

April 18, 2011

Dear Passport Advantage Customer:

IBM is pleased to announce some important enhancements to your IBM International Passport Advantage Agreement (“Agreement”). These enhancements are designed principally to support the expanding offerings available under the program.

In accordance with the Agreement, these changes automatically become effective on July 18, 2011, unless you notify IBM in writing, prior to that date, that you disagree with the change.

If you are enrolled as a Passport Advantage Additional Site, the attached copy of the Agreement is for information only, since you obtain Passport Advantage eligible products under your Originating Site’s Agreement.

Please carefully review the attached document for changes and enhancements being made, including:

- **Software as a Service (SaaS).** Terms related to IBM’s SaaS offerings that have previously been available separately have now been incorporated into the Agreement so they are easily available to all customers.
- **Virtualization Licensing (also called “Subcapacity Licensing”).** Terms related to Virtualization Licensing that have been separately available for many years, and that have been included with all new enrollments since 2005, have now been incorporated into the Agreement, making this rapidly-expanding technology solution available to all customers without separate action being required.
- **Appliances.** Terms related to IBM’s appliance offerings have been incorporated into the Agreement, making them available to all customers.
- **Renewal of Software Subscription and Support.** To protect customers from accidentally becoming noncompliant with the terms of the Agreement, it will now be required that for each Passport Advantage Site, the renewal of Software Subscription and Support for a particular product must either be for all licenses currently in service, or for none at all.
- **Expansion of Autorenewal.** Many more countries have been added to those that benefit from the simplicity of automatic renewal of Software Subscription and Support and Fixed Term Licenses. These include Brazil, China, India, Japan, Korea, and Mexico.

In addition to the major enhancements detailed above, the Agreement has been generally reorganized and sections related to compliance, taxes, data privacy and security have been updated to make it easier to read and to better align with other IBM Agreements that you may have in place.

For more information, please visit our Web site at <http://www.ibm.com/software/passportadvantage> or contact your IBM sales representative or IBM Business Partner.

Note for Customer Originating Company: As a courtesy, we are sending a copy of this letter by email to your active Additional Sites. In your role as the administrator of the contract within your Enterprise, please confirm their receipt of this letter and coordinate these updates with them.

Sincerely,

Your IBM Passport Advantage Team

Please find attached:

The IBM International Passport Advantage Agreement