

**Appendix C Pricing Index**  
**DIR-TSO-3996**  
**International Business Machines Corporation (IBM)**

Product Category	Product Description	DIR Customer Discount % off MSRP *
<b>IBM POWER SYSTEM</b>		
POWER-SYSTEM Hardware	Rack	26.00%
POWER-SYSTEM Hardware	Hardware Console	15.00%
POWER-SYSTEM Hardware	Scale Out and Enterprise Servers	15.00%
POWER SYSTEM Software	p: AIX, Linux and System Software, Compilers, HMC	26.00%
POWER SYSTEM Software	i: System software	18.00%
<b>IBM z Systems Mainframe Class Servers</b>		
IBM z Systems Family of Servers	IBM Mainframe Product Family	0.75%
<b>IBM Z Systems Mainframe Class Servers - Software</b>		
z Software	z OTC (One Time Charge) and MLC (Monthly License Charge)	15.00%
<i>Exclusions - DB2 QMF for z/OS, VUE products and zIPLA S&amp;S are excluded from this discounting schedule</i>		
<b>HARDWARE - IBM Storage Solutions</b>		
Storage Solutions	Big Data, Flash, Hybrid,Tape and SAN	25.00%
<b>IBM SYSTEM STORAGE SOFTWARE</b>		
NON Passport Advantage	System Storage Software not in PPA	15.00%
<b>Other IBM Systems Solutions</b>		
IBM Systems Solutions	Other Systems - Hardware / Software	0.75%
<b>SOFTWARE IBM Passport Advantage (PPA)</b>		
IBM Passport Advantage software	Passport Advantage Software - Perpetual	15.00%
IBM Passport Advantage software	Passport Advantage Software - Perpetual - Education Entities ONLY	60.00%
IBM Passport Advantage software	Software as a Service (SaaS)*	3.00%
IBM Passport Advantage software	Software Monthly License Charge	2.00%
<i>* excluding those SaaS products for which IBM has not established Relative Selling Price (RSP)</i>		
<b>IBM Watson Health Solutions</b>		
Watson Health	IBM Watson Health Family	20.00%
Watson Health	Truven	20.00%
Watson Health	Phytel Transition	3.00%
Watson Health	Explorys	10.00%
Watson Health	Watson for Oncology (Pricing Metric - Patient)	5.00%
Watson Health	Clinical Trials Matching (Pricing Metric - Patient)	5.00%
Watson Health	Watson for Genomics - Per Gene (in Gene Panel Size Sample) \$1.30/gene	5.00%
Watson Health Service Bundles	IBM Clinical, Client and Assessment Bundles (Fixed Price, single institution)	10.00%
<b>Note:</b> - Watson Oncology - Minimum Patients/year QTY 1,000 - Minimum Term 2yrs - Cloud Services Users 10 - Clinical Trials Matching - Minimum Patients/year QTY 1,000 - Minimum Term 2yrs - Cloud Services Users 5 - Watson for Genomics - Minimum Genes/year QTY 1,000,000 - Minimum Term 1yr - Minimum Genes per Sample Analyzed 50 - Maximum price per sample for Gene panels of 500 or less \$240 - Watson Health Services Bundles - Mandatory service with WfO and CTM		

Watson Education		
Watson Education	Classroom Edition Per Seat Charge *	3.00%
* Statement of Work (SOW) required * On boarding / Implementation Services based on IBM's Hourly Rate Schedule		
The Weather Company		
The Weather Company	IBM Weather Company - On/Off Prem per Impressions Minimum impressions 10,000; Minimum Term 12 Months	3.00%
Services	Service Description	DIR Customer Discount % off MSRP *
IT Services	IBM Lab Services, IBM global technology services, IBM Design hourly services. (See note regarding travel and living expenses)	0.75%
Global Business Services	Developed via SOW, based on IT Services Rate Tables. (See Note regarding travel and living expenses)	0.75%
Services will be engaged via a Statement of Work (SOW). These services are available on a "per hour" basis in accordance with the (reference) included rate card or as a fixed price developed in conjunction with the customer to reflect the detailed scope and deliverables.		
IBM will provide hardware and software for these solutions to customers at pricing equal to or lower than current TX-DIR pricing where possible and mutually agreeable.		
ITaaS Offerings	Information Technology as a Service Offerings. (See IBM Comments/Remarks below). (See Note regarding travel and living expenses)	5.00%
Note: Information Technology as a Services (ITaaS) is completely configurable to customer needs requirements and may consist of one or more of the following service elements:  Integrated Managed Infrastructure; Cloud Managed Services; Orchestration Service; Automation Service; Cloud Brokerage Service; Managed Security Services IBM IT Operations Analytics (ITOA); Converged Infrastructure Services; Storage as a Service; Edge Delivery Services; Workplace as a Service Virtualized Desktop as a Service; Customer Care as a Service; Mobile Devices as a Service; Collaboration as a Service; Service Catalogue as a Service; Backup as a Service ; Disaster Recovery as a Service; Traditional Hot Site / Warm Site Disaster Recovery Services; Networking as a Service Services will be engaged via a Statement of Work (SOW). These services are available on a "per hour" basis or as a fixed price developed in conjunction with the customer to reflect the detailed scope and deliverables.		
Travel and Living Expenses will be billed based on DIR Contract DIR-TSO-3996 Appendix A Section 8F, Travel Expense Reimbursement. All reimbursement rates shall not exceed the maximum rates published at <a href="https://fmx.cpa.texas.gov/fmx/travel/texttravel/rates/current.php">https://fmx.cpa.texas.gov/fmx/travel/texttravel/rates/current.php</a> , in addition to hourly rates.		
ServiceElite		
Hardware Maintenance and Warranty Service Upgrade (1.1 & 1.2)	Large Systems, IBM Z	29.50%
Hardware Maintenance and Warranty Service Upgrade (1.1 & 1.2)	Large Systems Storage*see exception	29.50%
Hardware Maintenance and Warranty Service Upgrade (1.1 & 1.2)	AS/400, IBM I, I5*see exception	29.50%
Hardware Maintenance and Warranty Service Upgrade (1.1 & 1.2)	Power *see exceptions	26.50%
Hardware Maintenance and Warranty Service Upgrade (1.1 & 1.2)	Blue Gene	26.50%
Hardware Maintenance and Warranty Service Upgrade (1.1 & 1.2)	RS6000	26.50%
Hardware Maintenance and Warranty Service Upgrade (1.1 & 1.2)	*I5 IBM Type 9405	25.00%
Hardware Maintenance and Warranty Service Upgrade (1.1 & 1.2)	*Storage Machine IBM type 3572	15.00%
OS Software Maintenance (1.4)	SWMA DATAPWR APPL	19.50%
OS Software Maintenance (1.4)	SWMA FOR AIX STD EDITION	19.50%
OS Software Maintenance (1.4)	SWMA FOR AIX ENT EDITION	19.50%
OS Software Maintenance (1.4)	SWMA FOR LICENSED PROGRAM PRODUCTS (running on) AIX	19.50%
OS Software Maintenance (1.4)	SWMA FOR IBM i	9.50%
OS Software Maintenance (1.4)	SWMA STORWIZE V7000 BASE	9.50%
OS Software Maintenance (1.4)	SWMA FOR XIV SOFTWARE	9.50%

ServiceElite Machine Control Program Remote Support (1.5)	ServiceElite Machine Control Program Remote Support	24.50%
Media Retention Option (1.6)	HARD DRIVE RETENTION - SYS z	19.50%
Media Retention Option (1.6)	HARD DRIVE RETENTION - STORAGE	19.50%
Media Retention Option (1.6)	HARD DRIVE RETENTION - SYS i	19.50%
Media Retention Option (1.6)	HARD DRIVE RETENTION - SYS p	19.50%
ServiceElite Support Line (1.7)	SL WINDOWS/LINUX OPERATING SYSTEM	9.50%
ServiceElite Support Line (1.7)	SL LINUX SYSTEM i/p (without subscription)	9.50%
ServiceElite Support Line (1.7)	SL LINUX SYSTEM z (without subscription)	9.50%
ServiceElite Support Line (1.7)	SL LINUX SUPPORT FOR SUB xip (Support Line bundled with subscription)	9.50%
ServiceElite Support Line (1.7)	SL LINUX SUPPORT FOR SUB z (Support Line bundled with subscription)	9.50%
ServiceElite Support Line (1.7)	SUB RHEL SYSTEMx 1&2 SOCKET	9.50%
ServiceElite Support Line (1.7)	SUB SLES IBM POWER	9.50%
ServiceElite Support Line (1.7)	SUB SLES SYSTEM Z	9.50%
ServiceElite Support Line (1.7)	SUB RHEL SYSTEM z	9.50%
ServiceElite Support Line (1.7)	SUPPORT LINE FOR STORAGE PRODUCTS	9.50%
ServiceElite Support Line (1.7)	Microsoft Support	5.00%
ServiceElite Support Line (1.7)	Open Source Support	5.00%
ServiceElite z Software Services (1.8)	ALERT FOR zSERIES	15.50%
ServiceElite z Software Services (1.8)	RESOLVE FOR zSERIES	24.50%
ServiceElite z Software Services (1.8)	SOFTWAREXCEL ENTERPRISE	5.00%
ServiceElite z Software Services (1.8)	SOFTWAREXCEL ENTERPRISE VU	5.00%
ServiceElite Acct Advocate Service (1.9)	AA SYSTEM i/p BASE	5.00%
ServiceElite Acct Advocate Service (1.9)	AA SYSTEM i/p PER SERVER	15.50%
ServiceElite Acct Advocate Service (1.9)	AA FOR STORAGE PRODUCTS	15.50%
ServiceElite Custom Technical Support Service (1.10)	CTS AIX OS400 i5OS BASE	5.00%
ServiceElite Custom Technical Support Service (1.10)	CTS AIX OS400 i5OS PER SERVER	9.50%
ServiceElite Custom Technical Support Service (1.10)	CTS FOR STORAGE PRODUCTS	9.50%
ServiceElite Enterprise Support Options (1.11)	ESO FOR STORAGE PRODUCTS	9.50%
ServiceElite Technical Advisor for Storage (1.12)	ServiceElite Technical Advisor for Storage (1.12)	15.50%
Managed Maintenance Support for Various Manufacturer's	Managed Maintenance Solution for Cisco Products	10.00%
Managed Maintenance Support for Various Manufacturer's	Managed Maintenance for Cisco Software	10.00%
Managed Maintenance Support for Various Manufacturer's	Managed Maintenance Solution for Juniper Products	10.00%
Managed Maintenance Support for Various Manufacturer's	Managed Maintenance for Juniper Software	10.00%
Managed Maintenance Support for Various Manufacturer's	Managed Maintenance for Citrix	10.00%
Managed Maintenance Support for Various Manufacturer's	Managed Maintenance for NetApp	10.00%
Managed Maintenance Support for Various Manufacturer's	Managed Maintenance for Palo Alto	10.00%
Managed Maintenance Support for Various Manufacturer's	EMC Storage Devices	10.00%

Managed Maintenance Support for Various Manufacturer's	Hitachi Data System Storage	10.00%
Managed Maintenance Support for Various Manufacturer's	Hewlett Packard Servers and Storage Devices	10.00%
Managed Maintenance Support for Various Manufacturer's	Dell Servers and Storage Devices	10.00%
Managed Maintenance Support for Various Manufacturer's	Oracle Servers, Tape and Storage Devices	10.00%
Managed Maintenance Support for Various Manufacturer's	Brocade Network and Switch Devices	10.00%
Managed Maintenance Support for Various Manufacturer's	Foundry Network Systems	10.00%
Managed Maintenance Support for Various Manufacturer's	Cisco Network-- end of life support	10.00%
Extended Support Services	Extended Support Services	*

Note:  
\* Contact IBM Team for Extended Support Services pricing and discounts  
\*\* ServiceElite offerings are dependent on individual client requirements and situations, there is no standard MRSP / List pricing available for this offering

**CLOUD SERVICES**

Category	Service Description	DIR Customer Discount % off MSRP *
IBM Cloud - IaaS	Formerly Bluemix IaaS	15.00%
IBM Cloud - Storage	Formerly Bluemix Cloud Object Storage	5.00%
IBM Private Cloud	IBM Blue Box	15.00%
Note: Hardware pricing / bill of materials not included.		
IBM Cloud - Vmware	Formerly Bluemix for Vmware	15.00%
IBM Cloud - PaaS	Cloud Platform as a Service	10.00%
Bluemix Garage Services: Design Assessment Engagement Remotely Delivered Service	This service provides up to two people for 1 week, maximum 80 person-hours, of remote consulting, best practices, analysis, and recommendations for the identified use cases. The IBM Design Thinking Workshop use case is defined by discussion between Client and the IBM Solution Architect. Services are purchased per Engagement and expire 90 days from date of purchase, regardless of whether all hours have been used.	10.00%
Bluemix Garage Services: MVP Build-Up Project Execution Team Engagement Remotely Delivered Service	Remote services include four or more persons, maximum of 144 hours, of remote consulting to assist the Client in using the IBM Bluemix Garage methodology to Design and Build a MVP application on Bluemix based on the jointly agreed list of user stories derived from the Client's MVP.	10.00%
Bluemix Garage Services: Prepare and Plan Engagement Remotely Delivered Service	This service provides one person for 1 week, maximum of 40 person-hours, of remote consulting for the review, best practices, and recommendations for planning activities necessary to create applications based on PaaS or Non-PaaS services. The workshop does not involve the actual updating of the Bluemix Local or Dedicated environments. Services are purchased per Engagement and expire 90 days from date of purchase, regardless of whether all hours have been used.	10.00%
Bluemix Garage: Architectural Advisory Consultancy Engagement Remotely Delivered Service	Remote services includes one person, maximum of 40 person-hours, of remote architectural advisory consulting in support with the deployment of Bluemix.	10.00%
Bluemix Enterprise Developer Education Engagement Remotely Delivered Service	Remote services includes one person, maximum 40 person-hours, of training services at a Garage location focused on Bluemix Developer skills.	10.00%
Bluemix Garage: Developer Bootcamp Engagement Remotely Delivered Service	Remote services includes one person, maximum 80 person-hours, of training services at a Garage location focused on the Bluemix Garage Developer.	10.00%
Managed Hosting Cloud Services	Cloud Platform as a Services Include: - Complete managed application infrastructure platform - Managed Virtual Machines: Includes installation, OS licensing, Anti-virus sw, monitoring, alerting, patching and a service availability SLA of 99.9%, with proactive credits. Managed Applications above the OS optional. - Storage & Backup - Proactive security management, including primary and software based firewall, network intrusion prevention, anti-virus protection, two-factor authentication, compliance management, infrastructure SIEM, and file integrity monitoring and vulnerability scanning.	5.00%

IBM IDTES	<p>IBM Development &amp; Test Environment Service (IDTES)</p> <ul style="list-style-type: none"> <li>- IDTES help manage, import, deploy and decommission on-demand environments.</li> <li>- Accessible via a web browser, the solution is designed to deliver faster access to numerous production-caliber testing environments.</li> <li>- Includes robust tools, such as IBM UCD, that can accelerate the software development lifecycle while reducing unnecessary costs and project delays caused by manual configurations.</li> <li>- Allows development and test teams to self-provision labs and more easily share complex environments across SoftLayer cloud regions to support reduced latency and greater agility.</li> </ul>	10.00%
CMS for System Z	<p>Cloud Managed Services for IBM System z</p> <p>* Characteristics for CMS for System z:</p> <ul style="list-style-type: none"> <li>- Customers are only billed for what they use (measured)</li> <li>- Customers can quickly automatically add capacity (10% soft cap) but more can quickly be added by coordinating with the IBM focal for that account.</li> <li>- IBM has a team and a process dedicated to helping customers with the definition and migration of the service.</li> <li>- IBM will develop a business case (at our expense and in out format) with the customer that uses the customer's information to determine the savings that may occur from the migration to CMS for System Z. Client input is critical.</li> <li>- If both parties agree, IBM will develop a detailed SOW that includes transition and steady state operation of the System Z in the IBM cloud.</li> <li>- During the SOW process, IBM will work with customers to determine if they want to include the transition costs in the monthly fee for the service or if wish to pay it as a one time cost or some other option we can mutually agree on.</li> </ul>	3.00%
HPC Services	<p>High Performance Computing (HPC) Cloud Offerings</p> <ul style="list-style-type: none"> <li>- Based on proven cluster, grid and HPC cloud technology,</li> <li>- Built on scalable, high-performance software and platforms with intuitive and versatile user interfaces, robust job scheduling, workload-aware and user-driven provisioning, and powerful management capabilities</li> </ul>	3.00%
CMS4Oracle	<p>Cloud Managed Services - Oracle PaaS Services</p> <ul style="list-style-type: none"> <li>- IBM Cloud Managed Services for Oracle Applications is designed to host Oracle environments through a security-rich, enterprise-class, managed cloud infrastructure that can offer faster provisioning, greater flexibility and improved service delivery quality.</li> </ul>	10.00%
CMS4SAP	<p>Cloud Managed Services - SAP PaaS Services</p> <ul style="list-style-type: none"> <li>- IBM Cloud Managed Services for SAP Applications is designed to host SAP environments through a security-rich, enterprise-class, managed cloud infrastructure that can offer faster provisioning, greater flexibility and improved service delivery quality.</li> </ul>	10.00%
IBM Cloud Broker Services	<p>Cloud Broker Services - Includes Multiple Providers</p> <ul style="list-style-type: none"> <li>- Establish initial required platform infrastructure to host and manage the cloudMatrix portal (including compute, storage, network) with an industry standard and recognized cloud hosting provider.</li> <li>- Deploy and configure one (1) dedicated instance of cloudMatrix within a single cloud region.</li> <li>- Enable approved providers (e.g., IBM Cloud (formerly Softlayer), Amazon, Azure) input provider contract terms, credentials and pricing, and support ongoing platform operations of cloudMatrix installation (as provided).</li> </ul>	5.00%

THIRD PARTY PRODUCTS	
Brand	DIR Customer Discount % off MSRP *
Cisco - HW	20.00%
Juniper - HW	20.00%
AppDynamics	15.00%
VMWare	20.00%
NetApp	18.00%
Microsoft CSP	15.00%
ServiceNow	15.00%
Mobi	15.00%
4 Square	15.00%
Citrix	15.00%
Flexxible	15.00%

\*Important Note: Vendors quote to DIR customers shall include the DIR administrative fee.

VOLUME DISCOUNT		
Contract Sales Threshold	Products	Additional Discount
Purchase order amount greater than \$500,000	POWER SYSTEM: Rack, Hardware Console, Scale Out and Enterprise Servers; Storage Solutions: Big Data, Flash, Hybrid,Tape and SAN	1.00%