaning these licenses are transferable as Bring Your Own Service (BYOS).

¹) See Hardware Requirements Section for more information

Program Changes

In July 2025, Broadcom announced a major change to its Partner Program. Previously, the program was structured around three distinct tiers, encompassing approximately 5,300 partners worldwide across those levels.



Effective Oct. 31, 2025, Broadcom is closing the current Program for VCSPs and sunsetting the White Label model. This is the end of the Broadcom fiscal year.

Effective Nov. 1, 2025, the go-forward program will not include any partner tiers, and instead, it will be an evolving strategy that works with a focused group of invite-only partners who are deeply invested in delivering customer success with VMware Cloud Foundation.

This select group (14 U.S. Partners, approximately 100 worldwide) is made up of former Pinnacle and Premier Partners who demonstrate:

- ✓ Consistent growth across VMware solution offerings
- ✓ Proven commitment to revenue streams beyond licensing, highlighting the long-term value of attach-rate services
- ✓ A deep technical bench with expertise spanning the VMware technology stack

Approximately 1,300 partners in the U.S. were not selected. The following sections outline the implications, the impact on these partners, and the strategic options available to them.

Partners Who Did Not Get Selected

It is estimated that only about 1% of U.S.-based partners received an invitation to become Authorized Partners. This change raises important questions for both partners and customers who were not invited. The remainder of this document is intended to address those concerns and provide clarity on options and the path forward.

Understanding the Timeline

Partner Tiers will cease to exist on Nov. 1, 2025. It is important to understand the different time periods around these changes:

VCF Notice Period	July 2025 until Oct. 31, 2025
VCF Wind Down Period	Nov. 1, 2025, until existing agreements end for transitioning partners (estimated between Feb. and June 2027).
VCF Fully Transitioned	All Agreements are now sold through Authorized Partners (this period will be staggered across customers).

This section helps you understand that having a strategic Partner by your side is imperative:

Not only to understand your short-term options but to lay the roadmap for your future success and help you maximize your VMware investment.

VCF Phase 1	VCF Transition Period	VCF Wind Down Period	Authorized Only
Jan. 2024 – July 2025	July 2025 until Oct. 31, 2025	Nov. 1 Until Existing Agreements End (Estimated Feb-June 2027)	Post Existing Agreements. All Agreements are through Authorized Partners.
Old Partner Program	Transitioning Partner (Existing Agreement Only) 1 – Transacting Capacity Only 2 – No New Agreements		
Pinnacle, Premier, & Registered	Authorized Partner (Existing Agreement / New Agreements through Brokered Agreements)		Authorized Partner Only New Agreements

Understanding Partner Positioning

This section focuses on providing clarity around your strategic position to support your business's success during this pivotal phase of VMware's evolution. Businesses fall into one of four Partner positions under the new go-forward program. The table below outlines these positions.

Position	VCF Seller	VCF Consumer
Authorized Partner	✓	✓
Customer of Authorized Partner		✓
Transitioning Partner	✓	✓
Customer of Transitioning Partner		✓

1 – Authorized Partner – These are Partners who received an invitation from Broadcom to join the new Partner Advantage Program. Less than 1% of Partners were invited. RapidScale is one of the select few partners. Going forward, Authorized Partners can:

- ✓ Continue to sell VCF under the VCSP Program after Nov. 1, 2025 (restrictions apply).
- ✓ Continue to service existing customers under White Label during the Transition and Wind Down periods (see Licensing Limits section).
- ✓ Host VCF on their own infrastructure.
- ✓ Provide services layered on top of VCF.
- ✓ Provide full assessments to help customers understand strategic short- and long-term VCF options.

2 – Customer of Authorized Partner – These are customers (typically enterprises or MSPs) who have existing VCF agreements with an Authorized Partner. Going forward, customers of Authorized Partners can:

- ✓ Procure licensing for the remainder of the term with their Authorized Partner, per the program licensing limits (see licensing limits section).
- ✓ Continue to provide managed services on top of VCF infrastructure for existing customers where you own hardware against your existing customer base.
 - Per VMware's rules, any customer expansion should be under a new hardware agreement with the Authorized Partner.
- ✓ Receive programs to maximize VCF licensing benefits.
- ✓ Purchase overages (see licensing limits section).
- ✓ Continue to support existing customers through the end of the existing VCF term.

3 – Transitioning Partner (Not Renewed) – These are the Partners who previously could resell under the former Pinnacle or Premier tiers and unfortunately did not receive a letter inviting them into the Authorized Partner Program. Going forward, transitioning partners:

- ✓ Will be able to transact licenses for capacity on existing contracts (see licensing limits section).
- ✓ Will not be able to transact new customers unless through an Authorized Partner.
 - Authorized Partners are putting programs in place to help assist with transacting through a number of options.

4 – Customer of Transitioning Partner (VCF) – These are typically smaller customers who purchased services (not licensing) via a Transitioning Partner. Going forward, customers of transitioning partners can:

- ✓ Continue utilizing existing services through the existing contract term.
- ✓ Make changes to volume of existing services.
- ✓ Continue to receive support from Transitioning Partners for the term of their existing VCF agreement.

Licensing Limits

The following table explains the licensing changes with VCF.

Category		
License Limits		When
16 Core min per Service	Note: This is a minimum regardless of cores of server. 8 core server will charge 16 cores 12 core server will charge 16 cores	Effective Immediately
72 Core min per Customer	Per customer refers to each VCF agreement.	Effective Immediately
True Ups		
Up to 25% of Base Commitment	Example: 500 Committed Cores, can true up 125 cores	Effective Nov. 1
Quarterly True Ups	True ups previously were twice yearly, now increased to quarterly	Effective Nov. 1
500 Min Commit – True Up	True up minimum commit is now 500 cores per agreement	Effective Immediately
Hardware		
Hardware must be owned by Authorized Partner in VCF.	For all new agreements, the Authorized Partner must own all hardware.	Effective Immediately

Support Requirement

Transitioning Partners can continue to support customers with hosted services through the end of their existing agreements with VCF. It is important to discuss the go-forward options with an Authorized Partner to understand how impact and revenue can all be protected going forward.

Hardware Requirement

When VCF licenses get renewed (following the ramp-down period) Broadcom has placed a requirement that all Authorized Partners will need to own the hardware on which VCF is installed in order to transact VCF. The good news is RapidScale is prepared to handle this requirement and have the legal agreements in place to help you continue transacting as you always have. The impact to your business should be minimal and our team can help you navigate this change.

Broadcom will require all Authorized Partners to own the hardware on which VCF is installed in order to transact VCF. The good news is that RapidScale is prepared to handle this requirement. As one of the select few authorized partners, RapidScale has all the legal agreements in place to help you continue transacting as you always have. The impact to your business should be minimal. Our team can help you navigate this change.

What's Coming Next

RapidScale will be soon publishing our solutions for partners. We're ready to provide strategies to drive success for your business during these changes. In the meantime, please feel free to set up time with our team to discuss these changes.

