

Novell Buying Programs: Master License Agreement

MASTER LICENSE AGREEMENT PROGRAM GUIDE

The Master License Agreement (MLA) provides a discounted buying program for Novell's largest customers, rewarding you based on your volume purchasing and your commitment to Novell. Designed for large organizations, the MLA provides a flexible method of implementing Novell systems across your enterprise. By meeting the program purchase requirements and signing the MLA, you gain access to the rewarding benefits unique to this program.

Entering the MLA Program

You may participate in the MLA by spending a minimum of US\$1 Million net (after discount) annually, in licenses, maintenance, technical support, or any other Novell MLA offering. The annual spend of all associated MLA members agreement is applied toward your annual spend requirement.

Qualifying for Discounts

Your initial MLA order places you at your initial discount level. Additional discounts can be achieved at any time during the agreement term. If at any time you find you have made enough purchases to achieve a new membership level, you may request that Novell confirm the purchase total and assign the new membership level earned.

MLA Level 1 begins at the minimum spending level of US\$1 Million net on an annual basis. You may qualify for the MLA Level 2 discount when your purchases reach a minimum spend of US\$2.5 Million net per annum, and Level 3 at US\$5 Million net per annum.

Novell may review your annual purchase history at any time and adjust your discount level as appropriate. Your MLA discount is contingent upon meeting all program and contract requirements.

Perpetual Licenses

Perpetual licenses are sold under the MLA program together with Priority Maintenance. You are required to purchase Priority Maintenance for all of your Novell product licenses for the full duration of your MLA agreement. This requirement includes any licenses you previously acquired outside of your current MLA agreement. After the initial purchase of perpetual licenses and first year Priority Maintenance, for subsequent years, only the purchase of renewal Priority Maintenance is required for those licenses. Maintenance ensures you have access to the latest Novell product upgrades, technical support and training.

Subscription Licenses

Software subscription licenses are provided as an alternative to most existing perpetual license offerings for Novell's proprietary software offerings. Subscription licenses offer simplified budget planning, consistent annual payments, and lower initial software adoption costs. All subscription licenses for Novell's non-Linux, proprietary software offerings are sold exclusively as a combined offering with one-year Priority Maintenance. Subscription license part numbers are only available in one-year subscriptions. If you desire to acquire multiple years of subscription licenses up front, one-year part numbers may be added to the order to total the number of years needed.

All licenses for a particular product must be either all subscription, or all perpetual. If you have already purchased perpetual licenses for a particular product, you must continue purchasing perpetual licenses when adding incremental licenses of the same product.

No perpetual license vesting or credits will be accumulated with the purchase of subscription licenses. If at any time you desire to move from subscription licenses to perpetual licenses, you must pay the full perpetual license fee. Subscription license use rights will expire at the end of the applicable subscription period of the subscription is not renewed. If your subscription license expires, you must immediately discontinue use of and uninstall the software.

MLA Priority Maintenance

Maintenance is an integral benefit of the MLA program, offering you upgrade protection, technical support, and unlimited electronic training, all bundled into one fee. With Maintenance, you are guaranteed the latest version of Novell products along with the services you need to ensure your success. As an MLA customer, you are required to purchase Priority Maintenance or higher. The only exception to this rule is the SUSE Linux Enterprise product line. Customers may choose either Standard or Priority Maintenance, according to the support coverage needed for specific servers. For more information regarding support, please visit (<http://support.novell.com/programs/mla.html>).

Maintenance is required whenever new licenses, SUSE Linux subscription services, or other similar products are purchased. Maintenance may be purchased for one or more years of coverage, or pro-rated if products are purchased in the middle of your MLA Annual Period. For example, if you purchase Identity Manager licenses at the beginning of an MLA Annual Period and find you need to purchase additional licenses in the middle of the same Annual Period, you may pro-rate the cost of the Maintenance on the additional licenses to the number of months remaining in the Annual Period, giving you a single renewal date for your Identity Manager product.

Maintenance is available on the most current version of all Novell products. If you own an older version of a product, Maintenance may be added only after first upgrading to the current product version.

Upgrade Protection

While you are under Maintenance for a product, you are entitled to receive any upgrades to the product released during the Maintenance coverage period. When a new version of a Novell product is released, you are immediately and automatically licensed to use the new version, eliminating unforeseen software upgrade expenses. Your Maintenance purchase covers all software version updates and upgrades during the coverage period. As a result - depending on product release cycles - you may receive multiple updates and upgrades by paying a single Maintenance fee for each license.

Upgrade Fulfillment

You may download the electronic media kit and any required license keys, or request a physical media kit, from the Customer Center (<http://www.novell.com/center/>). You may then install and use the new version for up to the total number of licenses or subscription services purchased.

To receive advance notification of product upgrades, you may subscribe to the Product Release Notification available via the notifications section of the Customer Center (see link above). You may also track upcoming product releases through the Novell website (www.novell.com).

Technical Support

Your Maintenance purchase entitles you to a level of Premium Service, offering you a direct connection to Novell's award winning support organization. Your total Maintenance spend level determines the level of support

you receive. The greater your annual Maintenance spend level, the more technical support you may receive.

Every MLA customer receives:

- Unlimited access to expert resources, 24x7x365
- Fast and predictable response times
- Access to industry leading support tools

Depending your total Maintenance spend level, you may also be entitled to the higher level services included in the Advanced and Enterprise levels of Premium Service, including:

- Dedicated support resources
- Service account management
- Senior engineer service requests
- Additional tools

For more information on MLA support and the Premium Service program visit

<http://support.novell.com/programs/mla.html>.

Training

As another benefit of your Maintenance purchase, you have unlimited access to Novell's On Demand "First Look" Training modules. "First Look" training modules are self paced and interactive (1-5 hours), cover the fundamentals of installation, basic configuration and new features and functionality of your Novell products and include simulated exercises, screen captures and demonstrations, along with a recorded instructor, quizzes, and more. Get off to a great start by taking advantage of these beneficial training modules. Stand-alone options are also available. Information about Novell Training Services is available on the web at www.novell.com/training.

MLA Back Pay Maintenance Purchases

MLA customers paying back Maintenance for past MLA renewal Annual Periods, resulting from contract compliance issues such as audit findings or other late payments, are required to purchase Maintenance using their current MLA term prices. Price protected rates from previous expired MLA terms do not apply to back Maintenance payments.

You are responsible for purchasing Maintenance for a license from the first date of copying, installing, or using a Novell Software product. If you cannot provide evidence of the copy, installation, or use date of the Software to Novell's reasonable satisfaction, in addition to charging you the license fees for any unlicensed Software copying, installation, or use, Novell may charge you maintenance fees for such licenses for a twelve month period.

Price Protection

As an MLA customer, you benefit from price protection on both License and Maintenance purchases, locking in pricing for each current term of the agreement. Each MLA term typically runs for two years. Price protection is valid on any order made in either USD or EURO until your MLA contract term renewal date, at which time all prices reset to the latest price list. New pricing applies to Maintenance renewals even if the renewal order is placed before the end of the current term. Keep in mind price protection does not apply to promotional or special or exception-based pricing, or on purchases of Novell services.

Price protection not only guarantees that product and Maintenance pricing will not increase over each term of your agreement, but also allows you to take advantage of any price reduction Novell may release on any item under price protection. Subsidiaries joining an existing MLA contract receive price protection based on the pricing

of the MLA parent contract. Please contact Novell or an authorized Novell MLA fulfillment agent to obtain specific pricing information, and/or to sign up for Novell's monthly Corporate Price List email distribution.

Past-version Product Rights

All products are licensed as “& Prior” which gives you the option to purchase current licenses of a product without having to redeploy your installed version. *For example if you purchase Identity Manager 4.0 licenses, you may opt to deploy Identity Manager 3.6 until you are ready to begin using the latest version.*

Some of the benefits of past-version product rights include:

- Flexibility – You can choose which version of the product you would like to install.
- Lower Costs - Since you are already licensed for the current version, you can migrate to the new version at no additional charge when you are ready.
- Latest License Terms - Although you may be using a prior version of a product, licensing for an individual product is determined by the version you own.

Agreement Terms and Renewals

The MLA contract typically has a two-year Term. Each contract term is divided into Annual Periods. MLA contracts are evergreen, meaning they automatically renew after each Term for an additional two-year Term. To help you make the most of your budget, the MLA term date does not restrict the length of Maintenance you can purchase. For example, if you reach the first Annual Period in June 2011 and wish to purchase two years of Maintenance at that time, you may do so, setting the date for your next Maintenance renewal for June 2013, a year past your contract renewal date. Of course, you are still obligated to buy Maintenance for any additional licenses you purchase through that time.



Choosing Not to Renew

You may choose not to renew the MLA agreement at the conclusion of any Term by providing advance written notification to Novell according to the termination provisions in the contract. Please refer to your MLA contract for your specific termination requirements.

Worldwide Availability

MLA parent customers may share their agreement number with their other business locations, divisions, or affiliates worldwide. If you prefer to manage all license purchases under a single agreement number, any of your locations may purchase locally using your parent MLA number.

It is also easy for affiliated locations and entities to manage their own product licenses. They may simply reference the parent company's MLA and sign up to obtain their own MLA member agreement number. A minimum purchase of US\$5,000 net per annum per member is required. This allows worldwide affiliates the flexibility to make individual purchasing, fulfillment, and licensing choices while leveraging the parent company's membership discount and other entitlements.

Membership Forms

MLA customer locations wishing to order as a member under a parent's MLA contract, must sign and submit a Membership Form to Novell. By signing the Membership Form, the MLA ordering location is executing their own agreement with Novell. Even so, the parent and all member agreements are linked together for the purpose of contract start and end dates and also discount qualification purposes. This form is required for any location that wants to purchase for themselves, select options different from the other locations within the company, or select their own MLA fulfillment agent.

Guidelines to remember when signing the MLA Membership Form:

- A Membership Form is necessary on all separate MLA ordering locations requiring a different bill-to address from that of the Parent or other Subsidiary locations. The bill-to address is determined by the address used on the customer purchase order.
- A minimum purchase of US\$5,000 net is required with each Membership Form. Subsidiaries must maintain a minimum annual net spend of US\$5,000.
- Each location must complete and sign a Membership Form and return it to Novell at the address given on the form.
- Upon approval of the Membership Form, Novell will assign a unique agreement number for that location. The order can now be placed, referencing this number.

MLA Pricing and Order Process

Virtually all Novell products are available through the MLA. You may purchase new licenses, subscriptions, upgrade licenses, competitive upgrade licenses, maintenance and other services, including technical support, training and consulting. You may also participate in promotions available only to Novell Buying Program customers. List pricing is available through the Novell Corporate Price List and is published monthly via email distribution. Contact your Novell representative to learn how to subscribe to the Corporate Price List email distribution list. Final pricing can be obtained either directly from Novell or through your Novell reseller. MLA customers must place all orders via the MLA program. Orders for products cannot be purchased via the VLA program once customer has an MLA agreement with Novell.

When ordering under the MLA, you have the option of ordering directly from Novell or you may opt to purchase through an approved Novell Software Services Agent, aka Fulfillment Agent. You are entitled to a guaranteed minimum discount based on your contract level. Your discounts are set by the MLA program and are the same regardless of whether you buy direct from Novell or via a Novell Software Services Agent.

Ordering under the MLA is easy. Simply submit your purchase order to Novell or to your Software Services Agent with the appropriate order and contact information. No special forms are required. Just include the correct part numbers, pricing and contract information, including company name, contact information, billing address, maintenance dates, V.A.T. number (where applicable), contract number and any other information required by your Novell office to process the order.

Depending on your location, you may issue your purchase order and pay your fees in USD, Euros, or in a local approved currency. All subsequent orders should be in the same currency unless agreed otherwise with Novell. Orders issued in response to quotes must correspond to the currency in which the quote was made.

Order Fulfillment and Deliverables

While you may order directly from Novell or from a qualified Software Services Agent, using a qualified Software Services Agent ensures you are getting the highest level of service from our most qualified resellers. You may

change resellers at any time. Once you place an order with Novell or your reseller of choice, the order is processed at Novell and any order deliverables are sent directly to you.

Software Media Kits

Software Media Kits include the product media required to install the software. This software can be installed as needed to support any additional license purchases of the product, without the need to order additional media. Although installations will not be restricted by the software, you may only utilize the software up to the number of licenses for which you have paid.

To help you receive and deploy software as seamlessly as possible, licenses and software media kits are generally delivered electronically. When you order, you will receive a URL where you can login and download software. The electronic media will be sent to the email address provided on the order.

For select products physical media kits are available for purchase and will be sent to the ship-to address provided on the order.

MLA Maintenance and Subscription Renewal

MLA Maintenance, SUSE Linux subscription services, and software subscription licenses will automatically renew. This will ensure you do not experience any unintentional lapses in coverage for these services or subscriptions. MLA Maintenance and SUSE Linux subscription service renewals are contractually required under the MLA program. However, software subscription licenses for Novell proprietary software may be discontinued if you notify Novell in writing or by email 30 days prior to your Annual Period renewal date that you do not wish to renew the subscription licenses. If Novell has not received written notice of intent to discontinue, Novell or a Novell Partner may invoice you for the renewal.

Purchase Order Due Date & Administration Fee

MLA purchase orders for Maintenance, SUSE Linux subscription services, and software subscription license renewals are due 5 days prior to your Maintenance Annual Period renewal date. If you do not submit your renewal purchase order to Novell or a Novell Partner by the due date, and no notice of intent to discontinue has been provided 30 days prior, you will incur an order administration fee which Novell or the Novell Partner will add to your invoice. The administration fee may be as much as ten percent of the renewal order value.

Cancellation Details

The following email address and mailing addresses should be used by customers who wish to notify Novell 30 days prior to their Annual Period renewal date of their intent to discontinue subscription licenses.

Email: Pricing@novell.com

Mailing Address:

- For North America, Canada, Latin America, Asia Pacific
 - Novell, Inc. Attn: Contracts & Negotiations, 1800 South Novell Place, M/S PRV-H-544, Provo, UT 84606.
- For Europe, Middle East, Africa: Novell Ireland
 - Novell Ireland. Attn: Contract Administration, Corrig Court, Corrig Road, Sandyford Business Estate, Sandyford, Dublin 18 Ireland.

Changing Resellers

No forms are required when changing MLA partners; you may simply change resellers as needed.

Audit Requirements

As an MLA customer you are obligated to complete an annual self-audit prior to the end of every Annual Period. The self-audit performed each year will help you in calculating your Maintenance order. Although no forms are required, you should complete a self-audit and submit the appropriate renewal order each year under the MLA.

Counting Options

Counting options can be found in the individual product end-user licensing agreement, commonly referred to as EULA. Novell products have various counting methods such as user, instance and device. The complete definitions can be found on the web at www.novell.com/licensing/eula/.

Business to Consumer and Government to Citizen Licensing

Business to Consumer or Government to Citizen licenses are available for a select number of Novell products. The Business to Consumer and Government to Citizen license option allows customers supporting large numbers of users outside their own organization (e.g., providing an external solution such as an online user account for banking customers) to purchase quantities of licenses at a discounted list price. Separate Business to Consumer and Government to Citizen license SKUs are available to facilitate such orders. Customers purchasing licenses under this model must adhere to the definitions for Business to Consumer and Government to Citizen below in purchasing enough licenses to support their usage, and may not allow or enable Consumers or Citizens to have physical or administrative access to the Novell software, nor the server on which it resides.

"Consumer" means any entity or person to whom you provide services or goods as part of your normal business operations (other than where your main or only business is the provision of facilities management or outsourcing-type services). Consumer shall not include your employees, agents, contractors or suppliers, regardless of whether you provide services or goods to any of them. If you are a Governmental Entity, then your Citizens are your Consumers. "Governmental Entity" shall mean a government-owned or affiliated entity performing services or duties of a public character for the benefit of all citizens of a community and whose primary purpose is not to generate a profit. For example, a government-owned telecommunications, media, utilities or mining company shall not be considered a Governmental Entity. If there is an issue concerning whether an organization is a Governmental Entity, Novell's opinion will prevail so long as it treats similarly situated entities the same.

It is your responsibility to validate and support your purchase and use of Novell licenses under the Program. Novell's recommended method of satisfying this requirement is to segregate the user objects identified for Business to Consumer or Government to Citizen licensing by creating a separate directory tree for such users, completely distinct from your employee-based production environment.

Additional Support, Training and Consulting Services

Novell Services offers customers peace of mind as they design, build and support their IT systems. And of course, any services purchases count toward reaching new discount levels

Novell support programs and offerings allow you to build a customized package to meet your needs and maximize the value of your Novell investments. Details on all of the Novell support offerings can be found at www.novell.com/support/. Pricing for upgrade, stand-alone and add-on support services are available on the price list.

Customers should periodically review the Support Product Lifecycle page for information concerning lifecycle support policies at Novell. For information concerning SUSE Linux Enterprise support lifecycle policies, please

refer to <http://support.novell.com/lifecycle/linux.html>. For all other Novell products, please review the policies for Support Product Lifecycles at <http://support.novell.com/lifecycle>.

Novell provides our customers a full spectrum of certification and training opportunities to support the Novell solutions that power their business. With Novell certification and training, you can be fully prepared to meet the complexities and challenges of managing your network while utilizing its full business potential. Whatever your learning style, we have a training option to meet your needs. To read more about these options online, visit <http://www.novell.com/training/courseware/>.

Novell also provides a broad spectrum of direct consulting services to assist customers in implementing the best enterprise networking solutions based on Novell products. Membership in the MLA provides customers with enhanced benefits when they purchase Novell Consulting Services. Information about Novell Consulting Services is available at www.novell.com/consulting/.

For any services provided by Novell under the Novell Master License Agreement through a Statement of Work, or in the absence of a separately signed Consulting Agreement for any services, in addition to the license agreement terms, the terms and conditions located at http://www.novell.com/licensing/contracts/services_tc.pdf shall apply to the services, and are considered part of this program guide.

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