



IT Value Management Proof-of-Concept

Proof of Concept Proposal
Required for 200% ROI Guarantee

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Scalable Software is a leader of usage-powered solutions that reduce software costs, increase asset utilization, and mitigate enterprise risk through desktop security and standards enforcement. Our customers share an unprecedented understanding of their IT infrastructure and reap the benefits of usage-based asset management: reduced IT expenditures, ensured license compliance, and improved asset lifecycle management.

PROOF-OF-CONCEPT OVERVIEW

This document outlines the necessary steps and milestones associated with the Proof-of-Concept ("POC") project utilizing the major features currently available in the Scalable Software's Survey suite ("Survey") and is required to qualify for the 200% ROI Guarantee. The document describes the project phases of the POC and provides information to ensure a successful deployment of the solution. The document is organized into several sections to provide information to (Company decision makers and all other parties associated with this POC.

PROOF-OF-CONCEPT SCOPE

The scope of this engagement is to demonstrate the business value and technical viability of Survey in the Company enterprise environment. The goal is to show a minimal return on the company's investment of at least 200% within the first year. To achieve this objective, Company and Scalable Software, Inc. ("SSI") have agreed to conduct a 45-day Proof of Concept (POC) to install and deploy Survey suite to approximately 20% of the Windows based systems or a minimum of 400 (including but not limited to: workstations, laptops, servers and Citrix servers) in the Company environment. At the end of this period, Scalable will analyze the procurement, install and usage data collected over this period and will present recommendations for cost savings, return-on-investment analysis and overall portfolio optimization recommendations to key Company decision makers. At the conclusion of this presentation meeting, Company will have the information required to make an informed decision regarding an investment in Survey. This engagement will be conducted at Company's office or over the web and involve SSI consultants working both onsite and remotely. The proof of concept is provided at no charge to the Company.

PROJECT ACTIVITIES SUMMARY

The POC approach is conducted over a 45-day period consisting of three phases as outlined below:

I. Initial Implementation

- a. Company prepares a Windows Server and provides availability to a SQL server for the Survey database. The Survey Server can be a virtual machine. The server needs to have the following components installed:
 - i. IIS, ASP.net, .Net Frameworks, Java 1.5 – 1.6
- b. Conduct initial product deployment on the server and deploy agents to end point Windows systems (combination of Windows servers, Citrix servers, desktops and laptops)
- c. Total POC running time will be 45 days
Initial post deployment follow up occurs within 7 days.
- d. Regularly scheduled weekly web conference meetings will take place to present the progress of the project, showcase proof of technology, and educate the involved customer contacts
- e. Scalable will receive procurement history from Company showing select software purchases made within the past 12-24 months. What is most relevant for this project is the software vendor, license type (or maintenance type), quantity owned and price paid per unit.

NOTE: Survey Agents and Core Server require the following ports opened:

- Survey server connection to the workstation agents = port 3500
- Workstation agents communicating back to the Survey server = port 80 (very important)
- Survey server communication to the database = RPC ports

II. Review Meeting

- a. 15 days after initial deployment, review data collection and perform reporting tests to address project goals
- b. Review any technical issues that arose during Initial Implementation
Present deliverables for Phase 1 and Phase 2
- c. Scalable will request additional procurement data from Company as needed, as a result of the software applications discovered during this POC.

II. Final Presentation

- a. Present/demonstrate analysis from the POC relative to the project goals to key decision makers

- b. Identify potential recommendations based on cost analysis, security objectives, and asset (software, hardware, web-applications and printers) analysis
- c. Discuss potential next steps

POC FEE ARRANGEMENTS

Based on the information provided for this statement of work (SOW), SSI will conduct the POC "Free of Charge" on the agreement that the relevant stakeholders and the final decision maker attend the formal review at the conclusion of the POC.

POC OBJECTIVES

To support achieving the objectives outlined above, Scalable Software will also provide the following information and deliverables at the conclusion of the POC project (to be presented during the Final Presentation meeting) within the scope of the POC:

- Provide software/hardware inventory summary of the systems targeted for this POC
- Provide software version audits for the "Top 10" most widely deployed applications
- Create "viewer replacement" recommendations based on active usage intelligence
- Provide utilization analysis of applications and user activity of Citrix servers configured during this POC
- Present License compliancy reports for POC based on license information provided by Company
- Collect and evaluate actual usage data of software, hardware, web-applications and printers for the POC
- Measure software application usage trends, focusing on the "Top 10" applications identified during Phase 1 (the Top 10 list can be highest cost applications, most used, software to retire, out dated applications or a combination of any of these)
- Identify specific low usage applications or dormant licenses
- Identify Maintenance reduction opportunities in Company
- Present the "Top 10" defined Internet sites visited and show how much time is spent there
- Recommendations, forecasting and long-term strategy in achieving ongoing cost avoidance and cost reduction opportunities based on usage reports delivered in Survey and Company's procurement history and plans.
- ROI model of the Survey investment over a 3 year period.
- Demonstrate an achievable 200% return on Survey and Maintenance within the first year

GUARANTEE

In the event Scalable is unable to demonstrate how the Company can achieve a 200% ROI the Company can obtain a license to the software free of charge. Scalable will not be liable to provide the license free-of-charge in the event the customer is unable to execute on the recommendations or if information pertaining to the recommendations, which would prevent them from being fulfilled, is not provided during the POC.

ACCEPTANCE AND SIGNATURE

Prior to commencement of this Statement of Work, Scalable Software, Inc. requires formal acceptance, authorization and sign-off.

I acknowledge that I have read this Statement of Work. At the end of this process Scalable will present results to all relevant stake holders and/or project sponsors. This process normally takes about 90 minutes. SSI agrees to pay any travel related expenses in visiting the customer site for the purposes of this POC project.

During Phase 2 of the POC, I will provide the opportunity to an SSI representative to speak with the appropriate Company staff to gather pertinent business and licensing information that will be integrated into the formal recommendations presented at the conclusion of the project.

Authorized and Accepted on the behalf of Company:

Authorized and Accepted on the behalf of:

Customer Company Name: _____

Scalable Software. Inc.
11044 Research Blvd
Austin, TX. 78758
713 316-4900

Address: _____

Address (cont'd): _____

Name: Mark Cresswell

City, State, Zip: _____

Title: CEO

Name and Title: _____

Signature: *Mark J Cresswell*

Signature: _____

Date: 1 January 2011

Date: _____