RESOURCE ACTION EMPLOYEE INFORMATION PACKAGE: What's Here

Part 1: Quick-Reference Summaries

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- SPD Attachment A – Retirement Bridge associated with this resource action (for eligible employees only)
- Resource Action Retirement Bridge Agreement
- IBM Retraining Assistance Reimbursement Request Form
- Notice to Employees: Age and Title Information (Older Workers' Benefit Protection Act Report)

Highlights of Payments and Benefits

Separation Payment

- Lump sum payment equivalent to one week of pay for each fully completed six months of service based on most recent date of hire, with a minimum of two weeks and up to a maximum of 26 weeks.
- An employee who is offered a comparable job at IBM at any time up until the departure date but refuses to accept it will not receive the payments or benefits associated with this resource action.

Transitional Medical Plan – Eligibility for Continued IBM Subsidy for Medical Coverage

Coverage Period	Years of Service (based on most recent date of hire)
3 months	Less than 5 years of service
6 months	5 or more years but less than 25 years of service
12 months	25 or more years of service

You may purchase extended medical coverage (through COBRA) for up to 18 months in total by paying full IBM cost once IBM subsidy expires.

Transitional Group Life Insurance – Eligibility for Continued Coverage by IBM

Coverage Period	Years of Service (based on most recent date of hire)
3 months	Less than 5 years of service
6 months	5 or more years but less than 25 years of service
12 months	25 or more years of service

IBM Career Transition Services – Fully paid by IBM

Outplacement and career counseling services provided by Right Management – contact information included in this package.

IBM Financial Planning Services – Fully paid by IBM

Continuing access to IBM Money*Smart* coaches for up to 120 days after your departure date.

IBM Retraining Assistance Program – Fully paid by IBM

Reimbursement up to $2,500 for job related skills training completed within 12 months of departure date.

Retirement Bridge associated with this resource action

Retirement Bridge up to one year for eligible employees who participate in the IBM Personal Pension Plan and are within one year of retirement eligibility as of departure date.

Separation Agreement

You will be required to sign a Separation Agreement, included in this package, to be eligible for the payments and benefits of this resource action.

This is a brief description and does not include all details.
Refer to the Resource Action Summary Plan Description for more information.

Steps to Take

1. Read this package in its entirety, including the Separation Agreement.
2. Visit this w3 site on “*Employee Actions to Take*” for links to important information: http://w3-01.ibm.com/hr/us/benefits/separations/actions2take.html.
3. Check www.netbenefits.com to review the status of your IBM Personal Pension Plan benefit and the value of your IBM 401(k) Plus Plan. Vested benefits remain yours; you need not take any immediate action to secure them for your later use, but you should understand your options and possible tax consequences.
   - During the period that is not more than 180 days before the date the employee will retire, the employee should contact IBM Pension Services at 800-796-9876 to begin processing of pension benefits. The earlier the employee contacts IBM Pension Services during this time period, the more likely pension benefits will be paid on time. Failure to contact IBM Pension Services within this time period may result in the method of payment being affected or a pre-retirement survivor benefit being paid to the employee’s spouse in the event of death, rather than to a beneficiary the employee has elected.
   - If a portion of your pension benefit is payable as an excess benefit (a benefit paid outside of the IBM Personal Pension Plan trust fund) this benefit must be paid to you on the 15th of the 3rd month following the date your Retirement Bridge begins.
4. Consider IBM 401(k) Plus Plan distributions and outstanding loans.
5. Initiate Career Transition Services at any time but no later than 60 days after your departure date.
6. Be sure your personal and emergency contact information in “About You” is up to date. This can be done by viewing the Career & Life tab on w3, scrolling down to find “About you – personal” and reviewing your information on file.
7. Sign up for continuing medical coverage within 60 days after your benefits end or when you receive a benefits notification letter from IBM, whichever is later, to avoid irrevocable loss of transitional medical plan coverage. Details about the transitional medical program are elsewhere in this package.
8. Reconcile vacation with your manager.
9. Provide a list of system IDs and passwords to your manager before your departure date.
10. Contact the ESC to ask questions and clarify your understanding of any programs.
11. Set up an appointment with an IBM Money*Smart* counselor for financial planning and guidance.
12. Consider contacting the IBM Employee Assistance Program for emotional support.
13. Be sure to keep the ESC apprised of address changes in the future.
14. Reach out to your manager or second-line manager at any time for additional assistance.
15. Apply for up to $2,500 in reimbursements for retraining sessions you use during the next 12 months.

Contact information for these programs and services appear on the following pages.

Information Contacts

IBM Employee Services Center (ESC): 800-796-9876
http://w3-01.ibm.com/hr/us/topics/emp_services_center.html
Available business days, excluding holidays, 8:30 a.m. – 8:30 p.m. Eastern time.

You will be prompted for your Social Security number and PIN

IBM Benefits Services

- IBM Transitional Group Life Insurance (GLI)
- Retraining Assistance Program (RAP)
- Transitional Medical Program (TMP)

IBM Pension Services

- IBM Retirement Plan Benefits
- IBM Personal Pension Account (PPA)
- Joint and Survivor/Leveling Options
- Personal Retirement Provision (PRP)
- Retirement Eligibility
- Retirement Estimate Questions
- Vested Rights

TTY 800-426-6537 (available from 8:30 a.m. to 6:30 p.m. Eastern time)

IBM Employment Verification
TTY 800-424-0253 (TTY available from 8 a.m. to 9 p.m. Eastern time)

IBM Payroll Services
TTY 866-580-7455 (TTY available from 8:30 a.m. to 8:30 p.m. Eastern time)

IBM Career Transition Services:
Right Management, 866-319-1690 or e-mail IBM@RIGHT.com

IBM Retraining Assistance Program:
Acclaris Consulting, 888-880-2775 (TTY 877-314-2240)

IBM Employee Assistance Program (EAP): for you or eligible immediate family members
OptumHealth Behavioral Solutions by United Behavioral Health, 800-445-9720 (TTY 800-525-5668)

Resource Action Project Office:
For remaining questions, contact the Project Office e-mail ID provided to you in the memo you received from your manager and one of the transition support team members will get back to you within 48 hours.

Internal Movement

Although finding a new position is primarily your responsibility, IBM has made available several resources to assist you in this effort. You may pursue internal job opportunities within IBM provided you are a satisfactory performer. Below is some helpful information to remember when searching for another position within IBM.

- Keep your manager informed of your developmental and job search activities so that they are better prepared to act as your advocate with hiring managers.

- Access Global Opportunity Marketplace launch page (http://w3.ibm.com/hr/global/OppMarketplace.html), using your IBM external e-mail address and your intranet password. Here you may search and apply for suitable positions, and link to employee FAQs and training.

If you create a resume using CV Wizard, it can be attached to the online application. Additionally, the Expertise Assessment Tool skills profile will be automatically included in the online application (https://w3.ibm.com/jct03018ws/services/competencies/profdev/protect/core/PDTool.wss).

How to Complete CV Wizard:

It is your responsibility to keep your CV (Curriculum Vitae) up-to-date and ensure that relevant data and experience are recorded. If you have completed your resume in another venue, you can easily copy the descriptive sections.

1. Complete CV Wizard, (https://w3.ibm.com/services/americas/cvwizard/cv-wizard.nsf), assuming you have already registered in Expertise Assessment Tool.

2. Launch the CV Wizard application, (https://w3.ibm.com/jct01001ds/services/americas/cvwizard/cv-wizard.nsf/webfmCVInfo?OpenForm&Login_) (intranet user name and password required).

- To work with your CV, first click on the CV information link on the blue navigation bar at the left hand side of the screen. The navigation bar will then expand to display the various CV sections available. You should work through each of these sections in turn ('Personal information' through 'Other information') to complete your CV. The sections 'Language skills,' 'Profile' and 'Career history' are required. Copying and pasting from a Word document may save rekeying entries.

3. Save each entry as you finish it. Do not wait until you have completed your entire CV to push the 'save' button. We recommend that you work from the top to the bottom and closely follow the guidelines, which you can obtain by clicking on the 'Help resources' section.

4. Set your CV status to 'Ready.' IMPORTANT: When completed, don't forget to set CV status to 'ready.' As long as a CV is in the status "CV Under Revision," the changes made will not be published to the CV Wizard Repository and will thus not show up in your actual CV.

5. To see the latest view of action and status associated with CV/resume, please visit the "Your career" portlet on the On Demand Workplace. Go to http://w3.ibm.com and select the 'Career and life' tab. The portlet is located in the right navigator.

Identify learning activities for specific job roles and create a personalized learning plan through IBM Career*Smart* (https://w3-03.sso.ibm.com/hr/careersmart/html/home.html) and using guidance you'll find on the w3 Career and Life tab. If you are invited to interview for a position(s) which requires skills outside of your current job role, you should work with your manager to obtain career guidance and skill development recommendations through the tools provided.

Unless your manager advises you differently, continue to perform the responsibilities of your regular position in a satisfactory manner. All employees must adhere to IBM Business Conduct Guidelines throughout this process.

IBM Career Transition Services

IBM provides a range of career transition services to employees affected by this resource action, through an external third-party provider who is experienced in this type of support. Our career transition services are provided by Right Management. Contact Right Management as soon as possible to take advantage of this support.

For an overview of the services available go to www.right.com/ibm, and click on Get Started to access a pre-recorded information session. When prompted for a password, enter: success.

You may begin Career Transition Services before your departure date. You must initiate services by contacting Right Management no later than 60 days after your departure date or you forfeit your eligibility for these services.

Career Transition Services are provided to individuals who are actively participating in the program, until the individual secures a new position or makes a significant career decision.

To assist in your transition, you will have the flexibility and choice as to where, when and how to access Career Transition Services. Visit www.right.com/ibm for more information.

Career Transition Services Include:

Access to Right's Career Coaches

Each employee will have access to a Career Coach who will provide guidance and coaching during the transition process. Participants will also have access to all of Right's expert staff during this process. Consulting discussions typically include: Strategy Development, Assessment Feedback, Resume Development and Editing, Career Campaign Analysis, Expanding Networks and Strategic Connections, Business Plan Reviews and Negotiation Assistance.

Access to Right's Learning Center

Right's Learning Center provides small group facilitated sessions that teach and reinforce the essential elements of a successful career search. These sessions include: Career Assessment, Resume Development, Self-Marketing, Networking Strategies, Interviewing Strategies and Negotiating Strategies

Enrichment sessions will also be accessible through the Learning Center. These events will be driven by the local Right Office and may include but are not limited to: Financial Planning, Entrepreneurship, Career Mapping, Presentation Skills, Focused Networking Events and Work/Life Balance.

Access to Right’s Job Search Resources

Right’s Job Search Resources provide advice and guidance on how to effectively use online databases and printed materials to gather information on industry trends and company performance while assisting in the development of critical job search skills. These resources include access to: Experienced Job Resource Consultants, Proprietary Web site, Right-from-Home, and Right Alumni Website.

Access to Right’s Logistics & Support Team

Employees will receive professional logistical and administrative support to include: Scheduled use of workstations; telephone, voice mail, and fax services; resume design and production; word processing; access to copiers and personal computers.

IBM Financial Planning Services

As an active IBM employee, you are eligible to participate in IBM's financial planning program, IBM Money*Smart*. This program combines an online portal containing financial education materials, tools and calculators with confidential, one-on-one personal financial planning sessions with a Money*Smart* Coach. Register at http://w3.ibm.com/hr/us/moneysmart.

Please note that IBM will continue your eligibility for Money*Smart* coaching for 120 days after your departure date, although access to the online portal ends on your departure date. This will allow you time to transition your financial planning activities as needed.

Program participants may contact the IBM Money*Smart* Center at 877-543-7678 (TTY: 866-217-8694) to set up an appointment.

Government Resources

Additional job search and placement resources including training services are available through federal and state sponsored programs. For information or to find the nearest One-Stop Career Center, call 877-US2-JOBS (TTY 877-889-5627), or visit www.careeronestop.org.

Services also include information on the local economy including growth industries and occupations, career counseling, and information on training programs for skill upgrades and career changes.

IBM Employee Assistance Program (EAP)

The IBM Employee Assistance Program (EAP) provides short-term counseling to IBM employees and their family members. You can qualify for up to eight sessions during the course of one calendar year.

IBM Retraining Assistance Program (RAP)
The Retraining Assistance Program (RAP) is designed to provide an opportunity for employees affected by this resource action to help develop skills for a new career. The reimbursement will assist with the cost of items such as retraining and job-related skills building.

Eligible employees who depart from IBM will be reimbursed for eligible expenses up to a maximum of $2,500 for eligible retraining completed within 12 months of the departure date, with reimbursement applied for within 15 months of departure date.

These reimbursements are considered taxable income to the recipient. Employees who begin training after departure from IBM will receive a copy of the 1099 Form filed at the end of the year. Taxes will not be withheld from the reimbursement.

All courses will begin after separation and must be successfully completed within 12 months from the date of departure. RAP payments will not be prorated.

Institutions considered eligible are accredited colleges, universities and high schools, as well as business, technical or correspondence schools. Also eligible are non-accredited classes, seminars, lectures or workshops held by professional associations and instructors with established, documented credentials acceptable to IBM and whose primary purpose is to provide job-related skills training.

Eligible expenses include:
- All required institution/instructor's tuition or fees (except those specifically specified in ineligible expense section)
- application fees (including transcript fees)
- college curriculum fees; college lab fees; computer access/use fees (information technology fees); course registration fees (except late registration); exam fees (certification exams, proficiency exams or Credit for Life Experience (CLEP)); general service fees (matriculation, non-matriculation)
- required materials/books, including software, audio/video tapes, CDs, and/or DVDs; home study and/or Internet courses; also includes GMAT and real estate license fees
- language courses require documentation from the provider that the course is job related

Expenses not eligible for reimbursement include:
- Association or student union fees (student activity fees); athletic/recreation/sport fees
- career counseling and resume building
- course change or withdrawal fees
- equipment such as personal computers, laptops, printers, etc.; financing or installment service charges (deferred tuition payment contracts); fingerprint fees; insurance fees; late registration fees
- certification or accreditation fees (not exam fees)
- medical or physical exam fees; membership fees; parking fees; realtor board dues; sales recovery fees; telephone registration fees, travel, meals or lodging; tutoring (tutoring may be eligible under certain circumstances – i.e. the provider furnishes his Tax ID and can prove accreditation in the subject matter taught)

Upon course completion, application for reimbursement may be made by submitting a completed RAP Reimbursement Form (copy included in this package) to the address indicated on the form, along with a copy of the paid receipt and proof of completion from the course provider. **All requests for reimbursement must be submitted within 15 months from the date of departure.**

Any questions may be directed to Acclaris Consulting at 888-880-2775 (TTY 877-314-2240).

RESOURCE ACTION SUMMARY PLAN DESCRIPTION (SPD)

Management, or his/her successor(s) or designee(s), has the sole discretion to identify employees for this resource action. Employees who have already been identified for layoff in a prior resource action and have a scheduled departure date still in effect are not candidates for permanent layoff as part of this resource action.

ELIGIBILITY FOR THE RESOURCE ACTION

Employees identified for permanent layoff as part of the resource action available to them (identified employees), except employees who are currently approved to receive an exit incentive or other severance payment, are eligible to receive the payment and benefits of the resource action program provided they fulfill all requirements.

Identified employees who are not placed elsewhere in IBM will receive the payments and benefits of the resource action upon or following their departure from IBM provided they fulfill all program requirements as set forth in this Summary Plan Description. Identified employees who accept a placement offer elsewhere in IBM may no longer be considered eligible for the resource action.

Identified employees may be required to accept a temporary assignment to another location to assist with the transition of work until their scheduled departure date in order to receive the resource action payment and benefits. If an employee fails to comply with such a request, he/she may be terminated without the payment or benefits of the resource action.

Beginning as of the date indicated in the memo you received from your manager, IBM will be terminating the employment of identified employees if they are not placed elsewhere in IBM. If business needs require, Management may subsequently designate additional identified employees who may also have their employment involuntarily terminated. IBM reserves the right, in its sole discretion, to take other actions or choose not to terminate the employment of certain identified employees as business needs require. IBM, in its sole discretion, shall determine its business needs.

An identified employee who receives an offer of a comparable job will not receive the payments and benefits of the resource action regardless of whether the employee accepts the comparable job. For purposes of the resource action, a comparable job offer occurs when an employee is offered a regular position where the base pay amount (also known as reference salary) for that position is no more than 10 percent less than the base pay amount (as reflected in IBM's CERIS database) associated with an employee's current position. Base pay does not include overtime or any other additional compensation which an employee may receive. A position may be deemed comparable even if it involves a change in band, or a shift or schedule change. A position may also be deemed as a comparable job if it involves the same travel requirements which management determines in its sole discretion could have been required in an employee's current position (regardless of the amount of travel the employee actually experienced in their current position).

Employees who are offered employment arranged by IBM with a third party, and who will initially receive comparable terms and conditions of employment, will not receive the payment or benefits of the resource action. The resource action project office will, in its sole discretion, determine when IBM has arranged employment that initially provides the employee with comparable terms and conditions of employment.

In addition, employees who are providing services primarily to one customer account at the time of their departure from IBM and who accept or have accepted employment with that customer, or with any third-party provider selected by that customer to replace the services provided by IBM, at any time up to 30 days from their departure date from IBM, whether or not arranged for by IBM and whether or not with comparable terms and conditions of employment, will not receive or will be required to return, the payment and benefits of the resource action.

Employees are not eligible for the resource action payment or benefits if prior to being informed of their identification in the resource action, they have informed IBM of their intent to separate from IBM, whether through voluntary resignation, retirement or otherwise.

Employees are not eligible for the resource action payment or benefits if they have outstanding debts to IBM or debts for which IBM may be held responsible. However, if an employee makes arrangements satisfactory to IBM to repay any such outstanding debts, a resource action payment may be made. Indebtedness to IBM could include, but is not limited to, a debit commission balance, an IBM U.S. Mobility Plan equity loan, an unpaid balance on an installment purchase of an IBM product, credit card debt (including debts on an American Express Corporate Card), excess tax loan, an outstanding travel expense account or failure to return IBM-owned property.

An employee who is discharged (e.g., for violation of terms and conditions of employment) before his or her scheduled departure date will receive neither the benefits nor the payment of the resource action. Where it is determined after an employee's departure date that the employee engaged in conduct which would have resulted in disciplinary action or discharge, the employee will be required to repay all payments and benefits of the resource action. If an employee dies before retiring or beginning the Retirement Bridge, or otherwise leaving IBM under this resource action program, no program payment or benefits will be provided, but ordinary IBM death benefits will apply.

Any employee going to an IBM subsidiary or affiliate as a regular employee or who accepts some other regular position and transfers or is otherwise credited with IBM service credit for any purposes, or who continues receiving an annual allocation under the IBM Personal Pension Plan or in the case where IBM has transferred pension benefit liability to that subsidiary or affiliate, will not receive the payment or benefits of the resource action. This resource action is not intended for individuals who are currently receiving benefits or who have applied and are approved to receive benefits under the Long-Term Disability Plan (LTD), and they will not receive the payment or the benefits of the resource action. However, if such payment is made and not repaid, LTD payments will be offset by the amount of the payment.

Employees who are identified for permanent layoff under the resource action are ineligible for the IBM Separation Allowance Plan (however, employees may be eligible for a Retirement Bridge associated with the resource action. The terms and conditions of the Resource Action Retirement Bridges are contained in an attachment or amendment to this document. IBM, in its sole discretion, will determine for whom the resource action is intended.

AMOUNT OF THE PAYMENT

Eligible employees who comply with the requirements of the resource action will receive the greater of one week of pay for each full six month period of service, up to a maximum of twenty-six weeks of pay, or two weeks of pay. For employees covered by IBM's Growth Driven Profit-sharing program, this payment will be made in a lump sum and be based on the employee's base pay amount (also known as reference salary) (full- or part- time) and length of service (based on most recent Date of Hire as reflected in IBM’s CERIS database) as of the day he or she retires, commences a Retirement Bridge, or otherwise leaves IBM.

For employees on any type of sales or services incentive plan or any special program which is offered in lieu of the IBM Growth Driven Profit-sharing program, this payment will be made in a lump sum and be based on the employee's base pay amount (also known as reference salary) (full or part time) and length of service (based on most recent Date of Hire as reflected in IBM's CERIS database) as of the day he or she retires, commences a Retirement Bridge, or otherwise leaves IBM.

This payment is in lieu of any other form of separation pay to which the employee is, may, or might have become entitled. It is IBM's intent to pay only one incentive/separation type payment to an employee. This, however, does not mean that an employee who leaves IBM with such a payment and is later rehired is necessarily ineligible for an additional incentive/separation type payment associated with a subsequent departure. In the calculation of any such additional payment, service shall mean only service since the last date of rehire to IBM U.S. or date of termination of a Retirement Bridge if rehired directly from a Retirement Bridge. However, separation payment adjustments may be made in situations where an employee was required to repay a prorated portion of a previous separation payment at the time of rehire. In no situations will this adjustment be greater than the maximum payment allowed as part of the resource action.

MEDICAL PROGRAM (Transitional Medical Plan (TMP)/COBRA)

An employee who is a) not eligible for Medicare, b) does not have a dependent(s) eligible for Medicare and, c) is covered under at least one IBM health plan is eligible for continuation of their existing coverage under TMP/COBRA.

An employee who is eligible for Medicare (i.e., age 65 or over) and whose dependent(s) is also eligible for Medicare is eligible for continuation of IBM health coverage. However**,** the employee and his/her dependent(s) are required to enroll in Medicare for their primary medical coverage; the IBM PPO option will provide for secondary coverage. This course of action shall occur regardless of the plan a Medicare-eligible employee is enrolled in as an active employee, and shall remain in effect for the duration of the applicable TMP/COBRA subsidy period.

Medicare-eligible employee and his/her dependent(s) are responsible for the cost of the IBM PPO option in accordance with the active employee rate. A Medicare-eligible employee is also responsible for any Medicare fees, charges, premiums, etc.; these separate costs are not included in the subsidy provided by IBM during the applicable TMP/COBRA subsidy period. The TMP/COBRA subsidy for a Medicare-eligible employee is limited to the IBM PPO option.

An employee who is not eligible for Medicare but who has a dependent(s) that is eligible for Medicare should contact the Employee Services Center (ESC) to discuss the coverage options available to them during the applicable TMP/COBRA subsidy period.

All individuals who comply with the requirements of the resource action, along with their eligible covered dependent(s), are eligible for subsidized IBM Medical Plan coverage for up to three, six, or twelve months, depending on years of IBM service based on most recent date of hire as reflected in IBM's CERIS database.

During the TMP/COBRA period, except as described above with regard to Medicare fees, charges and premiums, an employee will pay the same rate for IBM medical coverage as in effect for an active regular IBM employee. Employees will be required during this period to pay full group rates for continuing dental and vision coverage under TMP/COBRA, since IBM's subsidy is for medical coverage only.

The coverage period for the TMP/COBRA subsidy is as follows:

Coverage Period	**Years of Service** (based on most recent date of hire)
3 months	Less than 5 years of service
6 months	5 or more years but less than 25 years of service
12 months	25 or more years of service

Subsequent to the initial period as described above, an employee may be eligible to continue medical, dental, or vision coverage under TMP/COBRA for additional months, up to a maximum of 18 months. An employee who chooses to extend TMP/COBRA coverage for this additional period of time is required to pay the **full** TMP/COBRA rate (102% of IBM's group rates) for medical coverage, and, as applicable, continue to pay the full TMP/COBRA rates for dental and vision coverage (102% of IBM group rates).

TMP is administered by the IBM Employee Service Center (ESC), which handles enrollment and ongoing customer service. The ESC will send enrollment information within 14 days of receiving the separation date information from CERIS. ENROLLMENT IS NOT AUTOMATIC. PARTICIPANTS MUST APPLY WITHIN 60 DAYS AFTER THEIR BENEFITS CEASE OR THE DATE OF THEIR NOTIFICATION LETTER FROM THE ESC, WHICHEVER IS LATER, TO AVOID IRREVOCABLE LOSS OF THE TMP COVERAGE. Information about TMP coverage and rate schedules can be obtained by contacting the ESC at 800-796-9876, TTY: 800-426-6537.

TRANSITIONAL GROUP LIFE INSURANCE (GLI)

Employees who comply with the requirements of the resource action who separate, retire or begin a Retirement Bridge from IBM will be provided with continued IBM Group Life Insurance (GLI) coverage at no cost to the employee for a period of time (based on most recent date of hire as reflected in IBM's CERIS database).

The coverage period is as follows:

Coverage Period	**Years of Service (based on most recent date of hire)**
3 months	Less than 5 years of service
6 months	5 or more years but less than 25 years of service
12 months	25 or more years of service

This is the same length of time that IBM continues its subsidy for medical coverage. This coverage is the same amount the employee had as an active employee -- generally, one or two times pay unless an election to lower the coverage had been made. If your date of hire is Jan. 1, 2004 or after, your GLI coverage is based on one times your annual salary (including your Growth Driven Profit-sharing or your current Annual Executive Incentive, if eligible), capped at $1 million. Otherwise, your coverage is based on two times your annual salary (including your Growth Driven Profit-sharing or your current Annual Executive Incentive, if eligible), capped at $2 million. The IRS considers the value of employer-provided life insurance over $50,000 as imputed income. A W-2 for any imputed income will be provided at year-end, for any year in which the GLI benefit coverage was in effect.

To avoid the associated taxes on this imputed income for which you are responsible, employees have 30 days after their separation/retirement/Retirement Bridge begin date to initiate a waiver to reduce their coverage and avoid imputed income.

If employees had a waiver in place as an active employee, they also have 30 days to cancel an existing waiver and have coverage reinstated. Contact the ESC at 800-796-9876 to obtain the appropriate form.

When the transitional coverage ends an employee may convert a portion or the entire amount of their transitional GLI to an individual policy. This conversion period will be 31 days from the GLI transition coverage end date. Contact the ESC at 800-796-9876 to request a GLI Conversion Notice.

RETIREMENT BRIDGE ASSOCIATED WITH THE RESOURCE ACTION

Employees permanently laid off under the resource action and who are regular IBM employees and are participants in the IBM Personal Pension Plan, who are within one year of retirement eligibility as of their departure date, are eligible for a Retirement Bridge. The period of this Retirement Bridge is only until the employee reaches his or her earliest retirement date. (For complete details, see Attachment A, which is hereby incorporated by reference.)

PROCESS

Identified employees will receive a Summary Plan Description, the Resource Action Separation Agreement, and the age and title information described by the Older Workers' Benefit Protection Act (OWBPA), the Resource Action Retirement Bridge, and any other applicable amendments.

The Project Office will make the final determination of which employees comply with the requirements necessary to receive the payments and benefits of the resource action. Managers may assist employees through the process, but have no authority to make any representations or commitments regarding any aspect of this plan. The Project Office will also provide the employee a letter outlining the reason(s) for any denial of payments or benefits. Management, with the assistance of the Project Office, is responsible for ensuring that the resource action program is administered in a non-discriminatory manner. The Project Office is responsible for resolving any situation regarding the resource action brought to it by managers or employees, including those wishing to appeal their designation as identified employees. The Project Office shall determine whether or not an individual employee has qualified for the payment and benefits of the resource action.

Receipt of the resource action payment and benefits is contingent upon retiring, beginning a Retirement Bridge from IBM, or otherwise leaving IBM under the resource action, on a specific departure date which has been designated by the Project Office, and signing all applicable agreements and releases included in the Resource Action Employee Information Package. Departure dates will be based on business needs and will generally begin as indicated in the memo you received from your manager. Departure date changes may be recommended by managers and assigned by the Project Office based on business needs, or for employees receiving IBM Short-Term Disability Income Plan benefits, which may continue after their scheduled departure date. Any change of the scheduled departure date shall be made at the sole discretion of management and which determination shall be final. In any event, no departure date will be later than the date indicated in the memo you received from your manager except for employees receiving IBM Short-Term Disability Income Plan benefits and employees on a military leave of absence.

For employees receiving IBM Short-Term Disability Income Plan (STD) benefits, which may continue after their scheduled departure date, the revised departure date may be the earliest of: the date the identified employee is certified as able to work full- or part-time with or without appropriate work restrictions by IBM Integrated Health Services, whose decision is final; the date when STD benefits expire or the date upon which STD benefits are terminated because the employee or the employee's personal physician fails to cooperate with IBM Integrated Health Services, as determined solely by IBM.

Employees may not depart prior to the departure date approved by the Project Office and receive the payment and benefits of the resource action unless management has recommended and the Project Office has assigned a new departure date. In any event, employees will be given the opportunity to review the Resource Action Employee Information Package containing the OWBPA Report for a period of up to 45 days. This is true even if the scheduled departure date is earlier.

An identified employee who chooses not to participate in the resource action, for example, by not signing the applicable agreements, may be terminated without the payment and benefits of the resource action. No other separation payment or allowance applies.

In the event of rehire by IBM or any of its subsidiaries as a regular employee, IBM reserves the right to require repayment of a prorated portion of the resource action payment. The amount of repayment will be calculated as one week of pay at the rate used to calculate the payment, multiplied by the difference between the number of weeks used to calculate the payment and the number of weeks away from IBM, less an appropriate portion of the payroll taxes associated with the payment withheld by IBM.

In order to receive the payment and benefits, employees must sign the Resource Action Separation Agreement and other forms relating to their separation. At the sole discretion of management, the Separation Agreement may include a Covenant Not to Compete (or California Confidentiality clause) for employees where there is a potential for the employee to make significant contribution to an IBM competitor or potential risk of harm to IBM's business interests, such as the improper use or disclosure of IBM Confidential information.

FUTURE ACTIONS

In the past, special exit payment programs have been used to resolve resource imbalances. These actions were taken after careful evaluation of the needs of the business, and it is not possible to predict what actions may be necessary or appropriate in the future. As a matter of prudent business planning, IBM is continually reviewing and evaluating various proposals for changes in compensation and benefits, and retirement programs, as well as proposals for special exit payment programs, as well as other resource actions, practices, policies, and procedures. Some of these proposals, if finally approved and implemented, might be more advantageous or less advantageous than this resource action. Because of the need for confidentiality, such decisions are not discussed or evaluated below the highest levels of management.

No managers or managerial representatives below such levels know whether IBM will or will not adopt any future compensation, exit incentives, and/or retirement programs and are not in a position to advise any employee whether or not to participate in the resource action or to speculate about future programs.

Unless and until such changes are formally announced by the company, no one is authorized by IBM to give assurance that such changes will or will not occur. Employees are cautioned that they may not rely on any discussion with, opinion of, prediction by, or comment by managers or managerial representatives on these matters.

IBM may adopt new or modified programs or benefits or take other actions in the future that may be more or less advantageous than this resource action. Employees should not expect or assume that any such new or modified programs or benefits will be extended on a retroactive basis to anyone who leaves IBM with this resource action

EMPLOYEE RETIREMENT INCOME SECURITY ACT (ERISA)

See "Employee Retirement Income Security Act - Claim Review Procedure" (attached) for the description of the rights employees have under Employee Retirement Income Security Act of 1974.

In response to questions employees may have about the resource action, managers may be able to direct employees to the answer in this Summary Plan Description; otherwise, questions on the resource action should be directed to the Project Office.

PLAN ADMINISTRATOR

The Manager, IBM North America Workforce Lifecycle Programs is the Plan Administrator. The Plan Administrator has the authority and discretion to construe the terms of the resource action in a manner which is consistent with the intent of the resource action. The mailing address for the Plan Administrator is:

Manager, IBM North America Workforce Lifecycle Programs
IBM Corporation
Plan Administrator
Dept. XCKA, Bldg. 002
3039 Cornwallis Road, P.O. Box 12195
Research Triangle Park, NC 27709-2195

Except for written interpretations of the Plan signed by the Plan Administrator or delegate(s) and any Plan attachment or amendment implemented by IBM, this SPD is the only document which contains and is intended to contain statements about the resource action binding on IBM or the Plan Administrator. No other written or oral communication from anyone about any aspect of the Plan or its relationship to any other IBM benefit, plan or program is binding on IBM or the Plan Administrator.

AMENDMENTS OR TERMINATION OF THE PLAN

IBM reserves the right to amend or terminate the Plan at any time, for any purpose at IBM's sole discretion. The Plan may be amended by the company's chief human resources officer, or delegate, or the senior operating unit executive or senior human resources executive for the affected operating unit(s) by means of a written instrument, such as the text of a plan or a Summary Plan Description, electronic medium notice, a hard copy bulletin board notice, or an announcement letter or written materials that are approved by IBM management and maintained with the records of the affected plan. Likewise, all benefits, plans, and programs described or referred to in this document may be amended, modified, or terminated at any time and for any purpose. These changes may apply to the resource action participants.

IBM may offer, in its discretion, special separation or incentive plans to specified employees due to workload imbalance or other business conditions. The terms of these special plans, which may vary from the terms of the resource action, will be communicated to eligible employees. Management retains discretion to grant special separation allowances that do not conform to the resource action in individual cases. Such payments are not part of the resource action and will not alter the terms of the resource action. However, an employee who receives such a payment will not be eligible to participate in the resource action. This provision should not be interpreted to mean that IBM would consider modifying the benefits of the resource action for anyone identified under it.

Employee Retirement Income Security Act (ERISA)

Claim Review Procedure

If an application for plan benefits is denied in whole or in part, written notice of the denial will be made to the claimant within a reasonable period of time after receipt of the claim. The notice of denial will include specific reasons for the denial with reference to the section of the plan on which denial is based, a description of any additional information necessary to resubmit the claim and an explanation of the claim review procedure. Within 60 days after receiving the denial, a claimant may request a review of the claim by writing to the Plan Administrator. A prompt review will be made after a request is received. A written decision on the review will normally be furnished within 60 days after the appeal is received. (Where special circumstances require an exception, the Plan Administrator will provide written notice within the 60 days that the decision will be furnished as soon as possible, but not more than 120 days after the appeal was received.) This second notice will include the reasons for the decision with specific reference to pertinent plan provisions upon which the decision is based.

In connection with any request for a claim review of a denial of a benefit claim in which the beneficiary’s medical condition is an issue or coverage was not pre-certified, IBM may require the patient to be examined by a physician(s) selected by IBM.

Employee Questions and Answers

The following questions and answers are intended to provide you with additional information relating to the resource action and other IBM plans which may be applicable to employees identified in the resource action. These questions and answers are not part of the resource action or its Summary Plan Description. If you need an interpretation on which you intend to rely about anything concerning the resource action or how it relates to any other IBM plan, you should send a written request to the appropriate Plan Administrator in which you specifically ask for a formal interpretation. You may also contact the Project Office or the ESC at 800-796-9876 for additional information.

GENERAL

Q1. When can a revised departure date be assigned?

A1. Departure dates are assigned based on business need. Where IBM's business needs require a delayed departure date, departure date changes may be recommended by management, and with appropriate approvals, assigned by the Project Office.

Q2. How can I estimate my vacation payment?

A2. In general, determine the vacation days you have accrued for the current year (based on the number of FULL months worked or DAYS worked for CA employees) and subtract the number of vacation days already taken. This is the number of vacation days due. No payment is made for holidays or Personal Choice Holidays (except in California). (For more detailed information relative to employees in California, employees on a reduced work schedule, situations involving excess vacation or deferred vacation, or additional detail refer to the You & IBM-U.S. - Vacation Plan section of w3.)

Q3. How can I estimate my separation payment?

A3. To determine the number of weeks pay you are due to receive, count one week for each six months of service fully completed, up to a maximum of 26 weeks, with a minimum of 2 weeks. Use the following example to estimate your payment:

Sample employee monthly base salary:	$1,000
Multiplied by number of months per year:	x 12
Divided by weeks per year:	/ 52
Multiplied by number of weeks of separation pay due	x 20
Separation pay due to employee	**$ 4615.38**

Q4. Can I defer receipt of my separation payment until the following year for tax purposes?

A4. No.

Q5. What taxes will be withheld?

A5. Withholding will include: 1) federal income tax at the rate of 25 percent, according to the current IRS regulations, 2) FICA, if the employee has not reached the annual limit, and 3) applicable state and local taxes. Consult your tax advisor with any questions relating to taxes. Note: Other deductions, including stocks and bonds, that normally occur with salary payments will not be withheld from separation pay. Also, no electronic funds transfers will occur with final payments to employees.

Q6. Is the separation payment eligible pay for IBM 401(k) Plus Plan contributions?
A6. No. Separation pay is not eligible pay under the IBM 401(k) Plus Plan. For a more complete definition of eligible pay, please see the IBM 401(k) Plus Plan Summary Plan Description (SPD) section entitled "Eligibility, Deferrals, and Employer Match." You can obtain a copy of the SPD via www.netbenefits.com or through an ESC representative.

Q7. What if my address changes during the year?
A7. If your address changes, you should contact the ESC at 800-796-9876 to speak to a representative. They will update your employee record. Your W-2 Tax Statement for the prior year will be mailed to your home address on file in January of the following year. If you do not receive your W-2 Tax Statement by Feb. 15, you may contact the ESC to request a reissue from payroll.

Q8. Is a PBC closeout assessment required for all employees departing under the resource action?
A8. PBC close out for the current year will not be conducted if the employee leaves between Jan. 1 and Dec. 30. However, any employee who will be on board on Dec. 31 must have PBC Goals and a PBC rating for that year. The PBC rating must be completed no later than the departure date.

Q9. Will I be eligible for the Growth Driven Profit-sharing payment?
A9. If employment ends before Dec. 31 of the current year, employees will not be eligible for the Growth Driven Profit-sharing payment.

Q10. What happens to my IBM Special Equity Grant?
A10. Essentially, the special grant will work the same as other equity grants work today. Typically, equity grants are cancelled if the grant-holder leaves IBM, either voluntarily or involuntarily, before the vesting date in December 2015.

Q11. What kind of job reference/employment verification will IBM provide?
A11. IBM does not provide employment references. However, employees can choose to make available to a third party either a verification of employment or verification of income. To understand what these verifications entail, visit
http://w3-01.ibm.com/hr/us/staffing/empcat/employ_verif_us.html

Q12. Will laid-off employees have recall rights?
A12. No. This layoff is permanent. Employees could, of course, re-apply for positions within IBM as they become available in the future and would be considered for these openings on a competitive basis.

Q13. When must I sign the Resource Action Separation Agreement? Where do I send it after signing it?
A13. Employees will be given the opportunity to review the Resource Action Employee Information Package containing the OWBPA Report for a period of up to 45 days before signing the Separation Agreement. This is true even if the scheduled departure date is earlier. Employees may not sign the Agreement before their last date of employment with IBM. The signed Separation Agreement should be sent or given to your manager.

Q14. How can an employee have up to 45 days to consider the Separation Agreement if their departure date occurs earlier than 45 days after notification of identification under the resource action?
A14. An employee is not required to decide whether or not to sign the Separation Agreement on the last day of employment. We encourage employees to take a period of up to 45 days to consider the Separation Agreement and to review all documentation associated with the resource action provided to you by IBM, and IBM expects that you will take the full 45 days to consider them. In the event you execute the Separation Agreement before that time, you certify, by such execution, that you knowingly and voluntarily waived the right to the full 45 days, for reasons personal to you, with no pressure by any IBM representative to do so.

Q15. Can employees who leave under the resource action represent suppliers to IBM?
A15. IBM generally will not accept former IBM employees as suppliers' representatives for a period of one year after their employment with IBM has ended.

Q16: How does this resource action affect my eligibility for the Transition2 Program?
A16: Transition 2 provides access to on-line tools to assess the readiness for a transition to the education, non profit and public sector areas, potential opportunities and skills required, networking and mentoring, and the ability to apply for available job opportunities. You will continue to have access to these valuable resources following your separation as a result of a resource action via the Transition2 website: http://www.transition2.org/user/login.

Q17. I was identified in the resource action and told I must leave IBM on a certain date. Will I be eligible for unemployment compensation?
A17. Eligibility for unemployment compensation is determined by individual states.

Q18. Are there any other state or federal programs for which I will be eligible?
A18. The U.S. Department of Labor (DOL) offers various worker readjustment programs. Since eligibility and application procedures vary, you may wish to contact your local DOL agency for assistance.

Q19. How does this resource action affect my participation in the Personal Learning Account Plan?
A19. You may receive reimbursements for eligible educational expenses incurred prior to your two-year anniversary of your separation from IBM. Payroll deduction contributions you've made to the Personal Learning Accounts Plan (and the value of the corresponding IBM match) will continue to earn interest during the two-year time period. Alternately, you may withdraw your contributions at any time, but if you choose to do so, the amount you have contributed (plus earnings) will be disbursed to you, you will forfeit the value of the IBM match (plus earnings) and you will no longer be eligible to participate with the plan. Please refer to the Personal Learning Account Plan Prospectus located on the Personal Learning Accounts Web site at http://www.personallearningaccounts.com for details.

Q20. What do I do if I have an H1B or O-1 Visa?
A20. Contact the Immigrations Department at Immigrations/Raleigh/IBM

RETIREMENT, RETIREMENT BRIDGE AND VESTED RIGHTS

Q21. Where should I direct questions regarding eligibility for retirement, pension or vested rights benefits?
A21. Questions should be referred to the IBM Employee Services Center at 800-796-9876.

Q22. I am retirement-eligible and my departure date does not fall on the last day of the month. How will this period of time be handled?
A22. If you are retirement-eligible as of your departure date, you will be bridged to your retirement at the end of the month of your departure for benefit purposes. Retirement recognition may occur prior to your departure date. If you wish to voluntarily leave earlier than your scheduled departure date, please speak to your manager. While it may be possible to leave earlier than your scheduled departure date, any such change must be reviewed and agreed to by both your manager and the Project Office.

Q23. If I reach 25 years of service while on a Retirement Bridge, when will I be inducted into the IBM Quarter Century Club?
A23. Inductions into the Quarter Century Club will occur at the end of the Retirement Bridge. The ESC will make arrangements for the QCC gift brochure to be sent to the employee. Public recognition, such as dinner, luncheons, and/or coffees, has been discontinued for employees on Retirement Bridge.

Q24. Given that retirement forms typically have to be turned in within 45 days of retirement, if I cannot meet the 45 day deadline, will my payment be forfeited?
A24. No. Generally payments will be delayed but not forfeited provided your completed forms are received at the Employee Services Center within the timeframe designated by a Pension Services Representative.

RESOURCE ACTION SEPARATION AGREEMENT

You are being offered payments and benefits as part of the resource action that you otherwise would not have been entitled to receive. You will receive and be entitled to keep these payments and benefits only if you accept and do not revoke this Agreement. This Agreement requires you to release IBM and related parties from any claims you may have as described below.

You should thoroughly review and understand the effect of this Agreement before you sign it.

The Resource Action Summary Plan Description is the only document that describes your eligibility for the payments and benefits you are being offered under this Agreement. Any other written or oral representations, promises, or other agreements of any kind made to you in connection with your decision to accept this Agreement will not be recognized.

1. DEFINITIONS OF CERTAIN WORDS USED IN THIS AGREEMENT

For purposes of this Agreement, certain words have specific definitions.

- "Agreement" means this Separation Agreement.

- "IBM" means International Business Machines Corporation and all of its subsidiary and affiliated companies and all of their respective former or current directors, officers, employees, agents, and benefits plans (and fiduciaries, insurers or other agents of those plans), and all successors and assigns of these entities or individuals.

- "You" or "you" means you and anyone acting as your representative, successor or heir.

- "Release" means your waiver of claims as specified below.

2. WHAT YOU RELEASE BY SIGNING THIS AGREEMENT

By signing this agreement you release IBM from all claims that you may have against it at the time of signing, except for those specifically identified in Section 3. The claims you are releasing include, without limitation:

- all claims against IBM whether or not related to your employment with IBM or the termination of your employment

- all claims arising under any federal, state, local or foreign law dealing with or regulating employment, including, but not limited to: (1) laws prohibiting discrimination based on race, national origin, ancestry, color, creed, religion, sex, sexual orientation, pregnancy, marital status, age (including all claims under the Age Discrimination in Employment Act of 1967), disability, medical condition, or veteran status; (2) family and medical leave; (3) claims arising under the Employee Retirement Income Security Act of 1974 ("ERISA"); and (4) all waivable claims related to wages and hours, including under state or local labor or wage payment laws

- claims based on contract, tort, or any other legal theory

- any right you may otherwise have to file a lawsuit against IBM

- all claims whether or not you know about them at the time you sign this Agreement

- any right to use the IBM Open Door or Panel Review Programs

- if you have worked or are working in California, you expressly agree to waive the protection of section 1542 of the California Civil Code because you are releasing all claims, whether they are known or unknown; Section 1542 of the California Civil Code states:

  "A general release does not extend to claims which a creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor."

  In the event that you do not understand the waiver of your rights under section 1542 or its legal effect on you, you should talk to a lawyer.

3. WHAT YOU DO NOT RELEASE BY SIGNING THIS AGREEMENT
By signing this Agreement, you do not release:

- any claims you may have that arise after the date you sign this Agreement

- any claims that by law cannot be waived by private agreement without judicial or governmental supervision

- any claims for wages that IBM concedes are due and owing to you

- your right to file a charge with or participate in any investigation or proceeding conducted by the U.S. Equal Employment Opportunity Commission (EEOC) or similar government agency; even though you can file a charge or participate in an investigation or proceeding conducted by the EEOC or similar government agency, by signing this Agreement you are waiving your ability to obtain relief of any kind from IBM to the extent permitted by law

- your non-forfeitable rights to accrued benefits (within the meaning of sections 203 and 204 of the Employee Retirement Income Security Act of 1974) under the IBM Personal Pension Plan, the IBM Retirement Plan and the IBM 401(k) Plus Plan

- your right to enforce this Agreement and to receive the benefits and payments pursuant to the resource action.

4. YOU CAN TAKE UP TO 45 DAYS BEFORE SIGNING THIS AGREEMENT
You have the right to take up to forty-five (45) days from the date you received this Agreement (even if your employment will end sooner) or until your last date of employment, whichever is longer, to consider this Agreement and the accompanying separation program information. If you sign this Agreement before the expiration of the 45-day period, you acknowledge that you knowingly and voluntarily waived the right to wait the full 45 days.

5. YOU CAN REVOKE THIS AGREEMENT
This Agreement is not effective for SEVEN DAYS after you sign it. (For employees working in Minnesota, this period is 15 days.) You can revoke this Agreement during that time. To revoke this Agreement, your manager or the Project Office must receive a written notice of revocation from you within that time period. You understand that even if you revoke this Agreement, which will not change the fact that your employment has been terminated by IBM. You also understand that if you do revoke, you will not be entitled to any payments or benefits under this Agreement or the resource action.

6. AGREEMENT NOT TO SOLICIT
By signing this Agreement you agree that for one year following the termination of your employment, you will not directly or indirectly: a) hire, solicit or make an offer to any employee of IBM to be employed or perform services outside of IBM; or b) solicit for competitive business purposes any customer of IBM with which you have been involved as part of your job responsibilities during the last year of your employment with IBM.

7. MISCELLANEOUS
If any part of this Agreement is held to be invalid or unenforceable, the remaining provisions of this Agreement will not be affected in any way, except that if your release of claims or promise not to sue is held to be unenforceable, then at its option IBM may recover the payments and value of benefits that you received under this Agreement.

This Agreement will be governed by the substantive laws of New York.

By signing this Agreement, you acknowledge that you fully understand any and all rights you have with respect to the claims you are releasing, and that you are voluntarily signing this Agreement without any threats, coercion or duress, whether economic or otherwise, and that you intend to be bound by the terms of this Agreement.

YOU ARE ADVISED TO CONSULT WITH A LAWYER
BEFORE YOU SIGN THIS AGREEMENT

Name (print): ________________________________

Serial #: ________________________________

Signature: ________________________________

Date: ________________________________

SUMMARY PLAN DESCRIPTION
ATTACHMENT A TO Resource Action Employee Information Package

RESOURCE ACTION RETIREMENT BRIDGE

Employees permanently laid off under the resource action and who are regular IBM employees and are participants in the IBM Personal Pension Plan, who are within one year of retirement eligibility as of their departure date, are eligible for the Retirement Bridge. The period of this Retirement Bridge is only until an eligible employee reaches their earliest retirement date. (See the Summary Plan Description for the IBM Personal Pension Plan (Plan) to determine who is eligible to retire.)

During the Retirement Bridge, eligible employees will receive:

- For employees covered under the prior IBM Retirement Plan formulas, service credit for the Retirement Bridge period up to a maximum of one year from the date of the commencement of the Retirement Bridge for purposes of retirement eligibility under the Plan and for purposes of determining if any early retirement reduction factors apply. Actual age at retirement will be used to calculate your benefit.
- For employees covered by the Personal Pension Account, service credit for the Retirement Bridge period up to a maximum of one year from the date of the commencement of the Retirement Bridge for purposes of eligibility for the Enhanced Annuity under the IBM Personal Pension Plan.
- The period of the Retirement Bridge will count as service credit toward eligibility for retiree medical benefits.
- The current year's vacation will be reconciled and payments will be made as appropriate in accordance with the IBM Vacation Plan. No additional vacation payments will be made for the year in which retirement occurs or for any years during the period of the Retirement Bridge.
- While on the Retirement Bridge, no regular IBM salary or IBM retirement income will be paid. As to eligibility for the Growth Driven Profit-sharing (GDP) program, see the applicable GDP program. No assumption should be made about the content of yet unissued plans. No other IBM compensation will be paid.
- The employee will not be eligible for coverage under current or additional IBM benefits plans or programs for IBM employees during the Retirement Bridge, except for coverage under the Transitional Medical Program (TMP), Transitional Group Life Insurance and participation in the following current employee programs: Matching Grants, Fund for Community Service, T. J. Watson Scholarship Fund, Employee Purchase Program, Home Mortgage Availability Option, Group Universal Life (if currently enrolled) and Long Term Care Insurance Program (if currently enrolled) and IBM Club. Details of TMP coverage and Transitional Group Life Insurance are set forth in the applicable sections of this Summary Plan Description. During the Retirement Bridge, employees will be eligible for and subject to changes of broad applicability in the IBM Personal Pension Plan which might occur, such as base period updates or other modifications to the payment formula, whether or not such changes improve their retirement benefit. Retirement Bridge participants will not be eligible for narrowly targeted changes, such as other special retirement or exit incentives, if any, even if they would have been eligible had they remained an active IBM employee.
- If death occurs while on Retirement Bridge, benefits will be payable in accordance with applicable Plan provisions on in-service deaths.

An employee who becomes disabled while on the Retirement Bridge will not receive IBM Short-Term Disability Income nor be eligible for the Long Term Disability Plan. The Retirement Bridge will continue until the employee retires and becomes eligible to receive IBM retirement income and retiree benefits coverage.

During the period that is not more than 180 days before the date the employee will attain retirement eligibility, through the date the employee will attain retirement eligibility (or not later than 30 days following attainment of retirement eligibility for those whose Retirement Bridge ends in less than 30 days), the employee should contact IBM Pension Services at 800-796-9876 to begin processing of pension benefits. The earlier the employee contacts IBM Pension Services during this time period, the more likely pension benefits will be paid on time. Failure to contact IBM Pension Services within this time period may result in the method of payment being affected or a pre-retirement survivor benefit being paid to the employee’s spouse in the event of death, rather than to a beneficiary the employee has elected.

Retirement Bridge eligible employees who are currently on leave may be approved to participate in the Retirement Bridge under this program.

At the end of the Retirement Bridge, employees will retire under the terms of the IBM Personal Pension Plan in effect at the time they retire.

Retiring Retirement Bridge participants will receive retiree benefits such as medical, under the plans in effect at the time of retirement and will be subject to subsequent changes, in accordance with the terms of the applicable plan (e.g., the retiree medical plan). Retirement Bridge participants will become IBM retirees at the conclusion of the Retirement Bridge and upon completion of the required processing for retirement. Induction into the Quarter Century Club, if applicable, will occur at the end of the Retirement Bridge. The ESC will make arrangements for the QCC gift brochure to be sent to the employee. Public recognition such as dinner, luncheons, and/or coffees have been discontinued for employees on Retirement Bridge.

As a condition to eligibility for the Retirement Bridge, employees must sign the Resource Action Retirement Bridge “A” Agreement stating they will retire and not return to regular IBM employment during their Retirement Bridge. Employees must also sign the Resource Action Separation Agreement in order to receive the payment and begin their Retirement Bridge. Once the Retirement Bridge begins, a committed retirement date may not be changed.

Employees may participate in income-producing activities while on the Retirement Bridge. However, while on the Retirement Bridge, they are subject to IBM’s Business Conduct Guidelines in effect on the last day of their active IBM employment. To ensure compliance with IBM’s Business Conduct Guidelines, individuals must notify the office of the Human Resources Manager for their prior work location, in writing, of any prospective employment during the Retirement Bridge period. Cancellation of the Retirement Bridge may occur if it is discovered during the Retirement Bridge that either while on Retirement Bridge or prior to the start of the Retirement Bridge the employee engaged in gross misconduct, fraudulent conduct, or other misconduct that seriously adversely affects IBM. If the individual is already retirement eligible at the time the Retirement Bridge is terminated, the individual will be retired.

RETIREMENT BRIDGE AGREEMENT

For Submission to IBM:

I understand that providing I meet all eligibility requirements associated with the Resource Action Retirement Bridge “A” Summary Plan Description, I will be on a Retirement Bridge without pay in conjunction with the resource action beginning __________(mm/dd/yy) and ending __________(mm/dd/yy). Based on my committed plan to retire immediately following my Retirement Bridge, my effective date of retirement will be __________(mm/dd/yy). Once my Retirement Bridge begins, the committed retirement date may not be changed.

When I contact IBM for retirement processing, I will be granted IBM service credit to determine retirement eligibility and for calculation of my benefit under the IBM Retirement Plan formulas for the period of the Retirement Bridge. If I am a participant in the IBM Personal Pension Account, I will be granted IBM service credit to determine eligibility for the Enhanced Annuity. While on Retirement Bridge, I am expected to contact IBM Pension Services within the period that is not more than 180 days prior to the date I will attain retirement eligibility, through the date I will attain retirement eligibility. Failure to contact IBM Pension Services during this period may have an adverse affect on my survivors' benefits. Details concerning the treatment of service are in the Resource Action Summary Plan Description Retirement Bridge Attachment A.

It will be my responsibility to ascertain the status of payments for any payroll deductions I may have authorized as it will be necessary for me to personally make direct payments for such items.

I may participate in income-producing activities while on a Retirement Bridge. However, while I am on the Retirement Bridge I am subject to IBM’s Business Conduct Guidelines in effect on the last day of my active IBM employment. To ensure compliance with the Business Conduct Guidelines, I must provide written notification to the office of the Human Resources Manager for my prior work location of any other prospective employment during this period. I understand that cancellation of the Retirement Bridge may occur if it is discovered during the Retirement Bridge that either while on Retirement Bridge or prior to the start of the Retirement Bridge, I engaged in gross misconduct, fraudulent conduct, or other misconduct that seriously adversely affects IBM. If I am already retirement eligible at the time the Retirement Bridge is terminated, I will be retired.

I am reminded about the AGREEMENT REGARDING CONFIDENTIAL INFORMATION AND INTELLECTUAL PROPERTY which I signed upon commencing my employment with IBM. The obligation to assign intellectual property, including, but not limited to patents and copyrights, to IBM in the Agreement ends with respect to intellectual property created after my Retirement Bridge begins. However, other obligations in this Agreement, such as not disclosing IBM Confidential Information and those obligations related to intellectual property created prior to the commencement of my Retirement Bridge, remain in effect.

By signing below I acknowledge that I understand the terms of this Retirement Bridge which include my agreement to retire when my Retirement Bridge is concluded with no right to return to regular employment at IBM.

____
NAME

____
SERIAL

____
SIGNATURE

____
DATE

Ver. 02/2011

Retraining Assistance Program (RAP) Reimbursement Request Form

This form is used to submit reimbursement requests for the Retraining Assistance Program (RAP). Sections 1-3 are to be completed by the employee.
This form must be received by the Acclaris Reimbursement Center no later than 15 months following the date separation occurred.

Reimbursement services provided by Acclaris

Send completed forms to:	Claim Inquiries:
Acclaris Reimbursement Center PO Box 25171 Lehigh Valley, PA 18002-5171 Fax: 813-830-7900	Please contact us at: 888-880-2775 TTY: 877-314-2240 Web site: www.acclarisonline.com

Instructions for Claim Submission:

- ❑ **Complete all the requested information on this claim form.**
- ❑ **Make sure your signature is at the bottom of the form.**

NOTE:
- Requests will not be reimbursed for courses/services that have not been completed.
- Requests cannot be reimbursed until all required information is received.
- Requests must be submitted within 15 months of your separation date or the claim will not be reimbursed.
- Language courses require documentation from the provider that the course is job related.

The following supporting documentation must be included with your claim form when filing for reimbursement:

- ❑ **Copy of paid receipt**
- ❑ **Full itemization of fees**
- ❑ **Original or copy of the verification of completion**

(Please print clearly using blue or black ink)

1. To be completed by Employee

Name and home address to be completed with each submission (Please Print)

Employee Name (Last, First, Middle Initial)	Employee Serial Number	Employee Social Security Number	Separation Date	
Street Address		City	State	Zip Code

2. Reimbursement Request Information (One Course Per Claim Form)

Name & Address of Institution / Instructor	Name of Course / Service Provided	Start Date of Course	End Date of Course
If applicable, please check the following regarding course taken: Home Study: On-Line Course:		Total Charges	

I certify that the information above and submitted with this claim form is accurate.
I certify that the statements in this application are correct and that I have incurred the expenses reflected in the attached bills or receipts.
To all providers of services associated with this reimbursement: You or your representatives are authorized to obtain or view a copy of my records pertaining to expense information necessary to determine eligibility for reimbursement of the claim submitted. A copy of this authorization shall be as original.
Reimbursement for Overpayment: I hereby agree to notify the ACCLARIS Reimbursement Center if I become aware of any overpayment of this claim; and to reimburse ACCLARIS promptly for any amount by which a claim payment is finally determined to have exceeded the applicable benefit.

3. Only an employee is authorized to sign this claim form.

Employee's/Retiree's Signature	Date	Phone Number

GLOBAL BUSINESS SERVICES RESOURCE ACTION (GBRA)

NOTICE TO EMPLOYEES

AGE AND TITLE INFORMATION (OWBPA REPORT)

The following is information regarding job titles and ages of employees notified that they are participating in IBM's current resource reduction action as required by federal law. This information is as of May 24, 2011.

Employees were designated as selected for the GBRA on the basis of one or more of the following criteria (based on the particular situations involved):

- Work Elimination: Employees performing work that has been eliminated

- Staff Reduction and Restructuring: Total Assessment of an employee's relevant skills and performance within a job group, with seniority used as a tie-breaker.
  - Staff Reduction/Job Elimination: Certain job responsibilities currently performed by employees will be absorbed into other roles.

Employees can view their job title (position title as reflected in CERIS), on the w3 Career and Life tab and selecting "About You - your compensation" under Your Money on the left side of the screen. Employee's job titles are shown next to "Position." Employees also can view their band on this same screen.

Global Busines Services Operations for AMS, Consulting and Federal - Employees Selected

Title	Age (Number of Employees)
ADMINISTRATOR ANALYST	40(1).
ADV TECHNICAL SUPPORT SPCL	47(1).
ADVISORY PROFESSIONAL	35(1) and 51(1).
IBM MANAGER - band 09	56(1) and 62(1).
MANAGING CONSULTANT	49(1).
PRACTICE ADMINISTRATOR	34(1), 42(1), 43(1), 50(3), 51(2), 52(1), 53(2), 55(1), 58(1), 60(1), 61(1), and 70(1).
PROFESSIONAL ACCOUNTANT	40(1).
PROFESSIONAL - EXEMPT	32(1), 35(1), 37(1), 41(1), 43(1), 47(1), 53(2), 54(1), 55(1), and 57(1).
PROGRAM MANAGER - band 08	37(1) and 56(1).
RESOURCE DEPLOYMENT MGR(RDM)	45(1).
SENIOR CONSULTANT	26(1).
SR BUS OPERATIONS MANAGER(MGR)	56(1).
STAFF PROFESSIONAL	42(1), 44(1), 49(1), 50(1), 61(1), and 62(1).
STAFF RESOURCE DEPLOYMENT MGR	42(1) and 52(1).
TECHNICAL SERVICES PROF-ADV	55(1).

Global Busines Services Operations for AMS, Consulting and Federal - Employees Not Selected

Title	Age (Number of Employees)
ACCOUNT OPERATIONS MANAGER	38(1) and 41(1).
ADMINISTRATOR ANALYST	44(1), 49(1), and 52(1).
ADMINISTRATOR SPECIALIST	20(1) and 27(2).
ADV PROJ MGR(MGMT INFO ACCESS)	37(1) and 56(1).
ADV SALES OPERATIONS SPCL	51(1) and 56(1).
ADVISOR/LEAD FINANCIAL ANALYST	40(1).

Global Busines Services Operations for AMS, Consulting and Federal - Employees Not Selected

Title	Age (Number of Employees)
ADVISORY MARKET INSIGHTS PROF	51(1).
ADVISORY PROFESSIONAL	33(1), 34(1), 36(1), 37(1), 38(2), 40(1), 42(1), 45(1), 46(1), 47(1), 54(2), 55(1), 57(1), 58(1), and 61(2).
ADVISORY PROJECT MANAGER	35(1).
ADVISORY PROJECT MANAGER (MGR)	39(1) and 45(1).
ASSISTANT	30(1).
ASSOC PARTNER(MGR SALES FOCUS)	63(1).
BUS OPERATIONS MANAGER (MGR)	38(1), 41(1), 42(1), 44(1), and 60(2).
BUSINESS OPERATIONS MANAGER	44(1) and 57(1).
CAREER FINANCIAL ANALYST	34(1) and 44(1).
CONSULTANT	23(1), 24(3), 26(1), and 34(1).
CONTR AND NEG EXEC/TLDR	61(1).
DIR, B&EP GBS CEE	32(1).
EXECUTIVE PROJECT MANAGER	37(1).
FIRST LINE MANAGER CHAIR	36(1).
GBS DEPLOYMENT DIRECTOR	45(1).
IBM MANAGER - band 08	37(3), 46(1), 50(1), 51(1), 55(1), and 56(1).
IBM MANAGER - band 09	38(1), 39(1), 44(2), 46(1), 48(1), 49(2), 50(3), 51(3), 53(3), 57(3), and 60(1).
IBM MANAGER - band 10	48(1), 49(1), 56(1), 58(1), and 65(1).
IT SPECIALIST	30(1).
MANAGING CONSULTANT	28(2), 33(4), 35(1), 58(1), and 63(1).
MANAGING CONSULTANT (STRGY)	44(1).
MARKETING MANAGER	31(1).
PRACTICE ADMINISTRATOR	34(1), 39(1), 46(1), 47(1), 50(2), 51(1), 57(1), 59(1), and 62(1).
PROF - EXEMPT (RESTRICTED)	61(2).
PROFESSIONAL - EXEMPT	28(2), 32(1), 35(1), 37(1), 38(1), 41(1), 43(1), 45(1), 48(2), 49(1), 50(1), 51(2), 60(1), and 62(1).
PROGRAM MANAGER - band 08	32(1) and 53(1).
PROGRAM MANAGER - band 09	44(1), 45(1), and 51(1).
PUBLIC AIS DELIVERY EXEC	53(1).
RESOURCE DEPLOYMENT MGR(RDM)	38(1), 41(1), 44(1), 51(1), 52(2), and 58(1).
SENIOR ADVISOR	48(1) and 51(1).
SENIOR CONSULTANT	26(1), 27(1), 28(1), 30(2), and 32(1).
SENIOR CONSULTANT (STRATEGY)	27(1), 31(1), and 41(1).
SENIOR MANAGING CONSULTANT	36(1) and 39(1).
SENIOR PROFESSIONAL	40(2), 50(1), 55(1), 56(1), 58(1), 61(1), and 65(1).
SENIOR PROJECT MANAGER	59(1).
SENIOR PROJECT MANAGER (MGR)	52(1), 53(1), and 57(1).
SR BUS OPERATIONS MANAGER(MGR)	46(1), 47(1), 49(1), 50(2), and 51(2).
SR MANAGING CONSULTANT (MGR)	36(1), 37(1), and 39(1).
SR PROF-MGMT INFO ACCESS	48(1), 49(1), 53(1), and 62(1).
SR PROGRAM MANAGER	47(1), 53(1), 68(1), and 69(1).
SSR - SUPPORT	49(1).
STAFF PROF-MGMT INFO ACCESS	37(2), 49(1), 53(1), 55(1), and 59(1).

Global Busines Services Operations for AMS, Consulting and Federal - Employees Not Selected

Title	Age (Number of Employees)
STAFF PROFESSIONAL	34(2), 36(2), 38(1), 40(2), 41(2), 42(2), 43(1), 44(3), 46(1), 47(1), 48(2), 50(3), 51(2), 53(2), 54(2), 55(1), 58(2), 59(1), 60(1), 61(1), and 62(1).
STAFF RESOURCE DEPLOYMENT MGR	33(1), 34(1), 37(1), 38(1), 39(1), 41(1), 42(1), 44(1), 45(4), 47(1), 49(1), and 62(1).
TECH SERVICES MGR 1ST LINE - band 07	47(1).
TECH SERVICES MGR 1ST LINE - band 08	49(1).
TECHNICAL SERVICES PROF	31(1), 39(1), 48(1), 56(1), and 62(1).
TECHNICAL SERVICES PROF-ADV	43(1) and 53(1).
TECHNICAL SERVICES PROF-SR	49(1).
VP, GBS NA RES & CAPACITY	42(1).