



IBM Software Group

Passport Advantage Program Changes

May 23, 2005



Passport Advantage Program Changes

- ❖ Two major items:
 - ❖ Introducing the Fixed Term License (FTL) offering
 - ❖ Introducing continuous renewal of FTL and Software Maintenance
- ❖ Other minor wording updates for clarification and clean-up

Passport Advantage Program Changes

❖ Fixed Term License

- ❖ New offering provides limited-duration licenses that will be continuously renewed unless terminated by the customer
- ❖ License includes Software Maintenance for duration of license

Passport Advantage Program Changes

❖ Fixed Term License

- ❖ Limited initial roll-out of some Rational desktop development products
- ❖ Announced and available for selected Rational products January 18th, 2005
 - ❖ These products offer 12 month duration licenses

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❖ Fixed Term License

❖ Customer Benefits:

- ❖ Additional licensing option (customer choice)
- ❖ Supports short-duration projects and variability of usage

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- ❖ **Continuous renewal of FTL and Software Maintenance**
 - ❖ Provides customer choice of three paths:
 1. Between receipt of renewal quotation and actual renewal date, renew coverage (direct or through channel)
 2. Before renewal date, indicate a “decline” of renewal
 3. Allow coverage to automatically renew and pay invoice accordingly
 - ❖ Uses current familiar renewal processes
 - ❖ Customers can continue to renew through their selected Business Partner or direct with IBM, as they choose
- ❖ **Customer benefit:**
 - ❖ Addresses unintended coverage lapses and associated higher costs

Passport Advantage Program Changes

- ❖ Continuous renewal of FTL
 - ❖ Applies to FTL product offerings, effective immediately
- ❖ Continuous renewal of Software Maintenance
 - ❖ Applies to all Passport Advantage Eligible Products and starts with June 1st Software Maintenance renewals

Passport Advantage Program Changes

- ❖ **Continuous renewal of FTL and Software Maintenance - Process**
 - ❖ Large and government customers, typically with very complex renewals, will continue to be helped through renewal process by their Business Partner and/or their IBM renewal representative – same experience as today
 - ❖ Smaller customers (typically much more simple renewals) get more convenient lower-touch process
 - ❖ Worldwide deployment except where legally, contractually, or otherwise limited
 - ❖ Modified processes to address specific geographic issues

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Questions?