



2455 South Road, Poughkeepsie, NY 12601

November 4, 2009

Mr. Roger Bowler
President
TurboHercules SAS
Tour Arane, 33eme etage
5, Place de la Pyramide
La Defense 9
92088 PARIS LA DEFENSE
FRANCE

Re: TurboHercules

Dear Mr. Bowler:

Your letter dated 29 July 2009 to Mr. Daniel Chaffraix, Country Manager - IBM France, was forwarded to me for a response.

In your letter, you ask whether IBM would consider licensing its operating systems for use on the TurboHercules platform in order to help TurboHercules SAS (Turbo) establish a commercial business.

First, you state that Turbo "implements the instruction set of IBM mainframes on Intel-based servers". We think that mimicking IBM's proprietary, 64-bit System z architecture requires IBM intellectual property, and you will understand that IBM could not reasonably be asked to consider licensing its operating systems for use on infringing platforms. As you know, IBM's mainframe platform is highly innovative and is the fruit of billions of dollars of IBM investment. That on-going investment is crucial to the ability of System z to compete with the many other server platforms. Second, we do not think that mimicking IBM's instruction set architectures on commodity OEM hardware is in any way innovative. Third, we do not see how your product contributes to our business, and IBM offers product and service solutions ourselves for all of the situations you mention in your letter, including training, demonstration, pre- and post processing, data preparation, disaster recovery, archiving, development and testing. In fact, we would be concerned about loss of functionality and quality that could lead to customer dissatisfaction amongst licensees of IBM operating systems.

Sincerely,

A handwritten signature in dark ink that reads "Mark S. Anzani".

Mark S. Anzani
VP and Chief Technology Officer, IBM System z