

VMware Guarantee Promotional Program

1. Introduction

The *VMware Guarantee Promotional Program* guarantees at least a 50% reduction in your x86 server infrastructure costs or you do not have to pay for the services*. By engaging VMware Professional Services to provide assessment, logical architecture design and deployment services to virtualize and consolidate your server environment, you can realize a significantly more efficient and less costly infrastructure. If you cannot achieve at least a 50% reduction in your x86 server infrastructure costs by the end of the engagement (or by the end of a Resolution Period), you do not have to pay for the services. Payment for the services is not due until the end of the engagement if the cost savings calculation indicates a 50% or better cost reduction over your old server infrastructure.

2. Guarantee Promotional Program Requirements Summary

You must meet all of the following VMware requirements in order to qualify for the Guarantee Promotion:

- VMware, at its sole determination, will assess your current environment to determine your qualification for the Guarantee Promotion.
- Customer must have a valid professional services agreement (the “Agreement”) and Statement of Work, which shall include Customer’s acknowledgement of the Guarantee Promotion terms and conditions.
- Customers must engage VMware Professional Services to assess, plan, design and implement VMware Infrastructure or VMware vSphere in which customer’s workloads are converted to run as virtual machines as defined in the section *VMware Professional Services Requirements* herein. These services will be defined in Statements of Work prior to engagement.
- Customer must use the server hardware configuration recommended by VMware Professional Services, as defined in the section *Technical Requirements* herein.
- Customer must convert existing physical server workloads to run on VMware Infrastructure or VMware vSphere as defined in the section *Workloads and Conversion* herein.

* subject to all requirements of the Guarantee Promotional Program

- Customer must ensure personnel and resources are fully available and actively assist VMware Professional Services during the engagement as defined in the Process section of the Statement of Work.
- VMware Professional Services will measure hardware cost savings, categorized as *Datacenter Server Hardware* in the VMware Total Cost of Ownership (TCO) calculator, and defined in *Definition and Measurement of Savings* herein.
- If final calculations indicate a 50% or better cost reduction over the previous server infrastructure deemed eligible for conversion by VMware, Customer will acknowledge in writing that the savings guarantee under this Promotion have been met and will promptly pay for services rendered pursuant to the Agreement. Customer may also accept service and pay for services at any time prior to the calculations.
- Customers who withdraw, suspend or terminate its participation in the Promotion prior to completion of all required services must provide written notice to VMware and promptly pay VMware for services rendered up to date VMware receives such notice.

3. Promotion Availability

The Guarantee Promotion is currently offered in the United States of America, Europe, Middle East, and Africa as listed below. The Promotion starts on April 8, 2009 and expires on September 30, 2009 at midnight Pacific Standard Time. Customers must complete VMware's pre-qualification assessment and execute a professional services agreement and statement(s) of work by September 30, 2009 in order to enter into Promotion. Restricted to one engagement per customer, unless otherwise agreed to by VMware.

The countries in Europe, Middle East and Africa are: Albania, Algeria, Andorra, Angola, Armenia, Austria, Azerbaijan, Bahrain, Belarus, Belgium, Benin, Bosnia And Herzegovina, Botswana, Bouvet Island, Bulgaria, Burkina Faso, Burundi, Cameroon, Cape Verde, Central African Republic, Chad, Channel Islands, Comoros, Congo, Cote D'Ivoire, Croatia, Cyprus, Czech Republic, Democratic Republic of the Congo, Denmark, Djibouti, Egypt, Equatorial Guinea, Eritrea, Estonia, Ethiopia, Faroe Islands, Finland, France, French Guiana, French Southern Territories, Gabon, Gambia, Georgia, Germany, Ghana, Gibraltar, Greece, Greenland, Guadeloupe, Guinea, Guinea-bissau, Holy See, Hungary, Iceland, Iran, Iraq, Ireland, Isle of Man, Israel, Italy, Jordan, Kazakhstan, Kenya, Kuwait, Kyrgyzstan, Latvia, Lebanon, Lesotho, Liberia, Libyan Arab Jamahiriya, Liechtenstein, Lithuania, Luxembourg, Macedonia, Madagascar, Malawi, Mali, Malta, Martinique, Mauritania, Mauritius, Mayotte, Monaco, Montenegro, Morocco, Mozambique, Namibia, Netherlands, Niger, Nigeria, Norway, Oman, Poland, Portugal, Qatar, Republic Of Moldova, Reunion, Romania, Russian Federation, Rwanda, Saint Helena, Saint Pierre and Miquelon, San Marino, Sao Tome And Principe, Saudi Arabia, Senegal, Serbia, Seychelles, Sierra Leone, Slovakia, Slovenia, Somalia, South Africa, Spain, Sudan, Svalbard And Jan Mayen Islands, Swaziland, Sweden, Switzerland, Tajikistan, Togo, Tunisia, Turkey, Turkmenistan, Uganda, Ukraine, United Arab Emirates, United Kingdom, United Republic Of Tanzania, Uzbekistan, Western Sahara, Yemen, Zambia, Zimbabwe

4. VMware Professional Services Requirements for Promotion

Purchase of all of the following services is required for the Guarantee Promotion. Unless noted as “Custom”, these services are standard offerings described in the corresponding VMware datasheets. Though data sheets refer to VMware vSphere, service offerings are available for both VMware vSphere 4 and VMware Infrastructure 3.

- Business and environment analysis as provided by the VMware Operational Readiness Accelerator Service (Custom)
- VMware vSphere Jumpstart with P2V Migration to provide knowledge transfer to customer staff (SKU: CON-ESXVCP2V-PROMO) See: <http://www.vmware.com/files/pdf/services/conserv-vmware-vsphere-p2v-jumpstart.pdf>
- Virtualization Assessment to assess the existing environment and estimate potential server consolidation cost savings (SKU: CON-ESX-SCON-PROMO for 200 servers, Custom for more servers) See: <http://www.vmware.com/files/pdf/services/conserv-virtualization-assessment-datasheet.pdf>
- Plan and Design for VMware vSphere Service to create a logical architecture design for your VMware Infrastructure or VMware vSphere. See: <http://www.vmware.com/files/pdf/services/conserv-vmware-vsphere-plan-design-datasheet.pdf>
- Configuration/Build-Service including consulting resident and/or P2V Services (Custom)
- Wrap-up Service to calculate cost savings (Custom)

5. Technical Requirements for Promotion

5.1 Sites

All of Customer’s servers to be virtualized must be located at one (1) physical datacenter site.

5.2 Hardware

- Customer must have and use servers and peripherals listed on the VMware hardware compatibility list
- Customer must have a computing environment compatible with VMware Infrastructure or VMware vSphere, including compatible shared storage and networking infrastructure.
- Host server hardware must have:
 - RAM: 32GB or more
 - Servers: CPU capacity equal to or exceeding the aggregate CPU usage of the workload of virtual machines to run, as measured by the VMware Virtualization Assessment tool
 - Minimum of four (4) CPU cores per server

5.3 Software and Configuration

- Customer must have VMware Infrastructure Enterprise 3.5 or VMware vSphere (Enterprise or higher edition) licenses for this Promotion.

Transparent memory page sharing settings must not be disabled.

5.4 Workloads and Conversion

- Customer will assist VMware Professional Services with selection of workloads on physical servers that will be converted to virtual machines. Criteria for selecting workloads will be provided during the engagement in the Statement of Work.
- Must have a minimum of 200 and a maximum of 750 physical servers that are valid candidates for virtualization.
- Candidates for virtualization must be running on physical servers and cannot be backup or virtual machine images.
- Must have hardware resource (including network and storage) usage profiles that are no greater than:
 - CPU: Each physical candidate server workload must be running at an average of 50% CPU utilization or less.
 - RAM: Total RAM used by each workload cannot exceed the RAM in the target ESX host available for virtual machine memory.
 - I/O: Each ESX host server's I/O peripherals (network, storage) must have aggregate throughput capability equal to or exceeding the aggregate I/O requirements of the workload of the virtual machines to run in each server.
- Must have physical servers that can be measured against VMware Virtualization Assessment service requirements at <http://www.vmware.com/files/pdf/services/consserv-virtualization-assessment-datasheet.pdf>
- Each physical server to be converted to virtual machines must be configured to run its operating system on one or two CPUs.

5.5 Process

- Customers must provide change control authorization to convert physical server images to virtual machines during the period of the services as defined in the Statement of Work.
- Customer will provide VMware full access to application and server owners to enable analysis, conversion and reconfiguration of workloads as deemed necessary by VMware for conversion to virtual machines.
- Customers who are unable to provide access to physical server for conversion at the rate specified in the statement of work for P2V Services may be determined by VMware to be unable to fulfill the requirements of this Promotion.
- VMware will covert workloads to virtual machines and will not provide services to re-install workloads on new operating system images.

6. Definition and Measurement of Savings

The final measurement of cost savings starts when all qualified candidate physical servers identified in the service engagements have been converted to virtual machines and are powered-on and running their workloads

The savings guarantee is met if the customer's hardware cost savings equals or exceeds 50% as follows:

- "Savings" is defined as the value in the % *Saving* field in the VMware TCO Calculator (*Data Center Server Hardware* row), that indicates Customer's depreciation costs and maintenance fees for hardware. If Customer's hardware is already fully depreciated, those servers' participation in the Guarantee Promotion is not allowed.
- Customer agrees to the use of the VMware TCO Calculator, and its built-in assumptions as set by VMware Professional Services, to calculate cost savings.
- If the number of server types exceeds the entry fields of the TCO Calculator, multiple calculations may be added to a single, overall savings.
- If Customer is not able to make physical servers available for conversion to virtual machines or if VMware deems specific physical servers not as candidates for conversion to virtual machines, then the calculation of savings by VMware is based only on converted physical servers.

7. Acceptance of Cost Savings by Customer

Payment for services is due at the end of the engagement if final calculations indicate a 50% or better cost reduction over your old server infrastructure. Acknowledgment of achievement of the cost savings objective and completion of the engagement sign-off deems that payment will be requested of customer for the services rendered. The signoff document is provided by VMware Professional Services and payment terms are stated in the Statement of Work.

Customer may contest the final calculated cost savings within seven calendar (7) days following receipt of VMware's results by presenting evidence that the guaranteed cost saving was not attained.

Thereafter, VMware has up to six (6) calendar months ("Resolution Period") to examine Customer's evidence, or extend the engagement and modify the operation of hardware, software, configuration, or workloads to attain the cost saving objective. Customer agrees to fully cooperate and assist VMware Professional Services during this Resolution Period.

If the cost saving objective is met within the Resolution Period, Customer will acknowledge in writing and payment is due. If the guaranteed cost savings cannot be achieved within the Resolution Period, payment to VMware for services rendered as part of the Guarantee Promotion is not required.

8. Non-Negotiability of Terms

Terms of this Promotion are non-negotiable. The Statement of Work for the Guarantee Promotion pertains only to services that are part of the Guarantee Promotion and cannot be combined with other services or offers. Defaults, processes, and input in the VMware TCO Calculator are set by VMware.

9. General Terms and Conditions

VMware reserves the right to change the terms and requirements of the Guarantee Promotion at any given time without notice. VMware's sole and exclusive liability and Customer's sole and exclusive remedy under this Promotion is the non-payment for the professional services rendered by VMware.

10. How to Sign Up for the Guarantee Promotion

Contact your VMware account team.

11. Who to Contact for Questions

Contact your VMware account team if you have questions about the Guarantee Promotion.

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