

# **IBM GLOBAL FINANCING OFFERINGS / PROMOTIONS**

(as of September, 2000)

<b><u>Promotion / Offering</u></b>	<b><u>Eligible brands</u></b>	<b><u>Availability</u></b>
<b><u>TOTAL Solution Financing</u></b>	All, including Non-IBM	Until Further Notice

***Our objective is to help customers deploy their e-business strategy, offering BELOW MARKET RATES for most IBM hardware and services, and products from selected 3rd party vendors.***

The most attractive financing within the program will be found on AS/400 servers. For the 3rd quarter, the AS/400 brand will provide financing as low as 7.15% (commercial). For other brands, financing will be as low as 7.75% (commercial). IBM software is not eligible. Machines are to ship and install by 12/31/2000.

<b><u>TOTAL Solution Financing</u></b>	S/390, AS, NUMA-Q, SSD	<i>September 30, 2000</i>
<b><u>3Q Promotion</u></b>	PSD, NHD, POS, Services	

***Our objective is to attractive rates for IBM hardware products, IBM services, software from selected independent software vendors (ISVs), and business partner value-add services.***

IGF Promotion of our capability to provide 100% financing of both IBM and non-IBM content. For credit qualified customers, a line of credit could be made available for the duration of the roll

<b><u>TOTAL Solution Financing</u></b>	AS/400 (all), PSD (all), PSG	<i>September 30, 2000</i>
<b><u>3Q Deferral</u></b>	Storage (all), RS/6000 (S80)	

***Our objective is to incent customers to install new equipment NOW at NO COST and still maintain their 2H00 budget.***

This deferral promotion is offered to our best & best plus rated customers. Systems are to be shipped by 9/30/00 and installed by 10/31/00. A sliding scale deferral to January is used (August installs receive 150 deferral days; September installs receive 120 deferral days).

Eligible products are:

- AS/400-- 9406 models 170,720,730,740, and 270,820,830,840
- RS/6000-- 7017 S80
- Storage -- all products
- Operating System Software -- AS/400 - 5769 SS1 and RS/6000 - 5765 C34

## **AS/400 CISC**

<b><u>Inventory Migration Campaign</u></b>	AS/400, installed CISC systems (model B-F, 2XX, 3XX)	<i>September 30, 2000</i>
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***Our objective is to incent customers to migrate to new systems.***

Qualified customers will receive a 5.9% 3Q financing rate for replacing currently installed AS/400 CISC systems with a new AS/400 RISC system models 270, 820, 830, 840, or model 170, 720, 730, 740.

Terms and Conditions: 24-60 monthly payments; all financing options; cannot be combined with TOTAL Solution Financing or with 3Q Payment deferral promotions

**NetGen Offerings**

IBM HW,SW.Svcs

December 31, 2000

*Our objective is to help IBM Business Partner target fledgling e-businesses, and to establish IBM technology as the foundation of the next generation of e-business start-ups.*

Qualifying companies must be true e-businesses, either using the Web as their primary sales outlet, or providing Web-based solutions such as Internet access, e-commerce, application hosting or portal/community services. They must have a credit rating of 6 or better, must not have raised funds through a public stock offering, and can't have been in business more than four years at the time of system installation. In addition, qualifying companies have to consent to being a reference case after they are in production.

If they qualify, they can finance up to \$400,000 worth of systems and software, using a 36-month FMV lease with a six-month payment deferra (applicable state taxes cannot be financed under this offering within the United States of America).

Similarly, only qualified Business Partners are eligible to offer QuickLaunch financing to candidate customers. The Business Partners must be VAE-certified solution providers with an ability to integrate software on hardware configurations. The Business Partners must also register with the IBM QuickLaunch Program Office.

**Entry Level Storage Financing Promotion**SSD (2105 Disk - Shark);  
3494 Virtual Tape Server  
Tape LibrarySeptember 30, 2000 **3Q**

*Our objective is to incent customers with exceptionally low rates opportunity to structure step payments (FMV lease) to match capacity needs economics of capacity-based offering while retaining unrestricted access to the full capacity of entry level products.*

Products eligible for this offering are also eligible within the TOTAL Solutions Financing offering. These offerings will be independent and mutually exclusive.

**Software Developer & Business Partner Lease**S/390, AS/400, RS/6000  
SSD, PSD, NHD, POS

December 31, 2000

*Our objective is to provide software developers (ISV's) and business partners the latest IBM technology, for development and demonstration purposes, at a very low monthly payment with flexible terms and conditions.*

The ISV must develop a software product which will run on the leased platform. The business partner must use the program for demonstration purposes, software development or training.

The program is priced at 1% of the list price (some products have different pricing) and has a 24 month term. Upgrades are allowed at any time. Customers may terminate their lease without any penalty after 12 months of payment

**IBM Integrator Lease**S/390, AS, RS, SSD, PSD  
Netfinity

December 31, 2000

*Our objective is to Provide low monthly payment offering for System Integrators, Web Integrators and Solution Specialities to gain a greater presence among key influencer communities so they can both sell and recommend more IBM content.*

The program is priced at 1% of the list price (some products have different pricing) and has a 24 month term. Upgrades are allowed at any time. Customer may terminate their lease without any penalty after 12 months of payment

**Standard Services Financing**

Services

December 31, 2000

*Our objective is to provide attractive financing for selected services and maintenance up to \$1 million, when bundled with IBM hardware and IBM software (including operating systems) that does not qualify for "TOTAL Financing for e-business".*

Eligible products include selected services in IGS's Business Innovation Services (BIS) and Integrated Technology Services (ITS) lines of business. Custom Business Recovery Services or Cisco equipment installations having less than 30% services content do not qualify for this offering, as well as the services provided by the two other IGS lines of business, Strategic Outsourcing and Learning Services.

This offering is available to all commercial, federal and state and local customers in the USA; Valid terms are 24 - 60 months for financing options S, S', T and T'

### Software / Services

#### Quarterly Sweep

Software & Services

*December 31, 2000*

*Our objective is to ease administrative workload for solutions installing over a quarter and provides a "fixed rate" for the entire transaction which may be lower than the customer would have paid if each acquisition were financed separately.*

A quarterly sweep permits installations occurring over a three month period to have the same rent commencement and end date. A quarterly sweep with interim rent includes in the first bill an interim rent charge of 45 days. A quarterly sweep without interim rent spreads 45 days of interim interest over the financing term, resulting in higher but even payments during the term.

Applies to all new non-hardware options and leases available at the time of the transaction.

### SystemXtra

PC's, Netfinity

*December 31, 2000*

*Our objective is to offer attractive financing rates combined with a Technology Exchange Option in the last 12 months of a 36 month lease..*

### Asset Protection Option

PC's (IBM/OEM laptop  
& desktop PC s

*December 31, 2000*

(Gateway / Dell products are excluded)

*Our objective is to offer an additional PC insurance option which provides full protection against the escalating casualty risk of today's mobile equipment.*

This offer provides casualty insurance protection for PC leases, including protection against damage and theft. This benefit is beyond the current casualty insurance. The policy includes leased PC equipment and the pre-loaded operating system software. Business partner software or additional software which the customer has loaded on to the PC is not covered by this offering.

24 month term or greater. No APO mid-lease or end-of lease extensions allowed.

### Asset Manager / AssetNet

PC's

*December 31, 2000*

*Our objective is to enable customers to manage their portfolio by providing them with a flexible framework for tracking and managing I/T investments, including both IBM and non-IBM assets.*

The offering is a Lotus Notes based tool which allows report creation.

### S/390 Enterprise Growth Offering

S/390  
9672 & 2003 processors < 45 MSUs

*December 31, 2000*

*Our objective is to offer a bundled solution package including remarketed hardware and remarketed operating system software sold exclusively by business partners.*

Customers want decreased software costs and the flexibility to grow within their budget. The packaged solution of hardware and software will offer a savings over Piece parts.

Hardware lease is 36 months and operating system software loan is 12 months. Requires first of the month billing.

**S/390 G4 Pilot-to-Production**      S/390, Storage      *December 31, 2000*  
9672 refurbished R5 processor  
RVA 9393 model X83 only  
& ESS 2105 models E10/E20

*Our objective is to target for new workloads that qualify for S/390 special software pricing.*

Financing of specially priced refurbished S/390 G4 (9672 R5's) processor which will receive a new serial number and come with a one year warranty. Workload for G4 processor must be classified as a new workload.

**S/390 Solution**  
**Financing for Linux**      S/390, IBM & ISV      *December 31, 2000*

*Our objective is to enable customers to manage their portfolio by providing them with a flexible framework for tracking and managing I/T investments, including both IBM and non-IBM assets.*

The offering is an Internet based tool. Information may be exported to a spreadsheet or database for report creation. All standard terms & conditions apply.

**Third Party Rate Buydown**      Business Partner and ISV      *December 31, 2000*  
Software and Services

*Our objective is to provide seamless competitive financing on both IBM and vendor products.*

ISV's and BPs can pass on more attractive financing to the end-user customer by reimbursing to IBM Credit Corporation mutually agreed-to sum of monies henceforth known as rate buydown dollars (RBD\$). IBM Credit Corporation would apply these monies to the economics of the financing and present to the end-user customer more attractive rates. The Rate Buy Down dollars are collected by netting the RBD\$ against the ISV/BP invoice.

Option T for terms between 24 and 60 months.