



Microsoft Open Value

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Microsoft Open Value Overview

Microsoft® Open Value is for small to midsize organizations with five or more desktop PCs that want a flexible and affordable way to use and manage Microsoft licensed products under a single agreement. The Microsoft Open Value program offers simplified license management and better control of your licensed product costs and investment. Open Value provides flexibility to acquire licenses or add product licenses as needed. Additional cost savings are available when standardizing desktop PC licensed product company-wide.

Open Value also offers the advantages of Microsoft Software Assurance for Volume Licensing, Microsoft's comprehensive offering that helps you get the most out of your software investment. More than just maintenance, Software Assurance is a complete solution that delivers both software and services to bring more value to your business. Software Assurance combines a broad range of benefits including rights to new software versions, training, deployment services and support. Benefits cover all phases of the software lifecycle—plan, deploy, use, maintain, and transition – so you can get help when you need it. Access to these valuable benefits can help you manage costs, get the most out of new technologies, and improve employee and organizational productivity.

Open Value offers many benefits, including:

Simplified License Management

- You get a single agreement for all Microsoft licensed product within a territory, including qualified affiliates in other countries.
- You can upgrade at any time—no need to track versions or open new agreements.
- You can transition new original equipment manufacturer (OEM) licenses onto your agreement by purchasing Software Assurance.

Ability to Take Control of Your Investment

- With the Software Assurance New Version Rights benefit, you receive rights to new versions of licensed products to deploy at your convenience.
- Plus, Software Assurance offers benefits such as Packaged Services, Training Vouchers and 24x7 Problem Resolution Support so that you can take advantage of consulting services, training and support to help you deploy your new software.
- You can upgrade licensed product company-wide while staying within budget.

More Licensing Flexibility

- Open Value gives you a single platform option, which allows you to choose components from the Windows® Desktop Operating System upgrade, the Microsoft Office system, and Client Access Licenses (CALs) under a single platform for every desktop PC in your organization. The custom platform option allows customers with the Company-wide option to continue Software Assurance coverage on multiple product versions rather than only on the latest version

- You also have the option to choose Microsoft's latest offerings in midsize business solutions with Windows Essential Business Server. If your organization requires Microsoft's enterprise solutions, Microsoft Office Enterprise, Windows Server Enterprise Edition CAL, and Microsoft Desktop Optimization Pack (MDOP) are now available.

Better Management of Your Software Costs

- Spread payments with the Software Assurance Spread Payments benefit which reduces up-front costs and helps you forecast annual budget requirements with predictable annual payments.
- You have rights to new software version releases with Software Assurance New Version Rights to help you lower the costs of acquiring software licenses while simplifying procurement and forecasting. Company-wide licensing provides additional savings.

Open Value Options

You can choose from several Open Value options that are available to meet the needs of a wide range of customers. The Open Value Subscription option is for organizations that prefer to subscribe to software licenses. For customers who prefer to purchase software licenses, Open Value is available in both Company-wide and Non-company-wide options. The Company-wide option offers simplified license management and additional discounts.

The following questions can help you determine the best Open Value option for your organization:

- Do you need desktop PC products (Microsoft Office Professional Plus 2007, the Windows Vista® Enterprise operating system upgrade, and Microsoft Core Client Access License Suite) or other Microsoft software products?
- If you need enterprise products, do you want to buy licenses (standardize) for all your qualified desktop PCs? If yes, choose either Open Value Company-wide or Open Value Subscription options. These options can give you the best pricing and allow you to manage all your licenses in one agreement.
- Do you want to buy licenses for all your qualified desktop PCs? This is a requirement if you choose either the Open Value Company-wide or the Open Value Subscription option. Qualified desktop PCs are personal computers and similar devices that are used for the general benefit of the enterprise (as opposed to servers or computers and systems dedicated exclusively for line-of-business software such as accounting systems).

Open Value Company-Wide Option

Open Value Company-wide option offers predictable annual payments, low long-term costs, and a simple way to manage licenses. You get additional savings opportunities and a single price per desktop PC (minimum five licenses) to organizations that want to standardize all their desktop PCs on one or more Microsoft enterprise products. This option also provides an agreement that helps you better predict your costs during the three year term. You agree to acquire licenses and Software Assurance for the licensed product you select for all your organization and its affiliates qualified desktop PCs. An annual desktop PC price based on your count of qualified desktop PCs allows you to run any licensed product version on any PC.

Company-wide is also attractive if you want to standardize software throughout your organization. Standardization helps to increase security, reduce support costs, and enable Company-wide solutions that require a common technology platform. Benefits for this include:

- Count your qualified desktop PCs at the beginning of the agreement to determine your annual cost.
- Receive additional savings on Company-wide licenses.
- An additional price point, level C, is available in most countries for organizations with the Open Value Company-wide option that order licenses for at least 250 qualified desktop PCs through their initial purchase order.
- Pay a per-desktop PC license price for new licenses during the month of installation.
- Spread out costs through the remaining years.
- Add software products at any time and pay for them during the month of installation.
- Transition OEM licenses onto your Open Value agreement by purchasing Software Assurance.

You need to acquire at least one of the following platform product licenses for each qualified desktop PC in your organization:

- The Microsoft Office system
- Windows operating system upgrade
- Client Access Licenses

After purchasing at least one of these licenses for each qualified desktop PC company-wide, you may add licenses as you need them. For example, you can license all your desktop PCs to run Office Professional Plus 2007. You may then purchase licenses for Microsoft Office Visio® Professional Plus 2007 drawing and diagramming software (or any other Microsoft software available through Volume Licensing) for individual desktop PCs as needed.

You may elect to add another platform product company-wide after the start of the agreement. However, Microsoft does not extend any discounts for company-wide platform product purchases after the agreement is initiated.

If you do not need enterprise products or licenses for all your qualified desktop PCs, you should acquire your licenses through Open Value Non-company-wide option.

Open Value Subscription Option

Customers may subscribe to, rather than acquire, Microsoft product licenses. The Subscription option gives your organization the rights to run the software company-wide only during the term of the agreement with Microsoft. Microsoft Open Value Subscription provides the lowest up-front costs of the Open program options with the flexibility to reduce your total licensing costs in years when your desktop PC count declines. With the Subscription option, you can choose to pay a single price per desktop PC (minimum of five desktop PCs) to deploy Microsoft technology as the standard across your organization. Typical subscription customers are looking to build or

maintain an IT infrastructure on a standard platform of products to respond rapidly to a changing business environment.

With Open Value Subscription, you pay a single price per desktop PC to deploy Microsoft technology across your organization during the term agreement's term.

- You can receive additional savings off the first-year reference price on platform software, including the Windows operating system upgrade, the Microsoft Office system, and CALs for current versions of platform product software that you are transferring from a perpetual license to subscription with the Up-to-Date discount.
- Count your desktop PCs once per year and place your annual purchase order for the then-current number of desktop PCs.
- Add the company-wide licensed products you have selected on new desktop PCs during the year with no additional cost that year.
- Your total licensing costs can decline in years when your desktop PC count declines.
- Track all licenses on a single agreement.
- A buyout option is available for those who want to retain their software licenses when the agreement expires.
- If you choose the buyout option, you can continue benefiting from Software Assurance by starting a new Open Value Agreement for Software Assurance only.

As with the Company-wide option, you need to acquire at least one of the following platform product licenses for each qualified desktop PC in your organization:

- The Microsoft Office system
- Windows operating system upgrade
- Client Access License

Government Option: To better align with government organization procurement requirements, a one-year Open Value Subscription option is available with Open Value Subscription for Government¹. This gives government organizations the flexibility to choose from a one-year or three-year term.

Platform Option for Open Value Company-wide and Subscription

With both Open Value Subscription and Open Value Company-wide options, you can choose to standardize desktop PC licensed product across your organization on all three components on the platform and receive additional savings. The platform option provides the simplest desktop PC license management solution because you do not need to track which version is installed on which desktop PC. Instead of individual licenses for Windows operating system upgrade, the 2007 Microsoft Office system, and server CALs, the platform option provides a single license per desktop PC. With the customized platform option, you can mix CAL and Microsoft Office

¹ Open Value for Government is not available in all regions. Please contact your Microsoft reseller for availability in your country.

licenses within the platform agreement, and purchase additional CALs to cover non-qualifying clients, such as mobile devices, that need access to IT systems.

You also have the option to choose Microsoft's latest offerings in midsize business solutions with Windows Essential Business Server. If your organization requires Microsoft's enterprise solutions, Microsoft Office Enterprise Edition, Enterprise Business Server CAL, Essential Business Server CAL, and the Microsoft Desktop Optimization Pack (MDOP) are available.

Open Value Non–Company-Wide

(Without the Company-wide or Subscription Options)

If you need licenses for servers, or for just some of your desktop PCs, you can open a Non–Company-wide Agreement. You can take advantage of spreading annual payments for the licenses and upgrade rights and other benefits that come with Software Assurance. Customers who do not want to standardize their desktop PCs can obtain all licenses through Open Value and manage all those Microsoft licenses through a single agreement.

	Open Value and Open Value Company-wide Option	Open Value Subscription	Open License
Agreement term	<ul style="list-style-type: none"> • Three-year agreement term. • Open Value Agreements are renewable for an additional three years. • After the initial term, the customer owns perpetual licenses and has the option to extend Software Assurance coverage. 	<ul style="list-style-type: none"> • Three-year agreement, non-perpetual agreement term. • Open Value Subscription Agreements are renewable for an additional three years. • Customer may “buy out” perpetual licenses when agreement ends. • May make incremental license purchase at any time during the agreement term. 	<ul style="list-style-type: none"> • Two-year agreement term, with perpetual licenses. • May open new agreement at any time.
Initial purchase	<ul style="list-style-type: none"> • Five licenses with Software Assurance. • Company-wide option: All desktop PCs must be standardized on at least one platform product. 	<ul style="list-style-type: none"> • Five licenses with Software Assurance. • All desktop PCs must be standardized on at least one platform product • License counts may be added or subtracted annually as needed. • Any number of additional products may be included with the desktop PC license order. 	<ul style="list-style-type: none"> • Five licenses or one server processor license. • Licenses may be added at any time. <p>Volume discount for purchases of 500+ points. A500 point minimum applies within a specific product pool (applications, systems, and servers) on an initial order; each license carries a point value</p>
Single agreement for multiple entities	Yes ²	Yes ⁴	No
Install before you order	Yes, monthly ordering	Yes	No

² Limited to entities in the same region.

Payment	<ul style="list-style-type: none"> • Payment due either in three annual payments, or up-front at the time of order. • Open Value is ordered through authorized distributors. 	<ul style="list-style-type: none"> • Subscription payments are due in three annual payments. • Open Value is ordered through authorized distributors. 	<ul style="list-style-type: none"> • Customers pay for licensed products as they need them. Payment due up-front when order is placed. • Open License is ordered through authorized distributors.
Spread payments	Yes, optional ³	Yes, optional	No
Price protection	Yes ⁴	Yes ⁶	No
Software Assurance	Included	Included	Optional
Web-based license management	Yes through VLSC Web site https://licensing.microsoft.com/licensing/servicecenter .	Yes through VLSC Web site https://licensing.microsoft.com/licensing/servicecenter .	Yes through VLSC Web site https://licensing.microsoft.com/licensing/servicecenter .
Media included	Yes, also for new versions	Yes, also for new versions	No, media is ordered separately
Reordering	Yes, until three years after the initial agreement	Yes, until three years after the initial agreement	Yes, until two years after the initial agreement

If you have several licensing agreements or a mix of volume licenses and OEM licenses, you know license tracking can be a challenge. With Microsoft Open Value, all your Microsoft licensed products can be covered in a single license agreement.

Opening an Open Value Agreement

Open Value is offered through authorized resellers worldwide who can help you evaluate your needs and select the right Open Value option for your organization.

Open Value Agreement Details

Agreement Process—Electronic or Manual

Your reseller counsels you and processes your Open Value Agreement:

- Your reseller coordinates with you and collects information on the agreement requirements, such as agreement options, qualified desktop PC count, affiliate information, and languages required.
- Your reseller either enters agreement information into Microsoft's eAgreements tool directly or works with a Microsoft distributor to complete the process. Your reseller can also work with you to complete a paper version of the agreement.
- You receive an e-mail with instructions to log on and electronically sign the agreement or you can sign and mail a paper copy. Your agreement is processed when the signed agreement is received by Microsoft either electronically or in paper form.

³ Open Value Subscription only offers annual spread payments.

⁴ Price protection is provided for subsequent payments. Open Value Company-wide also provides price protection for subsequent orders for company-wide products. Price protection applies to list prices and not promotional prices. Open Value Subscription provides price protection for all previously ordered products.

- Once the agreement is processed and activated, you receive a letter with instructions to access the Microsoft Volume License Services Web site (MVLS) at <https://licensing.microsoft.com>. Here you can manage Software Assurance benefits, download licensed products and get your Volume Licensing Keys (VLKs).

Order Process

- Your reseller coordinates with you and collects information on order requirements.
- Your reseller places your order with a Microsoft distributor. Once this distributor electronically processes your order, you will receive a confirmation letter and a welcome kit.
- Note your order is only processed once your agreement has been activated in Microsoft's system.

Spread Payments or Pay Up-front

Open Value lets you choose to spread payments annually or pay up front. If you decide to pay up front—for example, to get the costs into the current budget year—you still have the ability to spread out payments on future orders.

If you elect to spread out your payments, you must submit an order each year through your reseller, even if there is no change in the number of products you license.

- The order must be for no less than the number of products ordered on your previous anniversary order plus any new and additional licensed products run during the year.
- Microsoft will give you prior written notice 45 days before and 30 days after each anniversary to submit an anniversary order to your reseller. If an order is not received within 60 days after the anniversary of the effective date, Microsoft may invoice you directly for all sums due during the term of the agreement or may instruct a third party to invoice and collect your payment.
- The two payment options available under this agreement include equal annual installments or lump sum payment. However, you can arrange other payment plans with your reseller.

Minimum Initial Purchase

The minimum purchase level for Open Value is five licenses with Software Assurance. For Company-wide and Subscription, all qualified desktop PCs must be licensed.

Renewing customers may open an Open Value Agreement with Software Assurance for five licenses.

Agreement Term Length

Open Value Agreements have a three-year agreement term and three-year renewal option.

With the Company-wide and Non—Company-wide options, at the end of the three-year agreement, you can either renew for another three years, paying only for Software Assurance, and continue to enjoy rights to the latest software versions as well as other benefits, or stop and own the licenses for the most current software version that is available when your agreement expires.

With the subscription option, at the end of your three-year agreement, you can renew for another three years. Or you can make a final buyout payment if you would like to own licenses for the latest version that is available when your agreement expires.

Products

Open Value customers can select from all platform products, plus additional software products.

The set of software products that you can license through Open Value depends on the options that you choose:

- If you choose Open Value (without the Company-wide option), you can choose from all platform products and additional products.
- If you choose Open Value with the company-wide option, you can choose from all platform products and additional products including Microsoft Enterprise solutions. If you do not want to license a platform product company-wide (i.e., for all your PCs), then you can order any number of the platform products you like as additional products.
- If you choose Open Value Subscription, you can choose one or more platform products that you want to license company-wide. You can then add any product for any number of systems. Microsoft Exchange Server and Windows Client Access Licenses (CALs) are not available as additional products through Open Value Subscription. Any platform product must be purchased company-wide.

Platform Products

Please see the Product List for current Windows Desktop Operating System upgrade, Microsoft Office system, and CAL options.

- Microsoft Office system: Microsoft Office Professional Plus, Microsoft Office Small Business, Microsoft Office Enterprise
- Operating Systems: Windows Business operating system upgrade (with rights to Windows Vista Enterprise upgrade)
- CAL: Microsoft Core Client Access Licenses (CALs) Suite, Windows Small Business CAL Suite, Essentials Business Server CAL, and Enterprise Business Server CAL Suite

Additional Products

Applications such as Microsoft Office Visio® drawing and diagramming software, Microsoft Office SharePoint Designer, Microsoft Office Project, and the Microsoft Office OneNote® note-taking program.

Server products such as Windows Server, Microsoft Exchange Server, Windows Small Business Server, Microsoft Internet Security & Acceleration (ISA) Server, Microsoft BizTalk® Server, Microsoft SQL Server®, Microsoft Host Integration Server, Microsoft Commerce Server, Microsoft Dynamics® CRM, Microsoft Operations Manager, Microsoft Office Project Server, and Microsoft Office Business Scorecard Manager.

Pricing

Open Value Discounts

Open Value offers complimentary media kits, spread payments, and other Software Assurance benefits not available through Open License. Microsoft offers savings for licenses under the Company-wide and Subscription options and additional savings on platform products. Eligible

government organizations receive special government pricing. Qualified academic institutions also receive special academic pricing.

Government eligibility requirements are available at:

<http://www.microsoftvolumelicensing.com/userights/DocumentSearch.aspx?Mode=3&DocumentTypeId=6>

Academic eligibility requirements are available at:

<http://www.microsoftvolumelicensing.com/userights/DocumentSearch.aspx?Mode=3&DocumentTypeId=7>

Following are discounts off the local reference price to distributors. Resellers set the price to the customer, so pricing may vary.

Open Value Company-Wide Discounts

- Discounts for the Company-wide option
- Discounts for the platform option
- Discounts for the Open Value level C desktop PC option (not available in the United States)

Open Value Subscription Discounts

- Up-to-Date discount (UTD) in the first year of the agreement for converting qualifying perpetual licenses to subscription
- Discounts for the platform option

If you have up-to-date software products when you sign up for Open Value Subscription, you can receive UTD discount on the first year license cost of the platform products you have selected through your agreement for which you are licensed with current version licenses.

Price Protection

To help you with your budget process, Microsoft's prices for platform product licenses to our distribution partners ordered under the subscription option does not change during the first term of your Open Value Agreement. The price protection for a product starts when you first order a platform product. Resellers set the final prices, so be sure to check with your reseller on pricing.

In Open Value Company-wide option, platform products have price protection, but additional products do not. If you choose spread payments for a purchase order that you place through your Open Value Agreement (with or without the Company-wide option), then the pricing for subsequent payments does not change, even if the price for that particular product has increased in the meantime. Price protection does not apply to promotional prices. The price that is protected is the list price to the distribution partner at the time of purchase and not the promotional price.

Languages

Open Value includes the All Language stock keeping unit (SKU). There is one exception in Europe, Middle East, and Africa (EMEA) regions, which is the ability to choose the Romanian and Bulgarian Languages (RAB) SKU in place of the All Languages SKU.

Worldwide

(Except Europe/Middle East/Africa region)

Enterprise Products	Additional Products
All Languages	Multi-Language (MUI)

Europe/Middle East/Africa

Enterprise Products	Additional Products
All Languages	Multi-Language (MUI)
Romanian and Bulgarian Languages (RAB)	Romanian and Bulgarian Languages

Customers who sign up for the “All Languages” category are eligible to use the Multi-Language Packs for company-wide products and additional products licensed under their agreement.

Language versions through Open Value are dependent on the languages available in the particular licensed product. You have the flexibility to select the local language for your affiliates, which can be included under a single agreement within your territory.

Cross-language use rights allow you to use any language versions of licensed software as long as the language versions in use are priced the same as or less than the original version.

Software Assurance on OEM Licenses

Licenses for products installed by OEMs can be added to an Open Value Agreement. Many Open Value customers want to add their OEM license purchases to an Open Value Agreement so that they can easily track all licenses online under a single agreement.

You can include the OEM licenses in Open Value by purchasing Software Assurance for the OEM licenses within 90 days of acquisition and the Software Assurance costs will be prorated. You can then track the Software Assurance for those OEM licenses online through the MVLS site.

You cannot add Software Assurance for the OEM licenses with the Subscription option because you are not purchasing licenses or Software Assurance, but you are simply subscribing to use the latest software with built-in Software Assurance benefits.

Covering Affiliates in Your Territory

You may be able to include affiliates in other countries on your Open Value Agreement, which can help centralize your purchasing and reduce random purchase orders from remote offices. An affiliate is a legal entity that you own, which owns you, or which is under common ownership with you. Ownership is defined as more than 50 percent ownership. Qualifying affiliate means an owned affiliate located within the same region or territory.

With Company-wide and Subscription options, the enterprise must consist of entire legal entities, not partial entities such as departments, divisions, or business units. Each affiliate must be entirely “included in” or entirely “excluded from” the agreement. Entities that decide to participate are referred to as “enrolled affiliates.” In the agreement, you can choose between:

- Excluding all your affiliates
- Including a set of affiliates that you specify in the agreement
- Including a set of affiliates that you specify in the agreement, and automatically include all your future affiliates

See the Microsoft Open Affiliate Participation page at <http://www.microsoft.com/licensing/programs/open/openregional.aspx> to determine which countries can include affiliates within your territory on a centralized Open Value Agreement.

See the Appendix at the end of this document for a description of regional differences in the Open Value program.

Media

Your Open Value Agreement grants you permission to legally copy and use multiple copies of the licensed product, per terms of your agreement. You will receive media for each licensed product title at no charge, and you can also purchase additional copies through your reseller or download from the Microsoft Volume License Services (MVLS) Web site. You will also receive media for each new release of products licensed through the Open Value Agreement.

Media can be web-based downloads of Microsoft Volume Licensing Products from MVLS, materials such as a floppy disk, CD-ROM, or DVD for a licensed software product, and may also include printed materials such as a user's guide or product manual.

Choosing Software Assurance in Company-Wide

Under the Open Value program, all products come with Software Assurance. Open Value and Open Value Company-wide are very attractive if you want to renew Software Assurance for licenses with current or expiring Software Assurance previously acquired through Open License. Such a renewal can be done without having to buy licenses again if you do so within 90 days after Software Assurance expires (i.e., within 90 days of the end date of the Open License Agreement through which you purchased Software Assurance).

If you choose Open Value without the Company-wide option, then you can order Software Assurance for licenses with current or expiring Software Assurance at any time during the Open Value Agreement. The same process is true for additional products that you would like to order through an Open Value Agreement with the Company-wide option. However, for company-wide product licenses such as Office Professional Plus 2007, you may only renew Software Assurance at the start of the agreement. The standardization on which the Company-wide option is based assumes that you order Software Assurance for the number of qualified desktop PCs at the initiation of your Open Value Company-wide agreement, even if the licenses are already covered with Software Assurance through another agreement that has not yet expired.

Adding Licenses to an Agreement

Open Value (With Company-Wide Option)

Company-Wide Products

For all company-wide platform products that you have chosen, you must place a purchase order for all your qualified desktop PCs at the start of your agreement. Depending on the type of license (OEM, FPP, or Volume Licensing) and the purchase date, you may order only Software Assurance or a license with Software Assurance.

If the total number of desktop PCs among the enrolled affiliates increases, then you must order additional licenses for the company-wide platform products that you have chosen to maintain standardization. This order must be placed before the end of the month in which the new desktop PCs are placed in service.

The set of company-wide products that you choose cannot be changed during the agreement.

Additional Products

You can order licenses with Software Assurance for additional products at any time during your Open Value Company-wide agreement. If you need licenses for an additional product, you must place a purchase order before the end of the month in which you install the copy or copies of the additional product.

You may add Software Assurance for licenses with Software Assurance acquired through other expiring agreements at any time during the agreement.

Open Value Subscription

Company-Wide Products

For all company-wide products that you have chosen, you must place a purchase order for all your qualified desktop PCs at the start of your agreement. You must place an annual purchase order with your reseller on the first and second anniversary of the agreement for the then-current number of qualified desktop PCs to maintain standardization. The set of company-wide products that you choose cannot be changed during the agreement.

Additional Products

You can order licenses for additional software products at any time during your Open Value Subscription agreement. If you need licenses with Software Assurance for an additional product, you must place a purchase order before the end of the month in which you install the copy or copies of the additional product.

Open Value (Without Company-Wide Option)

You may add licenses with Software Assurance for previously ordered products and you may also obtain licenses with Software Assurance for products not previously ordered at any time during the course of your agreement. You are allowed to install any number of copies of any product available through your Open Value Agreement as long as you place a purchase order

with your reseller before the end of the month in which you carried out the additional installations.

You may add Software Assurance for licenses with Software Assurance acquired through other expiring agreements at any time during the agreement.

Pay for Licenses

Price Protection

Open Value provides price protection for subsequent payments. Open Value Company-wide and Open Value also provide price protection for subsequent orders for the company-wide products that you have chosen. Open Value Subscription also provides price protection for subsequent orders for previously ordered additional products.

“Price protection” means that Microsoft guarantees the price to the distributor. You agree on final pricing with your reseller.

Anniversary Order Reminders

If you choose to spread out payments annually on your Open Value Agreement, you will pay for the first year and the subsequent years on the agreement anniversary dates. Just prior to the anniversary date, you will receive reminder notices to place your annual order and pay your reseller on a new purchase order. Your reseller can help you with the part numbers for your orders.

If you have chosen Open Value or Open Value with the Company-wide option, then the number of licenses that you order on your annual purchase order should be at least the same as the total number of licenses ordered through previous orders.

Open Value Subscription allows you to reduce the number of licenses on each anniversary of the agreement if the number of desktop PCs has decreased (company-wide products) or if you need fewer copies (additional products).

Software Assurance Pro-ration

When you add licenses with Software Assurance or Software Assurance between anniversaries with Open Value (with or without the Company-wide option), you pay for the full year. While no credit is available for Software Assurance that your organization does not use that year, there is an annual pro-rata offered, so you pay only for the years you used Software Assurance. For example, if you add licenses in year two of your agreement, you pay for years two and three.

When you add licenses with Software Assurance between anniversaries with Open Value Subscription (which only needs to be done for additional products—adding licenses for company-wide products happens on the agreement anniversary), you pay the annual subscription fee for that year. The subscription fee includes the license as well as Software Assurance.

Desktop PC Adjustments after Initial Order

Typically with new software licenses, customers pay first and then install the software. With Open Value, you can install desktop PC products first and pay later with an active agreement. The Open Value Subscription option lets you “true up” (add licenses) or “true down” (reduce the

number of licenses) annually with your year-end report of qualified desktop PCs and adjust payments up or down accordingly. If you are using fewer qualified desktop PCs on the anniversary of your agreement, you can reduce your total subscription costs.

With Open Value Company-wide (perpetual) option, you adjust your desktop PC product license count to true-up as required, but you cannot true-down.

With the Open Value Non–Company-wide option, you need to install additional copies of licensed products in the same month that you purchase them. However, you cannot true down.

Step-ups for Higher Software Version

A step-up is a part number that allows you to trade up to a later software edition—for example, from Microsoft Office Standard 2007 to Office Professional Plus 2007 or from Windows Server Standard Edition to Windows Server Enterprise Edition. The step-up for Open Value acknowledges that you had a previous version and allows you to pay a price differential between the edition license that you bought and the one that you want to buy; whereas some other Volume Licensing programs require a customer to purchase a new license for the later version at full cost. Platform products may not change versions during the term of the agreement.

Step-up part numbers are only available through Open Value and Open Value Company-wide. If you want to step-up using your Open Value Subscription Agreement, you simply reduce the number of licenses for the edition that you used and increase the number of licenses for the edition that you want to use. Note that synchronizing such a step-up with the anniversary of your agreement helps you reduce cost: You can only reduce your licenses on the anniversary of the agreement, whereas you must order incremental licenses before the end of the month in which they are first deployed.

Audit Clause

For the term of the Open Value Agreement, plus any renewal term and one year after, you must keep all usual and proper records relating to the software products you and your affiliates run. Microsoft may request that you conduct an internal audit of all Microsoft software products in use throughout your organization, comparing the number of software products in use to the number of effective licenses issued in your name, at any time up to one year after the agreement expires. Following any audit, you agree to deliver to Microsoft a written statement signed by an authorized representative of your organization, certifying that either you have sufficient licenses or you have ordered sufficient licenses to permit all use disclosed by the audit. By requesting an internal audit, Microsoft does not waive its rights to enforce this agreement or to protect its intellectual property by any other means permitted by law.

Expiration of Agreement and Renewals

When your Open Value Agreement expires, you have several choices, depending on the licensing option that you originally chose.

Company-Wide and Non–Company-Wide Options

You can renew your agreement for another three-year term, purchasing only Software Assurance on your licenses from the expiring Open Value Agreement to continue accessing the

latest product versions and other benefits. Or, you can let the agreement expire and own the rights to the current version at the end of your agreement term, but you will no longer continue receiving Software Assurance benefits or upgrade rights.

Subscription Option

- You can renew your agreement for another three-year term and continue enjoying the latest licensed products and other benefits, or
- You can make an optional buyout payment to own the licenses for the current version at the end of your agreement, or
- You can choose to not renew your agreement and forfeit the rights to use the products.

Grace Period

When your three-year agreement expires, you will have a 30-day grace period to renew your agreement and continue benefits. The subsequent agreement will be backdated to the end date of the original three-year agreement term. If you do not renew your agreement during this grace period and want to continue your Open Value benefits, you will need to sign a new Open Value Agreement.

Software Assurance at Agreement Expiration

If you do not renew Software Assurance after your Company-wide or Non–Company-wide agreement expires, then to receive Software Assurance again, you must obtain both a license and Software Assurance on your order.

Early Termination

Per the Open Value Agreement, either party may terminate the agreement only in the event of a material breach by the other party, on 30 days written notice and with opportunity to correct any issues. If you terminate your Open Value Agreement before the end of the three-year term, you must order all copies of products that you have installed but not previously ordered and pay immediately for all unpaid licenses.

Other Program Benefits

Open Value offers numerous program benefits, including Software Assurance benefits and tools and the Microsoft Volume License Services (MVLS) Web site.

Microsoft Software Assurance for Volume Licensing

Microsoft Software Assurance for Volume Licensing is included with Open Value. Software Assurance is a comprehensive offering that helps you get the most out of your software investment. It combines the latest software with phone support available 24 hours a day, seven days a week, consulting services, training, and IT tools that help customers deploy, manage, and migrate software. Software Assurance can help you increase worker productivity, accelerate organizational performance, and realize a return on your software investment.

Here are details on Software Assurance benefits throughout each phase of software management.

Stage	Benefit	Description
Plan	New Version Rights	With Software Assurance, you receive new versions of licensed products released during the term of your agreement to deploy at your own pace as they become available. You can reduce the costs associated with acquiring new version releases and immediately take advantage of the latest technology.
	Spread Payments	The Spread Payments benefit for Software Assurance can help offer a more flexible way to manage technology expenditures by enabling you to spread payments annually throughout your coverage. This benefit can help reduce initial software expenditures and forecast annual software budget requirements up to three years in advance.
Deploy	Packaged Services: Desktop Deployment Planning Services	Desktop Deployment Planning Services (DDPS) can provide your company with a collaborative and comprehensive consulting engagement based on best practices from Microsoft. Your dedicated consultant will introduce you to advanced techniques, processes, and tools and will work with you to identify your unique business needs and help you create a comprehensive plan for deploying the Microsoft Office system or Microsoft Windows upgrade.
	Packaged Services: SharePoint Deployment Planning Services	SharePoint Deployment Planning Services (SDPS) can help your organization plan an effective deployment of Microsoft Office SharePoint Server. SDPS includes a broad range of planning tools and services that help optimize the effectiveness of the core capabilities of Microsoft Office SharePoint Server and help lower the cost of deployment and improve your organization's productivity.

Stage	Benefit	Description
Use	Training Vouchers	You will receive training vouchers redeemable for technical training on select courses from a Microsoft Certified Partner for Learning Solutions (CPLS), the premier Microsoft-authorized training channel for delivering learning products and services on Microsoft technology. Training from a Microsoft CPLS can help IT staff and developers prepare for deployment, enable smoother migration, and stay up-to-date with the latest Microsoft technologies, helping give you the competitive advantage you need.
	E-Learning	E-Learning gives your employees access to self-paced, interactive training developed by Microsoft experts, using a secure, Microsoft-hosted Web site. E-Learning can be accessed online or offline and includes simulations, hands-on exercises, and learning assessments.
	Home Use Program	The Home Use Program (HUP) can help increase employee productivity and satisfaction and help support your organization's flexible work arrangements, while also helping to maximize the value of the Microsoft Office desktop PC investment. Eligible employees may obtain a licensed copy of most Microsoft Office desktop PC programs to install and use on a home PC during the term of your Software Assurance coverage.
	Windows Vista Enterprise (upgrade rights)	Windows Vista Enterprise upgrade is available exclusively to Software Assurance customers. This premium desktop PC operating system can help medium-sized and large organizations with complex IT infrastructures lower IT costs, reduce risk, and stay connected. Building on the features in Windows Vista Business, Windows Vista Enterprise can help provide higher levels of data protection using hardware-based encryption technology. It also includes tools that are designed to improve application compatibility and enable organizations to standardize by using a single worldwide deployment image.
	Employee Purchase Program	The Employee Purchase Program (EPP) gives your employees discounts off the retail pricing of some of Microsoft's most popular productivity and entertainment products. Employees can save money over retail pricing on software products including Windows Vista, Microsoft Office, games for the Xbox, and the Zune digital media player (United States only). Products can be ordered directly through a password-protected Microsoft-hosted e-commerce site.

Stage	Benefit	Description
Maintain	24x7 Problem Resolution Support	With Software Assurance, you can have direct access to Microsoft for your support needs. You can select the right level of help when you need it with business-critical 24 hours a day, seven days a week phone support for all Microsoft server products, Windows upgrade, and the 2007 Microsoft Office system, in addition to unlimited Web support during business hours for Standard and Enterprise Edition servers.
	TechNet Subscription Through Software Assurance	Access TechNet Online Concierge Chat and Managed Newsgroups. A designated IT professional also receive a single-license subscription to TechNet Plus Direct, offering evaluation copies of Microsoft software as well as other technical tools and resources.
	"Cold" Backups for Disaster Recovery	With the "Cold" Backups for Disaster Recovery benefit, mission-critical IT solutions are better protected and preserved in disaster recovery situations. In the event of a disaster, your organization receives complimentary "cold" backup server licenses for every production license with Microsoft Software Assurance coverage.
Transition	Extended Hotfix Support	Enter into Extended Hotfix Support Account (EHSA) as hotfix issues arise. Annual fees and required sign-up periods associated with EHSA are waived for Software Assurance customers, which can help reduce support costs.

For more details, see the *Software Assurance Benefits Comparison Chart* at: <http://www.microsoft.com/licensing/sa/default.mspx>.

Managing Your Licenses and Benefits

Online tracking through Microsoft Volume License Services (MVLS) makes managing your licenses easier. MVLS license management tool is a password-protected Web site that offers secure, personalized access to view your license agreements and status, online records, and other license information. You can also manage your Software Assurance benefits.

You can access the MVLS site at: <http://licensing.microsoft.com>. You will need a Windows Live™ ID to access the site.

Additional Resources

Open Value Available Through Resellers

Open Value is available through a large network of resellers worldwide. They can also provide analysis and services such as asset management, deployment, migration, and technical support options. Please visit the Microsoft Volume Licensing Contact page at www.microsoft.com/licensing/contact/default.mspx to locate a reseller near you.

If you decide to discontinue the relationship with your existing reseller, then you must choose a replacement reseller in your territory.

Online Resources

Microsoft offers information about Open Value and other Volume Licensing programs on the Microsoft Volume Licensing Web site at:

<http://www.microsoft.com/licensing/>

Details about the Microsoft Open Value program:

www.microsoft.com/licensing/programs/open/openvalue.aspx

To learn more about Software Assurance:

<http://www.microsoft.com/licensing/sa/>

Volume Licensing for Government organizations:

<http://www.microsoft.com/licensing/programs/gov/default.aspx>

Volume Licensing for Academic organizations:

<http://www.microsoft.com/licensing/programs/education>

Volume Licensing for Charitable organizations:

<http://www.microsoft.com/licensing/programs/open/opencharity.aspx>

Appendix

Regional Differences

Following are the key regional differences in the Open Value program:

Languages

Languages available in Open Value and Open Value Subscription for enterprise products are All Languages.

Europe, Middle East, and Africa (EMEA) regions will still offer Romanian and Bulgarian (RAB) Languages option.

Options Available

Open Value for Government is not available in some regions, including the United Kingdom, United States, Canada, and Denmark. Check with your reseller regarding availability.

Price Levels

All regions offer two price levels, with the exception of Europe, which has two price levels for enterprise products and one price level for additional products. In most countries, there is an additional price level, level C, for organizations with the Open Value Company-wide option that order licenses for at least 250 qualified desktop PCs through their initial purchase order.

Territories

When you enter into an Open Value Agreement, you select a territory for the agreement and determine if the agreement is to include affiliates. A territory is the Microsoft-defined region where the customer is located. For more details, see the Microsoft Open Affiliate Participation page at <http://www.microsoft.com/licensing/programs/open/openregional.aspx>.

In the EMEA region, if you are located in the European Union (EU) or European Free Trade Association (EFTA), the territory is the entire EU/EFTA.

Glossary

Affiliates

An affiliate is a company or legal entity that owns, is owned by, or is under common ownership with the customer. Ownership is defined as more than 50 percent ownership. Qualifying affiliate means an owned affiliate located within a single region.

Agreement Number

An Agreement Number is the unique number assigned to the customer by Microsoft after receiving an initial order in a Microsoft Volume Licensing program. Within Open Value, this number allows reorders for three years from the initial signing date.

Client Access License (CAL)

A CAL license authorizes a user to access Microsoft server products and perform certain functions such as file and print sharing or access services such as e-mail. In general, a single CAL is required for each user or device accessing a server, depending on how the server has been licensed and configured.

Company-Wide Option

The Company-wide option provides additional savings within Open Value for organizations that want to standardize on one or two enterprise products or all three enterprise products as a group with the Professional Desktop Platform or Small Business Desktop Platform. The minimum desktop PC requirement for this license is five desktop PCs.

Customer

A Customer is the organization or entity signing an Open Value agreement.

Effective Date

The Effective Date is the licensing agreement start date. Typically, this is the date the contracting Microsoft affiliate accepts the agreement.

Microsoft Software License Terms

Each Microsoft software product includes Microsoft Software License Terms, formerly known as the End-User License Agreement (EULA). The Microsoft Software License Terms cover your use of the licensed product as governed by the terms of your agreement and the product use rights specific to such products.

Estimated Retail Price (ERP)

ERP is a common term for the suggested, estimated price a manufacturer puts on its products for sale in a retail business.

Full Packaged Product (FPP)

FPPs are physical, shrink-wrapped boxes, with one license per box, offered by software retailers. FPP is for those who are looking to acquire a small number of software licenses quickly. When upgrading to a new computer, you may transfer FPP licenses to new hardware no more than one time.

License

A license is any one of those offerings identified in the Microsoft Product List (including standard licenses and upgrades for desktop PC operating systems) that provide the right to run a specific version of the software product ordered.

Licenses & Software Assurance

Licenses & Software Assurance combines a license and Software Assurance within a single offering.

Media

Media can be web-based downloads of Microsoft Volume Licensing Products from Microsoft's Volume License Services Center, materials such as a floppy disk, CD-ROM, or DVD for a licensed software product, and may also include printed materials such as a user's guide or product manual.

Microsoft Volume License Services (MVLS)

MVLS is a password-protected Web site that serves as a license management tool for customers. It displays a customer's license status, Software Assurance benefits entitlements, agreement numbers, online records, and other license information.

Non-Company-Wide Option

This is an Open Value option that allows you to pay annually for licenses and upgrade rights on some of your company's desktop PCs or servers.

Original Equipment Manufacturer (OEM)

OEM software licenses are acquired when you buy a computer with software legally preinstalled. If you have ever purchased a computer from the store with Windows or Microsoft Office installed, you have acquired a license for OEM or System Builder software. OEM licenses may be used only on the desktop PC where the software product was preinstalled.

Open License

This is a Microsoft Volume Licensing program for small and midsize organizations that provides discounts over the estimated retail price based on the size of the initial order. The minimum initial order is five licenses.

Subscription Option

This is an Open Value option that allows customers to subscribe through annual payments for the use of Microsoft software, with the ability to make a final buyout payment to own the licenses.

Open Value

This is a Microsoft Volume Licensing program for small and midsize organizations that want the advantages of the latest software and other Software Assurance benefits and the ability to spread payments annually.

Product

Any product Microsoft makes available for license for a fee, including online services and other Web-based services.

Product List

A product list is the statement published by Microsoft from time to time that identifies the products available under a Volume Licensing program and any product-specific conditions or limitations on the acquisition of licenses for the product.

Product Use Rights (PUR)

PUR refers to use of any product that is licensed by Microsoft is governed by product use rights specific to each product and version. Different language versions will be governed by the product use rights for that particular language version.

Qualified Desktop PCs

Qualified desktop PCs are personal computers and similar devices that are used for the general benefit of an enterprise. Qualified desktop PCs do not include computers and systems dedicated to specialized purposes, such as computers designated as a server-only and systems that are exclusively for line-of-business (LOB) software, like an accounting program used by an accountant, or systems running an embedded operating system.

Reseller

A reseller is an authorized entity that offers Microsoft product licenses to customers.

Software Assurance

Microsoft's enhanced maintenance program that provides the right to run the latest version of a licensed product and the ability to spread payments annually. This includes additional benefits such as tools, support, and training.

Territory

Territory refers to the country in which the customer is located. If the customer is located in the European Union (EU) or European Free Trade Associate (EFTA), the territory is the entire EU/EFTA.

True Up/True Down

This is the process of adjusting a customer's report in Volume Licensing for the number of qualified desktop PCs in an organization. With Open Value, customers can install software first and pay later. The Open Value Subscription option lets customers "true up" or "true down" annually with their year-end report and make payment adjustments up or down accordingly. With Open Value Company-wide and Non-Company-wide (perpetual) options, customers can true up monthly, but cannot true down.

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