

2011 IBM Mid- Market Co-funded Marketing Terms and Conditions

Acronyms legend

CMC:	IBM Co-marketing Center
GPP:	Global Partner Portal, the IBM leads entry and tracking system
IO:	Incentive Offering
MAC:	Marketing Activity Creator as designated in the Incentive Offering (Business Partner, Agency and/or IBM)
MAR:	Marketing Activity Request
MSV:	Marketing Services Vendor
PPS:	IBM PartnerWorld Profiling System
UCID:	Unique Control Identifier, a 12-digit alpha-numeric tracking code assigned in CMC upon MAR approval and used to refer to the specific activity and corresponding claim
VAD:	IBM Value Added Distributor, an IBM Business Partner type.

Approval to conduct an IBM PartnerWorld co-funded marketing activity is contingent upon adherence to the following terms and conditions, which apply in addition to the terms and conditions governing the Business Partner's PartnerWorld membership. These provisions serve as a Supplement to the IBM PartnerWorld Marketing Funds Attachment (Appendix B). By accepting the terms and conditions of this Supplement, the Business Partner accepts the terms of the Attachment. By acceptance of these terms, the Business Partner representative affirms that s/he is authorized to bind their company to comply with these provisions. The Business Partner must accept the Terms and Conditions and may not delegate the responsibility.

Lack of compliance with approval criteria or offering guidelines may result in cancellation or rejection of the Business Partner's Marketing Activity Request, claim or future participation in this offering or other co-marketing offerings, as determined by IBM at its sole discretion.

Co-funded marketing campaigns are defined as activities that generate demand for IBM Products and/or Services. Campaign costs are shared by IBM and the Business Partner at the reimbursement rate specified on the CMC Incentive Offering sign-up in the CMC tool and up to the allocated, approved amount as designated in the IO.

Offering Objectives

The IBM Mid-Market Offering is a co-marketing offering designed to drive demand generation and revenue for IBM with eligible Solution Providers and Resellers serving the Mid-Market Segment (companies with less than 1000 employees - government and education excluded regardless of number of employees). IBM Solution Providers and Resellers who have combined **Mid-Market revenue** for the period from Q4 2009 through Q3 2010 inclusive of at least \$25,000 USD are eligible for the offering. In addition, IBM Business Partners who participated in the 2010 Mid-Market Co-Marketing Offering are eligible for the 2011 Mid-Market Offering.

The offering provides Solution Providers and Resellers with reimbursement up to 75% of the total cost against approved marketing activities.

All eligible Business Partners will have \$10,000 USD in matching funding available to them. Member level participants must use the approved IBM MSV. Premier and Advanced level participants may use an agency of their choice or their own in house marketing or production department, if qualified. The Business Partner's highest PartnerWorld participation level from Q4 2009 through Q3 2010 inclusive will be used for the PartnerWorld participation level.

Premier and Advanced level participants may submit a marketing plan to request additional funding. The format for the marketing plan will be provided.

1.0 Signing up for the Incentive Offering (IO) and accepting the Terms and Conditions

At the time the Business Partner signs up for the Incentive Offering and accepts these terms and conditions, the Business Partner will agree to the assignment of a Marketing Activity Creator. Each Incentive Offering will designate the approved Marketing Activity Creators for that unique offering.

Designation of the Marketing Activity Creator

Member Business Partners

If the Incentive Offering designates the Marketing Activity Creator as "Agency Only", the Business Partner must select from the approved agency or agencies in the CMC Tool drop down menu for that offering. By selecting the agency, the Business Partner is authorizing the selected agency to submit a Marketing Activity Request, to execute the activity and to claim on their behalf. The agency is also notified that the Business Partner has authorized them to submit the Marketing Activity Request, to execute and to claim on behalf of the Business Partner.

Premier and Advanced Business Partners

If the Incentive Offering designates the Marketing Activity Creator as "Business Partner Only", the Business Partner then proceeds to submit a Marketing Activity Request for IBM funding in CMC.

2.0 Requests for IBM Funding

The request for IBM funding is made via a Marketing Activity Request in the CMC and is submitted by the Marketing Activity Creator. The Marketing Activity Creator is identified during the Incentive Offering sign-up. NOTE: All references to "days" in this guide represent calendar days unless otherwise noted.

If government employees will be invited to a planned marketing event, please refer to Sec. 5.1 for additional requirements for the Marketing Activity Request.

- Marketing Activity Requests for this incentive offering must be submitted by **November 30, 2011**, to be eligible for approval or by the Incentive Offering end date in the CMC tool – whichever date is earlier.
- The Business Partner agrees to contribute their share of the total activity cost up to the approved amount and assumes responsibility for any expenses exceeding the approved amount.
- Marketing Activity Requests are to be submitted for authorized CMC marketing activities only; refer to Appendix A and *Limited and ineligible expenses* below.
- **Marketing Activity Requests must be approved by IBM prior to the planned start date.** To allow sufficient time for IBM approval, Marketing Activity Requests should be submitted at least five (5) days prior to the start date of the activity. Invoices for third-party costs will not be accepted if dated prior to IBM approval unless the expenses were necessary for advance facility bookings, to realize cost discounts on bulk production of marketing items or for annual membership fees for a marketing database service. Acceptable pre-dated invoices may be attached in the Marketing Activity Request for review by IBM.
- A detailed activity description and cost estimates are required in local currency as defined in the CMC tool.
- Customer conferences, marketing seminars and/or trade shows require cost estimates for any planned meals/refreshments (including alcohol), entertainment/sporting events (including entrance tickets, but excluding meals/refreshments), Entrance Fees, gifts/promotional items and local ground transportation. Entrance Fees are defined as non-entertainment or non-sporting event entrance ticket fees. Ground transportation is a courtesy to transport out-of-town attendees to a local marketing event.
- If the spending category selected is a marketing campaign service, a cost estimate is required for gifts/promotional items.
- If a zero estimate is provided for meals/refreshments, entertainment/sporting events, entrance fees, gifts/promotional merchandise and/or local ground transportation, claims for these items will not be eligible for reimbursement. Invoices for actual costs above the estimates will be considered for claim reimbursement.
- For demand generation activities, the Marketing Activity Creator must provide their best estimates of validated sales leads, forecasted Win Revenue and Validated Lead Revenue. Any such revenue and/or business projections contained or submitted as specified herein shall be considered for planning purposes only and are non-binding.
- Marketing Activity Creators must submit Marketing Activity Requests in the same country as the Country Enterprise ID in the Business Partner's PPS profile. Funding allocations are typically issued to the Business Partner HQ location as identified by their PPS Country Enterprise ID.
- Allocations to different locations are possible, provided that the location has a bank profile established in the Co-Marketing Center.
- Tactics may be executed in other countries, provided that the activity will leverage the Business Partner's ability to sell or influence the sale of IBM Products or Services in their home country.

Submission of the Marketing Activity Request

Member Business Partners

If the Incentive Offering designates the Marketing Activity Creator as "Agency Only", the selected agency in the CMC tool will submit a Marketing Activity Request on behalf of the Business Partner. If the Business Partner agrees that the Marketing Activity Request is consistent with the campaign objectives, no action is necessary. If the Business Partner has any concerns with the information submitted by the agency, notify IBM at ibmcmcc@us.ibm.com. If the Business Partner takes no action within 5 business days of the Marketing Activity Request submission date, the agency may begin to execute the activity once it has been approved by IBM.

Premier and Advanced Business Partners

If the Incentive Offering designates the Marketing Activity Creator as "Business Partner Only", the Business Partner submits a Marketing Activity Request to request IBM funding.

Approval notification will be e-mailed to the Business Partner and to the appropriate Marketing Activity Creator with the approved UCID.

IBM reserves the right to reject any expense specified in the Marketing Activity Request for any reason deemed fit by IBM and the Business Partner shall have no claim towards IBM with respect thereto.

3.0 Claim and Lead Submission

Claims, back-up documentation and leads must be submitted within 60 calendar days of the activity end date entered in the Marketing Activity Request or by **February 29, 2012**, whichever is earlier. Failure to fulfill this requirement may result in cancellation of the Marketing Activity Request and/or claim.

Lead Submission

If the Incentive Offering requires leads for payment, the Business Partner must submit leads in GPP. Claims cannot be processed for payment until required back-up and leads are submitted.

To register for access to the IBM Global Partner Portal, go to:

http://www.ibm.com/PartnerWorld/mem/forms/blankForms/gpp_om_req_form.jsp

Business Partners are responsible for progressing their leads to closure (win/loss)

Business Partners are encouraged to record leads in GPP in order to capture business results, regardless if leads are required for payment. IBM may use Global Partner Portal (GPP) business results as a criterion to determine future co-marketing funding.

Agencies may submit leads associated with each CMC activity on behalf of the Business Partner via GPP, if they are enabled. The Business Partner may also submit their own leads to GPP, if they prefer.

- Business Partners and agencies who assume responsibility for leads in GPP must associate the applicable UCID with the opportunities in GPP.
- If leads are required for payment and if the agency is a Marketing Activity Creator, the agency will not be paid by IBM until leads are provided. The Business Partner will be solely responsible for all campaign expenses if they fail to provide lead data to the agency.

Claim Submissions

Upon conclusion of the campaign, a claim must be submitted in the IBM Co-Marketing Center tool for IBM's share of the approved activity costs. If an agency executed a campaign on behalf of a Business Partner for a partially-funded activity, the agency will invoice the Business Partner directly for their share of the approved activity costs.

Member Business Partners

If the Incentive Offering designates the Marketing Activity Creator as "Agency Only", the selected agency in the CMC Tool will submit the claim on behalf of the Business Partner. If the Business Partner agrees with the claim, no action is necessary. If the Business Partner has any concerns with the claim information submitted, notify IBM at ibmcmc@us.ibm.com. If the Business Partner takes no action within 5 business days of the claim submission date, the claim will be processed for approval and payment.

Premier and Advanced Business Partners

If the Incentive Offering designates the Marketing Activity Creator as "Partner Only", the Business Partner submits a claim in CMC for reimbursement..

The following claim back-up documentation must be attached electronically in the IBM Co-Marketing Center claim submission via the "Upload Documentation" function, by the claim deadline noted above. Claim documentation must be retained in accordance with local laws.

1. Evidence to support 100% of costs incurred via valid, itemized, third-party invoices that identify the amount, expense description, date and supplier name (or acceptable, alternate evidence such as rate sheets, for those who qualify). Credit card receipts must be itemized. Internal, non-labor expenses may also be included; for example, postage costs incurred for mail campaigns, via an internal invoice on the Business Partner's letterhead. If an invoice is submitted for multiple activities, please identify the specific portion of expenses associated with each activity by UCID. The same expense may not be claimed on multiple activities
 - Only firms with formal, in-house marketing or production departments may submit rate sheets as cost back-up to detail their standard production rates. IBM reserves the right to verify in-house production capabilities and published rates.
 - Expenses incurred prior to IBM approval of the Marketing Activity Request are the responsibility of the Business Partner and will not qualify for reimbursement unless they were necessary for advance facility bookings, to realize cost discounts on bulk production of marketing items, or for annual membership fees for a marketing database service.

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- The amount reimbursed by IBM is calculated by applying the offering's reimbursement rate to the valid expense amounts.
2. If the marketing event was attended by government employees, a list of each attendee by name, title and organization/company, must be provided. Refer also to Sec. 5.1.
 3. Proof of performance documentation must be provided for the specific spending category in order to validate that the marketing activity met the primary objective of promoting IBM Products and Services. Each Incentive Offering will identify the eligible spending categories. Check your Incentive Offering for the eligible categories for your marketing activity. The complete list of spending categories and proof of performance requirements includes:

Demand Generation Spending Category	Proof of Performance Requirements
Advertising	Electronic or hard copy of the ad, or photo of any billboards, or script for radio or TV ads
Customer Conferences	Event invitation or agenda. Number of attendees.
Direct Marketing	Electronic or hard copy of distributed materials
Internet Marketing	Electronic or hard copy of web screens. For hosted webcasts, the invitation or agenda.
Marketing Campaign Services	Copy of distributed mail items or marketing collateral
Marketing Seminars	Seminar invitation or agenda. Number of attendees.
Telemarketing	Copy of script or campaign briefing material provided to telemarketing vendor.
Trade Shows	Evidence that IBM Brand products or services were promoted at the trade show; for example, photograph of trade show booth, copy of marketing collateral <u>or</u> event guide description.
Marketing Consultation	Third party receipts only, no additional claim back-up is required

4.0 Compliance with laws

Any expense reimbursement and marketing funds made available hereunder will be subject to adherence of the marketing activity with applicable law.

- You agree that you have complied with all the applicable United States and local anti-bribery laws, such as the US Foreign Corrupt Practices Act and similar local laws and that none of your employees will, directly or indirectly, make or offer bribes, kickbacks or other payments of money or anything of value (including travel, offer of employment, gifts or entertainment) to anyone, including officials, employees, or representatives of any government, company, or public or international organization, or to any other third party, for the purpose of wrongfully obtaining business. You acknowledge that your use of the Marketing Funds will be consistent with your application for funding, with this Attachment and with the IBM Business Partner Code of Conduct and with the applicable laws.

IBM assumes no liability for damages or injury caused to any third party or to the Business Partner with respect to the marketing activity. By acceptance of these Terms and Conditions, the Business Partner agrees to indemnify IBM for any and all claims associated with failure by them or by the marketing activity to meet such terms.

5.0 Limited and ineligible expenses

5.1 Legal requirements for co-marketing events with government employee participation

Effective in Q1, 2011, expense limits for marketing events with government employee participation will be introduced. The limits will be published on the IBM PartnerWorld web site at: www.ibm.com/partnerworld/page/pw_com_cfm_comarketing_expense_limits. Upon publication of these limits for co-marketing events with government employee participation, the following requirements will take immediate effect.

Refer to Section 4 above for your detailed responsibilities.

If expense limits for co-marketing events with government employees apply, the per-person and maximum limits, where specified, apply to all of the event participants and not just the government employee(s) participating in the event.

IBM co-marketing funds reimbursement for events with government attendees is conditioned upon receipt of the following information, which must be provided to ensure that marketing activities will not unlawfully influence the buying decisions of any invitees.

1. If government employees are invited to an event, expenses for the following may not exceed limits allowed by IBM in the location in which the event is held: meals/refreshments, entertainment/sporting events (including entrance ticket fees), entrance fees, gifts/promotional merchandise and local ground transportation. If planned expenses for these

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expense types exceed the specified limits, government employees may not be invited to the event, unless IBM provides a documented exception. Claims will be validated to ensure compliance to the government expense limits, where applicable.

2. Business Partners and agencies will be asked to identify in the activity request if any government employees will be invited to the marketing event.
3. If government speakers will be engaged for the marketing activity, the Business Partner or agency must obtain pre-approval from IBM.
4. For claims related to Customer Conferences and Marketing Seminars, Business Partners or agencies must provide a list of government attendees by name, title and company. The list must be submitted in the CMC tool.
5. IBM does not permit the inclusion of any persons listed in the Denied Persons List (DPL) which is maintained by the U.S. Department of Commerce Bureau of Industry and Security at: <http://www.bis.doc.gov/dpl/thedenialist.asp>. The Business Partner agrees to abide by this and any other export regulation requirements, including the International Traffic in Arms Regulations (ITAR).

Government employees include, but are not limited to an existing or prospective customer, any officer, employee or representative of the following:

- Governmental bodies - national, state, local, municipal government - and any department, agency, public enterprise or instrumentality of a government
- State owned hospitals, schools, utilities, etc.
- State owned enterprises (whether wholly or partly owned)
- Public international organizations (e.g., United Nations)
- Private companies controlled by, or under common control with, any of the above
- Any entity subject to the applicable country's public procurement laws and regulations

5.2 Limited and ineligible expenses for co-marketing events without government employee participation

Expense limits in this section apply to non-government events. Refer to Section 5.1 for limits for events with government employees. However, where maximum limits for government employee attending events are not stated, the per person and per activity maximum limits stated below will also apply to events with government attendees.

Any expense type not included in the *CMC Marketing Activities* section in Appendix A may be deemed by IBM to be ineligible. Please contact your IBM representative if in doubt about the eligibility of your planned expenses.

Limits are applied to the following expense types: meals/refreshments (including alcohol), entertainment/sporting events, entrance fees, gifts/promotional items, and local ground transportation expenses. Limited expenses are reimbursed according to the rate specified on the CMC Incentive Offering sign-up in the CMC tool; for example, if the speaker fee limit is \$5,000 (USD) and the reimbursement rate is 75%, IBM will reimburse a maximum of \$3,750 (USD) towards eligible costs of this type.

1. If they are integral elements of the marketing campaign, expenses for meals/refreshments (including alcohol) are allowed. A cost estimate must be provided for this expense type in the Marketing Activity Request. Meals/refreshments (including alcohol) – no limit, alcohol expense must be less than food expense.
 - Expenses for alcohol are allowed only in accordance with local laws and if reasonable and offered within a professional business setting. IBM assumes no liability for damages or injury caused to any third party due to consumption of excess alcohol and reserves the right to refuse reimbursement for any activities that they may deem to have included inappropriate or unprofessional conduct. By acceptance of these Terms and Conditions, the Business Partner agrees to indemnify IBM for any and all claims associated with service of alcohol at a marketing event.
2. If they are integral elements of the marketing campaign, expenses for entertainment/sporting events are allowed. Entertainment events include cruises, concerts, theater tickets, sightseeing tours, venue rentals, golf tournaments or professional games. A cost estimate must be provided for these expense types in the Marketing Activity Request. The maximum limit on entertainment/sporting events (including entrance fees) is \$200 USD per person and \$10,000 USD per activity, for a reimbursement of \$7,500 USD at a 75% reimbursement rate.
3. Expenses for external speaker fees may be claimed up to a maximum of \$5,000 USD, for a reimbursement of \$3,750 USD at a 75% reimbursement rate.
4. Expenses for promotional merchandise, premium items or give-aways may be claimed up to a maximum reimbursement of \$25 USD per attendee and \$5,000 USD per activity, for a reimbursement of \$3,750 USD at a 75% reimbursement rate. A cost estimate must be provided for this expense type in the Marketing Activity Request.
5. Expenses for local transportation are allowed, if arranged by the Business Partner as a courtesy to transport out-of-town attendees to a local marketing event. A cost estimate for this expense type must be provided in the Marketing Activity Request. The maximum limit on local ground transportation is \$1,000 USD for a reimbursement of \$750 USD at a 75% reimbursement rate.

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6. Travel expenses will not be reimbursed. Travel expenses include hotel accommodations, flights, living expenses such as per diems or taxis and transportation to events, except as permitted under item 5
7. Activities involving competitive products and technologies, in which both IBM and its competitors are marketed are allowed with CMC pre-approval. Activities involving competitive products and technologies must be specified in the CMC Marketing Activity Request. In marketing materials that feature multiple companies, IBM products and services must be the primary ones marketed.
8. Business Partner personnel salaries for staff costs to support marketing activities will not be reimbursed, except where explicitly permitted by the Incentive Offering. Temporary personnel fees may be reimbursed if staff are hired specifically and solely for the related marketing campaign.
9. Expenses for services or equipment that are considered a capital expense or that are used in routine business operations, such as furnishings, telephone equipment, corporate signage or company stationery, will not be reimbursed.
10. Expenses to purchase demo equipment or equipment such as personal computers, laptops, monitors or visual aid products will not be reimbursed
11. Expenses for IBM sponsored campaigns or events will only qualify for reimbursement if they are targeted to end user customers and support lead generation.
12. Raffle prizes are prohibited. Expenses for any activity that would be perceived to be a contest, sweepstakes or lottery to win a prize of any value.
13. Expenses for sales incentives will not be reimbursed.
14. Expenses for advertorials (advertising presented in an editorial format) will not be reimbursed.
15. IBM will not reimburse the same expense twice. For example, if a brochure is used as both an advertising piece and for distribution during a marketing campaign, only the costs relevant to each category may be claimed but the one-time cost of the artwork production may only be claimed under one category. If it is discovered that a claim for the same expense was submitted more than once to one or more co-funded marketing offerings, IBM will be entitled to immediate repayment by the Business Partner.
16. In order for event sponsorships to be reimbursed, the event must contain substantial business content.

Any expense reimbursement and marketing funds made available hereunder will be subject to adherence of the marketing activity with local laws and other laws applicable to IBM. IBM assumes no liability for damages or injury caused to any third party or to you with respect to the marketing activity. By acceptance of these Terms and Conditions, you agree to indemnify IBM for any and all claims associated with failure by you or by the marketing activity to meet such terms.

6.0 Payments

IBM will reimburse Business Partners or agencies, either directly or through a third-party vendor, and not their suppliers.

The Business Partner or agency will need to supply banking information. The Business Partner or agency will be reimbursed by wire transfer in the local currency of the receiving bank. The bank must be located in the same country as the Business Partner's or agency's CEID.

IBM is entitled to collect reimbursement of any overpayments made to a Business Partner or agency. IBM is entitled to debit the Business Partner's available funds. If IBM makes any underpayment in error, the Business Partner will either be reimbursed the balance due or receive a credit to their funding allocation. IBM will obtain the Business Partner's written approval before making any funds adjustments associated with erroneous underpayments.

Tax Invoices

Reimbursements may be subject to tax considerations as dictated by financial or legal regulations in each country. Compliance with local tax regulations is the responsibility of the Business Partner or agency, who should seek independent tax advice if required.

In those countries where tax invoices are required, the Claim Submitter must provide an online/soft copy and a hard copy of the tax invoice for the approved claim amount plus any applicable tax at the local country rate. The invoice must first be uploaded in the IBM CMC tool within 7 days of the date of request and then mailed to IBM Accounts Payable within 30 days of the date of request. Directions on how to upload the online invoice and the addresses for the IBM Accounts Payable offices will be provided in an e-mail that is sent to the Business Partner or agency upon approval of the claim.

7.0 Code of Conduct

Business Partners must comply with the IBM Code of Conduct when performing any marketing activities, including those approved under this offering. In particular, if the Business Partner invites a government client to any marketing event, the Business Partner must comply with the section of the Code of Conduct entitled "Dealing with Government Clients". Funding may be withdrawn or full reimbursement requested by IBM if the Business Partner fails to comply with the Code of Conduct with respect to marketing activities. The Code is available at:

http://www.ibm.com/PartnerWorld/pwhome.nsf/weblook/pub_join_memctr_agreement_code.html

8.0 Business Partner Emblem Usage

It is the Business Partner's responsibility to comply with IBM marketing guidelines and to ensure proper use of the IBM Business Partner emblem, IBM trademarks and copyrights. IBM may not reimburse expenses for marketing materials or promotional items that fail to comply with the guidelines. Refer to the IBM PartnerWorld web site for information on proper usage at: http://www.ibm.com/PartnerWorld/mem/mkt/mkt_emblem.html.

Appendix A – Authorized Spending Categories

Below is a complete list of spending categories. Please refer to the eligible spending categories designated for this Incentive Offering. The Incentive Offering details can be found in the IBM Co-Marketing Center.

Section 1: Authorized Demand Generation Spending Categories

Advertising

Production and placement of advertising to generate demand and increase sales of IBM and Business Partner products and services.

Qualifying Expenses

- Print - newspapers, magazines, etc.
- Catalogs
- Billboards
- Internet advertising, banner ads
- Radio or television

Customer Conferences

Events hosted or sponsored by the Business Partner for end-user customer prospects, designed to increase sales of IBM's and the Business Partner's products and services.

Qualifying Expenses

- Conference registration fees
- Facility or venue rental costs (excluding hotel accommodations), including rentals of furnishings and equipment, utilities, moving and cleaning costs
- Marketing collateral materials, e.g., brochures or catalogs
- List of prospects
- Audiovisual and computer equipment rental
- Freight drayage or shipping costs for materials delivered to the conference
- Meals/refreshments expenses, to the specified limits
- Entrance fees to sporting or entertainment events, to the specified limits
- Local ground transportation to the specified limits
- Fees for (non-IBM) speakers or subject matter experts, to the specified limits
- Gifts/promotional items, to the specified limits
- Sponsorship fees, provided that the conference contains substantial business content

Direct Marketing

Marketing via leaflets, brochures, letters, catalogs or print ads mailed or distributed directly to potential customers to drive response to a specific call to action or offer.

Qualifying Expenses

- Production costs for IBM CMC Create and Design
- List of prospects
- Creation, production and distribution costs

Internet Marketing

Marketing communications published on internet pages or development and execution of online forums, events and blogs. The activity must drive direct responses, registrations and leads, if required.

Qualifying Expenses

- Webcasts, white papers, case studies, podcasts, self-running demos on own web site or posting on others
- e-mail prospect lists
- IBM PartnerWorld Internet Lead Generator fees
- Development of special offers or web landing pages specific to the campaign

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- Pay-per-click fees to drive users to registrations or leads
- Search engine optimization designed to improve lead generation as part of a broader demand generation campaign

Marketing Campaign Services

Marketing campaign services performed to drive sales of IBM's and the Business Partner's products and services.

Qualifying Expenses

- Production of product literature, brochures, flyers, spec sheets, catalogues, application and solution briefs, white papers or sales kits, newsletters or videos
- Production costs for IBM CMC Create and Design
- E-mail production and distribution costs
- Development of targeted mailing lists
- Database or market intelligence re: purchased lists of targeted prospects
- Gifts/promotional items, to the specified limits
- Agency fees for executing a programmatic lead nurturing program to progress leads

Marketing Seminars

Seminars and product briefings hosted or sponsored by the Business Partner and directed to end-user customer prospects to increase sales of IBM's and the Business Partner's solutions.

Qualifying Expenses

- Hosting of webcasts, podcasts, self-run demos
- Marketing collateral materials, e.g., brochures or catalogs
- List of prospects
- Audiovisual and computer equipment rental
- Facility or venue rental costs (excluding hotel accommodations), including rentals of furnishings and equipment, utilities, moving and cleaning costs
- Entrance fees to sporting or entertainment events, to the specified limits
- Meals/refreshments expenses, to the specified limits
- Local ground transportation, to the specified limits
- Fees for (non-IBM) speakers or subject matter experts, to the specified limits
- Gifts/promotional items, to the specified limits

Telemarketing

Marketing via telephone campaigns to current or potential customers to promote or sell IBM products and services.

Qualifying Expenses

- List of prospects
- Temporary staff costs to conduct telephone campaigns
- Telemarketing vendor fees for orientation and campaign calls

Trade Shows

Exhibition of IBM products and services in conjunction with Business Partner products and services at a trade show. The Trade Show category may be used only when the Business Partner is an exhibitor at the show and not for attendees.

Qualifying Expenses

- Registration fees
- Booth space rental (costs for permanent or re-usable booths will not be reimbursed)
- Audiovisual and computer equipment rental
- Furniture and carpeting rental
- Signage and booth displays
- Lead retrieval systems
- Collateral with content focused on IBM and Business Partner solutions
- Electricity, telephone and internet costs

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- Freight, drayage or shipping costs for materials delivered to the trade show
- Facility labor costs for booth assembly work or cleaning
- Fees for (non-IBM) speakers or subject matter experts, to the specified limits
- Gifts/promotional items, including welcome badges, lanyards or tote bags, to the specified limits
- Sponsorship fees, provided that the trade show contains substantial business content
- Entrance fees to sporting or entertainment events, to the specified limits
- Meals/refreshments expenses, to the specified limits
- Local ground transportation to the specified limits

Marketing Consultation

Strategic marketing guidance and marketing plan development support to assist the Business Partner in achievement of targets for increased market share, improved win rates and enhance leads progression and closure, up to maximum of \$3,000 USD and \$2,250 at 75% reimbursement.

Qualifying Expenses

- Marketing consultation services provided by a reputable, qualified agency or consulting firm
- Ongoing support to track progress against the marketing plan
- SWOT analysis (Strengths, Weaknesses, Opportunities, Threats)

APPENDIX B - IBM PartnerWorld Agreement - Marketing Funds Attachment

The terms of this Attachment are in addition to and prevail over the terms of the IBM PartnerWorld Agreement - International Basic General Terms

Under the terms of this Attachment we provide marketing funds to you for the purpose of influencing the growth of IBM product revenue. Details of the funding and the marketing initiative will be specified in one or more PartnerWorld Marketing Funds Supplements (Supplement). We may mutually agree, in writing, to modify a Supplement.

You agree that the terms of this Attachment are between you, in the country in which you receive benefits, and the IBM organization for that country. The rights, duties and obligations of each of us under the terms of this Attachment are valid only for that country.

1. Our Relationship

We mutually agree that each of us will assign a single point of contact for the purpose of interfacing with each other regarding matters dealing with our relationship under the terms of this Attachment.

1.1 You agree to:

- a. achieve revenue objective we may jointly establish;
- b. maintain the number of certified personnel and trained personnel we specify, if any;
- c. provide relevant business information and data as we may request;
- d. Upon request, jointly develop a business plan with us and to implement such plan.

1.2 We agree to provide you:

- a. marketing funds; and;
- b. we may additionally provide sales and technical support

2. Marketing Funds

We may make marketing funds available to you for your marketing activities. In order to receive marketing funds you must meet qualification requirements and agree to provide us the schedule of your marketing and technical events in sufficient time for us to respond in a timely manner.

We will provide qualification criteria to you in writing.

You agree to use such funds according to the guidelines we provide, to maintain records of your activities and expenditures regarding your use of the funds for the term of this Attachment, and to provide such documentation to us upon our reasonable request.

3. Liability

Under the terms of this Attachment the maximum amount either party will only be liable to the other for any actual direct damages up to the greater of the amount of the total funds we provided to you under the terms of this Attachment or the amount specified in the PartnerWorld Agreement International Basic General Terms. In all other respects, the liability terms in the PartnerWorld Agreement International Basic General Terms (including the exceptions) apply unchanged.

4. Ending this Attachment

Either of us may terminate this Attachment, with or without cause, on one month's written notice. Termination of this Attachment includes termination of any associated Supplement. However, any funding committed to you by IBM will be provided.

Either of us may terminate this Attachment and its Supplements including committed funding, immediately in the case of breach of a material term of this Attachment.

IBM funding for this offering is limited and IBM reserves the right to modify or withdraw this offering at any time. Terms and Conditions are subject to change.