

Doing Business with IBM in North America

What Varicent On-Premise Customers need to know

IBM recently acquired Varicent Software, Inc. an innovative software provider delivering measurable improvements for its customers through its industry-leading incentive compensation and sales performance management solutions. Beginning February 1, 2013, Varicent, an IBM Company, will conduct business as IBM.

The following “Doing Business with IBM” guide describes changes to expect and actions needed to maximize the benefits of your relationship with IBM. It will also ensure a smooth transition to IBM’s business systems and processes.

As a customer of IBM, you will continue to have access to Varicent offerings, now under the IBM brand, as well as the extensive IBM portfolio of software solutions and services offerings, while enjoying the high-quality, responsive service you have come to expect from both Varicent and IBM.

During this transition process, the IBM team and your IBM Varicent representatives are available to answer any questions and to address your ongoing software support and service needs.

Please watch for these very important IBM communications, which you will receive in the upcoming months as your Varicent entitlements are loaded into IBM systems.

Welcome to IBM letter, which includes:

- IBM customer number
- Software site number

You will also receive the following automated emails:

- Welcome to IBM's Electronic Service Request System
- IBM Welcomes you to Software and services tool

For more details on all of these communications, please visit:

<http://www.ibm.com/software/analytics/varicent/customercenter/>

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IMPORTANT ACTIONS FOR VARICENT CUSTOMERS

You have been identified as the Primary Contact for your company. Because you are the Primary Contact, you are receiving this communication.

As the Primary Contact, you need to create an IBM profile

Why an IBM profile	Website
<p>With an IBM profile, you can view, update or add personal contact details, job title or registration settings.</p> <p>Please note there may be a delay of up to 15 minutes before you will be able to use your new IBM ID.</p>	<p>Create or update your IBM profile here:</p> <p>https://www.ibm.com/account/profile/us?</p>

As the Primary Contact, you need to create an IBM registration

Why an IBM registration	Website
<p>Your IBM registration ID, also known as a Web ID, is your single point of access to IBM Web applications, such as Passport Advantage, which will allow you to manage your current licensed software.</p> <p>You need just one IBM ID and one password to access any IBM registration-based application.</p>	<p>Create or update your IBM registration here:</p> <p>https://www.ibm.com/account/profile/us?page=reg</p>
<p>IBM profile and IBM registration FAQs</p>	<p>https://www.ibm.com/account/profile/us?page=faqhelp#13</p>
<p>Worldwide IBM registration helpdesk</p>	<p>https://www.ibm.com/account/profile/us?page=helpdesk</p>

ACCOUNTS PAYABLE AND PURCHASING

Effective February 1, 2013, Varicent processes will migrate to IBM. You will use a common process to acquire software products and services from IBM.

The quotes and invoices you receive will change in format after February 1, 2013, and they will be issued from an IBM location. Your remit-to address may change, and in certain countries, also the transaction currency that you are using today. Please check the following items on your internal vendor records:

Important actions for Varicent customers

Tax Exemption Certificates and Change Requirements

Vendor name will change from Varicent to the applicable local/regional IBM entity covering your location (the term “Vendor” below represents the applicable IBM entity).

Vendor applicable Tax Identification Number will change.

If you are currently exempt from Sales and Use tax, or local VAT, you will need to issue your company's **Tax Exemption Certificates** to IBM with your first order after February 1, 2013.

Table of changes for Accounts Payable and Purchasing

What is changing	Description
Vendor name	Vendor name will change from Varicent, an IBM Company to the applicable local/regional IBM operation covering your location (the term “Vendor” below represents the applicable IBM entity).
Vendor remit-to address	<p>Vendor remit-to address for checks, wire transfers and overnight payments will change after February 1, 2013.</p> <p>The new details will appear on your invoices issued from IBM after February 1, 2013.</p> <p>Important Note: invoices issued from Varicent that are paid after February 1, 2013 should still be made payable to Varicent, an IBM Company and remitted per the instructions on the Varicent invoice.</p>

What is changing	Description
Vendor standard payment terms	<p>In most countries, IBM standard payment terms of “due upon receipt” may be applicable.</p> <p>You will find this information on either your invoice or quote.</p> <p>Important Note: invoices issued from Varicent that are paid after February 1, 2013 should follow the payment terms as noted on the Varicent issued invoice.</p>
Currency	<p>In some countries, the currencies used by Varicent are different than those used by IBM, thus you may be transacting in a different currency with IBM.</p>
Language	<p>In some countries, the correspondence you will receive from IBM may be in the local language.</p>
Customer number	<p>Effective February 1, 2013, Varicent customers will be assigned IBM customer numbers (ICNs) and a Software Site Number. Over the upcoming months, you will receive your ICN and Software Site Number in a welcome letter from IBM.</p> <p>Please note that your ICN will be used on all order-related communications.</p>
Purchase documentation	<p>Correspondence related to new purchases will be sent to the contact(s) listed in your IBM profile associated with your ICN unless specified otherwise in your order.</p>
Part number and product description	<p>New part numbers and product descriptions for the IBM Varicent portfolio will replace the existing Varicent product descriptions.</p> <p>These new part numbers and descriptions will appear on quotes and invoices you receive from IBM.</p>
Document format	<p>The format of documents (quotes, services statements of work, invoices, etc.) you receive will change based on the local/regional IBM operation covering your location.</p>

What is changing	Description
PO requirement	If your company requires issuing a purchase order to facilitate payment for any goods or services, IBM may require a new purchase order. Customers with ongoing billing requirements for Maintenance and Support or Managed Services may be contacted by IBM to submit a purchase order.
Tax liability	Beginning February 1, 2013, all order transactions will include applicable sales tax (unless you have a tax exempt certificate on file with IBM). Taxes will be included in the Invoice. If you are a hosted customer, please provide a tax exempt certificate with your next purchase order for any location where benefit is derived.

SOFTWARE SUPPORT

The Varicent Support teams will continue to focus on delivering customer satisfaction without compromise. Existing Varicent support offerings and systems will continue to be used after February 1, 2013.

As we work to integrate Varicent and IBM Support, we will offer IBM Varicent customers expanded capabilities through the existing IBM Support infrastructure. Communication related to changes in your support experience can be found in the IBM Varicent Customer Center at: <http://www-01.ibm.com/software/analytics/varicent/customercenter/>

The Varicent Customer support phone and web interfaces will remain unchanged until mid 2013.

What does not change on February 1, 2013:

- Varicent Support cases continue to be logged on the IBM Varicent Technical Support Web site (continue to use your Varicent Client ID, Username and Password to gain access): <http://support.varicent.com/ics/support/mylogin.asp?splash=1&deptID=5629>
- Support is provided per your existing Varicent Support agreements.

Please ensure the primary support contact within your organization is aware that they should continue to access IBM Varicent Support in the same way they always have via email and telephone. Refer to: <http://support.varicent.com/ics/support/mylogin.asp?splash=1&deptID=5629> for more details.

Below are informational highlights to help you understand the definition of the Primary and Technical contact roles in IBM.

- ☑ The **IBM Primary Contact** is a specific individual who will manage access to IBM's software download site for their organization's IBM Varicent software contract(s). The Primary Contact approves IBM Download Site access requests from their organization and will receive all download account management and communications. This person will also be the primary contact for annual support renewal invoices for IBM Varicent software and services at your organization. Note: If a Primary Contact is not designated, the Technical Contact will be used for both roles. The Primary Contact must be a single individual.
- ☑ Only a **single** Primary Contact can be designated per Company in the IBM systems.
- ☑ The **Site Technical Contact** is a specific individual from the Customer's company who will manage access to IBM's Technical Support services and grant the authority to open Technical Support Requests on behalf of their organization. The Technical Contact approves IBM Support access requests from their organization's employees and business partners and will receive all IBM Support access instructions and communications. More information regarding IBM's electronic Support can be found at: <http://www-01.ibm.com/support/electronicssupport/workwithibm.html>.
- ☑ Only a **single** Primary Site Technical Contact can be designated per company in the IBM systems. Additional Named Callers can be added to the system by the Site Technical Contact.

SOFTWARE MAINTENANCE AND SUPPORT

Varicent Maintenance and Support will be known as IBM Subscription and Support (S&S) after February 1, 2013. S&S transactions will be integrated into the IBM processes in a phased approach.

The following outlines the key dates associated with the transition to the IBM Software Subscription & Support process:

S&S Date Expiration	What will happen
S&S expires before January 31, 2013	You should have received your S&S invoice from the Varicent Finance team as per the normal Varicent invoicing processes. You should proceed with paying any invoices issued by Varicent per the payment terms outlined on your invoice. Timely payment of these invoices will help to ensure that there are no disruptions in your S&S. If you have not yet received an invoice, please contact Varicent Finance: fhong@ca.ibm.com
S&S expiration date between February 1 and April 30, 2013	If your S&S expires within these dates, you will receive an invoice issued by Varicent Finance following standard Varicent processes. All of these invoices will be issued prior to January 31, 2013 with payment terms clearly stated on the invoice. If you have not received an invoice for S&S that expires during the outlined period, please contact Varicent Finance: fhong@ca.ibm.com

S&S Date Expiration	What will happen
S&S expiration date after May 1, 2013 and beyond	Your Software Subscription and Support Renewal associated with your perpetual on premise license will now include a renewal quote generated from IBM systems and it will be provided to you by an IBM renewal representative. This quote will be subject to standard IBM terms and conditions, and the renewal end date will move out to the last day of the month.

Any questions about your Varicent Subscription & Support should be directed to your existing Varicent support representative or via Varicent Finance: fhong@ca.ibm.com

PASSPORT ADVANTAGE

As a customer of IBM, you will begin to see references to [Passport Advantage](http://www-01.ibm.com/software/lotus/passportadvantage/aboutpassport.html) (<http://www-01.ibm.com/software/lotus/passportadvantage/aboutpassport.html>) and [Passport Advantage Express](http://www-01.ibm.com/software/lotus/passportadvantage/aboutexpress.html) (<http://www-01.ibm.com/software/lotus/passportadvantage/aboutexpress.html>). Passport Advantage and Passport Advantage Express are comprehensive IBM offerings for new software licenses and Software Subscription and Support (product upgrades and technical support) under a single, common set of agreements, processes and tools. As an example, Passport Advantage Online is a web tool that helps you manage your licensed software, buy new licenses, renew subscriptions, download entitled software and more.

After February 1, 2013, all IBM Varicent products and support will be available under the Passport Advantage program. Beginning September 2012, Varicent, an IBM Company, products began to be available on Passport Advantage.

PROFESSIONAL SERVICES AND EDUCATION

IBM will now provide Varicent Professional and Managed Services and Education.

Professional and Managed Services

IBM Varicent Professional Services and Managed Services will serve as your client support partner with the same professional staff we have always deployed. This includes your Account Management and Customer Success teams.

Changes in Professional and Managed Services as of February 1, 2013:

- IBM will assume any ongoing Varicent Professional and Managed Services engagements and statements of work (SOW) and will complete them as originally contracted.
- While there will be several process changes regarding the way contracts and SOWs are developed, there are virtually no changes to the overall Varicent services business model. Customers will engage IBM Varicent services to support the IBM Varicent portfolio of products. One exception is customers requiring a purchase order between their organization

and IBM to facilitate payment for existing Varicent services. In that case, the customer must provide their Varicent services contact with a new purchase order, which references the original contract or SOW.

- All new services orders will be contracted using standard IBM services agreements, rate structure and SOWs. The IBM services agreements, SOWs, and service order systems may be separate from the IBM software licensing contracts and order systems (e.g., Passport Advantage).
- Certain customers may receive more than one invoice for their Varicent offering where they previously received a single invoice, i.e., Services on one invoice and Software Subscription and Support Renewal on a different invoice.

Education

Changes in Education as of February 1, 2013:

- IBM Varicent education will be part of the IBM Business Analytics education portfolio of offerings.
- All classes will be contracted using IBM standard training agreements.
- Course and registration information can be found at: <http://www-304.ibm.com/jct03001c/services/learning/ites.wss/us/en?pageType=page&c=U431952F76355G56>
- Additional new offerings such as the IBM Education Pack discount program and others can be found at: <http://www-304.ibm.com/jct03001c/services/learning/ites.wss/us/en?pageType=page&c=a0000155>

For additional inquiries, please contact your Varicent account rep or training manager.

As part of the acquisition, personal information may be transferred from Varicent to IBM. IBM's privacy policy may be viewed online at: www.ibm.com/privacy.