

Passport Advantage and Passport Advantage Express

IBM's license acquisition and Software
Maintenance programs for distributed
software

Purpose of this presentation:

To help you

- Understand the Passport Advantage Program and ...
- Understand the Passport Advantage Express Program

Passport Advantage : Two Acquisition Models

★ Passport Advantage Express

- ▶ Primarily for Small and Medium Businesses (SMB)
 - ✓ Simple acquisition
 - ✓ Single site
 - ✓ Transactional model
- ▶ Can be used within larger enterprises - for specific departmental solution acquisitions, etc.

★ Passport Advantage

- ▶ Addresses the needs of larger and more distributed enterprises
 - ✓ Multi-site
 - ✓ Multi-national
 - ✓ Relationship model

Passport Advantage Express

★ Simple Acquisition Model

- ★ Focused on SMB customers
- ▶ Available to all channels of acquisition:
 - ✓ Business partners (BPs)
- ▶ Single price level; BP sets final customer price
- ▶ Simple licensing model
 - ✓ End-User License Agreement style

Passport Advantage Express

★ Simple Acquisition Model for SMB customers

- ▶ Transactional acquisition
 - ✓ Single site only
 - ✓ No points, No aggregation
 - ✓ Software Maintenance coverage included with all new licenses
 - ✓ Continuously renewed unless declined by customer
 - ✓ Each transaction has its own "Anniversary"
- ▶ BP sets actual customer price
- ▶ Common tools with Passport Advantage

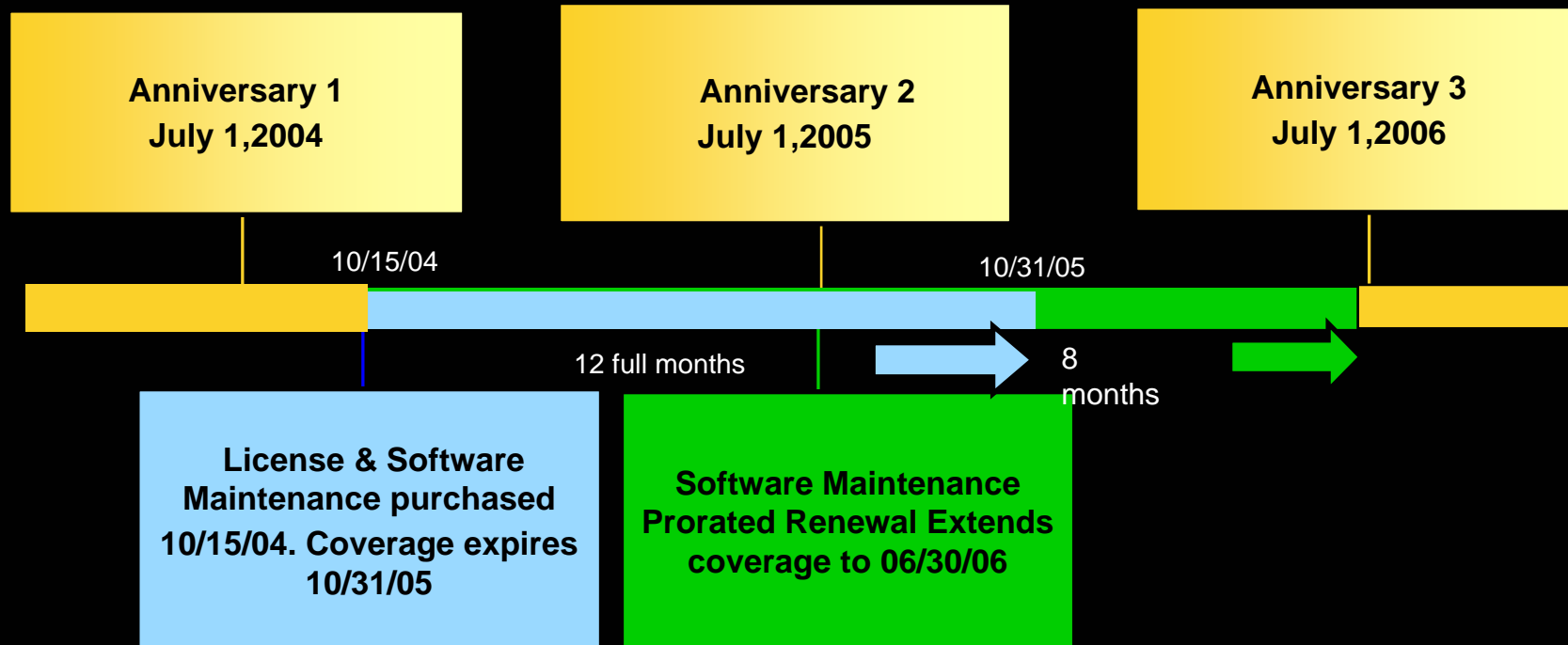
Passport Advantage Express

- ★ Uses same product list, product options, and part numbers as Passport Advantage
- ★ Includes part numbers for:
 - ✓ CEO - Complete Enterprise Option
 - ✓ Fixed Term licenses for select products
 - ✓ Sub-Capacity licenses for select products on select platforms

Passport Advantage

- Program Eligibility
 - ▶ New agreement enrollments require minimum of 500 point (equivalent to approx US\$100K) initial purchase
- Software Maintenance
 - ▶ Included with all new licenses
 - ▶ Continuously renewed unless declined by customer
 - ▶ Prorated renewals, when needed to sync up to customer's Anniversary
 - ▶ Customer choice - to sync up with Anniversary
 - at time of license purchase
 - or at Anniversary renewal

Passport Advantage



Passport Advantage

■ Price Levels

- ▶ RSVP Levels D through H
- ▶ RSVP Level BL - 'grandfathered' level for customers at RSVP
Also for customers who fall below RSVP Level D due to normal program rules
- ▶ SVP for any given transaction is the better of the customer's RSVP or the SVP applicable to the points being acquired on any given transaction
- ▶ "Instant" RSVP recalculation is performed after every transaction (to determine if customer can be "up-levelled")
- ▶ Anniversary RSVP recalculation (up, same, or down) based on last term's purchase history
 - Maximum allowable down-level per Anniversary is 1 RSVP Level

Passport Advantage - Government & Education

- ★ All eligible government & education customers must use Passport Advantage to get their special pricing and terms

PA Express vs. PA Comparison:

Attribute:	Passport Advantage Express	Passport Advantage
Customer Set	Small & Medium	Distributed Enterprises
Purchase Model	Transactional	Relationship
Site Coverage	Single	Multi-Site, Multi-National
Entry Level	no minimum	500 points
Band Levels	SRP	D-H
Software Maintenance Coverage	Included with all new licenses	Same
Software Maintenance Renewal Proration	N/A	Yes - to Sync coverage with Anniversary
Available to all BPs' (VAP, non-VAP, IBM Direct)	Same	Same
Aggregation of Points	N/A	All orders
Discounts	None	Pricing is better of: Customer's RSVP or SVP applicable to point value of the order
RSVP Recalculation	N/A	Instant after each transaction and at Anniv.

PA Express vs. PA Comparison:

Attribute:	PA Express	PA
Down-leveling of bands	N/A	Maximum 1 per Anniversary recalculation
License plus Software Maintenance part numbers (including FTL, CEO, Sub-capacity and IBM PASS)	Same	Same
Options for Gov. & Educ.	N/A	Special band levels
License Terms	No signature	Signature not required in most cases
Code Provision	"right to copy"	"right to copy"
Customer Deliverables: PoE, Welcome & Support Kit, Renewal notification	Same	Same
Online Tools: Tutorial, FAQs, etc.	Same	Same

Software Upgrades: "on demand"

- Each time an upgrade becomes available for customers with active software maintenance
 - ▶ An e-Notification is sent to the Primary Contact and any other contact the customer designates

- Three options are available for these upgrades:
 - ▶ Download - from Passport Advantage Online
 - ▶ Order the Media at no additional cost - from PA Online
 - ▶ Take no action at this time - make a choice when needed!

Electronic Proofs of Entitlement

- ▶ Electronic delivery of Proof of Entitlement (POE) documents
 - Via Email
 - Also available on Passport Advantage Online

- ▶ POEs are sent to:
 - The Administrative contact
 - In some cases may be sent through channel partners

- ▶ Electronic Proof of Entitlements should be printed and saved