



Software Group Channels



Value Advantage Plus Initiative Operations Guide

Europe, Middle East, Africa

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Version 6.0**

This guide and updated versions will be posted on the IBM PartnerWorld website. Please check the PartnerWorld website: <http://www.ibm.com/PartnerWorld>, for the most current version of this guide.

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Significant changes in this version of the Operations Guide

V6.0

- Updated list of eligible product list and certifications.
- Note about SaaS products
- Note about the modification of the Value Advantage Plus Incentive percentage.
- Note about the Teaming agreement
- Note on Passport Advantage Express
- Note on Ineligible Value Advantage Plus Transactions
- Note on Pure Data Analytics
- Appendix B update to the Distributor Change rule
- Appendix C update to the products groups
- Added an Appendix D – Requirements when a new Business Partner applies
- Added an Appendix E – Hard copy contracts

INTRODUCTION

Scope

This document defines the **IBM Value Advantage Plus Initiative and the terms of the Value Advantage Plus Attachment to the IBM PartnerWorld Agreement - International Basic General Terms**. Included are program processes and procedures for adding or amending a solution, compliance reviews and termination. This document will refer to Business Partners working as Tier Two (2) Resellers.

Audience

This Operations Guide is designed to help you, the Authorized IBM Value Advantage Plus Business Partner, effectively manage the terms of the Value Advantage Plus Attachment. By accepting the Value Advantage Plus Attachment, you agree to follow the processes and procedures detailed in this guide when conducting business activities related to the Value Advantage Plus Attachment.

Product Groups

Value Advantage Plus Solutions that will be authorized for resell will be granted at the Product Group Level, and the instant rebates will be based on Product Groups. Your Value Advantage Plus Solution(s) will have to be mapped to the Product Group Families as defined on the PartnerWorld Website,

https://www-304.ibm.com/partnerworld/wps/servlet/ContentHandler/svp_authorized_portfolio_criteria

The following Software Value Plus Products are eligible for Value Advantage Plus Program but they will require Certifications before a Value Advantage Plus Solution will be approved.

Product Group	Certification Requirements
IBM InfoSphere	1 sale & 1 technical
IBM Optim	1 sale & 1 technical
IM Data Management	1 sale & 1 technical
IBM Big Data & Netezza	1 sale & 2 technical

NOTE:

IBM Software Products, classified as Software as a Service (SaaS) are not eligible for Value Advantage Plus. In addition, the Product Group 'SmartCloud for Social Business', will no longer be approved as part of your Value Advantage Plus Solution.

NOTE:

Effective July 1, 2014, IBM will modify the Value Advantage Plus Incentive percentage with the following recommendations to VADs for Value Advantage Plus incentives:

Account Classification	Value Advantage Plus Incentive*
Industry	10%
Enterprise Select	15%
Enterprise Non-Select	15%
Mid Market	20%

These changes are worldwide and will take effect in all countries where Value Advantage Plus is available. All orders processed after July 1, 2014, will receive the revised discount according to this new schedule.

VADs always set the price to the IBM Business Partner with consideration of the incentive.

Definitions

The definitions found in the IBM Value Advantage Plus Attachment apply for those capitalized words that are not defined in this document.

Value Advantage Plus Solution Transaction

A Value Advantage Plus transaction is the sale of a Value Adding solution with IBM Authorized software to an end-user. The Business Partner's Value Adding solution must represent at least 20% of the combined total billed value of the transaction.

A transaction is defined to be a series of invoices (one or more) issued to the end-user for the applicable Value Adding solution and associated Authorized IBM Software.

Delivery of Value Added Services or Software

The delivery of Value Added Services can only be performed by:

1. The Authorized IBM Value Advantage Plus Business Partner.

Invoicing for Value Added Services or Software

The invoice can be generated by:

1. The Authorized IBM Value Advantage Plus Business Partner.
2. An IBM entity. Example: IBM Global Finance (IGF) or IBM Global Services (IGS) when working in conjunction with an approved Value Advantage Plus Business Partner.
3. The Value Advantage Plus Business Partner's Preferred Distributor. **This option is approved only when the end-user enters into a time-payment agreement with the Preferred Distributor.**
4. A 3rd party Business Partner for the billing of services or software only.

NOTE:

- **A 3rd party Business Partner can only generate the invoice to the end-user, they cannot deliver IBM Software or Value Added Services.**
- The Value Advantage Plus Business Partner is still responsible for ordering the IBM Middleware through their Preferred Distributor and delivering the Value Added Services to the end-user.
- Only the approved Value Advantage Plus Business Partner can perform the Value Added Services and software installation for the end-user.

NOTE:

For SVP Authorized countries, the IBM BPA Distributor Workstation attachment allows for Distributor sales through a remarketer provided the remarketer is authorized by IBM to market the applicable product. In countries where a teaming arrangement is allowed, the resale transaction must always be between the Distributor and an authorized remarketer. When an authorized remarketer has a teaming agreement with another company, **the Distributor must inform IBM and the authorized remarketer must inform the end user.** The authorized remarketer remains responsible for all of the duties identified in the terms of the SVP Agreement such as sales activities and support to the end user customer and compliance for special bid pricing. The authorized SVP remarketer also can be subject to a review for compliance by IBM as specified in the SVP agreement. Distributors are responsible for ensuring their remarketers adhere to **the terms of the IBM BPA for SVP agreement.**

Provision of Terms

1. **For Passport Advantage** you must provide your end-user with the enrollment form and a copy of the applicable Passport Advantage Agreement and Attachments. As part of their contractual agreement with IBM, the end-user **must** complete the enrollment form.
2. **For Passport Advantage Express** you must provide your end-user with a copy of the applicable Passport Advantage Express Agreement **prior to** accepting an order for Passport Advantage Express product(s). It is important for your end-user to understand and accept the terms of the Agreement **before an order is processed**, as all orders will be subject to the Agreement terms.

Passport Advantage Express is designed for single-site, smaller enterprise businesses. It combines the full Passport Advantage product list with the simplicity of transaction-based acquisition. Passport Advantage Express does not require a relationship agreement - each transaction is subject to the terms and conditions effective at the time. There are no points and no aggregating - just a single price level. And with each new license acquisition, you get renewable Software Subscription and Support.

<http://www-01.ibm.com/software/passportadvantage/aboutexpress.html>

For registration purposes, each time you place an order through your Preferred Distributor, you must provide complete and accurate end-user data, including their current e-mail address. Important information about their software and software maintenance entitlements will be sent to them via the e-mail address you provide. You **must not** enter any of your own data, in place of the end-users, when providing this information.

Program Support

The IBM Software Geography Operations (ISGO) manages the IBM Value Advantage Plus Initiative where your headquarters location resides. Please contact your ISGO representative should you have any questions regarding the Value Advantage Plus Initiative processes and procedures described in this guide.

Geography Operations Contacts

EMEA

EMEA VAP Operations
IBM International Services Centre
Polus Tower II, Vajnorska 100/B
832 86 Bratislava 3, Slovakia
E-mail: EMEAVAP@uk.ibm.com

IBM PARTNERWORLD

It is mandatory for a Value Advantage Plus Business Partner to maintain their IBM PartnerWorld membership for as long as they participate in the Value Advantage Plus Initiative.

It is through the PartnerWorld website interface that your **Authorized Profile Administrator (APA) in your headquarters location** will be able to maintain your Business Partner profile in accordance to the terms of your Value Advantage Plus Agreement.

PartnerWorld allows your APA to:

1. Add, change or delete a solution (see Appendix B)
 - Your Business Partner profile must contain a minimum of one solution. If you have only one approved solution, you must first enter a second solution and have it approved before the original solution can be deleted.
2. Update Company contact information **each time** there is a change.
3. Revalidate the Business Partner profile.

NOTE:

- Only the designated Authorized Profile Administrator (APA) can edit or update your Value Advantage Plus Business Partner Profile.
- **It is recommended you update your Business Partner Profile each time there is a change to your company contact information.**

ORDERING VALUE ADVANTAGE PLUS SOFTWARE

1. In order to receive the Value Advantage Plus incentive:

- a) The authorized IBM products identified in your profile must also be verified through the IBM Worldwide price book for brand confirmation.
- b) Your approved solution must be sold along with your “Value Adding” application or service for each transaction.

xSP e.g.(PA Agreement for Service Providers) transactions to an End User with the Business Partner’s Value Advantage Plus Solution and the End User plans to use it in selling services outside their enterprise will qualify for a Value Advantage Plus instant rebate.

NOTE: Ineligible Value Advantage Plus Transactions

A Sales Order under a Passport Advantage contract that is designated by IBM with a **Contract Variant Code of ELA is ineligible for the Value Advantage Plus Incentive. Renewals and Software Reinstatement Maintenance Licenses are also ineligible.**

When the IBM Software Compliance team has completed an audit and found the End-User Customer has deployed IBM Software beyond the entitlements acquired directly from IBM or through a Business Partner and must acquire additional licenses to be considered compliant, **these additional licenses are ineligible for the Value Advantage Plus incentive program.**

The sale of 3rd party software products that are sold through PPA are ineligible for the Value Advantage Plus program and **Saas products are also ineligible for the VAP program..**

The following information must be provided to your Preferred Distributor for each transaction:

- a) End-user information:
 - Name
 - Complete Address including City, State/Province, Zip/Postal code and country
- b) The “Value Adding” application or service Solution Identification number.
- c) Your Value Advantage Plus identification number.

NOTE:

- There will be no credits or rebilling of the IBM software, unless IBM mishandled the order. **It is your responsibility to provide the correct information to your Preferred Distributor in order for the incentive to be accurately calculated.**
- If you receive Value Advantage Plus pricing for a transaction, you are not eligible to receive fees for the same transaction, under mutually exclusive programs and offerings.

IBM SOFTWARE VALUE INCENTIVE PROGRAM

Software Value Incentive (SVI) Sell & ID incentive is an IBM program designed to reward Business Partners for the value they contribute in each of the various stages of a sale of IBM Passport Advantage middleware licenses.

This program allows a Business Partner to be recognized and earn fees based on their performance in the opportunity identification and sales steps of the sales cycle.

Reseller rebates through Preferred Distributors remain unchanged including the General Business rebate for fulfillment to General Business customers and qualifying Value Advantage Plus rebates.

SVI leverages Sell & ID incentive an opportunity registration system, that allows Business Partners to earn fee payments for identifying, registering, and selling a new opportunity, or simply selling into an opportunity that someone else, such as IBM, has identified.

The first Business Partner to register an opportunity, and demonstrate active engagement with a customer, will be approved to earn incentives as long as the customer completes the purchase. Incentives are earned independently of how the transaction is fulfilled.

Business Partners are encouraged to participate in both the SVI Sell & ID program and the Value Advantage Plus Initiative.

If a Value Advantage Plus Business Partner identifies, sells and fulfills with their Value Advantage Plus solution, then the SVI Business Partner is only entitled to the Identify Incentive and the Value Advantage Plus rebates. This assumes the opportunity was registered and approved by IBM. The Value Advantage Plus Business Partner will not have to provide the Sell Incentive documentation to earn their SVI fees because the sale was made using their Value Advantage Plus solution.

Solutions can contain Value Advantage Plus and non-Value Advantage Plus eligible middleware. In these cases, only the non-Value Advantage Plus eligible middleware qualifies for both SVI Identify and Sell Incentives.

IBM SOFTWARE VALUE INCENTIVE PROGRAM

If one Business Partner identifies and sells the opportunity, and a second Business Partner closes the opportunity with the installation of a Value Advantage Plus solution, the identifying Business Partner is eligible for both the Identify and the Sell Incentive. The Value Advantage Plus Business Partner will receive the Value Advantage Plus rebates.

Software Value Incentive Solution Incentive is an IBM program designed to reward Business Partners for their Industry Authorized and Capability Authorized solution sales.

Business Partners can participate in both the SVI Solution Incentive and the Value Advantage Plus Initiative. However, on a given part number in a transaction a Business Partner can only receive either a Value Advantage Plus payment or a SVI Solution Incentive payment, but not both.

IBM SUPPORT PROVIDER INCENTIVE PROGRAM

Business Partners who participate in Value Advantage Plus Standard or Value Advantage Plus for Government may now also participate in IBM Support Provider program. This incentive can also be combined with General Business Rebate Discount if applicable by geography. Additional information or questions on Support Provider Incentive can be sent to URL - csn@us.ibm.com

IBM Big Data & Netezza Product Group

A Business Partner applying for the Value Advantage Plus Initiative, with an IBM Netezza Product Group Value Add solution will follow the same standard process for approval into the Value Advantage Plus Initiative, however they must also meet these additional program qualifications:

The Business Partner must have the following:

- I. Certifications - 1 Sales & 2 Technical**
- II. Proof of Purchased for Netezza / Appliance NFR code or**

III. Proof of Lease and Installed PureData for Analytics (Netezza) Appliance demonstration system to be used to support Pure Data for Analytics (Netezza) sales opportunities, including, but not limited to demonstration, proof of concept (POC), training, or development purposes.

IBM Big Data & Netezza – QUALIFICATIONS:

Business Partner must meet the following requirements:

- Business Partner must be approved to participate and meet the current Value Advantage Plus Standard Incentive requirements
- Must show proof of purchase of lease of the demonstration "Appliance product" during On-Boarding approval e.g. (Copy of Purchase or lease invoice, Demo Addendum)
- Must have the demonstration Pure Data for Analytics Appliance installed
- Certifications - which are 1 Sales Certification and 2 Technical Certifications

IBM Value Advantage Plus - Standard Incentive:

- Business Partner's Incentive will be the current IBM Value Advantage Plus Program
- Business Partner will use the current on-boarding processes but also requires proof of purchase of demonstration Appliance e.g. (Copy of Purchase or Lease invoice, Demo Addendum)
- Business Partner will use the current program requirements for "Value Added Services" for the Value Advantage Plus Standard Incentive

VALUE ADVANTAGE PLUS – COMPLIANCE REVIEW

IBM BUSINESS PARTNER SUPPORT OPERATIONS (BPSO)

The IBM Business Partner Support Operations team located in IBM International Center s.r.o. Plus Milenium Tower II, Vajnorska 100/B, 832 86 Bratislava 3 Slovakia, administers the Value Advantage Plus Compliance Review process.

The IBM BPSO team is available **Monday through Friday, 9:00 am to 5:30 pm CET**

All questions specific to the Value Advantage Plus Initiative Compliance Review processes and procedures described in this guide should be directed to the IBM BPSO.

Mailing Address: IBM Value Advantage Plus Compliance Program
C/O IBM BPSO
IBM International Center s.r.o.
Polus Milenium Tower II
Vajnorska 100/B
832 86 Bratislava 3
Slovakia

Telephone: +421-2-4954-1997

E-mail ibmcompliance@sk.ibm.com

Retaining Compliance Documentation

For Compliance review purposes, you must retain all documentation that supports the sale of your Value Added Services and IBM Authorized Software. This documentation must be available for a minimum of **three (3) years** from the date of the transaction.

In order to participate in the Value Advantage Plus Initiative, you are required, when requested, to provide compliance documentation to support your solution transactions to the IBM BPSO Support Center. If the requested documentation is not submitted or the review shows the Value Add requirement has not been met, IBM will exercise the PartnerWorld Agreement “right-to-terminate” clause. In this case, your participation in the Value Advantage Plus for Standard and the Value Advantage Plus for Government Initiative will be suspended until all of the reinstatement requirements are met:

1. A minimum period of 12 months has passed.

2. The unearned rebate has been paid back by the Business Partner to their Preferred Distributor and the recovery process has been completed.
3. The Business Partner is in good standing with PartnerWorld.
4. The Business Partner then re-applies for Value Advantage Plus approval after requirements 1, 2 and 3 have been completed.

NOTE:

- Re-applying to the Value Advantage Plus Initiative does not mean automatic approval into the program.

Requirements

In order for a solution transaction **to be compliant the following requirements must be met:**

1. The Business Partner must have an approved Value Advantage Plus Solution prior to making a solution sale.
2. The Business Partner must have a minimum 20% Value Add when selling their solution. This includes the IBM Software/Middleware + the Business Partner's services and/or application solution.

Example:

Total IBM Software/Middleware	\$10,000
Total Business Partner Services	<u>\$ 7,000</u>
TOTAL INVOICED	\$17,000
VALUE ADD = \$17,000 X 20%	\$ 3,400

Total Value Add must be a minimum of \$ 3,400

3. If the transaction is for an approved Tivoli Solution the Business Partner must comply with the Value Add requirement or have an approved **Hardware Business Partner Innovation Center (BPIC)**. (Refer to Compliance Options for Tivoli Section and Appendix A)
4. All requested compliance documentation must be complete and submitted in accordance with the timelines provided by IBM.
5. The Business Partner must update the Value Advantage Plus section of their IBM PartnerWorld profile once a year as part of their compliance review.
6. The profile change confirmation number must be submitted in accordance with the timelines provided by IBM.

Compliance Documentation Requirements

In order for a solution transaction to “pass” a compliance review the **Authorized Value Advantage Plus Business Partner** must submit the following documentation:

1. A copy of the Business Partner's invoice to their end-user for the IBM Software/Middleware. **The invoice must include a part number and/or description of the IBM Software/ Middleware sold.**
2. A copy of the Business Partner's invoice to their end-user for their Value Added Services (e.g. consulting, training, installation). **The invoice must include a description of the Value Added Services performed. If the invoice does not include a description, a signed end user copy of the proposal, Statement of Work or Agreement detailing the services performed must be submitted (e.g. see note box below).**

A Business Partner can also submit a copy of the Business Partner's invoice to their end user for their approved Application Solution. **The invoice must include the Solution ID, Solution name and/or description of the IBM Approved Application Solution.**

NOTE:

If individual invoices with detailed descriptions for Software/Middleware and Value Added Services are not available, the Business Partner may submit a copy of a bundled invoice. The bundled invoice must be submitted with supporting documentation that clearly defines the breakdown of costs. The supporting documentation can be:

- a) A copy of a signed end user proposal
- b) A copy of a signed end user Statement of Work
- c) A copy of a signed end user Agreement

NOTE:

- All elements of the Value Advantage Plus transaction must be completed and invoiced within:
 - a) 6 months for solution transactions valued between \$0 and \$99,999 USD
 - b) 9 months for solution transactions valued between \$100,000 and \$799,999 USD
 - c) 12 months for solution transactions valued between \$800,000 and \$1,200,000 USD
 - d) 15 months for solution transactions valued at \$1,200,001+ USD

IBM Invoicing

When using an IBM Entity (e.g. IBM Global Finance or IBM Global Services) for billing/invoicing, the following documentation must be submitted:

1. A copy of the Value Advantage Plus Business Partner's invoice for Software/Middleware to the IBM Entity.
2. A copy of the Value Added Services invoice from the Business Partner to the IBM Entity (if applicable).
3. A copy of the Value Added Services invoice from the Business Partner to the End User.

NOTE:

- All invoices must include a part number and/or description of the Software/Middleware or Value Added Services provided for the Value Advantage Plus transaction.

Preferred Distributor Invoicing

When using a Preferred Distributor for billing/invoicing, the following documentation must be submitted:

1. A copy of the Preferred Distributor's invoice showing the Value Advantage Plus Business Partner's billing and the end-user as the ship to person.

NOTE:

This option is approved only when the end-user enters into a time-payment agreement with the Preferred Distributor.

It is the Value Advantage Plus Business Partner's responsibility to obtain a copy of the Preferred Distributor's invoice to the end-user.

3rd Party Invoicing

When using a 3rd party Business Partner for billing/invoicing, the following documentation must be submitted:

1. A copy of the Value Advantage Plus Business Partner's invoice to the 3rd Party Business Partner for IBM Software/Middleware and/or Value Added Services.
2. A copy of the 3rd party Business Partner's invoice to the end-user for IBM Software/Middleware and/or Value Added Services.

NOTE:

- **A 3rd party Business Partner can only generate the invoice to the end-user, they cannot deliver IBM Software or Value Added Services.** Only the approved Value Advantage Plus Business Partner can perform the Value Added Services and software installation for the end-user.
- The Value Advantage Plus Business Partner is still responsible for ordering the IBM Middleware through their Preferred Distributor and delivering the Value Added Services to the end-user.
- All invoices must include the part number(s) and/or description of the Software/Middleware or Value Added Services provided for the Value Advantage Plus transaction.

Process/Correspondence

IBM BPSO will contact you when one of your solution transactions is chosen for a Value Advantage Plus Compliance review. At this time you will also be required to update the Value Advantage Plus section of your IBM PartnerWorld profile as part of your compliance review.

An up-to-date profile ensures IBM has current information about your business model, Value Add Solution(s) and business contact details, all of which are essential for maintaining your access to Value Advantage Plus benefits and ongoing program communications.

Further information regarding these requirements can be found in a separate document titled ***“The Value Advantage Plus Profile Revalidation - How to Guide”***. IBM BPSO will forward this document to your Authorized Profile Administrator (APA) when it is time to update your Business Partner Profile.

Compliance Selection Criteria

Each month your organization must report your Value Advantage Plus sales of the IBM Middleware and the associated Value Add Solution to your Preferred Distributor. Your Preferred Distributor then reports your sales to IBM, and IBM adds that information to a Value Advantage Plus revenue report. This is sent to IBM BPSO to be used to select Business Partner transactions that will be subject to a compliance review by IBM BPSO.

Cycle One (1) Notification Letter

A Cycle One (1) Notification Letter is the first written communication your organization will receive once you have been selected for a compliance test. This letter will inform you to confirm the correct VAP contact information, that it is time to revalidate your Business Partner profile and will detail the solution transaction(s) that have been selected for compliance review. This letter will also detail the documentation you are required to submit and inform you of your deadline to submit the requested compliance documentation and your profile change confirmation number. This letter will also include

the “Revalidation how-to guide”. This guide will provide step-by-step instructions on how to update your Business Partner Profile.

- Within **three (3) calendar days** after the Cycle One (1) Notification Letter is issued, IBM BPSO will follow up with your Business Contact (via telephone/e-mail) to confirm receipt.

NOTE:

- If IBM BPSO and/or ISGO are unable to confirm a Business Contact for your organization you may be suspended from the Value Advantage Plus Initiative. **In order to avoid possible suspension it is critical your Authorized Profile Administrator (APA) maintain up to date Business Contact information in your Business Partner profile.**

Cycle Two (2) Reminder Letter

- A Cycle Two (2) Reminder letter will be sent via e-mail to your Business Contact within **five (5) calendar days** of your confirmation call if your profile has not been revalidated and the requested compliance documentation has not been received by IBM BPSO.
- Within **five (5) calendar days** after the Cycle Two (2) Reminder Letter is issued, a final reminder phone call will be made.

Warning Letter

- A warning letter will be sent via e-mail to your Business Contact within **Two (2) calendar days** of the final phone call if your profile has not been revalidated and the requested compliance documentation has not been received. A copy of this letter will be forwarded to ISGO.

Suspension Letter

- A suspension letter will be sent via e-mail and courier to your Business Contact if your change confirmation number or the requested compliance documentation is not received within **six (6) calendar days** of the Warning Letter. A copy of this letter will also be forwarded to ISGO.
- After the deadline date communicated in your Cycle One (1) Notification Letter has passed, your organization will be considered “in violation” of the Value Advantage Plus Agreement and as a result, IBM will exercise the PartnerWorld Agreement “right-to-terminate” clause. In this case, your participation in the Value Advantage Plus for Standard and the Value Advantage Plus for Government Initiative will be suspended until all of the reinstatement requirements are met:
 - 1) A minimum period of 12 months has passed
 - 2) The unearned rebate has been paid back by the Business Partner to their Preferred Distributor and the recovery process has been completed.
 - 3) The Business Partner is in good standing with PartnerWorld

4) The Business Partner then re-applies for Value Advantage Plus approval after requirements 1, 2 and 3 have been completed.

Compliance Status Definitions

Pass Status

Definition - The Business Partner successfully revalidates their PartnerWorld profile and submits all of the required compliance documentation within the timelines provided by IBM and meets the minimum 20% Value Add requirement.

Result – The Business Partner receives a Pass Letter from IBM BPSO. They remain in the Value Advantage Plus Initiative and continue business as usual.

Retained Status

Definition - The Business Partner successfully revalidates their PartnerWorld profile and submits all of the required compliance documentation within the timelines provided by IBM and achieves between 16% and 19.9% of the Value Add requirement.

Result – The Business Partner receives a Retained Letter from IBM BPSO. They remain in the Value Advantage Plus Initiative and will be subject to two (2) additional compliance reviews under the Value Advantage Plus program. Both reviews must achieve a Pass.

NOTE:

- **A Business Partner cannot receive consecutive Retained Status levels. If a compliance review results in a Retained Status, the subsequent two (2) compliance reviews must achieve a Pass status. If a Pass status is not achieved, the Business Partner will be suspended from the Value Advantage Plus for Standard and the Value Advantage Plus for Government Initiative.** In this case, the Business Partner's participation in the Value Advantage Plus for Standard and the Value Advantage Plus for Government Initiative will be suspended for a minimum period of twelve (12) months and the BP must meet the additional reinstatement requirements found under the Suspended Status section.

Conditional Status

Definition - The Business Partner successfully revalidates their PartnerWorld profile and submits all of the required compliance documentation within the timelines provided by IBM and achieves between 0 and 15.9% of the Value Add requirement.

Result – The Business Partner receives a Conditional Letter (with a Compliance Review Form) from IBM BPSO. They will be given the option to:

- a) Remain in the Value Advantage Plus Initiative by agreeing to be

re-invoiced the correct transaction amount. This amount will exclude the Value Advantage Plus rebate. (Refer to Rebate Recovery section)
They remain in the Value Advantage Plus Initiative and will be subject to two (2) additional compliance reviews under the Value Advantage Plus program. Both reviews must achieve a Pass.

OR

b) Be suspended from the Value Advantage Plus for Standard and the Value Advantage Plus for Government Initiative until all of the reinstatement requirements are met:

- 1. A minimum period of 12 months has passed**
- 2. The unearned rebate has been paid back by the Business Partner to their Preferred Distributor and the recovery process has been completed.**
- 3. The Business Partner is in good standing with PartnerWorld**
- 4. The Business Partner then re-applies for Value Advantage Plus approval after requirements 1, 2 and 3 have been completed.**

Suspended Status

Definition – The Business Partner does not:

- a) Successfully revalidate their IBM PartnerWorld profile.
- b) Respond to the compliance review request for documentation.
- c) Submit all of the required documentation within the timelines provided by IBM.
- d) Adhere to the terms and conditions of the Value Advantage Plus Agreement.
- e) Agree to a Conditional Status re-bill of the Value Add order.
- f) Successfully “pass” either their compliance review for Value Advantage Plus for Standard or Value Advantage Plus for Government Initiative

Result – The Business Partner receives a Suspension Letter from the BPSO. In this case, the Business Partner will be suspended from the Value Advantage Plus for Standard and the Value Advantage Plus for Government Initiative until all of the reinstatement requirements are met:

- 1) A minimum period of 12 months has passed
- 2) The unearned rebate has been paid back by the Business Partner to their Preferred Distributor and the recovery process has been completed.
- 3) The Business Partner is in good standing with PartnerWorld

4) The Business Partner then re-applies for Value Advantage Plus approval after requirements 1, 2 and 3 have been completed.

VALUE ADVANTAGE PLUS - REBATE RECOVERY

If a Value Advantage Plus Business Partner receives a Conditional Status and wishes to remain in the Value Advantage Plus Initiative they must agree to be re-billed, by their Preferred Distributor, for the correct transaction amount. The correct transaction amount will exclude the Value Advantage Plus rebate.

Rebate Recovery Process/Correspondence

If the Business Partner agrees to the rebate recovery requirements the Business Partner will have a total of **twenty (20) calendar days** to have their order re-invoiced.

Step 1: The Business Partner will complete the Compliance Review Form (received with the Conditional Status Letter) and return it to IBM BPSO **as soon as possible**.

By signing and returning this form, the Business Partner is confirming their intent to proceed with paying back their preferred distributor.

Step 2: The Business Partner will return the original invoice to their Preferred Distributor and request a revised invoice.

The revised invoice will be less the Value Advantage Plus rebate.

Step 3: The Preferred Distributor will issue the revised invoice to the Business Partner.

Step 4: The Business Partner will issue payment to the Preferred Distributor.

Step 5: The Business Partner must forward the following “**proof of Preferred Distributor payment**”

Documentation to the BPSO:

- A copy of the revised invoice (less the Value Advantage Plus rebate)
- Proof of payment

NOTE:

- If the Business Partner does not sign and return the Compliance Review Form and/or does not submit the required “proof of Preferred Distributor payment” documentation, IBM will exercise the PartnerWorld Agreement “right-to-terminate” clause. In this case, the Business Partner will be suspended from the Value Advantage Plus for Standard and the Value Advantage Plus for Government Initiative until all of the reinstatement requirements are met:

- 1) A minimum period of 12 months has passed
- 2) The unearned rebate has been paid back by the Business Partner to their Preferred Distributor and the recovery process has been completed.
- 3) The Business Partner is in good standing with PartnerWorld
- 4) The Business Partner then re-applies for Value Advantage Plus Approval after requirements 1, 2 and 3 have been completed.

VALUE ADVANTAGE PLUS – AGREEMENT TERMINATION

In accordance with the Value Advantage Plus Agreement, you may choose to terminate the Value Advantage Plus Attachment, as long as you provide IBM with **two (2) weeks** written notice.

Should you decide to opt out of the Value Advantage Plus Initiative and terminate your Attachment, please send a letter to IBM Channel Sales Operations.

EMEA VAP Operations
IBM International Services Centre
Polus Tower II, Vajnorska 100/B
832 86 Bratislava 3, Slovakia
E-mail: EMEAVAP@uk.ibm.com

Should IBM decide to terminate your participation in the Value Advantage Plus program, IBM will send a letter to the primary business contact detailed in your IBM PartnerWorld Profile. Notification will also be sent to your Preferred Distributor.

NOTE:

Termination from the IBM Value Advantage Initiative does not preclude you from other business-as-usual reselling activities. You may still participate in any of the following earning basic discounts:

- Resell any IBM product in open distribution.
- Resell any open distribution product into any customer set.
- Offer Passport Advantage volume licensing from a distributor of your choice to any customer.
- Resell maintenance renewal business.

APPENDIX A – SOLUTION CHANGES

Adding a New Value Add Solution

You may add a new Value Add solution at any time. The new Value Add solution must go through the same approval cycle as the original request.

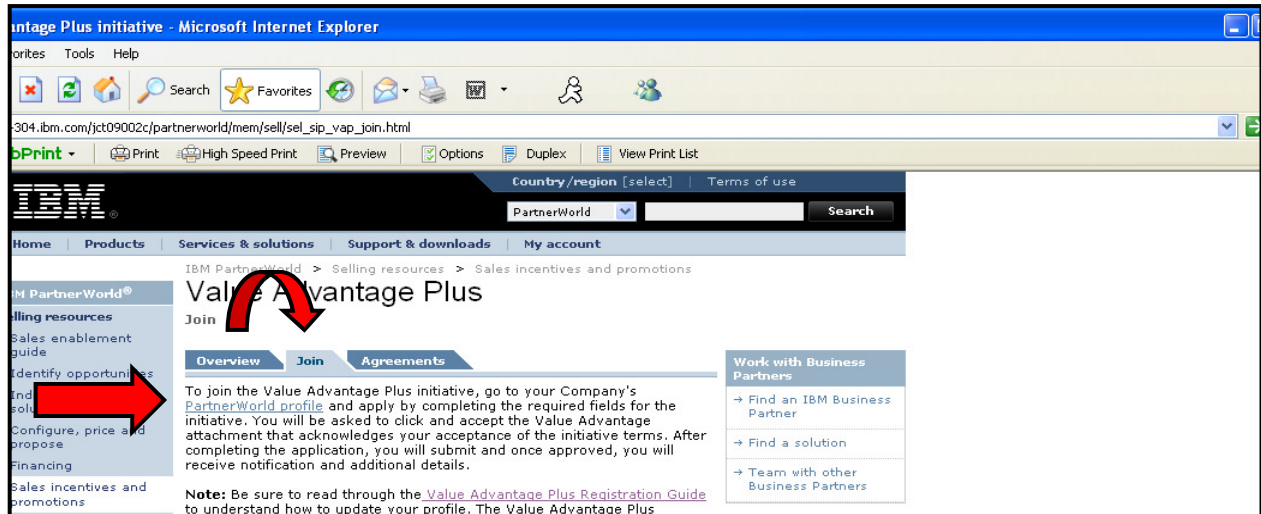
To add another solution, your Authorized Profile Administrator should perform the following steps:

- Step 1. Go to the Value Advantage Plus module of the PartnerWorld website:
[http:// www.ibm.com/partnerworld/valueadvantageplus](http://www.ibm.com/partnerworld/valueadvantageplus)
- Step 2. Enter your **IBM ID** and **Password**
- Step 3. Click on **Submit**

The screenshot shows a Microsoft Internet Explorer browser window displaying the IBM PartnerWorld Value Advantage Plus login page. The address bar shows the URL: www-304.ibm.com/usrsrvc/account/userservices/jsp/login.jsp?persistPage=true. The page features the IBM logo and a navigation menu with links: Home, Products, Services & solutions, Support & downloads, and My account. The main heading is 'Sign in'. Below it, a message states: 'Please enter your IBM ID and Password in the sign in area below. If you are not currently registered with our site please [register now](#).' There are two input fields: 'IBM ID:' and 'Password:'. A red arrow points to the 'Submit' button. To the right of the input fields, there are three links: 'Forgot your IBM ID?', 'Forgot your password?', and 'Change password'. The footer contains links: 'About IBM', 'Privacy', and 'Contact'.

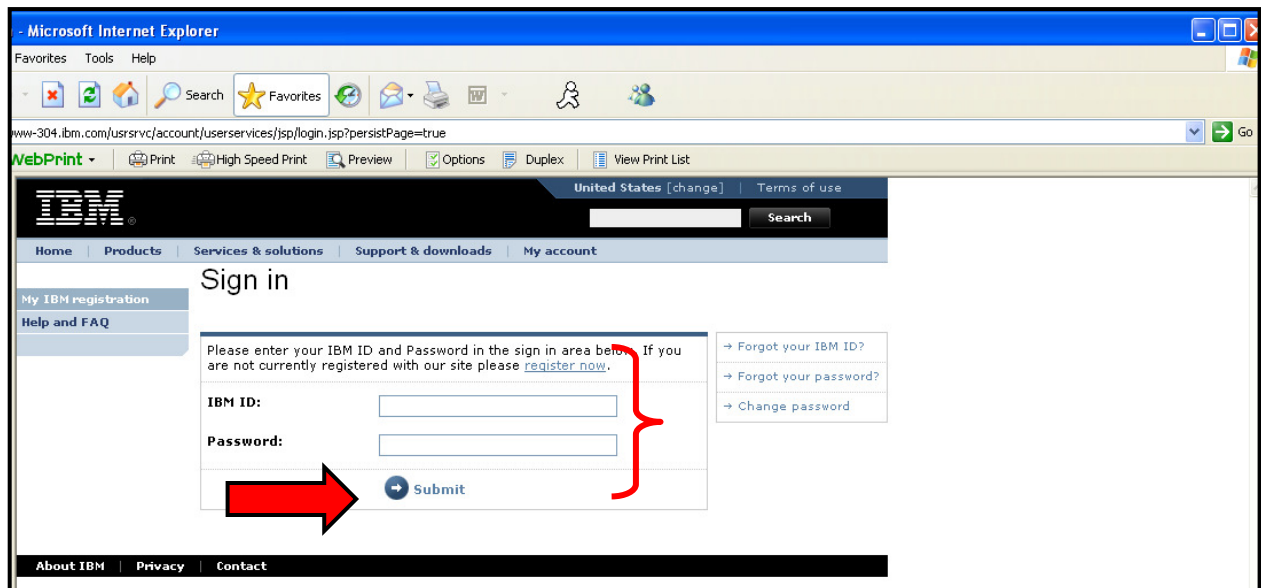
Step 4. Click on the “**Join**” Tab.

Step 5. Click on **PartnerWorld Profile**.

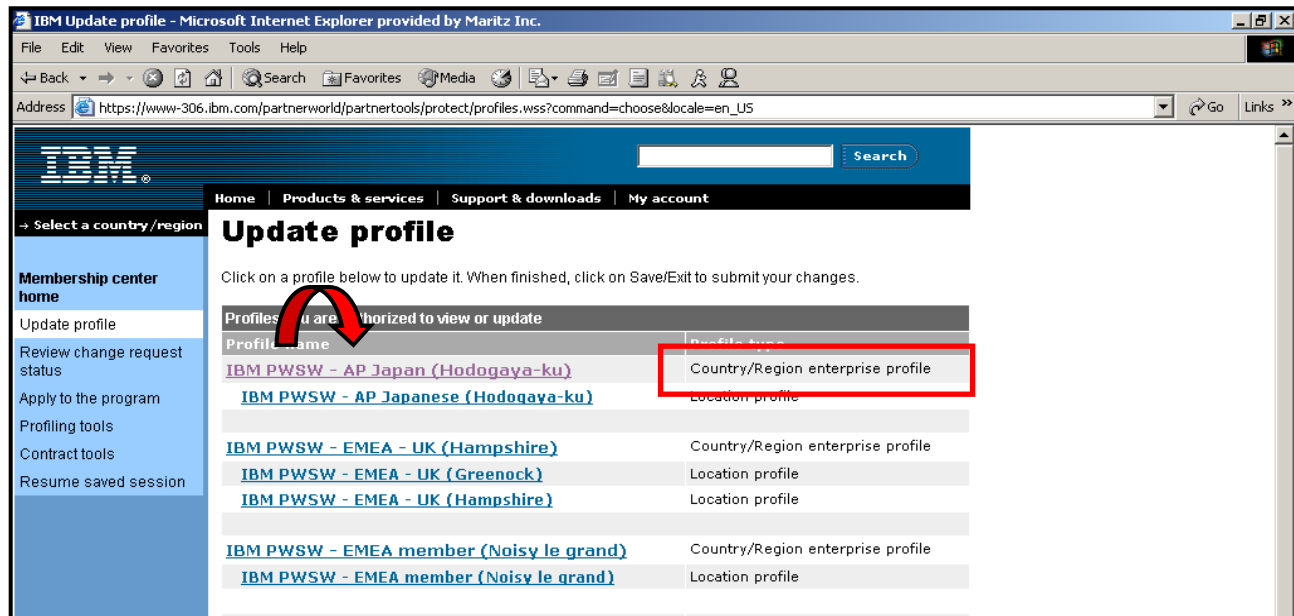


Step 6. Enter your **IBM ID** and **Password**

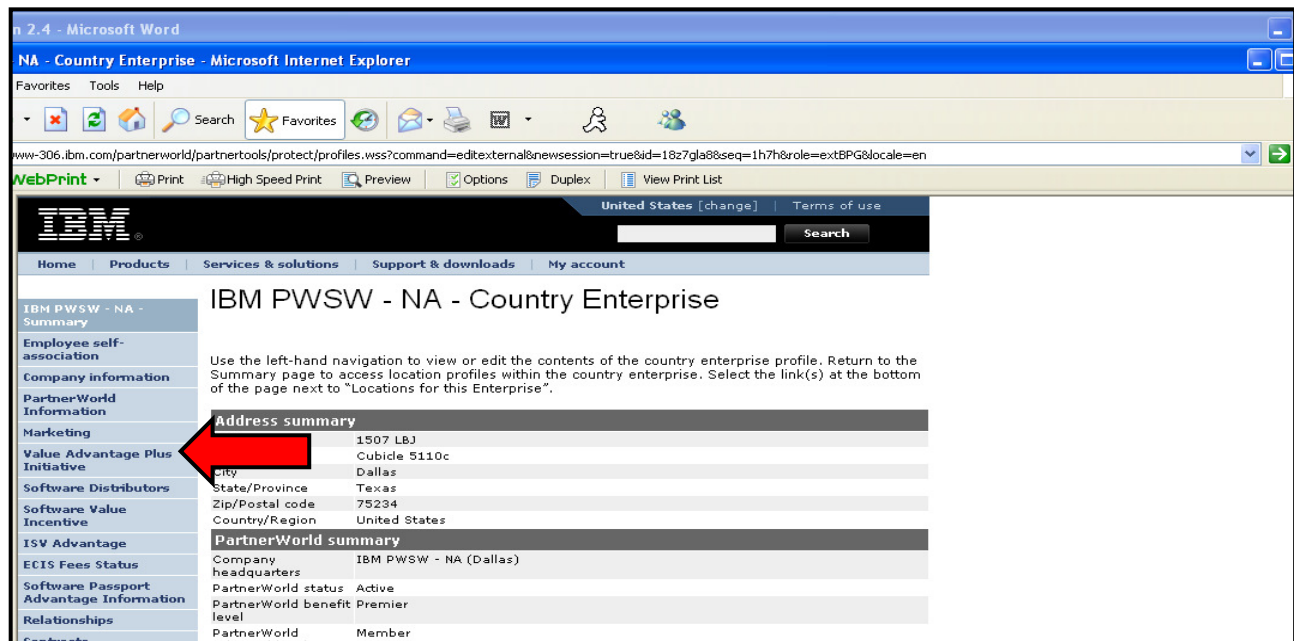
Step 7. Click on **Submit**



Step 8. Click on your “Country/Region enterprise profile”



9. Click on Value Advantage Plus Initiative



10. Click on **Add a Solution** (towards the bottom of the screen under **VAP Solutions**)

11. Answer all questions

12. Click on **SAVE/EXIT**

Microsoft Word 2.4 - Microsoft Word

NA - Value Advantage Plus Initiative - Microsoft Internet Explorer

www-306.ibm.com/partnerworld/partnertools/protect/profiles.wss?command=edit&external&id=18z7gl&8role=extBPG&locale=en&sessionId=2jh4pdfx&start=2jh4pd?p

WebPrint

Print High Speed Print Preview Options Duplex View Print List

In which country/region is your Designated VAD based?
United States

Who is your designated Software Distributor
IBM.COM

To your knowledge, has your company or any of its subsidiaries around the world ever had a Software Investment Initiative (SII) relationship with IBM within the past 12-18 months?
If Yes, In which country/region and under what Company name, if No, please answer No
no

To your knowledge, has your Company or any of its subsidiaries ever had a Territory Agreement or Marketing Agreement with IBM? If Yes, In which country/region and under what Company name, if No, please answer No.
no

VAP Solutions

Select an entry from the list below and choose the action from the available buttons.

Test

View / Edit this entry add a solution delete this solution

SAP Enrollment Success	No
SAP Enrollment Message	
SAP Termination Success	No
SAP Termination Message	
SAP VAD Change Success	No
SAP VAD Change Message	
SAP Add Solution Success	No
SAP Add Solution Message	
VAP Update	bcklotz@us.ibm.com 2005-12-05 16:08:55

Continue editing Save/Exit Cancel changes and exit

NOTE:

- If the change/update was successful, a change request (CR) number will be displayed. This number should be retained by your APA for tracking purposes. After the change/update has been approved you and your Preferred Distributor will be notified. This notification will include the effective date you may begin to place orders.

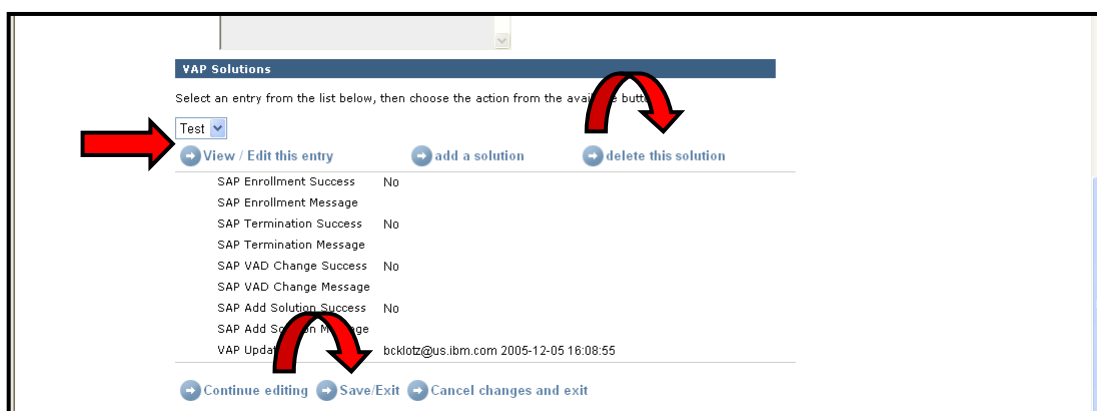
Deleting a Value Add Solution

A Business Partner must have a minimum of one (1) approved Value Add solution.

- If you have more than one approved Value Add solution, you may delete a Value Add solution or service at any time
- If there is only one approved solution, you must first enter a second solution and have it approved before the original solution can be deleted.
- If a solution has been entered in error and not yet approved, it may be deleted at any time.

To delete a solution, your Authorized Profile Administrator should perform the following steps:

- Step 1. Follow steps 1 through 9 as detailed under “Adding a New Solution” (refer to pages 29 – 31)
- Step 2. Highlight the solution you wish to delete (towards the bottom of the screen under **VAP Solutions**)
- Step 3. Click on **Delete this Solution**
- Step 4. Click on the **SAVE / EXIT**



NOTE:

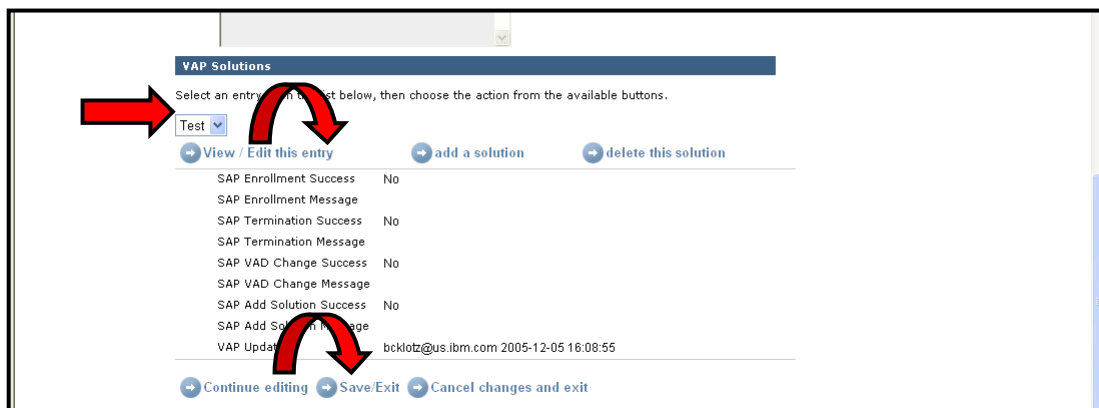
- If the change/update was successful, a change request (CR) number will be displayed. This number should be retained by your APA for tracking purposes. After the change/update has been approved you and your Preferred Distributor will be notified.

Requesting an Additional Brand to a Value Add Solution

You may add an additional brand to an approved Value Add solution at any time. This new brand must go through the same approval cycle as the original request.

To add another brand to an approved solution, the Authorized Profile Administrator should perform the following steps:

- Step 1. Follow steps 1 through 9 as detailed under “Adding a New Solution” (refer to pages 29-31)
- Step 2. Highlight the solution you wish to update (towards the bottom of the screen under **VAP Solutions**)
- Step 3. Click on **View/Edit this Entry**
- Step 4. Press and hold the **CTRL** key to add an additional brand
- Step 5. Click on the **SAVE / EXIT**



NOTE:

- If the change/update was successful, a change request (CR) number will be displayed. This number should be retained by your APA for tracking purposes. After the change/update has been approved you and your Preferred Distributor will be notified. This notification will include the effective date you may begin to place orders with the new brand.

APPENDIX B - CHANGES TO PREFERRED DISTRIBUTOR

Requirements for Value Advantage Plus

The Preferred Distributor identified at the time of a Business Partner's Value Advantage Plus application approval must remain in place for **a minimum of one (1) year across all the following programs: Software Value Incentive, Software Value Plus, Value Advantage Plus and Value Advantage Plus for Government** (e.g. if a Business Partner was enrolled in Software Value Plus prior to Value Advantage Plus, the Preferred Distributor registration date under SVP will be the date of reference)

After the initial one (1) year period, a Business Partner may choose to change the Preferred Distributor **once every twelve (12) months**.

The Value Advantage Plus Business Partner must advise IBM in writing, if they choose to change the Preferred Distributor. This must be done thirty (30) days in advance.

Please send the written notifications to IBM Channel Sales Operations.

EMEA VAP Operations
IBM International Services Centre
Polus Tower II
Vajnorska 100/B
832 86 Bratislava 3, Slovakia
E-Mail: EMEAVAP@uk.ibm.com

The request to change your Preferred Distributor will take effect **thirty (30 days)** after your written notification was received.

Requirements for Software Value Incentive

If a Value Advantage Plus Business Partner applies for the IBM Software Value Incentive Program they **cannot select a new Preferred Distributor**. The Preferred Distributor, as defined for the Value Advantage Plus program must remain in effect for a minimum of **sixty (60) days** after approval into the program.

After the sixty (60) day period, the Business Partner may change their Preferred Distributor. All requests for Preferred Distributor changes must be processed through the Value Advantage Plus Initiative. The requirements and processes as defined for Value Advantage Plus (above) will apply.

Note:

If a Value Advantage Plus Business Partner requests a Preferred Distributor change prior to being approved into the SVI program their request will be processed providing IBM was notified 30 days in advance.

APPENDIX C – OTHER – PRODUCT GROUP BRAND

The “Other Brand” section of the IBM Value Advantage Plus Initiative is reserved for unique IBM products that do not fall into the five (8) major brands:

1. Information Management
2. Rational
3. Cloud & Smarter Infrastructure
4. WebSphere
5. Business Analytics
6. Industry Solutions
7. IBM Collaboration Solutions
8. Security Systems

In the future IBM may choose to update the “Other Brand” section of the Value Advantage Plus Operations guide to include unique IBM products into the Value Advantage Plus Initiative. This type of change would be communicated to you via IBM Channel Announcements.

Appendix D – Requirements when a new Business Partner applies

When a new Business Partner applies, on top of the certifications mentioned on P. 3 and P.4 of this guide, the following documentation is required in order to be approved as an IBM Value Advantage Plus partner:

- The VAP Operations team will contact the Customers that the Business Partner identified in the References . IBM must receive, at least, 2 positive references from the customers for the first solution and at least 1 reference for subsequent solutions (if applicable).
- **Application/Service on BP web site:** the stated Solution/Service is displayed on the applicant company web site. If there is neither evidence of the applicant's solution nor IBM brand displayed on their web site then, IBM will request that the applicant provide the information in the form of an official company document i.e. Marketing brochure, hard or soft copy
- **Note:** the Solution Name submitted by the applicant cannot include any IBM Logo and/or product groups/brands name
- **Note:** if the solution is a combination of an application and services or an application, we need to get the code developed from the applicant (this is evidence of the application code developed. It can be print screens of the code. Ideally, the information should contain a clear diagram / schematics etc.)
- Where applicable, i.e. if the applicant is from a Hardcopy Country, IBM needs the signed Hardcopy agreement.

Appendix E – Hard Copy Contracts

The table below indicates which countries require a hand-signed copy of the terms and conditions, in addition to electronic acceptance. In these countries, IBM cannot approve a Business Partner's VAP enrollment until we receive the signed copy of the agreement from the Business Partner and IBM has countersigned (where required).

Business Partners in these countries must complete the following tasks:

1. Print two copies of the VAP terms and conditions.
2. Ask an authorized person from their company to sign both copies.
3. Mail the signed copies of the VAP terms and conditions to the designated address provided in the contact list specified below the country table.
4. IBM will return one signed copy to the Business Partner's Primary Relationship Contact as defined in their headquarters location in their PartnerWorld profile.

For the IBM PartnerWorld Agreement – International – Value Advantage Plus Attachment, IBM requires hand signatures in the following countries and any others IBM may specify to you. Unless otherwise noted, only the Business Partner's signature is required. IBM's signature requirements are subject to change.

Afghanistan Albania Algeria Angola Armenia (2) Belarus (2) Benin Bosnia and Herzegovina Botswana Bulgaria Burkina Faso Burundi Cameroon Cape Verde Central African Republic Chad Congo Congo, The Democratic Republic of the Côte d'Ivoire Croatia Djibouti Equatorial Guinea Eritrea Ethiopia Gabon Gambia Georgia (2)	Ghana Guinea Guinea-Bissau Hungary Iceland Italy (3) Jordan Kazakhstan (2) Kenya Kuwait (2) Kyrgyzstan (2) Lebanon (2) Lesotho Liberia Macedonia, The former Yugoslav Republic of Malawi Mali Mauritania Moldova, Republic of Morocco Mozambique Namibia Niger Nigeria Oman (2) Pakistan	Poland Qatar (2) Romania Russian Federation (2) Rwanda São Tome and Principe Saudi Arabia (2) Senegal Serbia and Montenegro (2) Sierra Leone Somalia Sri Lanka Swaziland Tajikistan (2) Tanzania, United Republic of Tunisia Turkey Turkmenistan (2) Uganda Ukraine United Arab Emirates (2) Uzbekistan (2) Yemen Zambia Zimbabwe
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- (1) No fax, no photocopy
- (2) Requires both Business Partner and IBM signatures
- (3) Italian Country Unique PWA must be signed only when Italian participant receives benefits from IBM Italia

The following is the mailing address for Partners that accept the Value Advantage Plus terms and conditions by hand-signing a paper copy of the terms and conditions:

VAP Operations,
IBM International Services Centre s.r.o.
Apollo II
Mlynské Nivy 49
Bratislava 821 09
Slovakia

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IBM United States

11400 Burnet Road

Austin, Texas 78758

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01-2010

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