

**VALUE ADVANTAGE PLUS INITIATIVE REFERENCE SHEET
SEPTEMBER 2003**

DESCRIPTION Value Advantage Plus is an IBM initiative designed to financially reward Business Partners that sell approved solutions together with IBM middleware software to Customers.

The financial reward is tied to selling new licenses of IBM distributed middleware products, sold through IBM Passport Advantage or IBM Passport Advantage Express, with an IBM approved solution.

The Business Partner's approved solution must be at least 40% of the total billed value of a sales transaction to a Customer in order for the Business Partner to qualify for the financial award offered through this initiative.

BENEFIT The financial reward or incentive is offered to Business Partners as either:

- An additional discount* from a preferred Distributor to Business Partners that resell the middleware software included in the sale of their solution, or
- An influence fee, where available, paid from IBM directly to Business Partners that do not resell the IBM middleware software included in their solution, but instead, refer the Customer to ibm.com Telesales for the software.

For Business Partners in the Asia Pacific regions, the IBM Value Advantage Plus incentive does not apply to sales to Customers that are designated by IBM as Enterprise.

TARGET AUDIENCE The target audience for this initiative are Business Partners that sell solutions and have an application or identifiable service offering that is built around, or designed to operate on, IBM middleware software. Examples of Business Partners include systems integrators (SIs), independent software vendors (ISVs) and solution providers (SPs).

Business Partners targeted for Value Advantage Plus will have the following characteristics:

- A primary business model that provides applications and/or services to Customers
- Local, country, or regional presence in a geography
- A business proposition that includes IBM middleware software as a significant part of their solutions, and
- The capability of identifying and pursuing new Customer opportunities.

CRITERIA TO PARTICIPATE To qualify to participate in the Value Advantage Plus initiative, Business Partners must have:

- A business model where more than 50% of the Business Partner's revenue is derived from the sales of solutions
- At least one identifiable and IBM approved solution built around IBM DB2 Information Management software, Lotus, Tivoli or WebSphere middleware software
- At least three Customer references
- Membership in PartnerWorld for Software, and
- An approved application for participation.

CONTRACT STIPULATION Business Partners must accept the terms and conditions of the Value Advantage Plus Attachment to the PartnerWorld for Software Agreement in order to participate in the Value Advantage Plus initiative.

To apply, Business Partners go to the PartnerWorld for Software web site:
<http://www.ibm.com/partnerworld/software> to update their PartnerWorld for Software profile.

The profile is located in the Business Partner Zone. Access to the Business Partner Zone requires the Business Partner's IBM User ID and Password. Only the Authorized Profile Administrator can update the Value Advantage Plus initiative located in the Country Enterprise record within the profile.

Select the Value Advantage Plus Initiative Application

Complete the application process which includes:

- accepting the terms and conditions of the Value Advantage Plus Attachment
- completing the PartnerWorld for Software profile information relative to the initiative
- submitting the application for approval.

If a paper attachment is required, Business Partners can print the Value Advantage Plus Attachment, sign and mail it to the appropriate address. This step is in addition to accepting the terms and conditions via the PartnerWorld for Software web site.

*** Double Your Discount with Linux Incentive!** Where available, Business Partners can earn up to twice the discount that is normally suggested by IBM for sales transactions to small and medium-sized businesses when IBM software is sold with approved Value Advantage Plus solutions identified for the Linux platform.

Orders must be received on or after August 18, 2003 and by no later than June 30, 2004. For questions regarding the Double Your Discount with Linux Incentive in your country, contact your local PartnerWorld Contact Services/Membership Centre, or go to <http://www.ibm.com/partnerworld/software>, select Value Advantage Plus initiative and view the Double Your Discount with Linux Incentive section of the Value Advantage Plus Guide.