TurboHercules

La Défense, le 29 juillet 2009

Daniel Chaffraix, President
IBM France
Tour Descartes, La Défense 5,
2 avenue Gambetta,
92400 Courbevoie, France

Dear Mr Chaffraix,

As President of the recently formed company TurboHercules S.A.S., I am writing to request your consideration for our innovative business model based on the IBM mainframe ecosystem. TurboHercules is the commercial arm of the open source Hercules project -- a software program that implements the instruction set of IBM mainframes on Intel-based servers such as IBM's System x products. I was the original creator of the Hercules emulator ten years ago. Since then it has been continuously updated by a talented, world-wide team of mainframe programmers.

TurboHercules is fully capable of running current versions of IBM's modern 64-bit operating systems such as z/OS, z/VM, and z/VSE as well as its older 31-bit and 24-bit operating systems. Unlike the old Plug Compatible Mainframes, TurboHercules' highly innovative mainframe-compatible systems are implemented with modern software virtualization techniques instead of hardware.

TurboHercules seeks to establish a commercial business that offers customers a choice in mainframe-compatible platforms, while contributing to the long-term health of the IBM mainframe ecosystem. Because the lasting success of the IBM mainframe platform is the prerequisite for our own success, it is very important to us to secure IBM's approval for our business model.

Specifically, we would like you to consider making available to your mainframe customers a license for IBM operating systems on the TurboHercules platform. TurboHercules S.A.S., as the commercial entity, would provide support for a complete turnkey system based on these licenses. The pricing, conditions and limitations of that license would be at the sole discretion of IBM on reasonable and fair terms. We propose to focus on secondary workloads such as training, demonstrations, pre- and post-processing, data preparation, disaster recovery, archiving, development and testing.

In addition to IBM mainframe operating system licenses for commercial TurboHercules users, we would also like to see a class of academic licenses that would allow a wider range of schools and

universities to teach mainframe concepts and skills using TurboHercules platforms.   This could significantly increase the number of qualified young mainframe operators and programmers entering the IT workforce, and would thus be a major benefit to IBM customers worried about the loss of skilled mainframe employees to retirement.

As a next step, we would very much like the chance for our executives to meet with you or your representatives to discuss the possibilities for customers of obtaining licenses for IBM's operating systems to run on TurboHercules. We look forward to the opportunity of meeting with you.

Sincerely,

Original signed by R. Bowler

Roger Bowler
President, TurboHercules SAS
roger.bowler@turbohercules.com