

VMware Transactional Purchasing Program (TPP)

PROGRAM GUIDE

Program Overview

The VMware Transactional Purchasing Program (TPP) provides tier-based volume discounts to U.S. Federal customers. TPP also offers an online tool that U.S. Federal customers and partners can use to calculate discount eligibility.

Key benefits:

- Receive volume discounts on purchases of eligible VMware products
- Simplify your acquisition of VMware software through a standardized purchasing program

Key features:

- Qualifying purchases are aggregated (in the form of “Points”) for each transaction¹
- Discount Levels are earned automatically based on purchase volumes
- Easy-to-use online Configurator for calculating eligible discounts

Table 1. Summary of TPP Program Features

TRANSACTION AMOUNT	
Entry Threshold	50 points minimum per order
DISCOUNTS	
Discount Levels	4 discount levels ranging from 5%-13% for points values ranging from 50-1,750+
Discounts Available On	License only
ELIGIBILITY	
Customers Who Can Participate	U.S. Federal customers only ²
Partners Who Can Participate	Corporate reseller; Federal system integrator; global system integrator; OEM corporate reseller; and premier and enterprise level of the following: solution provider, system builder, and technology provider partners
Products That Contribute to Point Totals	Most VMware products and services except renewals
ONLINE TOOLS	
Configurator	Online tool that helps a customer or partner determine eligible discounts and the appropriate TPP-eligible SKUs to use on a PO

Program Definitions

Customer Eligibility

Any VMware customer that meets the definition of a U.S. Federal customer and buys through an Authorized VMware partner can participate in TPP³. No enrollment is required.

U.S. Federal Government Customer

The following entities meet the definition of a U.S. Federal Government customer for the purposes of this program:

- **All Federal (executive, legislative or judicial) agencies, departments, commissions, boards, offices, councils, or authorities**, including Government Agencies as described above situated in U.S. Territories outside the Continental United States, Hospitals, Medical Centers, and other Health Facilities operated by Federal Government agencies.
- **All U.S. Tribal Government entities, including, but not limited to those listed at this site:** http://www.usa.gov/Government/Tribal_Sites/index.shtml, including For-Profit entities operating under the authority of a governmental bureaucracy, such as Indian Gaming Casinos under the supervision of the Deputy Assistant Secretary-Indian Affairs for Economic Development and Policy
- **All Federally Funded Research and Development Centers (FFRDCs)**
 - See <http://www.nsf.gov/statistics/nsf06316/> for a current list of FFRDC's
- **All Resellers or Systems Integrators (System Integrators also referred to as “Prime Contractors”) operating on the behalf of an otherwise-qualified Government User (as identified in the first three bullets) is considered a U.S Federal Government Customer for the specific tasks performed for that End-User.** Such transactions shall include, but are not limited to, direct and indirect sales to any non-government Prime Contractor that has entered into a mutually binding legal relationship with any US Federal Government customer to furnish supplies and/or services to such US Federal Government customer and the customer to pay for them. It includes any commitment that obligates the Government to an expenditure of appropriated funds.
- **State, Local & Municipal Governments buying under the Cooperative Purchasing Agreement, using the GSA Schedule or any other U.S. Federal Government-originated Government Wide Acquisition Contract (GWAC).**
- **United Nations and subordinate agencies, authorities, subsidiaries, etc, with the exception of:**
 - International Monetary Fund (IMF)
 - World Bank (International Bank for Reconstruction & Development)

¹ TPP Points are assigned as a calculated value and vary by product.

² Non-U.S. Federal customers may be eligible to receive volume discounts using the VMware Volume Purchasing Program (VPP). Academic SKUs are not eligible for VPP or TPP.

³ Non-U.S. Federal customers may be eligible to receive volume discounts through the VMware Volume Purchasing Program (VPP). For more information, please visit www.vmware.com/go/vpp

The following entities are not eligible to participate in VMware's Transactional Purchasing Program:

- Charitable not-for-profit organizations such as Goodwill, Salvation Army, Red Cross, and Religious organizations.
- Federal Credit Unions
- Private Museums, Opera's, Zoo's, Symphonies, etc
- Academic Institutions and not-for-profit charitable organizations, as defined by VMware's Academic Buying Program

Partner Eligibility

Provided they are in good standing and are purchasing VMware branded products through a VMware Authorized Government Dealer, the following partner types may offer their eligible customers the benefits of TPP: Corporate Reseller, Federal Systems Integrator, Global System Integrator, OEM Corporate Reseller, Premier, and the Enterprise level of Solution Provider, System Builder, Technology Provider partners. TPP discounts are for end customers only. Distributors and Resellers are restricted from using TPP to order products for internal consumption.

Product Eligibility

Most VMware license and service products, except SnS renewals, contribute towards customer qualification in TPP. However, TPP discounts are only applied to the license portion of a customer's purchase. Services and SnS renewals are excluded from discounting under the program.

Points

VMware has established and maintains a TPP point value for each available and eligible VMware product. For most products, one TPP point is roughly equal to \$100 in U.S. Federal List Price. TPP points are assigned as a calculated value, and vary by product. The list of products and points can be found using the TPP Configurator. Points cannot be redeemed for VMware product licenses or services.

Points are rounded up to the nearest whole point. Points may deviate from our guideline for promotions.

Example: vSphere Enterprise Plus is worth 35 TPP points no matter where, or in what currency, the product was purchased.

Minimum Purchase Requirements

In order to qualify for a TPP discount a minimum purchase of 50 points or greater is required.

Discounts

Discounts are only offered for the license portion of the purchase. There are four levels of discount for which TPP orders may qualify. As illustrated in the example below, Level 1 (L1) represents the entry-level discount, with Level 4 (L4) representing the highest level of discount offered. TPP is a stand-alone transactional discount program and as such, TPP discounts cannot be combined with any other special pricing or negotiated discounts.

Example:

LEVEL	POINT RANGE	DISCOUNT
L1	50-599	5%
L2	600-999	7%
L3	1000-1749	10%
L4	1750+	13%

How Points Translate to Discounts

To qualify for discounts, a customer must submit a PO worth 50 points or more. The points earned on this order will determine the TPP discount level for which the customer is eligible.

TPP SKUs

A SKU is a number or string of alpha and numeric characters that uniquely identify a product. VMware provides TPP SKUs to our channel partners that facilitate the ordering process when using the TPP program. TPP SKUs are available for most VMware License products and must be used on a PO in order to receive eligible TPP discounts, which are embedded in the list price of each SKU. Sample TPP SKUs are included in the table below. Purchases that do not qualify for TPP should be made using the base "-F" SKUs. Partners and customers can use the TPP Configurator to determine the appropriate SKUs for a given purchase order.

Example:

SAMPLE SKU	SAMPLE DESCRIPTION
VS4-ADV-F	Base SKU - U.S. Federal VMware vSphere 4 Advanced for 1 processor (Max 12 cores per processor)
VS4-ADV-F-L1	TPP Discount Level 1 - U.S. Federal VMware vSphere 4 Advanced for 1 processor (Max 12 cores per processor)
VS4-ADV-F-L2	TPP Discount Level 2 - U.S. Federal VMware vSphere 4 Advanced for 1 processor (Max 12 cores per processor)
VS4-ADV-F-L3	TPP Discount Level 3 - U.S. Federal VMware vSphere 4 Advanced for 1 processor (Max 12 cores per processor)
VS4-ADV-F-L4	TPP Discount Level 4 - U.S. Federal VMware vSphere 4 Advanced for 1 processor (Max 12 cores per processor)

Program Eligibility

VMware may, from time to time, request additional customer information and/or documentation to confirm program eligibility hereunder.

Discount Flow

VMware does not set final prices or payment terms for licenses acquired through its resellers. Final prices and payment terms are determined by agreement between the customer and its reseller. VMware is not accountable if a reseller chooses not to pass on the TPP discount. VMware reserves the rights to change the terms and benefits of the program at any time, for any reason.

Tools

Configurator— An online tool that calculates the points for a new purchase (as submitted by the user) to determine eligible discounts and the appropriate TPP SKUs to use on a PO. The Configurator is accessible via Partner Central as well as at www.vmware.com/go/configurator.

Purchase Order Requirements

In order to expedite TPP orders, PO's must include eligible TPP license SKUs at the correct and uniform discount level.

Minimum Purchase Requirements

In order to qualify for a TPP discount, a minimum value of 50 points per order is required. Customers may not aggregate separate purchase orders to reach the 50 point minimum purchase requirement.

For More Information

To find out more about TPP, please visit www.vmware.com/go/tpp or locate an authorized VMware partner near you at <http://partnerlocator.vmware.com>.

Terms and Conditions

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