

VMware Transactional Purchasing Program (TPP)

General Information

Q. What is VMware’s Transactional Purchasing program (TPP)?

A. VMware’s Transactional Purchasing program (TPP) is an end customer purchasing program that provides volume discounts to U.S. Federal customers, and helps them maximize their investment in VMware software.

Q. When will TPP become available to U.S. Federal customers to use in the purchase of VMware products?

A. TPP will launch on Friday, October 1, 2010.

Q. Is there a separate volume discount program for non-U.S. Federal customers?

A. Yes. VMware offers a Volume Purchasing Program (VPP) with clear and globally consistent program rules for all non-U.S. Federal VMware customers. For more information about VPP, please visit www.vmware.com/go/vpp.

Q. What is the first date that a PO can be submitted using the new TPP?

A. The first day that POs can be submitted under the new TPP is October 1, 2010.

Q. What are the key differences between the old TPP and the new TPP?

A. The new TPP allows end U.S. Federal customers to automatically earn higher discounts as their purchase amount increases. Below is a summary of the key differences:

	“OLD” TRANSACTIONAL PURCHASING PROGRAM	“NEW” TRANSACTIONAL PURCHASING PROGRAM
Accumulation of Points	None	None
Entry Threshold	\$10,000 qualifying deal size (list price)	50 points
Minimum Subsequent Purchase	None	TPP discount eligibility is determined by the point value of each individual purchase
Program Coverage	TPP for U.S. Federal VPP for Commercial PS VPP for Public Sector	TPP for U.S. Federal VPP for all other customers
Discounts Applicable To	License only	License only
Online Tools	None	TPP Points Configurator

Q. What is the first date that the new Configurator is available?

A. The first day that the new Configurator can be used is October 1, 2010. It can be accessed at www.vmware.com/go/configurator.

Q. What are the requirements to participate in TPP?

A. No membership is required to participate in TPP. All VMware U.S. Federal Customers are eligible to participate in the program. However, discounts are earned and applied only to purchases of eligible U.S. Federal SKUs through an authorized government dealer. Non-U.S. Federal customers may apply for membership in the VMware Volume Purchasing Program. Academic SKUs are not eligible for VPP or TPP.

Q. Can State & Local Government (SLG) customers participate in TPP?

A. Yes, provided the State and Local Government customer is purchasing VMware solutions from an Authorized Government Dealer under the Cooperative Purchasing Agreement, using the GSA Schedule or any other U.S. Federal Government-originated Government Wide Acquisition Contract (GWAC).

Q. Are non-U.S. Federal customers eligible to participate in TPP?

A. No. Non-U.S. Federal customers may receive volume discounts through the VMware Volume Purchasing Program (VPP).

Q. Can Academic customers participate in TPP?

A. No. Academic customers are not eligible for VPP or TPP.

Q. Are OEMs eligible to participate in TPP?

A. No, OEMs are not eligible to participate in TPP.

Q. What products can earn TPP points?

A. Most VMware license and service products (excluding SnS renewals) contribute to discount qualification in TPP. Please visit vmware.com for more information on eligible products, or contact an authorized VMware reseller.

Q. Are Support & Subscription (SnS) products eligible for TPP discounts?

A. No. However SnS products (excluding renewals) do earn points that count towards discount level attainment.

Q. Are Acceleration Kits eligible for TPP discounts?

A. No. Acceleration kits provide VMware customers with an out-of-the-box virtualization solution and are priced at a significant discount when compared to the a-la-carte prices of the products. As such, Acceleration kits earn TPP points, but do not qualify for TPP discounts.

Q. Is there minimum re-order size for subsequent purchases?

A. No. TPP discount eligibility is determined on an order by order basis.

Q. Where can I find additional information about TPP?

A. You can visit the TPP landing page at www.vmware.com/go/tpp to find more information about the program. If you have a specific question that is not addressed in this document, you may submit it online at www.vmware.com/go/contacttpp.

Points and Discounts

Q. What is a TPP Point?

A. VMware has established a point value for each eligible VMware product. As a general rule, one point is roughly equal to \$100 USD. The point to dollar ratio may vary over time by SKU.

Q. Do TPP points accumulate?

A. No. Points are calculated and discounts applied on an order by order basis.

Q. What are the TPP discount levels?

A. There are four TPP discount levels that range from 5-13% for qualifying orders based on transaction amount. Example: A customer placing an order with a points total between 50-599 points is eligible for a 5% discount on license products.

LEVEL	POINTS	DISCOUNT
1	50-599	5%
2	600-999	7%
3	1,000 - 1,749	10%
4	1,750+	13%

Q. What is the relationship between points and discounts?

A. The total point value for the combination of products and quantities on a customer's purchase order determines the eligible TPP discount level for that order. As the total increases, the eligible discount level may also increase.

Q. What is the basis for calculating TPP discounts?

A. Discounts are calculated off VMware's published, then current, U.S. Federal base list prices. TPP discounts cannot be combined with any other special pricing or negotiated discounts.

Q. What happens if a U.S. Federal customer submits a purchase order that is less than 50 points?

A. A U.S. Federal customer who submits a PO worth less than 50 points will not qualify for a TPP discount.

Q. Can my customer combine multiple orders (a "split order") together to qualify for a TPP discount?

A. Yes, qualifying TPP orders may be split into multiple orders. If a purchase is split into multiple orders that do not independently meet the minimum TPP point threshold, customers can still qualify for a TPP discount as long as the following requirements are met: (1) the first split order submitted to VMware must reference how many split orders will follow; (2) Each subsequent split order must include the first order's PO number in the comments field of the PO; (3) The orders must be placed by an approved Government Dealer and Partner for the same U.S Federal customer; (4) The split orders must be dated and submitted to VMware within 2 weeks of the first order.

Online tools

Q. What is the TPP Configurator?

A. The TPP Configurator is a tool that helps a user determine, in advance, the TPP points associated with a given order and, if applicable, the corresponding discount level associated with that order. The Configurator sums all points to determine the earned discount and thus, the correct TPP SKUs to use on a customer's PO.

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