Software Value Incentive

Business Partners Operations Guide

Europe, Middle East and Africa

April 2011

Version 3.1

This guide and updated versions will be posted on the IBM PartnerWorld® website. Please check the Partner World® Software Value Incentive pages on: http://www.ibm.com/partnerworld/softwarevalueincentive for the most current version of this guide.

PREFACE

Software Value Incentive (SVI) is an IBM initiative designed to reward Business Partners for the value that they contribute in each of the various stages of a sale. Software Value Incentive was created to build the most value-oriented Business Partner ecosystem in the marketplace, which is highly committed to IBM software technology and leveraged everyday for significant mutual share, revenue and profit growth. This initiative was designed to allow Business Partners to be recognized and earn financial rewards based on their performance in the opportunity identification and sale steps of the sales cycle.

The purpose of this guide is to provide business rules and an overview of how to apply for Software Value Incentive (SVI) and how to submit and progress opportunities through to payment of SVI fees. This guide is specifically oriented toward the Identify and Sell components of SVI. The Solution component of SVI is addressed in a separate operations guide, "Business Partner Operations Guide for Solution Incentive".

Further details of operational procedures are given in the Software Value Incentive Supplement which can also be found on the Partner World® Software Value Incentive pages at: http://www.ibm.com/partnerworld/softwarevalueincentive

Significant changes in this version of the Operations Guide

V3.1

- Removed all references to Software ValueNet, i.e. this guide is for the SVP 2.0 model
- Solution Incentive - reference to Solution Incentive Operations Guide, also how approvals of product groups in SVI work when a Solution incentive is approved for that product group
- New text in Sales Documentation definition in preparation for move to sampling of SVI transactions for compliance
- Added words to indicate that software as a service (i.e. LotusLive) is only eligible for SVI for initial fixed term (not subsequent)
- Added changes to "Requesting Extension" section of the guide
- Added to certification section to address FileNet certifications which are not listed on IBM PW

- OVERVIEW

Software Value Incentive (SVI) recognizes Business Partners for their performance in the opportunity identification and sell steps of the sales cycle.

SVI has two elements:

- An opportunity identification incentive (Identify incentive fee) for identifying and qualifying new customer opportunities for IBM Software Group (SWG) products.

- A sell incentive (Sell incentive fee) for developing and delivering compelling value propositions proofs of concept, etc. that result in customers selecting IBM SWG products.

Each element has two components:

- A base fee for all Eligible Transactions

- A premium fee for transactions sold to end users that are designated by IBM as general businesses (GB Accounts).

Incentive fees are paid directly to the Business Partner.

SVI also has a Solution Incentive offering, however that offering is not addressed in this guide. For further information about the Solution Incentive, see "Business Partner Operations Guide for Solution Incentive", which is available on the IBM PartnerWorld® website. To access this guide, go to the Software ValuePlus home page at http://www.ibm.com/partnerworld/softwarevalueplus and then choose the Industry Authorization tab, follow the link to details, and select the Resources tab.

SVI leverages an opportunity registration system, Global Partner Portal that allows Business Partners to identify and progress to closure new opportunities for IBM software technology

The first Business Partner to register and submit a validated opportunity to IBM for SVI eligibility determination, where the opportunity was not previously registered by IBM, will be eligible to receive the SVI Identify and Sell incentive fees for this opportunity. If IBM had previously registered the opportunity then the first Business Partner that submits a validated registered opportunity for SVI eligibility determination, where the Business Partner is either assigned the opportunity by IBM or is listed as a 'sales resource' for the opportunity by IBM, will be eligible to receive the SVI Sell incentive fee but not the Identify Incentive fee. To be approved and receive any Identify and or Sell fee payment:

- Business Partners must demonstrate active selling engagement with the customer for the IBM products by providing supporting documentation that shows their activities that contributed to the customer's decision (Eligible Sales Documentation).

- The customer must complete the acquisition of the products.

SVI fees are earned independently of how the transaction is fulfilled.

Eligible opportunities will be considered eligible for incentive fees for 270 calendar days (approximately nine months) from the date they are submitted for SVI Eligibility

On or before the Expiration Date, the opportunity must be closed as Won in the opportunity registration system (Global Partner Portal) and the Business Partner must submit the opportunity to IBM for SVI payment request.

Business Partners may earn incentives in addition to SVI from their compensation from fulfillment or logistics services value add. Business Partners who are investing time in developing solutions that include selected IBM middleware can invest their sales time with the confidence that they will earn incentives when the customer acquires the IBM products.

If the Business Partner requests assistance, additional IBM resources may be assigned to help close or expand the opportunity.

SVI is complementary with certain other IBM offerings, such as Software Value Plus - Authorized Distribution (Software Reseller Authorization) and Value Advantage Plus. However, SVI is mutually exclusive with other IBM software programs and offerings. Refer to section “Mutually Exclusive Programs and Offerings” in this Guide for further details.

RELATIONSHIPS WITH OTHER PROGRAMS

This section describes the relationship between SVI and other IBM channel incentive offerings and distribution models.

IBM Software Value Plus

IBM Software Value Plus offers distributions models that maximize Business Partner Profits for reselling IBM Software. IBM Software Value Plus organizes all IBM Software Group products into Open products, and the Authorized portfolio; all IBM Business Partners may resell Open Products. Business Partners who wish to resell Authorized products must obtain authorization from IBM. Authorization is achieved at the Product Group level.

The Authorized portfolio model does not apply in certain countries (Limited Software Reseller Authorization Countries); Appendix B in this document provides information on which countries these are, and how the SVI rules differ for those countries.

Further information about IBM Software Value Plus is available at http://www.ibm.com/partnerworld/softwarevalueplus,

The Authorized portfolio consists of products belonging to the Product Groups (Reseller Authorization groups) as defined on the "Criteria" tab of the IBM Software Value Plus website as cited above.

SVI is one of two possible prerequisites which are part of the requirements for a Business Partner to become authorized to resell products in a specific Product Group. Business Partners who have met the requirements described in this Guide to become authorized in a Product Group (see "Authorization for a Product Group") have met one of the key requirements to be authorized to resell that Product group.

Business Partners should therefore first enroll in SVI and become authorized for one or more Product Groups; if those Products Groups are also Reseller Authorization groups (as opposed to Product Groups in open distribution) they may then complete the other requirements to obtain authorization to resell these products.

IBM Value Advantage Plus

Value Advantage Plus is an IBM initiative designed to financially reward Business Partners who deliver solutions through applications and services. If these solutions are built to operate on IBM Software, they may be approved and qualify for financial incentives for the specific IBM software when it is sold by the Business Partner as part of their solution. For more information, visit the PartnerWorld® Value Advantage Plus pages at http://www.ibm.com/partnerworld/valueadvantageplus. The Value Advantage Plus rebate is paid through the Business Partner's preferred distributor whereas eligible SVI fees are paid directly to the Business Partner.

Business Partners are encouraged to participate in both SVI and the Value Advantage Plus initiative.

Because the Value Advantage Plus initiative already provides a reward for Business Partner sales effort, Business Partners are not eligible to receive both Value Advantage Plus rewards and the SVI Sell incentive fee for the same product sale. They can be eligible for Value Advantage

Plus rewards and the SVI Identify incentive fee if they meet the SVI eligibility submission rules for Identify and Sell fees and are approved for SVI fee payments.

In addition, because selling a solution and receiving the Value Advantage Plus initiative rebate is effective proof of the Business Partner involvement in the sales cycle, the requirement to provide Eligible Sales Documentation for that part of the opportunity where the SVI Business Partner received the Value Advantage Plus rebate is waived; see section “Complete Sales Process” for further details.
.

IBM Value Advantage Plus for Government Sales

Value Advantage Plus for Government Sales is an incentive program for resellers of IBM middleware and who sell IBM authorized software products to government customers. It is designed to reward Business Partners for the role they play and the value their business brings throughout different stages of the sales cycle - opportunity registration through Global Partner Portal and selling IBM middleware to government customers.

Business Partners are encouraged to participate in both SVI and IBM Value Advantage Plus for Government Sales, however these two initiatives are mutually exclusive at the opportunity level, since government opportunities are not eligible for SVI, and only government opportunities are eligible for IBM Value Advantage Plus for Government Sales.

MUTUALLY EXCLUSIVE PROGRAMS AND RELATIONSHIPS

Business Partners are not eligible to receive fee payments for the same value-add under more than one program. The following IBM programs and offerings are mutually exclusive with SVI:

- Global Systems Integrator Alliance Agreements (local country contracts)
- IBM Business Partner Agreement - Distributor Attachment for Workstation Software

If any part of the Business Partner's Enterprise is participating in any of these programs or offerings, the Business Partner is not eligible for Software Value Incentive.

When Business Partners are participating in one of these mutually exclusive programs or offerings and they have already been approved to participate in SVI, they must notify the IBM in an e-mail to the contact point for their country as listed in the section titled **Contacts.** Failure to notify IBM of participation in any mutually exclusive programs may result in termination from Software Value Incentive.

SVI PARTICIPATION REQUIREMENTS

This section outlines the requirements for Business Partners to participate in SVI. Participation is at the country level, so Business Partners need to enroll and be approved individually for every country in which they wish to participate in SVI.

There are participation requirements at both the overall level and at the Product Group level for SVI, in other words Business Partners must be approved overall, and then approved individually for each Product Group for which they wish to participate in SVI. A Product Group is one of the following:

- A Reseller Authorization group for products which are part of Software ValuePlus – Authorized Portfolio
- Products in open distribution within a brand; the six open Product Groups are Lotus Open, Tivoli Open, Rational Open, WebSphere Open, Information Management Open, and Other

Overall Participation

To participate in Software Value Incentive, Business Partners must meet the following criteria:

- Be an approved member in IBM PartnerWorld®, at any level; and
- Become authorized for SVI in at least one Product Group (see following section for details)
- Agree to the SVI Terms and Conditions, submit the SVI enrollment form; and
- Be approved by IBM for SVI participation

Authorization for a Product Group

Business Partners applying for SVI in countries where the Authorized Portfolio – Authorized Products model does not apply (Limited Software Reseller Authorization Countries) have unique rules for authorization at the Product Group level; see Appendix B for further details.

To be authorized to submit SVI opportunities for the products in a specific Product Group, the Business Partner must be approved to participate in SVI and:

- For products which are part of Software ValuePlus – Authorized Portfolio – Authorized Products: have at least one (1) qualifying sales certification and at least two (2) qualifying technical certifications in that Product Group
- For products in open distribution (except for the Other Product Group): have at least one (1) qualifying sales certification and at least two (2) qualifying technical certifications in that product's Brand
- For the Other Product Group (open distribution) be authorized for SVI for at least one other Product Group

The list of which certifications and their associated Product Groups for Software Value Plus – Authorized Portfolio can be found by opening the “Software Certifications for Reseller Authorization groups” on the Criteria tab of the Authorized Portfolio – Authorized Products section of www.ibm.com/partnerworld/softwarevalueplus. This list also shows the certifications which are aligned with each brand. In addition, there are certifications which are not shown on this list which are valid for SVI approval for the IBM FileNet Product group. These certifications are listed at the following link: **https://www-304.ibm.com/partnerworld/wps/servlet/ContentHandler/swg_com_sfw_svp_filenet_certs_sel**.

The following rules apply to how certifications are counted for authorization at the Product Group level for SVI:

- Technical Sales Mastery tests (Technical Sales Professional) count as Technical Certifications for SVI
- The PartnerWorld requirement that only two certifications per person will be counted is waived for SVI. One person in the Business Partner company may hold all three certifications required for SVI Product Group approval.
- The certifications do not have to be unique, i.e. two people in the Business Partner company may have the same certification
- Certifications that qualify for a Product Group which is in the Authorized Portfolio will also qualify for that ‘Brand’ for products in open distribution.
- If a certification applies to more than one Product Group then an individual’s achievement of that certification can be used to qualify for each of those Product Groups

Records Retention

Business Partners must retain records that support transactions and records which pertain to the collection of SVI Identify and Sell fees.

For business review purposes, Business Partners must retain and make these records available for three years from the date of related transaction or fee payment. They may, however, retain additional documents that they deem necessary.

At a minimum, a Business Partner participating in Software Value Incentive that resells software to end users must retain copies of invoices to, or other legal documents (e.g., contracts) with the end users for solutions that identify IBM software included in the SVI transactions.

For sales where the SVI Business Partner refers end users to IBM or another Business Partner for software fulfillment, the SVI Business Partner must retain copies of their Eligible Sales Documentation and other legal documents (e.g., contracts) with the end users for the associated SVI transactions.

DEFINITIONS

Eligible End Users

Eligible End Users include anyone in the country for which the Business Partner has been SVI approved, who is not part of the Business Partner's enterprise and who is acquiring products for their own use and not for resale.

The following exclusions apply:

- Public Sector End Users as defined in the IBM PartnerWorld Agreement – International Software Value Incentive Attachment are ineligible End Users.
- IBM Corporation or any entity which IBM owns more than 50% is an ineligible End User for SVI.
- Business Partners that acquire licenses via the IBM International Passport Advantage Agreement - Attachment for Service Providers (xSP) for their own use to enable information technology services (e.g., web hosting services) to third party customer end users outside their own Enterprise are not eligible to receive SVI fees for these licenses.

If an opportunity is approved for SVI eligibility, but later in the SVI review process it is determined that the end user is ineligible, then the transaction becomes ineligible immediately. SVI fee payments made in error to ineligible transactions are subject to recovery.

General Business End Users

General Business (GB) End Users are that IBM designates as general business.

Premium SVI fees are paid to Eligible Opportunities when the end user is a General Business End User.

For further information on how to determine whether an end user is a GB End User, consult the How to Identify GB Customers section of the SVI Supplementary Material

Eligible Products

Eligible Products are those products listed in the SVI Eligible Part Number list which are announced and generally available for sale in the country of the end user. They are products ordered under the Passport Advantage program, either Passport Advantage or Passport Advantage Express, and that IBM has designated as 'New License' part numbers**.** Products listed on the SVI Eligible Part Number list which are ordered under the IBM Business Partner Agreement for Software Value Plus – Attachment for Primary Support Provider Sub-license are also eligible. Any additional eligible products will be listed in the Software Value Incentive Eligible Part Number List under 'Other Products'.

Note that products ordered under Flexible Contract Terms (FCT) are not eligible for SVI fees. In addition, for software as a service offerings, only the initial fixed term licenses are eligible for SVI; subsequent term licenses are not eligible. .

New License part numbers are part numbers in the IBM Distributed Software Price Book with the following Part Type:

- License + SW Subscription & Support

- Trade Up License + SW Subscription & Support
- Fixed Term Use without Support or Renewal - with the exclusion of any part numbers that are billed monthly
- Initial Fixed Term License, Subscription & Support - with the exclusion of any part numbers that are billed monthly
- Initial Fixed Term Use - with the exclusion of any part numbers that are billed monthly
- Initial Fixed Term Use with Support - with the exclusion of any part numbers that are billed monthly
- Product Trade-in
- Trade Up Fixed Term Use - with the exclusion of any part numbers that are billed monthly

New License part numbers do not include:

- SW Subscription & Support Renewal
- SW Subscription & Support Reinstatement
- Media and Documentation
- Courseware and Education Materials
- Services
- Subsequent Fixed Term License Subscription & Support
- Subsequent Fixed Term Use
- Subsequent Software as a Service (SaaS)
- Shrink-wrap Software

The list of the SVI Eligible Part Numbers and their associated brand families is posted in the Global Partner Portal Online help (http://sc4.ihost.com/gpp/permanent/svi_eligible_part_numbers.pdf).

Some IBM software products can be ordered by more than one distribution method (i.e. "dual pipe" products can be ordered either through Passport Advantage or Entitled Software). Unless specified in the "Other Products" section of the SVI Eligible Part Number List, only products ordered through Passport Advantage are eligible for SVI fees.

Eligible Transactions

Eligible Transactions are transactions to Eligible End Users for Eligible Products that are fulfilled under the IBM Passport Advantage program. Any exceptions will be listed in the SVI Eligible Part Number List under 'Other Products'.

Transactions that are fulfilled through an IBM OEM Software Agreement are not eligible for SVI incentive fees.

Transactions which result from license compliance, Passport Advantage contract management, and license fulfillment activities are not considered Eligible Transactions for SVI.

When fulfilling Business Partners are Tier 2 Resellers, only the transactions processed through their preferred distributor are eligible for SVI fees.

Factors that determine SVI fee payment eligibility for some or all of the revenue from an Eligible Transaction include:

- Matching to a qualifying opportunity.
- Meeting all the payment business rules.

Transaction Value

Transaction Value is the dollar amount used to calculate the SVI fee payment. The Transaction Value is an approximated Suggested Volume Price, approximated suggested retail price or approximated special bid price, as applicable, for the Eligible Product included in the sales order line item. IBM sets this approximated dollar amount.

Validated Opportunity

A Validated Opportunity is an opportunity which IBM determines has met Sales Stage 04 as defined in the Client Value Method reference material. To access the Client Value Method reference material on the PartnerWorld® website www.ibm.com/partnerworld to learn more about Sales Stage definitions, from the left navigation pane, click on Selling, Sales Training, then look for Client Value Method under Training Tools.

Only Validated Opportunities will be accepted for SVI eligibility.

To determine whether an opportunity has met Sales Stage 04, IBM will review the material provided by the Business Partner, most specifically the Account information, Decision Makers Contact Information, Software Opportunity Description, and Budget, Authority, Need, Timeframe (BANT) attachment form.

For further information on how this information will be evaluated by IBM, consult the following sections of the SVI Supplementary Material:

- Guidelines for Validated Opportunities
- BANT Template Examples

Important note: SVI is a value-add sales offering, and is applicable to sales efforts **beyond pure fulfillment activities.** Activities directed primarily to pricing volumes under Passport Advantage, and fulfillment are not eligible. In addition, opportunities which arise from license compliance, Passport Advantage contract management, and license fulfillment activities are not considered validated opportunities for SVI.

Eligible Opportunity

Eligible Opportunities are Validated Opportunities which have met the SVI rules to be eligible for participation and eligible for payment. In order to be eligible for participation, the following must be true:

- The opportunity must not be a duplicate with another opportunity which was previously approved for SVI in GPP or which appears in the IBM Customer Relationship Management (CRM) system, and for which the SVI Business Partner is not listed as a participant on the opportunity

- The SVI Business Partner must be the originating owner of the opportunity in GPP; this means that either they created the opportunity in GPP or the opportunity was created in CRM by the IBM team and then passed to the SVI Business Partner

In order to be eligible for payment, the following must be true:

- If required, sales documentation was provided and was accepted by IBM as Eligible Sales Documentation
- The opportunity was submitted for SVI payment before the opportunity expiration date
- A sales order was identified within the IBM ordering system which represents a sale resulting from an opportunity which was eligible for participation
- The opportunity was submitted for SVI eligibility at least 15 calendar days before the IBM Sales Order date
- The date on which the opportunity was submitted for SVI payment must be within 30 calendar days before the IBM Sales Order date or 60 calendar days after the IBM Sales Order date
- The sum of the line items in the sales order that are eligible for SVI payment must be equal to or greater than the minimum sales order threshold (see Appendix A for a list of minimum sales order thresholds which apply in each country)
- When the SVI Business Partner is also fulfilling the opportunity, then the order must have been placed through their preferred distributor

Only Eligible Opportunities will receive SVI fee payments.

The IBM Sales Order date is the date on which a sales order is created within the IBM ordering system as the result of IBM's receipt of a purchase order. At quarter end, the order must be time stamped no later than midnight of the last day of the quarter and standard IBM accrual timelines will apply.

Eligible Sales Documentation

Eligible Sales Documentation must clearly show the Business Partners' involvement in the sales cycle and their actions that convinced the end-user customer to acquire the Eligible Products. This documentation must have enough specificity to show that the Business Partner addressed the end-user customer's unique environment and situation so IBM can validate sufficient interaction between the Business Partner and the end-user customer.

Acceptable written documentation is that which provides evidence of value-add sales and/or technical activities having been performed prior to the sales order close date. This includes the following (as examples)

- Discussions of the requirements of the user / solution.
- Product features functions and/or benefits, related to those requirements
- Billable services performed as a part of the solution,
- Demonstration or proof of concept for the product capabilities,
- Skills transfer or implementation support provided to ensure customer satisfaction with the solution.

Unacceptable documentation is that which merely describes license fulfillment or passport contract management activity and does not provide proof of value-add activity. This includes, for example, discussions regarding pricing, determination of part number that should be ordered or quantity/location of licenses currently installed, upgrade path, or Passport contract terms.

Important Note: the documentation must support sales activity beyond pure fulfillment activities. Activities primarily directed to pricing and volumes under Passport Advantage is not sufficient to demonstrate the needs of the user, and by itself is not sufficient.

In future, IBM plans to transition to the use of sampling techniques to determine in which cases the Business Partner will be asked to provide Eligible Sales Documentation prior to approval for SVI fee payment. When this transition is made, the waivers described below will be withdrawn.

In the meantime, the current practices are in place as follows:

Eligible Sales Documentation must be provided, reviewed and accepted by IBM before an opportunity can receive SVI fee payments, except in the following situations in which the requirement for Eligible Sales Documentation is waived:

- If a Value Advantage Plus Business Partner has been approved for SVI Identify and Sell eligibility on an opportunity and they also fulfill that opportunity and received a Value Advantage Plus rebate, they are not required to submit Eligible Sales Documentation in order to receive the SVI Identify fee payment. The waiver applies only to the part of the Opportunity which was also part of the authorized Value Advantage Plus Solution.
- The opportunity meets all the criteria for the Small Deal Documentation Waiver.
    - All SVI eligible revenue records in the opportunity were approved with an Incentive Fee Type of “Identify and Sell”
    - The Business Partner of the opportunity is also the Reseller of the sales order
    - There is only one Passport Advantage sales order for the opportunity
    - The sum of the approximated end user entitled price or special bid price for all eligible sales order line items is less than or equal to the Small Deal Sales Documentation Waiver Threshold Value for the Business Partners country (see Appendix A for these threshold values)

However, even in cases where a waiver applies, IBM retains the right to request that a Business Partner provide sales documentation if IBM believes the Business Partner is not actively recommending and convincing the end-user customer to acquire the products.

Sales documentation presented to IBM by the Business Partner must, in total, provide proof points which clearly show Business Partners' involvement in the sales cycle and their actions that convinced the end-user customer to acquire the Eligible Products, and must satisfy the following two criteria to qualify as Eligible Sales Documentation:

1. Show that the Business Partner authored the documentation and clearly demonstrates the Business Partner recommended the Eligible Products or Brand Families and influenced the end-user customer’s decision to purchase. (To demonstrate the Business Partner authored the documentation, it must have a Business Partner company logo, Business Partner company name, or other identification on the documentation.)
2. Include a reference to the Eligible Products or Brand Families and quantity or configuration of the products the Business Partner has recommended to the end-user customer

All documentation must be dated before the IBM Sales Order date for the Eligible Products, and must address the specific customer situation. If requested, the documentation must include evidence that it was submitted to the end user. If price quotes sent by the Business Partner to the end-user are provided, they must be dated on or after the document(s) used as evidence for criteria number 1. Price quotes can only be used to satisfy criteria number 2.

In cases where a Business Partner has worked jointly with either IBM or another Business Partner on an opportunity or services proposal, some additional requirements apply to Eligible Sales Documentation; see Appendix C for further information.

For further information on how sales documentation will be evaluated by IBM, consult the Guidelines for Eligible Documentation section of the SVI Supplementary Material.

SVI ENROLLMENT AND PARTICIPATION APPROVAL

To be approved to participate in the Software Value Incentive a Business Partner must perform the following steps:

1. Become an IBM PartnerWorld Business Partner
2. Meet the SVI Participation Criteria for at least one Product Group
3. Accept the Software Value Incentive Terms and Conditions and Submit the SVI Enrollment Form
4. Receive Notification from IBM of Approval

IBM PartnerWorld Membership

To participate in SVI, a Business Partner must be an approved IBM PartnerWorld Business Partner in good standing at the Member level or higher on the day their SVI Enrollment Form is submitted to IBM. If your firm does business and has a legal presence in multiple countries, then you must have a PartnerWorld® membership in each country and apply for SVI in each country in which you wish register opportunities

Meet SVI Participation Criteria

Business Partners must meet the SVI participation criteria for at least one Product Group before they can be approved for SVI; see the details in the next section for information on how to request authorization for a Product Group.

Business Partners who wish to review the status of their professional certifications prior to enrollment should consult the Certifications section of the SVI Supplementary Material:

Accept Terms and Conditions and Submit Enrollment Form

All Business Partners will be required to electronically agree to and accept the SVI terms and conditions. In some countries, a hand-signed copy of the terms and conditions is also required; see Appendix D for a list of countries that require this, and for further information.

Only the Business Partner's Authorized Profile Administrator (APA) can accept the SVI Terms and Conditions and submit the SVI Enrollment Form. The steps required to complete this process are:

- Sign in to your PartnerWorld® Profile (http://www.ibm.com/partnerworld/partnertools); the PartnerWorld® Profile Page is displayed with the list of profiles which the APA is authorized to update.
- On the PartnerWorld Profile Page, select **Benefits and Relationships** from the left navigation pane.
- On the Benefits and Relationships page, click the hyperlink for **Software Value Incentive**.
- On the Software Value Incentive Page, select the Country Enterprise profile in which you wish to enroll. The Software Value Incentive Agreement is displayed
- After you click the **Software Value Incentive** link you can review and accept the IBM PartnerWorld Agreement – International Software Value Incentive Offering Attachment

(Software Value Incentive Terms and Conditions). This document can also be downloaded for printing.

- After reading the terms and conditions click **I Agree** to accept the Software Value Incentive Terms and Conditions. The individual from the Business Partner company who agrees to the terms and conditions must have the authority to make commitments on behalf of that Business Partner company.
- You will now be presented with the SVI Enrollment form. The first information requested will be selection of a preferred distributor (called the "Designated Software Distributor" in the enrollment form). If a Business Partner is enrolled in Value Advantage Plus they must use the same preferred distributor for SVI. Business Partners may only change their preferred distributor once in a 12 month period; 30 days of notice is required. See the section Selecting/Changing a Preferred Distributor in the SVI Supplementary Materials for further information.
- You must now select the first Product Group for which you wish to apply for SVI authorization. To do this, click **Add a Product Group;** a dropdown list of Product Groups (Reseller Authorization groups and open distribution brand Product Groups) will be presented. The initial SVI application will only allow the selection of one Product Group prior to submission. After the Business Partner has have selected a Product Group, they must click **Save**. This will complete the SVI enrollment form and submit it to IBM for review
- The enrollment form is automatically sent to the IBM SVI operations team for review. The confirmation number, which is displayed after the Business Partner clicks **Save** is the only confirmation that they submitted an SVI Enrollment Form correctly; therefore, they should print a copy for their records.
- Business Partners who wish to immediately request approval for SVI authorization for additional Product Groups may do so at this point (before their initial application is approved); see the section "Requesting Approval for Additional Product Groups".

Business Partners applying for SVI in countries where the Authorized Portfolio – Authorized Products model does not apply (Limited Software Reseller Authorization Countries) have unique guidelines for applying for Product Group approval: see Appendix B for further details.

If there are problems with the enrollment process, including inability to print terms and conditions, or a lost confirmation number, the Business Partner should contact PartnerWorld Contact Services (http://www.ibm.com/partnerworld/contact).

For further information on the steps to accept terms and conditions and submit the SVI enrollment form, consult the Enrolling in SVI section of the SVI Supplementary Material.

Receive Notification of Approval

The Business Partner's APA who completed the SVI enrollment form and the Business Partner's Primary Relationship Contact, which is defined in their HQ Location Record, will receive e-mail notification of their SVI enrollment participation acceptance or denial. If approved, the e-mail notification includes the date of their SVI approval.   The Primary Relationship Contact will also receive notification of their SVI approval status for each Product Group.

Requesting Approval for Additional Product Groups

Business Partners may request approval for additional Product Groups at any time (even before their initial application including their first Product Group is approved). To request approval for additional Product Groups, the Business Partner should do the following:

- Sign in to your PartnerWorld® Profile (http://www.ibm.com/partnerworld/partnertools); the PartnerWorld® Profile Page is displayed with the list of profiles which the APA is authorized to update.
- On the PartnerWorld Profile Page, select **Benefits and Relationships** from the left navigation pane.
- On the Benefits and Relationships page, click the hyperlink for Software Value Incentive
- The SVI approval status for each Product Group and the overall SVI application status will be displayed in the enrollment form
- Click **Add a new Product Group** and select another Product Group from the list. Then click **Next**. Repeat this process for each of the Product Groups in which you have met the SVI criteria. When you have finished adding all of your requested Product Groups, click **Save**. If you accidentally save an incorrect Product Group, click on the hyperlink for the Product Group name and click **Delete this Product Group**.

CREATION AND PROGRESSION OF SVI OPPORTUNITIES

This section provides an outline of the steps required to complete the initial set up Global Partner Portal, and to use Global Partner Portal to progress an opportunity though all the steps required to earn SVI fees.

There are eight steps in the opportunity process

1. Business Partner Creates and Saves a Draft Opportunity
   - Find an Account; if not found, Create a new Account
   - Add Revenue records to the opportunity
   - Add Contacts to the opportunity
   - Add Sales Team Members to the opportunity (optional)
   - Attach BANT form to the opportunity
2. Business Partner Submits Opportunity for SVI Eligibility
3. IBM Determines if Opportunity is Eligible for SVI
4. Business Partner Completes the Sales Process
   - Adding new Sales Team members to an opportunity
   - Changing information on an opportunity previously submitted for eligibility
5. Business Partner Closes the Opportunity
   - Closed as Won and Submit SVI Payment Request with supporting documentation and IBM sales order number if available
   - Closed as Lost
6. IBM processes Opportunities Closed as Won and Submitted for Payment
   - IBM matches Opportunity to a Sales Order
   - IBM determines if Business Partner met the Sales Criteria
   - IBM creates Payment file for submission to Payment Application
7. IBM determines if the Opportunity payment record is eligible for payment and calculates SVI fees
8. IBM Accounts Payable makes payment to the business partner

The Overall SVI Status code in the opportunity record in Global Partner Portal indicates which stage in this process an opportunity has reached; Appendix E lists the possible Overall SVI Status codes and their meanings.

Global Partner Portal Initial Setup Tasks

For Business Partners new to Global Partner Portal, IBM creates a Business Partner Organization profile in Global Partner Portal for the Business Partner firm and creates the initial Business Partner GPP Administrator for this Business Partner company. After the Business Partner organization is set up and the initial user (GPP Administrator) is notified, the Business Partner GPP Administrator should refer to the *Business Partner GPP Administrative Guide* about how to set-up additional users in their company and define what functions they can perform and the data they can access. Instructions on how to access this Guide and other GPP training is given below.

In order to enter an opportunity and participate in SVI opportunity registration, Business Partner employees must have access to Global Partner Portal; it is the responsibility of the GPP Administrator in their company to establish this access.

Each Global Partner Portal user has a unique position that defines the data they can access. Each user is also assigned a set of responsibilities that defines the screens (views) that they have access to in order to see the information. A user may have multiple responsibilities, thus allowing more screens (for example, the screens to add additional users from the Business Partner company). However, users can have only one position assigned.

Detailed instructions on performing many of the Global Partner Portal and SVI tasks can be found on the Global Partner Portal Training pages. To access these pages:

- Log on to PartnerWorld®
- From the left navigation pane, select **Selling**, then select **Sales Tools**
- Click on Learn More About Opportunity Managemen**t** under the Opportunity Management Header.
- Click on the education tab
- Select a Language and Select a Role (Admin for the GPP Administrator, or SVI Sales Rep for Business Partner users) and click **Go**

In addition, for further detailed information on the following:

- How to review GPP profile (includes authorized Product Groups)
- Setting Time Zone and Columns
- Countries and Positions
- Opportunity Management, Lead Passing and SVI
- Business Partners Working with IBM.COM

consult the GPP Fundamentals and Setup section of the SVI Supplementary Material.

Create and Save Opportunity – within GPP user interface

Business Partners should enter their opportunities in GPP before discussing them with others. If a Business Partner has identified a new opportunity, they must be the first to register it in Global Partner Portal and be approved in order to be eligible for SVI fees.

Business Partner Sales Reps, Business Partner Managers and the Business Partner Opportunity Focal Point can create opportunity records.

The opportunity must be created and saved prior to submitting to IBM for SVI eligibility. The opportunity will have an Overall SVI status of 'DRAFT' before it is submitted for SVI eligibility.

Business Partners have a choice of whether or not to share their opportunity data with IBM's Customer Relationship Management (CRM) opportunity management system (IBM's CRM system) that is used by IBM's internal sales force. When Business Partners create an opportunity, they can decide to share an opportunity fully (Full Disclosure), partially (Is Restricted) or not share (Work in GPP) with IBM's CRM system and direct sales teams.

An Opportunity record in GPP consists of four major components:

- Opportunity Header; contains overall information about the opportunity
- Associated Records
  - Revenue Records, contain information about the products and forecasted revenue
  - Sales Team Members
  - Contacts
- Programs
  - Software Value Incentive
  - Bid Certification Center
  - Opportunity Registration (used for Solution Incentives and Value Advantage Plus for Government Sales)
- Other information, i.e. Attachments, Notes, Activities

Before an opportunity can be submitted for SVI Eligibility, it must have:

- An opportunity header record containing key information about the opportunity
- At least one revenue record describing details of a brand family of software to be sold
- A contact record for the end user decision maker for the opportunity
- An attachment containing the completed BANT template for the opportunity

The required information on the opportunity header must include:

- Customer Account Name and Address
- Opportunity Description / Project Name
- Decision Date (Close Date)
- Sales Stage (must be a Sales Stage of 4 <Validated/Qualifying>)
- Customer Account Name and Address
- Decision Date
- Probability %
- Currency

The Business Partner may select the customer from existing IBM customer accounts, or, if an existing customer account cannot be found, the Business Partner may create a customer account record. Any restrictions on how the opportunity is shared are set in the Opportunity Header. Business Partners can select 'Work In GPP' or 'Is Restricted' settings only for opportunities that they create. Opportunities that IBM users created and assigned to Business Partners will have a status of Full Disclosure and cannot be changed. The **Work in GPP** status can only be selected at the time the opportunity is created, but can be deselected at any time. The **Is Restricted** field can be checked or unchecked at any time. All GPP created opportunity records become fully visible in IBM's opportunity management system once the GPP opportunity has been coded as Sales Stage 07- Won/Implementing or 11-Lost.

After creating the opportunity header record, add one or more revenue records to the opportunity. The revenue record identifies the specific brand families of the products that are recommended by the Business Partner in the opportunity solution. **Selection of the brand families is important, because if the registered brand families do not match the brand families that are purchased by the customer, no SVI fees will be paid.** For information about verifying the correct brand family, access the most recent version of the SVI Eligible Part Numbers list in the Global Partner Portal online help or click the PDF icon next to the Brand Family field name when adding a New revenue record and search for the product/part number to identify its associated brand family.

A separate Revenue Record for each Brand Family in the opportunity should be added, but only one revenue record should be added per brand family. If the opportunity contains multiple products within the same brand family, the quantity and revenue for these products should be aggregated into one Revenue Record for that brand family. All brand families registered must be validated and supported in the opportunity information section of the BANT. Business Partners should consider registering both open and authorized brand families if part number selection is not final, but they should not list brand families as "placeholders" if those brand families are not supported in the opportunity description.

Global Partner Portal will indicate by a "Y" in the Brand Certification field if the Business Partner firm has the required SVI Product Group approval to participate in SVI for a given revenue record.

After an opportunity is submitted for SVI eligibility, Business Partners cannot add new brand families. Before submitting an opportunity for SVI eligibility, verify that all the desired brand families are included. The revenue records can be updated up to the day the opportunity is submitted for SVI payment request; however, new brand families cannot be added and existing brand family selections cannot be changed. If a new or different brand family is required after the opportunity has been submitted for SVI eligibility, Business Partners must create a new opportunity or a child opportunity.

Before the opportunity is submitted for SVI payment request, Business Partners should update the brand family information in the opportunity record, especially the quantities and revenue amounts. The quantities and revenue amounts are matched to the IBM sales order to determine SVI incentive fee payments.

The information that is required in each revenue record includes:

- Type - Software
- Brand Family
- Win Probability %
- Quantity
- Price (End-user Entitled price or End-User Special Bid price)
- Revenue
- Opportunity Currency
- Bill Date

The information that is required in the contact record must contain

- Decision Maker's: Name, Job Title, Address, Email & telephone information

The Budget, Authority, Need, Timeframe (BANT) information – must be provided in a typed (not handwritten) Attachment document with an Attachment Type of 'SVI BANT'. The attachment should be named "BANT Customer Name – Opportunity #". Refer to the definition of 'Validated Opportunity' in the SVI Definitions section of this document for additional details. A copy of the template is included in Appendix F.

Detailed instructions for 'Creating a Revenue Record with Brand Families' can be found in the GPP on-line help or on the Global Partner Portal Training pages. Select a Language and Select a Role (SVI Sales Rep) and refer to the topics under *Working with Opportunities.* Instructions are also listed in the SVI Quick Reference Card which is posted under *SVI Additional Resources*.

In addition, for further detailed information on the following:

- Finding or Creating an Account Within the Opportunity
- Adding Contacts to an Opportunity
- Adding Sales Team Members
- Attaching Documents
- Other GPP Tips when Creating Opportunities

consult the Creating and Saving a Draft Opportunity section of the SVI Supplementary Material.

Create and Save Opportunities – using B2B Tool

Business Partners who are experienced with the use of GPP and the information required for SVI opportunity submission, and who have spreadsheet skills and multiple opportunities to enter should consider use of the GPP Business to Business (B2B) tool to create and save opportunities.

To learn more about the Global Partner Portal B2B tool:

- Log on to PartnerWorld®
- From the left navigation pane, select **Selling**, then select **Sales Tools**
- Click on Learn More About Opportunity Management under the Opportunity Management Header.
- Select a Language and Select a Role (Admin for the GPP Administrator, or SVI Sales Rep for Business Partner users) and click **Go**
- Click on Global Partner Portal Opportunity Management B2B

Opportunity Submission for Eligibility

After the Business Partner creates and saves a validated opportunity in Global Partner Portal, Business Partner GPP users with edit capability can submit the opportunity for SVI Eligibility determination. Before submitting the opportunity, the Business Partner should verify that the opportunity record includes all required information (see the last section).

When the user selects the **Software Value Incentive** (SVI) tab within the opportunity record, Global Partner Portal verifies that the following SVI requirements are met:

- The Business Partner company is approved for SVI
- One or more revenue records must contain a brand family that is eligible to participate in SVI.

If either of these conditions is not met, the user is denied access to the SVI screens and an error message is displayed.

When the user clicks **Submit for Eligibility** under the **SVI** tab, Global Partner Portal verifies that the Overall SVI status is **Draft**. If the status is not Draft, the submit process terminates and an error message displays.

When an opportunity is successfully submitted, the Overall SVI Status field changes to **Duplicate Opportunity Search.** The date on which the opportunity was submitted for SVI eligibility is recorded in GPP; this date will be considered at the time of payment request to evaluate whether this is an Eligible Opportunity for payment. In addition, the SVI expiration date is set 270 days from this date.

If a Business Partner has submitted an opportunity in error (For example, used the incorrect brand family or neglected to create additional revenue records for an opportunity), they can send an email to IBM (see 'IBM Contacts' in the **Contacts** section) and request that the opportunity be withdrawn.

Detailed instructions on Submitting an Opportunity for SVI Eligibility can be found in the GPP on-line help or on the Global Partner Portal Training pages. Select a Language and Select a Role (SVI Sales Rep) and refer to the topics under *SVI Sales Rep Activities*. Instructions are also listed in the SVI Quick Reference Card which is posted under *SVI Additional Resources*.

IBM Review of Eligibility

When a Business Partner submits an opportunity for SVI Eligibility, IBM will perform the following steps:

1. Determine if the opportunity is complete for SVI eligibility evaluation
2. Search for Duplicate Opportunities to determine if the opportunity is new
3. Determine SVI eligibility and set the SVI Status of each Revenue Record in the opportunity
4. Set Overall SVI Status to one of the following
   - Eligible Full Participation
   - Eligible Partial Participation
   - Denied Participation
   - Draft (if information is not complete)

IBM will review the submitted opportunity to determine if it is a validated opportunity and if it is complete prior to determining SVI eligibility. They will review the opportunity to determine if:

- All the required fields for SVI have been populated
- The content is valid and complete and if there are any discrepancies
- The opportunity description is adequate
- BANT information has been supplied
- The End User customer is not ineligible (see the definition of 'Eligible End Users in this document)

If IBM determines that the opportunity record is not complete, the revenue records in the opportunity will be marked as Incomplete. In addition, if the SVI Status of any Revenue Records are incomplete, the Overall SVI Status will be changed back to Draft. For further details on validated opportunity criteria, refer to the definition of a Validated Opportunity in the Definitions section of this document. For further information on required fields for an opportunity, refer to the Create and Save an Opportunity – within GPP User Interface section of this document.

The next step in the eligibility review is the duplicate opportunity search. IBM will first search Global Partner Portal to determine if the Business Partner is the first to submit the opportunity for SVI eligibility.

Next, IBM will search CRM and other IBM opportunity tracking processes to determine if IBM has already identified the opportunity. If so, the SVI team will determine whether or not IBM has named the Business Partner as a sales resource on the opportunity. At some point during the duplicate opportunity search, the Overall SVI status may change to Waiting Eligibility Decision.

IBM will update the 'Duplicate Opportunity' status field of each Revenue Record in the opportunity based upon these search results as follows:

- Incomplete – the opportunity failed the completeness check above
- Yes – this opportunity is a duplicate based on the Global Partner Portal and/or CRM/IBM opportunity tracking process searches performed in the prior step
- No – this is not a duplicate opportunity

IBM will also determine the Incentive Fee Type which applies for each Revenue Record that is not incomplete. The Incentive Fee Type can be either Identify and Sell or Sell Only. Sell Only applies when the Business Partner was not the first to identify the opportunity, but they are working with the IBM direct sales team on the opportunity for the brand family in question. If the opportunity for the brand family in the revenue record was first identified by another Business Partner, or by IBM and the Business Partner is not working with the IBM direct sales team, then the revenue record is not eligible for a fee, so the Incentive Fee Type is not set.

The Overall SVI Status is set based on the status of the underlying Revenue Records on the opportunity. If all of the Revenue Records have an Incentive Fee type set, then the Overall SVI Status is set to Eligible Full Participation. If only some of them have an Incentive Fee type set, then the Overall SVI Status is set to Eligible Partial Participation. If none if them have an Incentive Fee type set, then the status is set to Denied Participation.

Business Partners will be notified when IBM updates the Overall SVI Status of an opportunity. When the Overall SVI Status is updated by the IBM SVI administration team, notification of the status change is sent to the opportunity owner via e-mail. The Business Partner must have a valid e-mail address in the PartnerWorld Profile System (PPS) in order for this notification to be sent successfully.

If an opportunity is approved for SVI eligibility, but later in the SVI review process it is determined that it is ineligible for any reason, then the transaction is effectively ineligible immediately. SVI fee payments made in error to ineligible transactions are subject to recovery.

Business Partners have 30 calendar days to challenge IBM's decision for an opportunity eligibility decision.

For further detailed information and examples on the following, consult the Eligibility Review section of the SVI Supplementary Material.

- Examples and Illustration of Setting Revenue Record Status Codes and Overall SVI Status
- Examples of why an opportunity may be fully or partially rejected

Complete Sales Process, Close and Submit for Payment

When the sales process is complete, the Business Partner should close the opportunity in Global Partner Portal, and, if the opportunity was won, submit the request for SVI payment. If the opportunity is lost, the Business Partner should update the Sales Stage to 11 – Lost, and no further action is necessary.

If the sales process does not close by the date on which the opportunity will expire in GPP, it is possible to request a one time extension. See the section in this document entitled Requesting Opportunity Extension for further details.

If the opportunity is won, and the SVI Business Partner is also the fulfillment Business Partner, they should include the SVI opportunity number on the purchase order to their preferred distributor and request that the distributor include this opportunity number on their purchase order to IBM. If the SVI Business Partner is not the fulfillment Business Partner, but they have a relationship with the reseller, then they should ask the reseller to do the same thing. When the Opportunity number is included in the sales order document, it reduces errors and accelerates SVI fee payment cycle time.

For opportunities which are won, the key steps to closing the opportunity and submitting for SVI payment are:

- Update the opportunity header in GPP to 07 – Won / Implementing. Only Opportunities that have a sales stage set to 07 and which are currently in **Eligible Full Participation** or **Eligible Partial Participation** status can be submitted for payment request.
- If the SVI Business Partner is also the fulfillment Business Partner, this should be indicated in the opportunity record by checking the "Fulfilling Business Partner" check box in the opportunity header when the SVI tab is open.
- Ensure that the information in the opportunity is correct and up to date, most particularly that the revenue field in the revenue records closely approximates the end user's suggested volume price or special bid price for the products.
- Attach the sales documentation, if necessary, i.e. if at least some part of the opportunity is not eligible for a sales documentation waiver. See the definition of Eligible Sales Documentation in this document for further details.
- Provide any information which will facilitate and expedite the payment process. The most important information is provision of the IBM sales order number in the **Comments for SVI** field of the opportunity record and/or the Passport Advantage site number into the specific fields of the opportunity record. See the Payment Request Guidelines section of the SVI Supplementary Material for further suggestions.
- When all of the above steps are completed, submit the Payment Request in GPP. The Overall SVI Status of the opportunity will then change to **Waiting Order Validation**.

Detailed instructions on Updating a Previously Submitted Opportunity, Updating a the Sales Stage, Submitting a Payment Request and Closing Opportunity Records can be found in the GPP on-line help or on the Global Partner Portal Training pages   Select a Language and Select a Role (SVI Sales Rep) and refer to the topics under *Working with opportunities* and *SVI Sales Rep Activities*. Instructions are also listed in the SVI Quick Reference Card which is posted under *SVI Additional Resources*.

In addition, for further detailed information on how to ensure that an opportunity is fully ready for payment review, consult the Payment Request Guidelines section of the SVI Supplementary Material.

Payment Request Review

There are four steps that will take place after an opportunity is closed as won and has been submitted for SVI payment request.

- IBM will search for the sales order that resulted from the opportunity.
- IBM will determine if the Business Partner met the sales criteria.
- IBM will identify the specific lines on the sales order that match the approved Revenue Records and which were not paid under another SVI opportunity.
- IBM will review the dates and other opportunity and sales order information to ensure that this is an Eligible Opportunity.

First, IBM will search for a sales order that matches the opportunity. If a sales order number is not provided in the **Comments for SVI** field, IBM will search back 60 calendar days for the corresponding sales order. When the sales order is identified, the Overall SVI Status of the opportunity will change to **Waiting Sales Verification**.

If no sales order can be found, the Overall SVI Status will be changed to **Sales Order Not Found** and the Opportunity record is unlocked. The Business Partner may provide IBM with additional information to locate the sales order and they must resubmit the opportunity for SVI Payment Request. If the payment request is resubmitted, the original Payment Request Date is preserved.

After the sales order has been identified, IBM reviews the sales documents the Business Partner has attached to the opportunity to determine if the Business Partner has significantly impacted the End User's decision to acquire the Eligible Products. See the definition of Eligible Sales Documentation in this document for further details.

If IBM is not satisfied with the documentation provided, they check the **Waiting for More Information** flag in the SVI header; enter a **Comment** on what additional information is needed and contact the Business Partner to request the required additional information. If more information is needed, the Business Partner can attach it to the Opportunity record and notify IBM that it has been provided.

IBM reviews the documentation against each of the Revenue Records on the opportunity. It is possible that the documentation may prove that the Business Partner significantly impacted the End User's decision to acquire the Eligible Products for some revenue records, but not for others. In each case, IBM will set a flag "Sales Criteria Met" (yes or no) for each revenue record. Only the revenue records which have the "Sales Criteria Met" flag set to Yes, and which are eligible for fees (i.e. the Incentive Fee Type is Identify and Sell or Sell Only) will be considered for payment. These records will be given a status of Reviewing Payment Rules; all others will be given a status of Denied of Payment Processing.

The Overall SVI Status at this time will be set based on the status of the underlying Revenue Records. If at least one of the underlying Revenue Records can be considered for payment (i.e. is in status Reviewing Payment Rules) then the Overall SVI Status will be set to **Reviewing Payment Rules,** otherwise the Overall SVI Status is set to **Denied for Payment Processing.**

When the opportunity has reached **Reviewing Payment Rules** status, each Revenue Record which is being considered for payment (i.e. the Revenue Record is also in Reviewing Payment Rules status) will be reviewed against the individual lines (part numbers) on the sales order. If the sales order line is a part number that is eligible for SVI, and if it was part of the brand family of the revenue record as of the date that the opportunity was submitted for SVI eligibility, then that sales order line item will “match” the revenue record, meaning that it will be included in the payment calculation for that Revenue Record.

In some cases, a Revenue Record will not have any sales order line items that “match” the Revenue Record. If this is the case, no payment can be generated for that Revenue Record, and its status will be set to **Unable to Process**.

IBM also checks that each sales order line item has not been processed for payment in another SVI opportunity. If so, that line item will not be included in the payment calculation for that Revenue Record. If all of the sales order line items which “match” a particular Revenue Record have been processed for payment in another SVI opportunity, then that Revenue Record status will be set to **Not Payable**.

The final step in the payment review process is that IBM will review the dates and other information in both the sales order and the opportunity to ensure that all of the business rules are met. These business rules are outlined in the definition of Eligible Opportunity in this document. If one of these business rules is not met, then the status of all the Revenue Records in the opportunity will be set to **Not Payable**.

The Overall SVI Status of the Opportunity at the conclusion of the Payment Request Review will be one of the following:

- **Reviewing Payment Rules** (if at least one Revenue Record is in Reviewing Payment Rules status)

- **Not Payable** or **Denied for Payment Processing** (if no Revenue Records are in Reviewing Payment Rules status

It typically takes up to a week (although it may be longer) after the opportunity first enters the **Reviewing Payment Rules** status for the analysis against the business rules to be completed. As a result, an opportunity having a status of **Reviewing Payment Rules** may later change to **Not Payable** or **Denied for Payment Processing.**

Payment Process

SVI fees are calculated at the Revenue record level according to the following fee table:

SVI Fees	***Identify*** ***(Fee Payment)***	***Sell*** ***(Fee Payment)***

Base (Enterprise/GB)	***5%***	***5%***
Premium for GB	***+5%***	***+5%***

SVI fees are paid for either Identify and Sell activities, or for Sell Only activities. An opportunity cannot be approved for Identify fees only.

The numbers shown on this table are additive. For example, if a revenue record is approved for Identify and Sell, and the end user is not a GB end user, then the total SVI percentage will be 10% (5% for Identify plus 5% for Sell). In a similar case where the end user was a GB end user, the total SVI fee percentage would be 20% (5% for Identify plus a 5% identify premium for a GB end user plus 5% for Sell plus a 5% sell premium for a GB end user).

The appropriate percentage is applied to the Transaction Value of the sales order lines which were "matched" to the Revenue record during the payment request review process.

There are two other factors which are considered in deriving the final SVI payment amount:

- The brand family forecast amount of the Revenue record
- Whether or not the SVI Business Partner also received a VAP rebate on any sales order lines which were "matched" to the Revenue record

If the Transaction Value of the sum of the sales order lines which were "matched" to the Revenue record during the payment request review process is greater than the brand family forecast uplifted by 25%, then the SVI fee will be paid on the forecast uplifted by 25%. So for example, if the total Transaction Value of the sales order lines is 20,000, but the brand family forecast for that Revenue record was 10,000, then the SVI fee will be based on a total of 12,500 (10,000 * 1.25).

If the SVI Business Partner also received a Value Advantage Plus rebate or an Industry or Capability solution fee payment on one or more sales order lines which were "matched" to the Revenue record, then only the Identify fee percentages will be applied to those line items. In cases where the SVI Business Partner was approved for Sell Only for the Revenue record, then no fee will be paid. Note that this only applies to SVI Business Partners who were also the fulfilling Business Partner; if a different Business Partner was the fulfilling Business Partner, and they received a Value Advantage Plus rebate or an Industry or Capability solution fee, then the SVI Business Partner is entitled to the SVI Sell fee.

For additional detailed examples of SVI fee calculations, consult the SVI Fee Calculation Examples section of the SVI Supplementary Material.

After SVI fees are calculated and approved for payment, the status of the Revenue records which were in Reviewing Payment Rules, and which passed the payment review process, will change to Approved for Payment. The Overall Status of the SVI Opportunity will then change to **Approved for Payment** (if all Revenue records have been approved for payment) or **Approved for Partial Payment** (if only some Revenue records have been approved for payment).

SVI fees are calculated on a periodic cycle every week. After SVI fees have been calculated and approved, the SVI Business Partner will be asked to submit an invoice for the amount of the fees; instructions on where the invoice should be sent will be provided in the request.

Payments will be made by cheque or Electronic Funds Transfer. Payments will be made in the currency for the country as shown in Appendix A. In order to receive SVI fees, Business Partners must provide IBM with any necessary information needed (i.e. bank transfer number) for IBM to make payments to them.

After an SVI fee payment has been made for a Revenue record, the status of the Revenue record will change to “Paid”. The Overall Status of the SVI Opportunity will then change to **Paid** (if all Revenue records have been approved for payment) or **Paid Partially** (if only some Revenue records have been approved for payment).

SVI fees are subject to adjustments, which may be necessary due to errors or other invoice adjustments.

An example of an adjustment would be a transaction which resulted in eligible sales order line items totaling 15,000 USD during second quarter and is returned in the fourth quarter. A resulting fee adjustment will be made based on the recalculated second quarter sales order line item revisions.

IBM will periodically review previously eligible SVI transactions to determine if there have been any IBM invoice adjustments that have occurred which would result in an adjustment to a Business Partner’s SVI fees. If we determine that the Business Partner has been overpaid, we will request repayment of the overpaid SVI fees and/or adjust their future eligible SVI fee payments. .

Business Partners have one month from the date they receive their SVI fee payment in which to raise any inquires about the payment. Inquiries regarding payment after this time will not be accepted. Inquiries must be submitted in writing via e-mail to the IBM contact for the country as specified below, in the section **Contacts**.

The inquiry must include the following information:

- Business Partner Company’s Name
- Contact Person’s Name and E-mail Address
- A description of the payment discrepancy or error, including the specific IBM Sales Order Number, transaction date and end user customer name.
- Please enter the following as the subject of the email: Query on 20XX SVI Fee Payment - “Your Company Name”.

IBM will review Business Partner inquiries and respond in writing, via e-mail, within one month from the date we receive a request that is complete, as specified above. If a Business Partner is entitled to a higher fee payment, and then an adjustment payment will be made. If a Business Partner was overpaid fees, IBM will provide information on how repayment should be made to us.

SVI Business Partners who wish to review details of their SVI fees which have been approved for payment should review the SVI Business Partner Statement for their company. This statement can be accessed by anyone in their company who is "Authorized to Access BPIMS", and it can be either viewed on the screen or downloaded as a file. For information on how to become “Authorized to Access BPIMS” and how to access the SVI Business Partner Statement, consult the SVI Business Partner Statement section of the SVI Supplementary Material.

REQUESTING OPPORTUNITY EXTENSION

When a Business Partner submits an opportunity for SVI Eligibility, the SVI Expiration Date is set 270 calendar days (approximately nine months) from the date it is submitted. The SVI business rules allow Business Partners to request a one time extension for an additional three months to close and submit an eligible SVI opportunity for payment.

The Business Partner must submit the SVI extension request before the opportunity's SVI Expiration date. Extension requests can only be created for opportunities which have an Overall SVI Status of **Eligible Full Participation** or **Eligible Partial Participation**. The Business Partner must close the opportunity and submit the opportunity for SVI Payment Request on or before the new expiration date.

Only one extension will be approved for an opportunity. If more time is needed to close the opportunity than available under the extension process, Business Partners can create and submit a new opportunity record or child opportunity record for SVI consideration. IBM will review this new opportunity record as if it is a newly submitted opportunity. In other words, it is subject to the duplicate opportunity search and may not be eligible for the same fee type as the original (expired) opportunity, or may not be approved for eligibility at all. IBM also reserves the right to request sales documentation in these circumstances to review whether there has been recent and active sales activity on the part of the Business Partner. If there has been no such activity, the new opportunity record could be denied.

The status of extension requests is visible in Global Partner Portal from the 'Show Request Expiration Extension' view. Requests that have been approved will have an Extension Request Status of 'Approved' and will also have a 'New Expiration Date' listed on the opportunity record.

Detailed instructions on Requesting an Extension can be found in the GPP on-line help or on the Global Partner Portal Training pages Select a Language and Select a Role (SVI Sales Rep) and refer to the topics under *Requesting an Extension* in SVI Sales Rep Activities.

REVALIDATION

IBM will periodically review Business Partners' program participation and qualification status for Software Value Incentive. This revalidation is performed at the Product Group level. Revalidations for Product Groups which are part of the Authorized Portfolio and also Product Groups in open distribution will be performed in conjunction with the revalidation in SW Reseller Authorization which will take place in the February/March and August/September timeframe each year.

Revalidation for Business Partners in countries where the Authorized Portfolio – Authorized Products model does not apply (Limited Software Reseller Authorization Countries) is subject to unique rules; see Appendix B for further details.

In order to remain authorized to register SVI opportunities for a Product Group, at the time of revalidation the following conditions must exist:

- For products which are part of Software ValuePlus – Authorized Portfolio, the Business Partner must have at least one qualifying Sales certification and at least two qualifying Technical certifications for the Product Group.
- For products which are part of open distribution Product Groups, the Business Partner must have at least one qualifying Sales certification and at least two qualifying Technical certifications for the Product Group's Brand.

If a Business Partner loses their SVI authorization for Product Group as a result of Revalidation, their SVI approval in that Product Group will be terminated and they will no longer have the ability to register new SVI opportunities in the Product Group.

The Business Partner will have until the opportunity Expiration Date to close and request SVI payment on existing opportunities in these terminated Product Groups as long as:

- The opportunities were submitted for SVI eligibility consideration before the Product Group's SVI termination date.
- The opportunity and the revenue records for brand families of the terminated Product Groups were coded as eligible to participate in SVI, and
- The Business Partner has not been terminated from participating in the SVI program totally.

If the Business Partner has not been terminated from SVI participation totally, they may request reinstatement for the Product Group when they have met the qualification criteria. See the section Requesting Approval for an Additional Product Group in this document for instructions on how to reapply for Product Group authorization.

After each SVI Revalidation, if a Business Partner no longer meets the criteria to participate in the SVI program or if at any point, the SVI requirements are not met for the last or only Product Group for which a Business Partner was approved, their Software Value Incentive Attachment will be terminated in accordance with the contract terms. The Business Partner will be notified that they have failed the SVI enrollment criteria and will receive a termination notice informing them of their SVI Termination Effective Date.

After a Business Partner is fully terminated, the following opportunity wind down process will apply:

- The Business Partner has 30 days from the SVI Termination Effective Date to finalize any existing eligible SVI opportunities that have already closed, i.e., submit for payment or provide any required information or supporting documentation to complete the claim (30 day wind down period). In order to be eligible for payment, the IBM Sales Order Date must be before the Termination Effective Date, the opportunity must have been submitted for SVI eligibility more than 15 days prior to the Termination Effective Date and all other SVI criteria must be met. Opportunities that do not have a matching IBM Sales Order by the SVI Termination Effective Date will not be eligible for payment. After 30 days, the Business Partner's SVI access in Global Partner Portal and their SVI application in the PartnerWorld Profiling System (PPS) will be terminated.

- All of the Business Partner’s eligible SVI opportunities that have not been closed will remain in their present SVI status in Global Partner Portal during this 30 day wind down period to allow the Business Partner to re-apply for SVI and retain their opportunities. At the end of this 30 day wind down period, if the Business Partner has not been re-approved for SVI (under existing criteria at the time of re-application), their opportunities will have their Overall SVI Status set to **Denied Participation**. If the Business Partner is re-approved for SVI within the 30 day wind down period and before the IBM Sales Order Date on any of their retained opportunities, they can be eligible for SVI fees on those opportunities provided they meet all other SVI program rules. Opportunities that close within the 30 day wind down period and before the Business Partner is re-approved for SVI will be ineligible for SVI fees.

ESCALATION

When Business Partners dispute an IBM decision, (for example, an opportunity record that IBM has denied for eligibility) they have 30 days in which to request an escalation.

To request an escalation:

- Business Partners should contact their IBM Software Business Partner Representative via e-mail. The IBM Software Business Partner Representative will review the issue with the IBM SVI Approver and the Software Channel Management Team.

- Business Partners that do not have a Software Business Partner Representative should contact PartnerWorld Contact Services (Helpdesk) via e-mail. They will engage the IBM SVI Approver and the Software Channel Management to review the issue.

AUDIT

When a discrepancy is identified, IBM reserves the right to audit a Business Partner's transaction documentation and contact the end user customer for resolution. IBM will make an effort to contact the Business Partner prior to our contacting the end customer in these situations. If it is determined that a Business Partner has misrepresented or falsified the information, then IBM reserves the right to take one or more of the following actions:

- Forfeit of fees
- Recovery of fees
- Termination from SVI

In order to protect Business Partners' investment in opportunity identification and active selling, IBM will periodically review submitted opportunities to determine if the Business Partner is operating in the spirit of the offering. Examples of situations that are cause for termination include but are not limited to the following:

- Registering excessive numbers of incomplete or invalid opportunities
- Constantly over inflating or understating the estimated deal revenue
- Regularly registering to sell every brand in an opportunity
- Frequently registering opportunities that never close
- Continuously registering opportunities which have recently expired
- Consistently registering additional brand content for opportunities that are already in IBM's opportunity management system
- Repeatedly providing inadequate sales documentation
- Failure to cooperate if we ask for additional documentation
- Regularly being the subject of complaints by other Business Partners

If an audit review shows that a Business Partner on more than three occasions provided inadequate or false information or have failed to operate in the spirit of the program, IBM may exercise the PartnerWorld Agreement "right-to-terminate" clause. In this case, the Business Partner can reapply for the Software Value Incentive after a period of 12 months.

TERMINATION

Either party may terminate participation under the Software Value Incentive per the terms and conditions in the IBM PartnerWorld Agreement – International.

If a Business Partner informs us that they do not accept a revision to the Software Value Incentive Attachment, IBM may terminate their participation in this offering immediately.

If a Business Partner's participation in this offering is terminated, IBM will notify them in writing of the process to settle any outstanding fee payments to them or repayments to us for any overpayment of adjustments of fees.

Should IBM decide to terminate a Business Partner's participation in the Software Value Incentive, IBM will send a letter to the Primary Relationship Contact listed in their PartnerWorld Profile. If a Business Partner is terminated from SVI for cause then their membership in PartnerWorld may also be terminated.

If a Business Partner is terminated due to their SVI qualifications not being met for program participation or their last/only Product Group as a result of Revalidation, the opportunity wind down process described in the section titled Revalidation in this document will apply.

CONTACTS

Business Partner Contacts

We will use the Business Partner's PartnerWorld Primary Relationship Contact as defined in their headquarters location in their PartnerWorld profile as the single point of contact for communications regarding the Software Value Incentive offering.

We will use the Business Partner GPP Administrator(s) as the contact point for day to day Global Partner Portal SVI operations communications. If the Business Partner company has more than one GPP Administrator, then all of them will be sent the communication.

IBM Contacts

If Business Partners have questions about the Software Value Incentive offering or they need to submit required information in writing, then they should use the information below to contact IBM:

European Geography Program Manager: Keith Morris

Postal Address to submit written notices and/or inquiries

SVI Operations,
IBM UK, Lotus Park,
The Causeway,
Staines,
Middlesex,
United Kingdom. TW18 3AG

E-mail Address to submit inquiries or questions: EMEASVI@ie.ibm.com

Telephone Number for questions;
See URL PartnerWorld Contact Services contact details >
http://www-1.ibm.com/partnerworld/pwhome.nsf/weblook/cpw_index.html

APPENDICES

Appendix A – Thresholds and Currency for Fee Payment

The revenue thresholds for countries where the currency in which IBM does business is not USD are set using the same methodology that is used to set that country's product prices. This methodology was used so Business Partners would meet the threshold based on selling a similar software stack (selling the same quantity of licenses) for a given product.

Country	Currency Used	Integrated Operations Team	Integrated Market Team	Minimum Order Threshold	Small Deal Sales Documentation Waiver Threshold
Albania	EUR	CEEMEA	CEE	4,500	90,000 EUR
Algeria	USD	CEEMEA	MENA	5,000	100,000 USD
Andorra	EUR	SW	France	4,500	90,000 EUR
Armenia	USD	CEEMEA	CEE	5,000	100,000 USD
Austria	EUR	NE	ALPS	4,500	90,000 EUR
Azerbaijan	USD	CEEMEA	R/CIS	5,000	100,000 USD
Bahrain	USD	CEEMEA	MENA	5,000	100,000 USD
Belarus	USD	CEEMEA	CEE	5,000	100,000 USD
Belgium	EUR	SW	Benelux	4,500	90,000 EUR
Bosnia and Herzegovina	EUR	CEEMEA	CEE	4,500	90,000 EUR
Bulgaria	EUR	CEEMEA	CEE	4,500	90,000 EUR
Cameroon	USD	CEEMEA	MENA	5,000	100,000 USD
Chad	USD	CEEMEA	MENA	5,000	100,000 USD
Congo, The Democratic Republic of the	USD	CEEMEA	MENA	5,000	100,000 USD
Cote d'Ivoire	USD	CEEMEA	MENA	5,000	100,000 USD
Croatia	EUR	CEEMEA	CEE	4,500	90,000 EUR
Cyprus	EUR	SW	SPGI	4,500	90,000 EUR
Czech Republic	EUR	CEEMEA	CEE	4,500	90,000 EUR
Denmark	DKK	NE	Nordics	33,000	664,000 DKK

Djibouti	USD	CEEMEA	MENA	5,000	100,000 USD
Egypt	USD	CEEMEA	MENA	5,000	100,000 USD
Estonia	EUR	CEEMEA	CEE	4,500	90,000 EUR
Faroe Islands	DKK	NE	Nordics	33,000	664,000 DKK
Finland	EUR	NE	Nordics	4,500	90,000 EUR
France	EUR	SW	France	4,500	90,000 EUR
French Guiana	EUR	CEEMEA	SSA	4,500	90,000 EUR
French Polynesia	EUR	CEEMEA	SSA	4,500	90,000 EUR
Gabon	USD	CEEMEA	SSA	5,000	100,000 USD
Georgia	USD	CEEMEA	CEE	5,000	100,000 USD
Germany	EUR	NE	Germany	4,500	90,000 EUR
Gibraltar	GBP	NE	UKI	3,050	61,000 GBP
Greece	EUR	SW	SPGI	4,500	90,000 EUR
Greenland	DKK	NE	Nordics	33,000	664,000 DKK
Guadeloupe	EUR	CEEMEA	SSA	4,500	90,000 EUR
Hungary	EUR	CEEMEA	CEE	4,500	90,000 EUR
Iceland	DKK	NE	Nordics	33,000	664,000 DKK
Ireland	EUR	NE	UKI	4,500	90,000 EUR
Israel	USD	SW	SPGI	5,000	100,000 USD
Italy	EUR	SW	Italy	4,500	90,000 EUR
Jordan	USD	CEEMEA	MENA	5,000	100,000 USD
Kazakhstan	USD	CEEMEA	R/CIS	5,000	100,000 USD
Kenya	USD	CEEMEA	SSA	5,000	100,000 USD
Kuwait	USD	CEEMEA	MENA	5,000	100,000 USD
Kyrgyzstan	USD	CEEMEA	R/CIS	5,000	100,000 USD
Latvia	EUR	CEEMEA	CEE	4,500	90,000 EUR
Lebanon	USD	CEEMEA	MENA	5,000	100,000 USD
Liberia	USD	CEEMEA	SSA	5,000	100,000 USD
Liechtenstein	CHF	NE	ALPS	6,650	133,200 CHF
Lithuania	EUR	CEEMEA	CEE	4,500	90,000 EUR
Luxembourg	EUR	SW	Benelux	4,500	90,000 EUR
Macedonia, The former Yugoslav Republic	EUR	CEEMEA	CEE	4,500	90,000 EUR

Madagascar	USD	CEEMEA	SSA	5,000	100,000 USD
Malawi	USD	CEEMEA	SSA	5,000	100,000 USD
Malta	EUR	SW	SPGI	4,500	90,000 EUR
Martinique	EUR	CEEMEA	SSA	4,500	90,000 EUR
Mauritius	USD	CEEMEA	SSA	5,000	100,000 USD
Mayotte (FR)	EUR	CEEMEA	SSA	4,500	90,000 EUR
Moldova, Republic of	USD	CEEMEA	MENA	5,000	100,000 USD
Monaco	EUR	SW	France	4,500	90,000 EUR
Montenegro	EUR	CEEMEA	CEE	4,500	90,000 EUR
Morocco	USD	CEEMEA	SSA	5,000	100,000 USD
Mozambique	USD	CEEMEA	SSA	5,000	100,000 USD
Netherlands	EUR	SW	Benelux	4,500	90,000 EUR
New Caledonia	USD	CEEMEA	SSA	5,000	100,000 USD
Nigeria	USD	CEEMEA	SSA	5,000	100,000 USD
Norway	NOK	NE	Nordics	34,500	694,000 NOK
Oman	USD	CEEMEA	MENA	5,000	100,000 USD
Pakistan	USD	CEEMEA	MENA	5,000	100,000 USD
Poland	EUR	CEEMEA	CEE	4,500	90,000 EUR
Portugal	EUR	SW	SPGI	4,500	90,000 EUR
Qatar	USD	CEEMEA	MENA	5,000	100,000 USD
Reunion	EUR	CEEMEA	SSA	4,500	90,000 EUR
Romania	EUR	CEEMEA	CEE	4,500	90,000 EUR
Russian Federation	USD	CEEMEA	R/CIS	5,000	100,000 USD
San Marino	EUR	SW	Italy	4,500	90,000 EUR
Saudi Arabia	USD	CEEMEA	MENA	5,000	100,000 USD
Senegal	USD	CEEMEA	SSA	5,000	100,000 USD
Serbia	EUR	CEEMEA	CEE	4,500	90,000 EUR
Seychelles	USD	CEEMEA	SSA	5,000	100,000 USD
Slovakia	EUR	CEEMEA	CEE	4,500	90,000 EUR
Slovenia	EUR	CEEMEA	CEE	4,500	90,000 EUR
South Africa	ZAR	CEEMEA	SSA	40,000	802,000 ZAR
Spain	EUR	SW	SPGI	4,500	90,000 EUR

Sweden	**SEK**	**NE**	**Nordics**	**40,500**	**808,000 SEK**
Switzerland	**CHF**	**NE**	**ALPS**	**6,650**	**133,200 CHF**
Tajikistan	**USD**	**CEEMEA**	**R/CIS**	**5,000**	**100,000 USD**
Tunisia	**USD**	**CEEMEA**	**SSA**	**5,000**	**100,000 USD**
Turkey	**USD**	**CEEMEA**	**CEE**	**5,000**	**100,000 USD**
Turkmenistan	**USD**	**CEEMEA**	**R/CIS**	**5,000**	**100,000 USD**
Ukraine	**USD**	**CEEMEA**	**R/CIS**	**5,000**	**100,000 USD**
United Arab Emirates	**USD**	**CEEMEA**	**MENA**	**5,000**	**100,000 USD**
United Kingdom	**GBP**	**NE**	**UKI**	**3,050**	**61,000 GBP**
Uzbekistan	**USD**	**CEEMEA**	**R/CIS**	**5,000**	**100,000 USD**
Vatican State	**EUR**	**SW**	**Italy**	**4,500**	**90,000 EUR**

Appendix B – Limited Software Reseller Authorization

Countries that have Limited Software Reseller Authorization are countries in which IBM has not fully implemented the authorized distribution model. These countries can be identified by following the link to “List of Countries Where Authorization is Required” on www.ibm.com/partnerworld/softwarevalueplus. If a country is **not** on this list, then it is a country with Limited Software Reseller Authorization, and the unique SVI participation requirements outlined in this Appendix apply in that country.

Authorization for a Product Group

For countries with Limited Software Reseller Authorization, all Product groups are in open distribution.

The requirements to be authorized to be eligible for SVI fees in general are that a Business Partner must have:

- Three (3) or more current SVI qualifying certifications, at least two (2) of which must be Technical certifications

To be authorized to register opportunities for a specific Product Group, a Business Partner must have at least one qualifying technical certification in the brand.

Selecting Product Groups at the Time of SVI Enrollment

For countries with Limited Software Reseller Authorization, Business Partners should request SVI authorization for a specific brand by requesting approval for all of the Product Groups that make up that brand. So for example, if the Business Partner is requesting approval for the WebSphere brand, they should request approval for all Product Groups which have the word “WebSphere” in the name.

Revalidation Rules

For countries with Limited Software Reseller Authorization the Business Partner must have the following in order to continue to participate in SVI:

- Three (3) or more current SVI qualifying certifications, at least two (2) of which must be Technical certifications

To remain authorized to register opportunities for a specific Product Group, a Business Partner must have at least one qualifying technical certification in the brand.

Appendix C – Eligible Sales Documentation when a Business Partner is Teaming on an Opportunity

When a Business Partner has worked jointly with either IBM or another Business Partner on an opportunity or services proposal, some additional requirements apply to Eligible Sales Documentation in addition to the requirements outlined in the Definitions section of this document.

Teaming with IBM

For Business Partners who worked jointly with IBM on an opportunity or services proposal (delivered by IBM or the Business Partner), where the Business Partner authored the documentation jointly with IBM, and/or the Business Partner was a sub-contractor to IBM, then the documentation submitted for SVI must be accompanied by a letter from the IBM contact confirming the joint development of the documentation.

Teaming with another Business Partner

For Business Partners who worked jointly with another Business Partner on an opportunity or services proposal as in the scenario below, the following documentation rules apply.

Scenario: SVI Business Partner A registers an opportunity for SVI and is approved for Identify and Sell. Business Partner B is assisting Business Partner A in closing the opportunity in some role such as consultant, SI, ISV, etc.

We allow SVI Business Partner A to work an opportunity together with Business Partner B and submit sales documentation created by either firm under the following conditions:

- Business Partner A must be enrolled in and meet all the necessary certification requirements for SVI.
- Business Partner B must be enrolled in PartnerWorld®.
- The opportunity must be registered by Business Partner A and submitted for SVI eligibility in the country (or legal group) where the licenses will be purchased.
- If Business Partner B is not part of the same PartnerWorld® Worldwide Enterprise as Business Partner A, a two-way communication letter or e-mail note is required from Business Partner A and B confirming the relationship between the Business Partners on this opportunity. This letter is an additional attachment over and above documents submitted to satisfy the three criteria for Sales Documentation outlined above. If Business Partner A and Business Partner B are both in the same PartnerWorld® Worldwide Enterprise, then this relationship letter is not required.
- The relationship letter must be in place before the IBM Sales Order Date and attached to the opportunity record before SVI Business Partner A requests payment for the opportunity.
- At least one sales document required for SVI must be produced by SVI Business Partner A.
- Both Business Partners must participate in the sales effort on the opportunity and the sales documentation must be prepared for and communicated with the end-user customer in the country (or legal group) in which the opportunity is registered.
- IBM will not do any sharing of fees. If all other SVI rules are met, IBM will process payment to Business Partner A.

Appendix D – 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 SVI 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 SVI terms and conditions.
2. Ask an authorized person from their company to sign both copies.
3. Mail the signed copies of the SVI 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 – Software Value Incentive 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 Belarus 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	Ghana Guinea Guinea-Bissau Hungary Iceland Italy (3) Jordan Kazakhstan Kenya Kuwait (2) Kyrgyzstan 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 Rwanda São Tome and Principe Saudi Arabia (2) Senegal Serbia and Montenegro (2) Sierra Leone Somalia Sri Lanka Swaziland Tajikistan Tanzania, United Republic of Tunisia Turkey Turkmenistan Uganda Ukraine United Arab Emirates (2) Uzbekistan Yemen Zambia Zimbabwe

- (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 Software Value Incentive terms and conditions by hand-signing a paper copy of the terms and conditions:

IBM SVI Operations,
DSW BP Incentives,
Customer Fulfillment,
IBM PDL, Building 6,
Damastown Industrial Estate,

Mulhuddart,
Dublin 15, Ireland

Appendix E – GPP Status Code

Step	Activity	Overall SVI Status	
1 or 3A	Either a.) The opportunity has not yet been submitted to IBM for SVI eligibility or b.) The opportunity has been returned to the Business Partner because it was Incomplete.	Draft	
2	Opportunity is Submitted to IBM for SVI Eligibility by Business Partner.	Duplicate Opportunity Search	
3B	Duplicate Opportunity Search has been completed by IBM.	Waiting Eligibility Decision	
3C	IBM made eligibility decision – All revenue records in opportunity are eligible.	Eligible Full Participation	Detail Status in each Revenue Record
3C	IBM made eligibility decision – Some revenue records in opportunity are eligible and some are not eligible.	Eligible Partial Participation	Detail Status in each Revenue Record
3C	IBM made eligibility decision - None of the revenue records in opportunity are eligible.	Denied Participation	Detail Status in each Revenue Record
5	Business Partner has submitted opportunity to IBM for Payment Request.	Waiting Order Validation	
6A	IBM has found the matching IBM sales order for the opportunity.	Waiting Sales Verification	
6A	IBM was not able to match the opportunity to a sales order	Sales Order Not Found	
6B	IBM approves Sales criteria met for one or more revenue records in the opportunity.	Reviewing Payment Rules	Detail Status in each Revenue Record
6B	IBM determines Sales criteria not met for any revenue records in the opportunity.	Denied for Payment Processing	Detail Status in each Revenue Record
7	Overall SVI Status updates based on feedback from the payment processing system	Approved for Payment Approved for Partial Payment Paid Paid Partially Not Payable	Detail Payment Processing Status in Revenue Record
Multi	The Opportunity's Expiration Date has passed.	Expired	

Multi	The Opportunity has been Withdrawn by the Business Partner.	Withdrawn	

Appendix F – BANT Template

SOFTWARE VALUE INCENTIVE
Budget Authority Need Timeframe (BANT) Criteria Template v3.3

- Register only validated opportunities (Sales Stage 4 or higher)
- Refer to the SVI Operations Guide for additional details on BANT requirements.
- This BANT Criteria Template is considered **mandatory**. All fields are required.
- Enter the Project Name in the Description Field in Global Partner Portal.
- Opportunity records lacking descriptions of a Customer's Budget, Authority, Need and Timeframe (BANT) will be rejected as incomplete.
- Please save your attachment with a document name that includes the opportunity number and account name (example: “BANT for XYZ Company 1JF-ABCDE.doc”)

1. END USER:

SVI Opportunity Number:	
Project Name: (Also enter the Project Name in the Description Field in the GPP tool.)	

List ALL names that customer does business as (DBA) including all abbreviations, parent company, divisions and subsidiaries.	
An eligible End User is anyone, who is not part of the Enterprise of which you are a part, who acquires Products for its own use and not for resale. An Enterprise is any legal entity including the subsidiaries it owns by more than 50% percent.	
Is this End User part of the Enterprise of which you are a part?	
Is this customer a government customer which includes Federal, State and Local government?	

2. PASSPORT ADVANTAGE: *Your VAD can assist you in determining if the customer has a current Passport Advantage contract and advise you of the full legal name and address that appears on the contract.*

Passport Advantage Agreement # (5 digits)	
Passport Advantage Site # (7 digits)	

Does the customer have a Passport Advantage contract?	
What is the Customer Name and Address as it appears on the Passport Advantage Contract (either current contract, or contract to be established) under which the licenses will be purchased and delivered to.	
In the GPP tool, enter the Sold-To Name and Address in the Account record.	

3. BUDGET:

Describe how / if / when budget has been, or will be, identified and approved for this project.

4. AUTHORITY:

Include at least one Customer C-level or Line-of-Business Executive on the Contacts tab in the GPP record. First Name, Last Name, Title, Phone and Email are mandatory fields. Procurement and Purchasing contacts are not valid executive decision makers.

5 NEED:

What is the name of the suggested IBM middleware software? If available, please include the Passport Part Number(s) or full name of IBM Middleware being proposed for this solution.

6 BUSINESS PROBLEM:

Describe the customer's business problem and the key benefits of the proposed solution using IBM middleware:

7 TIMEFRAME:

What is the timeline of key decision milestones, and what decision criteria will be used?
Enter the forecasted "close date" on the Revenue Tab in the GPP record. This is a mandatory field and must be at least 15 days from your opportunity submit date.

8. Opportunity Identification: *Please tick the correct box below, to show who identified the opportunity.*

Business Partner identified opportunity, eligible for Identify and Sell Fees.	
IBM identified opportunity, eligible for Sell Only Fees.	

BANT information Examples

The following examples are acceptable descriptions of a customer's business problem and key benefits of the proposed solution using IBM middleware:

- Customer is having problems tracking sales opportunities and forecasting revenue. Proposing a Sales Force Automation Solution to allow sales team to track and forecast opportunities and maintain contact information using Domino and Lotus Notes.
- Customer is having problems receiving timely product shipments from its suppliers. Proposing Supply Chain Automation solution connecting suppliers directly to order system using Informix and WebSphere
- Customer needs to improve customer satisfaction and customer access to order information. Proposing a CRM solution that allows customers access to all account and order statuses using Rational and WAS.
- Customer needs to manage remote UNIX servers from a central location, including user management and software updates and distribution. Proposing centralized systems management solution with two Tivoli modules

The following examples are incomplete and unacceptable descriptions:

- Customer Ordered DB2
- Tivoli Software Opportunity
- Building Web application

The following BANT information example is acceptable:

- Budget. The management committee has approved the budget, which is available August 2006. The customer has budgeted $550,000 for the entire project:

  $135,000 hardware, $65,000 IBM software, $200,000 ISV software, $150,000 implementation services

- Authority. The decision maker is Jane Wilson, Vice President of Sales. She selects the final architecture and vendor.

  Key influencers include: John Smith CIO, Sally Swanson – CFO, Jim Johnson – Director of Sales for Bedding Division

- Need: The customer is introducing a new line of foam bedding to match competitor offerings. The customer is currently setting up the manufacturing and inventory processes. They need a total ERP solution for this new division. We are proposing an ERP solution that runs on an I-Series, Our solution is similar to what is used in the customer's other divisions. The IBM middleware portion of the solution is WebSphere Application Server and WebSphere Portal.

- Timeline: The architecture decision is due by April 30th. The objective is for manufacturing to start in volume by August with first store shipments by October 1, 2009.

The following BANT information is incomplete or insufficient:

- Budget: The customer is budgeting $550,000 for the entire project.
- Authority: The decision maker is Jane Wilson, VP of Sales.
- Need: The customer needs a new ERP package. We are proposing ERP solution running on an I-Series.
- Timeline: Purchase date September.

Appendix G – Russian Payment Process

Due to the specific country laws in Russia, it is necessary to complete both a Statement of Work and an Act contractual document for every invoice that is sent to IBM, to request the payment of SVI Fees.

The exact process to follow when you send an invoice to IBM for SVI fees is as follows:

1. Read and then print two copies of both the Statement of Work and Act document and then complete the following sections of these documents. Please note that this document is a bilingual document and it is important that you complete both the English and Russian Language sections of the document. It is also important to note that this process needs to be completed for each invoice that you send to IBM.

Statement of Work

DESCRIPTION OF DELIVERABLES AND SERVICES

- Complete your full Business Partner Company name in the two sections shown.
- Complete the amount of the invoice being sent to IBM in the two sections shown.
- Complete the period to which the invoice relates in the two sections shown.

SUPPLIER'S RESPONSIBILITIES

- Complete your full Business Partner Company name in the section shown.

PAYMENTS

- Complete your full Business Partner Company name in the section shown.

<Company_name> Bank details:

- Complete your full Business Partner Company name in the section shown.
- Complete the full name and address details of your local bank in Russia.

Agreed to

- Complete your full Business Partner Company name in the section shown.
- Have an authorised signatory on behalf of your company sign both copies of the contract.
- Clearly print the full name and Job Title of the person above, who has signed the contract.
- Clearly write the date on which the contract was signed.

- Complete your full Business Partner Company address details.

Act

Statement

- Show details of the invoice number that you are sending to IBM in the two Sections shown.
- Complete your full Business Partner Company name in the section shown.
- Complete the section that details the amount of the invoice that you are sending to IBM including the Net Invoiced Amount, the VAT amount and the Total Invoice Amount.

Agreed to

- Have an authorised signatory on behalf of your company sign both copies of the contract.
- Clearly print the full name and Job Title of the person above, who has signed the contract.
- Clearly write the date on which the contract was signed.

- In order to help you complete these contracts, you will see two sample completed files on the PartnerWorld Website that can be used as a guide.

2. Once all items above are completed, please send both copies, of both the Statement of Work and Act along with your actual invoice to IBM, to the following address:

SVI Operations
BP Incentives
Customer Fulfillment
IBM PDL
Building 6
Damastown Industrial Estate
Mulhuddart
Dublin 15
Ireland

3. IBM will then arrange for both copies Statement of Work and Act document to be countersigned by IBM and we will then return one original copy of both documents to you for your records and then begin to process your payment through the SVI Payment process.