



Valued Partners,

Let me start by thanking you for everything you have done to help drive PTC's success in FY19. We closed the year with strong double digit growth thanks to the continued investment and execution by our partner community.

Going into FY20, PTC continues to embrace what it means to truly be a subscription company. In order to make that transition requires modifications to our business practices to bring PTC's Sellers and Partners along with us as we make that transition. These changes greatly complement and are critical to our **CARE (Close, Adopt, Renew, Expand)** vision.

One of the changes that will impact PTC's Sellers and Partners are the **new FY20 business rules**, which focus on retaining and growing ARR and standardizing business practices. For new business and quotes closing in Q2 or beyond, the new FY20 business rules must be followed.

[HERE](#) you will find the new version of the rules and an FAQ highlighting the changes.

Changes were made to the following rules:

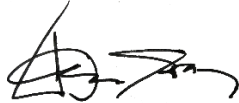
- Rule 1: Subscription Initial Term
- Rule 3: Increasing/Decreasing Scope
- Rule 6: Ramp Deals
- Rule 7: Future Start Date
- Rule 8: Future Discount
- Rule 9: Mid-Year Support Renewals
- Rule 10: Auto-Renewal
- Rule 12: Renewal Fee Increase
- Rule 17: Billing
- Rule 18: Binding Order Language
- Rule 20: Price Increase Effectivity
- Rule 24: License Transfers

## Rule 25: Adding Global Rights to Non-Global Licenses

We have much to do to capitalize on our business potential and having the right mindset and tools are critical to driving results.

We appreciate your partnership and investment in PTC. Let's have a great start to FY20!

Best,



John Gray  
Divisional Vice President  
PTC Partner Network

